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[Daily newsletter related to Profession]

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Covering

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- Insolvency & Bankruptcy
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- MSME Related Updates
- RBI Updates
- Economy & Finance related Updates

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Indirect Taxes

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

❖ **GST for MSME Sector- summary of benefits in terms of compliances.**
Small and Medium Enterprises have been accorded with a lot of benefits in terms of compliance reliefs given in the form of threshold exemptions, Composition levy schemes, the Quarterly filing of the GST returns to mention a few. While doing so, it has also been kept in mind by Govt. that they do not become uncompetitive and are also given all the benefits of GST like uninterrupted ITC in the supply chain etc.
CBIC Booklet download here

❖ **GSTN portal update: Auto drafted PDF statement of outward supply will now be available to facilitate filing of GSTR 3B.**
A statement in pdf format will be available to taxpayers on their GSTR-3B dashboard generated from monthly GSTR-1 filed by them from tax period of August 2020 onwards. Table 3 of Form GSTR-3B will be auto drafted on basis of values reported in GSTR-1. This facility is provided to all taxpayers registered as a Normal taxpayer, SEZ Developer, SEZ unit and casual taxpayer. Later on, this facility will be extended for quarterly GSTR-1 filers.
Visit this link to know more

❖ **CBIC launched facility of Auto Let Export Order under Express Cargo Clearance System (ECCS).**
In order to facilitate exports by courier and to enhance the global competitiveness of Indian exporters, CBIC has decided to launch this facility.
Read this circular

- **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] 119 taxmann.com 51 Rajendran Santhosh, In re ORDER NO.KAR/AAAR-14-G/ 2019-20 FEBRUARY 18, 2020	AAAR Karnataka	**Facilitating sale of products of overseas companies to customers in India is service rendered as 'intermediary'.** Where appellant was appointed as Regional Sales Manager by an overseas company engaged in business of manufacturing and selling various categories of distribution transformer components and accessories, since appellant facilitates sale of products of overseas companies by undertaking sales presentations to prospective customers in Middle East and India and appellant is not supplying such goods on his own account, service of sales presentations is classifiable as 'Other professional, technical and business services' under service Code 9983 and same is being rendered as an 'intermediary service' as defined under section 2(13) of IGST Act and taxable at 18 per cent GST.
2	[2020] 118 taxmann.com 468 Vijay Kumar Nair v. State of Madhya Pradesh M.CR.C. NO. 23289 OF 2020 AUGUST 13, 2020	MP High Court	**Commission agent to be granted bail as partners of firm accused of GST evasion were released on bail** Where co-accused (partners of firm) of petitioner for offence of evasion of GST were granted bail, since petitioner was neither partner nor in any way connected with said firm, case for granting bail to petitioner was made out

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
3	[2020] 118 taxmann.com 520 Nitesh Wadhwani v. State of M.P. M.CR.C. NO.25945 OF 2020 AUGUST 13, 2020	MP High Court	**Anticipatory bail application of assessee allowed considering statements recorded & evidence on record.** Facts of a particular case are paramount consideration for granting or refusing protection of a pre-arrest bail, hence, in view of careful consideration of statements recorded under section 70 and evidence on record, anticipatory bail application of petitioner was to be allowed
4	[2020] 119 taxmann.com 49 Logic Management Training Institutes (P.) Ltd., In re ADVANCE RULING NO. KER/76/2019 MAY 20, 2020	AAR Kerala	**Institute providing coaching services to CA/ICWA/CMA students does not qualify as Educational Institution.** Where assessee was an institute imparting education to students to facilitate them in obtaining qualifications like chartered accountancy, cost accountancy, company secretary, certified management accountant, etc., education programme and training offered by assessee was not covered under definition of "educational institution" in para 2(y) of Notification No. 12/2017 Central Tax (Rate), dated 28-6-2017 and, hence, services provided by applicant was not exempted from GST and same would come under SAC - 9992- 999293 - Commercial training and coaching services.
5	[2020] 119 taxmann.com 39 Ranjit Singh v. State of Haryana	Punjab & Haryana HC	P&H HC sets aside condition of paying outstanding tax with interest for grant of bail.

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

❖ **Entire GST shortfall will be compensated, says govt ahead of Sept 10 meet.**
The GST Council will meet on Thursday to take a call on the borrowing options given by the Centre to meet the compensation gap of states. Ahead of the special meeting, finance ministry sources reiterated that the shortfall in compensation to states - whether on account of GST implementation or the coronavirus (Covid-19 pandemic) - would be compensated.
Business Standard

❖ **Senior excise officials among 7 more booked in GST scam.**
Punjab vigilance bureau, probing a multi-crore tax evasion racket, has booked seven more persons, including a divisional excise and taxation commissioner (DETC) and four assistant excise and taxation commissioners (AETC). As per vigilance officials, the racket has brought to the fore the rampant corruption in the excise department as it involves a number of officers who are allegedly taking monthly bribes from businessmen and transporters for ferrying goods in and out of the state without paying the goods and services tax (GST).
HT Report

