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[Daily newsletter related to Profession]

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Covering

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- ICAI Updates
- ICSI Updates
- Corporate Law
- Insolvency & Bankruptcy
- SEBI Updates
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Indirect Taxes

- **Notifications / Circulars / Press releases / FAQs / Portal Updates / Write-ups by Board "CBIC" and Government.**

❖ **Government is in the process of finalising the method of computation of compliance rating and rating score of the taxpayers which will be available in the public domain.**

Section 149 of CGST/SGST Act mandate the provisions of GST Compliance Rating.

- Every registered person may be assigned a rating score by the Government based on his record of compliance with GST Provisions.
- Rating will be determined as per prescribed parameters.
- Score be updated at periodic intervals and intimated to the registered person and also placed in the public domain prescribed manner.

Impact of such rating score.

- Enable buyers to choose compliant taxpayers for doing business, as their timely ITC claim is dependent on timely filing of GST return by the seller.
- The deterrence of a possible loss of business on account of a low compliance rating score would induce taxpayers to be more compliant.
- Public display of compliance rating would increase the transparency and lead to improved trust of the businesses in the tax system

❖ **Know your ITC eligibility at invoice level in auto populated mode of Table 8A of Form GSTR-9- GSTN introduce facility at GST Portal.**

To download table 8A in excel format login to GST Portal > Services > Returns > Annual Return > Form GSTR 9 (Prepare online) > download table 8A document details

- **Legal Updates- Advance Ruling Authorities / Tribunals / High Courts / Supreme Court**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	[2020] 118 taxmann.com 428 Udaipur Cement Works Ltd. v. State of Gujarat R/SPECIAL CIVIL APPLICATION NO. 8870 OF 2020 JULY 31, 2020	Gujrat HC	**Excess CST paid on account of denial of Form 'C' is allowed as refund to buyer.** Where assessee, a manufacturer of cement, was registered under Central Sales Tax Act in State of Rajasthan and Competent Authority of State of Rajasthan wrongly refused to issue Form 'C' to assessee for purchase of diesel at concessional rate of 2 per cent and thereupon seller, who was located in Gujarat, charged from assessee full tax at rate of 20 per cent on sales of diesel and deposited same with department in Gujarat and further assessee requested concerned authority of State of Gujarat for refund of excess tax collected from it and deposited by seller but said authority refused to refund tax amount, concerned authority of State of Gujarat was to be directed to process refund claim of assessee and grant refund of excess tax collected from it and deposited by seller.

- **News / Latest Developments / Other updates.**

❖ **GST collection in Chandigarh bounces back to normal for July, dept collects Rs 108 crores.**

The collection of Goods and services tax (GST) saw its worst dip in April as it came down by almost ten times as compared to the usual collection, as curfew was imposed in Chandigarh on account of the pandemic.

Indian Express Report

Direct Taxes

- **Legal Updates- Tribunals / High Courts / Supreme Court**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	[2020] 119 taxmann.com 21 Tirunelveli District Central Co-operative Bank Ltd. v. Joint Commissioner of Income Tax (TDS) W.M.P. (MD) NOS. 5291 TO 5314 OF 2020 && OTHERS	Madras HC	**No section 194N TDS if cash withdrawn is not income of account holder** Having regard to the overall scheme of the chapter XVII and particularly, by reading Section 194N along with Section 201 of the Act, it can be safely concluded that if the sum received by the assessee will not be an income at his hands, then, the question of deduction under Section 194N of the Act will not arise.

- **News / Latest Developments / Other updates.**

❖ **Banks can now access IT return filing status of PAN holders.**
Banks will now be able to check the income tax return filing status of a permanent account number (PAN) holder quickly from a designated portal run by the income tax department. The Central Board of Direct Taxes (CBDT) said in a statement that it had in August issued an order that IT return filing status will be made available to banks. The new facility is part of the tax department's efforts to keep an eye on large cash withdrawals, especially if the person has not filed income tax returns. CBDT said in a statement that data on cash withdrawal indicated that huge amount of cash is being withdrawn by people who have never filed income-tax returns.

❖ **Income tax notice? Fear not, know how to reply.**
The government's laws are very strict in terms of Income Tax Return (ITR), so the assessee /person may get a notice even for a minor mistake in the filing of Income Tax Return (ITR). But income tax notice does not always mean that you have to face problems. Finance Express Report

