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[Daily Newsletter related to Profession]

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Direct & Indirect Taxes | ICAI & ICSI Updates | Corporate laws | Insolvency | SEBI | RBI | Economy & Finance

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Indirect Taxes

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

❖ **CBIC framed Policy and Guidelines for setting up of Inland Container Depots (ICDs), Container Freight Stations (CFSs) and Air Freight Stations (AFSs).**
CBIC Circular 50/2020- Customs is here

- **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	M/s Sun Dye Chem vs. Assistant Commissioner (ST) W.P. No.29676 of 2019	Madras HC	**Madras HC permitted assesee to resubmit GST Returns.** The petitioner was a partnership firm and filed returns for the period of August 2017 to December 2017 on the GST Portal. However, an inadvertent mistake was committed while filing Form GSTR-1 and an Intra-state sale was erroneously reported as inter-state sales due to which the CGST and SGST credit reflected in the IGST column of GSTR 2A of the customer. This was brought to the notice of Petitioner by customer when they faced difficulty in availing credits. The petitioner submitted the request for amendment on 12.08.2019 but rejected on the ground that the time limit for amendment extended to 31.03.2019 for the period of F.Y. 2017-18 was already lapsed. It filed writ petition before the Madras High Court.

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

❖ **Maharashtra AAR issued guidelines for online e-hearing due to pandemic Covid-19 Trade Circular ARA-01 T of 2020 Dated November 6, 2020**

The Authority for Advance Ruling ('AAR') under Maharashtra GST Act, 2017 decided to initiate online e-hearing in respect of applications filed due to the current situation under pandemic of Covid-19.

The online process includes application filed along with payment of fees, conduct of E-hearing with the use of Microsoft Teams Application, etc. The submission of documents shall be made through the postal services or courier. The service of advance ruling order will be done through e-mail only. In case, it is necessary for hearing in person, the AAR officer may opt to conduct personal hearing by physical presence.

❖ **Companies get GST audit notices from various States.**

Every State has issued a different notice, requiring tons of information Multinational companies have started getting notices from State GST Authorities, even as the Centre is talking about lowering compliance burden. These notices are for initiating department driven audits wherein team of officers would undertake comprehensive verification of details and records being maintained by a taxpayer. These notices are relayed with conducting audit for FY 2017-18.

Business Line Report

❖ **GST Compliance tightened: Buyers from big firms to show valid e-invoices for tax credit.**

E-invoicing system is connected to a central portal which receives and validates invoices in real time. It has been touted as a game changer, and one of the reasons why the proposed overhaul of GST return-filing system was abandoned earlier this year as it was thought that e-invoicing could achieve the same objective without unsettling the current system. "Every business entity procuring supplies from large vendors must ensure that invoice issued to him is a valid e-invoice with an invoice reference number (IRN). Taxpayers need to doubly ensure that supplies received from the listed vendors must be backed by a valid e-invoice," Rajat Mohan, senior partner at AMRG & Associates, said.

Finance Express Report

- **Dharmendra Pradhan: Consensus on including LNG under GST soon.**
  [Indian Express Report]

Direct Taxes

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

- **Income Tax Department conducts searches in West Bengal.**
  The Income Tax Department has carried out searches on 05/11/2020 in the case of one prominent coal trader of West Bengal having premises in Raniganj, Asansol, Purulia and Kolkata. The searches were based on intelligence gathered, which indicated that large scale unaccounted cash was being generated and used for various purposes. The searches have led to seizure of documents indicating that companies of the assessee group held bogus investments in unquoted equity shares of paper concerns to the magnitude of around Rs. 150crore, out of which investments of around Rs. 145 crore have been sold. These sale transactions were found to be sham transactions and have been admitted by the assessee in the statement recorded during the search.
  [Income Tax Department Press Release]

- **Income Tax Department conducts searches in Kerala**
  The Income Tax Department has carried out search and seizure operations on 05.11.2020 in the case of a well-known self-styled evangelist of Thiruvalla in Kerala and his group of various trusts that enjoy exemption under the Income-tax Act, 1961 as charitable/religious trusts. The group operates places of worship, a number of schools and colleges across the country, a medical college, and a hospital in Kerala. The action covered 66 premises located in Kerala, Tamilnadu, West Bengal, Karnataka, Chandigarh, Punjab and Telengana.
  [CBDT Release]