Direct Taxes

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

❖ Joint Webinar with CPC-ITR Bangalore and Eastern India Regional Council of ICAI on e-filing and processing of ITRs. Date – Sep.9, 2020 at 3:00 pm.
Event address here

❖ Joint Webinar with CPC-ITR Bangalore and Western India Regional Council of ICAI on e-filing and processing of ITRs. Date – Sep.8, 2020 at 3:00 pm.
Event address here

- **Legal Updates- 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 498 Commissioner of Income Tax v. SPL Infrastructure (P.) Ltd. T.C.A.NO.766 OF 2017 AUGUST 7, 2020	Madras HC	**No disallowance on account of unverified exp. if additions were based on past profits trends** Where assessee-contractor made payment to sub-contractors for project of road laying in power plant and, assessing authority disallowed entire payment as all sub-contractors were not produced upon issuance of summons, since all contractors had furnished their statements along with return of income except two sub-contractors and assessee to buy peace and avoid litigation offered 10 per cent of total expenditure incurred towards sub-contractors, no further disallowance was called for.

ICAI Announcements

- **President's Message - September 2020.**
  Read here

- **Students Skills Enrichment Board, BOS (O) of ICAI has launched the Article Placement & Industrial Training portal.**
  Visit here

Corporate Laws

- **MCA notified Companies (Acceptance of Deposits) Amendment Rules, 2020.**
  Copy of notification here

Insolvency & Bankruptcy

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

  - **IBBI issued guidelines for Appointment of Insolvency Professionals as Administrators under the Securities and Exchange Board of India (Appointment of Administrator and Procedure for Refunding to the Investors) Regulations, 2018.**
    Download here

- **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 458 Vijayakumar J. v. Kerala Housing Finance Ltd. TIBA NOS. 31/KOB/2019 & 10/KOB/2019 M.A. NO. 34/2019 DECEMBER 6, 2019	NCLT Kochi	**NCLAT directs SEBI to lift attachment order against corporate debtor to enable IRP to timely complete CIRP**. Where IRP while attempting to procure all information for determining financial position of corporate debtor was unable to access bank accounts of corporate debtor as same had been attached by SEBI, IRP was to be permitted to open a new bank account in name of corporate debtor-company under CIRP and newly opened account shall not be subjected to attachment by SEBI

MSME

- **SBI, PNB lead PSBs' tally in disbursing credit to Covid-hit MSMEs; this many units supported.**
  India's largest lender State Bank of India followed by Punjab National Bank, Canara Bank, Bank of Baroda and Union Bank of India are the five leading credit lending public institutions to Covid-hit MSMEs under the Rs 3 lakh crore Emergency Credit Line Guarantee Scheme (ECLGS), according to the government data. As on September 3, 2020, 12 public sector banks have cumulatively disbursed Rs 62,025.79 crore into 21,28,010 MSME accounts, as per the data tweeted by the Finance Minister Nirmala Sitharaman's office on Monday. The overall credit disbursement including 24 private banks and 31 non-banking financial companies (NBFC) was Rs 1,13,713.15 crore into 24,70,312 MSME accounts. The share of private banks and NBFCs was Rs 51,687.36 crore disbursed into 3,42,302 MSME.
  Finance Express Report

Reserve Bank of India

- **Report of the Expert Committee on Resolution Framework for Covid-19 related Stress**
- The Reserve Bank had, on August 7, 2020, announced the constitution of an Expert Committee under the chairmanship of Shri K.V. Kamath to make recommendations on the required financial parameters to be factored in the resolution plans under the 'Resolution Framework for Covid19-related Stress' along with sector specific benchmark ranges for such parameters.
  The Committee has since submitted its report to the Reserve Bank on September 4, 2020 which is being placed on the RBI website. The Committee has recommended financial parameters that, inter alia, include aspects related to leverage, liquidity, and debt serviceability. The Committee has recommended financial ratios for 26 sectors which could be factored by lending institutions while finalizing a resolution plan for a borrower.
  RBI Release

Economy & Finance

- **ED arrests Chanda Kochhar's husband in Rs 1,730-crore ICICI loan case.**
  The Enforcement Directorate (ED) on Monday arrested Deepak Kochhar, husband of former ICICI Bank CEO Chanda Kochhar, in connection with the ICICI Bank loan case. A top ED official told IANS, "Deepak Kochhar has been arrested under the Prevention of Money Laundering Act after daylong questioning." He was arrested by the Mumbai branch of the financial probe agency.
  Tribune Report

- **100 days and GDP shrink: Government works on a fresh stimulus.**
  AFTER MORE THAN 100 days since Finance Minister Nirmala Sitharaman announced an economic package, six weeks after a series of meetings at the highest level underlined the need for a stimulus and official estimates indicating the worst-ever first quarter GDP contraction of 23.9 per cent, the government has finally identified the "non-salaried middle class and small businesses" as the target audience for a second round of stimulus.
  Indian Express Report

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