ICAI Announcements

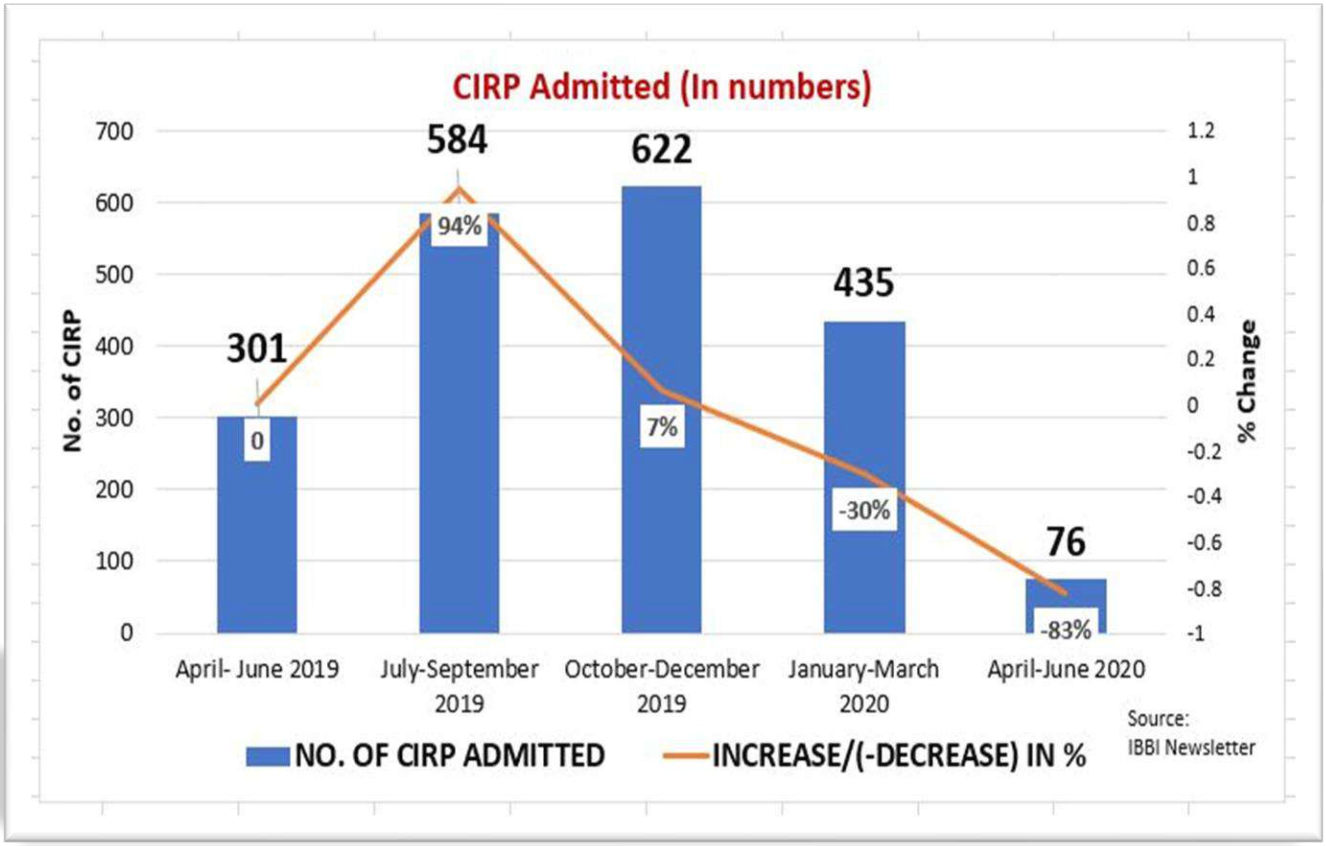
- **ICAI released Handbook on Potential for 'NEO Import Substituting Industrialisation in India' - ISI (COVID-19) published by Research Committee.** [Download here]

- **Live Webcast today- Case Study of Ruchi Soya Resolution under IBC from 03.00 pm to 05.00 pm by the Committee on Insolvency & Bankruptcy Code of ICAI.** [More details here]

Insolvency & Bankruptcy

- **Notifications / Circulars / Press releases / FAQs / Portal Updates / Write-ups by Board "IBBI" and Government.**

- **Status of Corporate Insolvency Resolution Process (CIRP) admitted as on 30.06.2020.**



- **Legal Updates- NCLTs / NCL-ATs / Supreme Court**

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	[2020] 118 taxmann.com 422 India Power Corporation Limited v. Dynamic Cables Limited COMPANY APPEAL (AT) (INSOLVENCY) NO. 1221 OF 2019	NCL-AT Delhi	Where dispute in regard to quality of goods not matching specification of franchiser was for first time raised by corporate debtor in its reply to demand notice and corporate debtor acknowledged liability in respect of an amount of Rs.1.74 crores being due and payable to operational creditor, application under section 9 had rightly been admitted

- **News / Latest Developments / Other updates**

❖ **Australia: COVID-19 support measures cause significant drop-in insolvency appointments.**
June quarter 2020 statistics in for corporate and personal insolvency. The long-term downtrend in insolvency appointments has accelerated in the June quarter 2020, with the largest quarterly drops in both corporate and personal insolvency ever recorded.
Mondaq Report

MSME

❖ **Restarting India: A ground report on how MSME sector is responding to 'vocal for local' move.**
In the special edition of 'Restarting India', CNBC-TV18 puts the spotlight on the MSME sector. Micro, small and medium enterprises are the second largest employment generators in the country and the COVID-induced lockdown, combined with an already slowing economy, has prompted the government and the Reserve Bank of India (RBI) to step in with measures to help the sector.
Read CNBC Report

Economy & Finance

- **FM Nirmala Sitharaman, SC give breather to borrowers**

  Finance minister Nirmala Sitharaman and the Supreme Court separately offered a much-needed breather to bank borrowers on Thursday, stepping in to prevent loans under stress from impairing their creditworthiness, two days after the lapse of a moratorium on loan repayments necessitated by the coronavirus disease (Covid-19) pandemic. The top court passed an interim order that loan accounts that had not been declared non-performing as of August 31 shall not be classified as such until further notice. And at a review meeting to assess banks' preparedness to implement a loan resolution framework in the aftermath of Covid-19, Sitharaman urged the lenders to support both corporate and individual borrowers who may be under stress, the finance ministry said in a statement.

  HT Report

- **FM Sitharaman asks banks to roll out resolution schemes by 15 September.**

  Finance minister Nirmala Sitharaman on Thursday called for "quick implementation" of banks' resolution plans aimed at reviving businesses hit by the covid-19 pandemic, asking lenders to roll the schemes by 15 September. Sitharaman also asked lenders to support borrowers, as and when moratorium on loan repayments is lifted, adding that the distress caused by the pandemic should not impact the lenders' assessment of their creditworthiness. "During her interaction, the finance minister focused on lenders immediately putting in place board-approved policy for resolution, identifying eligible borrowers and reaching out to them. Quick implementation of a sustained resolution plan by lenders for revival of every viable business," the ministry said in a statement.

  Mint Report

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