ICAI Announcements

- **MEF - 2020-21 extended till 10th November 2020.**
  [Announcement here]

❖ ICAI upcoming programs

- **BOS (Academic) of ICAI presents Live Webinar Series-3 - Interactive Special Counselling Session on 7th November 020 from 3PM to 5PM through webcast.**

- **ICAI Launches Unique 10 Weeks "Online Management Development Program: Leadership Beyond Boundaries" Steered by Renowned IIM/ISB/International Faculties from 10 Nov 2020 to 16 Jan 2021 at Centre of Excellence, Hyderabad.**

- **"Live Webcast-India's 17 Moonshots leveraging SDGs at Budget Time-Unique & world beating path to 10% growth & $10 trillion economy" organized by Committee on Economic Commercial Laws & Economic Advisory and Direct Taxes Committee on 10/11/2020, 4.30pm-7pm**

Click here for more details

Insolvency & Bankruptcy

- **Notifications / Circulars / Press releases/ Write-ups by IBBI and Government.**

❖ In the matter of Mr. S. Radha Krishna, Insolvency Professional, IBBI disposed off Show Cause notice without any action on IP as IPA already took disciplinary action. IP accepted the assignment without having AFA.
Order here

❖ **In the matter of Mr. Manmohan Jhawar, Insolvency Professional**
IBBI ordered that Mr. Manmohan Jhawar shall not seek or accept any process or assignment or render any services under the Code for a period of six months from the date of coming into force of this Order. He shall, however, continue to conduct and complete the assignments / processes he has in hand as on date of this order.
Order here

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

❖ **Jet Airways: Resolution Professional moves NCLT seeking nod for Kalrock Capital-Murari Lal consortium.**

Consortium had submitted plan to resurrect the debt-strapped airline The Resolution Professional of Jet Airways has moved an application with the NCLT seeking approval for the Murari Lal Jalan and Kalrock Capital consortium. The consortium had submitted a resolution plan to resurrect the debt-strapped airline, earlier last month.

Business Standard Report

SEBI

❖ **SEBI issues circular on Investor Grievance Redressal Mechanism.**

Download here

❖ **SEBI's Circular on Norms regarding holding of liquid assets in open ended debt schemes & stress testing of open-ended debt schemes.**

Download here

Reserve Bank of India

❖ **RBI issues Scheduled Banks' Statement of Position in India as on Friday, October 23, 2020.**

Click here to read more

❖ **Financial Action Task Force (FATF) High risk and other monitored jurisdictions - October 23, 2020**

The Financial Action Task Force (FATF), vide public document 'High-Risk Jurisdictions subject to a Call for Action' dated October 23, 2020, has called on its members and other jurisdictions to refer to the statement on these jurisdictions adopted in February 2020.

More details here

Economy & Finance

❖ **Large NBFCs should convert into banks or shrink biz: RBI deputy guv Rao.**

Reserve Bank of India's newly appointed Deputy Governor M Rajeshwar Rao on Friday said larger non-banking financial companies (NBFCs) should be regulated as strictly as banks to preserve financial stability. He advocated a more "calibrated and graded regulatory framework, proportionate to the systemic significance of entities concerned" as the way forward. "One can also argue that the design of a prudential regulatory framework for such NBFCs can be comparable with banks so that beyond a point of criticality to systemic risks, such institutions should have incentives either to convert into a commercial bank or scale down their network externalities within the financial system," Rao said at a summit organised by Assocham. This arrangement, the deputy governor said, would make the financial sector "sound and resilient while allowing a majority of NBFCs to continue under the regulation-light structure".

Business Standard report

❖ **India's economy set to make strong recovery in upcoming quarters; ample of investment options lie ahead.**

Even as the coronavirus pandemic hits the Indian economy severely, the country is poised to recover strongly in the upcoming quarters due to reform orientation, resilient financial system, and robust domestic consumption, Finance Minister Nirmala Sitharaman's Office said in a tweet. It added that the government has been consistently introducing reforms that are improving the investment climate in India. A day after Prime Minister Narendra Modi's addressed the global investors in an effort to attract them to invest in India, the FM Office said that the investment landscape in India offers abundant opportunities across sectors, segments, and industries.

Finance Express Report

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