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[Daily Newsletter related to Profession]

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Initiative by

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Indirect Taxes

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] 121 taxmann.com 70 Interglobe Aviation Ltd. v. Commissioner of Customs, Air Cargo FINAL ORDER NOS. 51226-51571 OF 2020 AND CUSTOMS APPEAL NO. 51732 OF 2019 & OTHS. NOVEMBER 2, 2020	CESTAT Bench, New Delhi	Airline operator is entitled to exemption from payment of IGST on re-import of repaired parts/aircraft. Appellant a scheduled airline operator, is entitled to exemption from payment of integrated tax under the Exemption Notification No. 50/2017 dated 30-6-2017 on re-import of repaired parts/aircraft into India absence of mention of integrated tax and compensation cess in column (3) under Serial No. 2 of Exemption Notification would mean that only basic customs duty on fair cost of repair charges, freight and insurance charges are payable and integrated tax and compensation cess are wholly exempted.

News / Latest Developments / Other updates.

❖ Arrest of a prominent Builder in a case of availment of fraudulent Input Tax Credit of Rs. 4.86 Crore on fake invoices

The officials of DGGI, Nashik Regional Unit of DGGI, Nagpur Zonal Unit arrested a prominent builder of Nashik in an ongoing investigation regarding availment of fraudulent Input Tax Credit on fake invoices. Information had been received by DGGI that the Builder was availing fraudulent Input Tax Credit on fake invoices issued by non-existent entities and was utilizing this fake Credit for discharging its outward GST liabilities.

[Finance Ministry Release](#)

❖ **Monthly GST filing will not be necessary after e-invoice system is in place: Finance secretary.**

In a major relief to businesses, the government plans to do away with monthly filing of Goods and Services Tax (GST) returns after the electronic invoice (e-invoice) is fully operationalised, which will not only reduce compliance burden but also check tax evasion, finance secretary Ajay Bhushan Pandey said.

“GSTR-1 and GSTR-3B will ultimately be phased out, once we fully operationalise the electronic invoice (e-invoice),” he said. In the normal course, the two GST returns (GSTRs) means 24 returns filed by GST registered entities every month. The GSTR-1 is a return indicating sales or outward supplies made during the month and the GSTR-3B is the summary return indicating supplies made, input tax credit availed, and tax payment made for the month

[HT Report](#)

❖ **GST not a perfect system, requires changes, rate rationalisation: N K Singh.**

Fifteenth Finance Commission Chairman N K Singh said on Thursday that the goods and services tax (GST) was not a perfect tax system and it required changes, including greater rate rationalisation. Singh, who submitted the commission's report to the government, said any finance commission's job was a balancing act to reconcile the different objectives. He said no state government was happy with the Fourteenth Finance Commission's recommendations on devolution, even as it raised it to 42 per cent, from the earlier 32 per cent. The Centre was not happy either, he recalled.

On GST, he said, “Yes, it is a path-breaking reform... but it is not perfect. That is the real issue. The implementation of GST is an ongoing process,” he said at the eAdda organised by The Indian Express.

[Business Standard Report](#)

❖ **GST frauds may force govt to turn to inspectors again.**

[TOI Report](#)



Direct Taxes

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] 121 taxmann.com 138 V. Dwarakanathan v. ACIT SPECIAL LEAVE PETITION (CIVIL) DIARY NO(S). 2973 OF 2020 FEBRUARY 10, 2020	SC	Loss on sale of gifted shares could not be allowed if receipt of same was not disclosed in return of income; SLP dismissed. SLP dismissed against impugned order of High Court holding that where assessee claimed loss on sale of shares acquired by him through gift from his daughter for Nil consideration, however, he had not been able to show that he held gift by way of registered document, thus, capital asset not having become property of assessee, section 49 would not be applicable to assessee.

News / Latest Developments / Other updates

❖ Govt nets Rs 72,480 crores under Vivad se Vishwas scheme.

The government has received Rs 72,480 crore in taxes under the dispute resolution scheme 'Vivad se Vishwas' from 45,855 cases so far, finance ministry sources said. The total revenue demand made by the income-tax department from these cases was nearly Rs 1.32 lakh crore. The Central Public Sector Units (CPSUs) came forward to resolve disputes with revenue implication of over Rs 1 lakh crore, sources said. This improves the prospect of the government's target to reach tax revenue collection of last year. The scheme was launched to liquidate nearly 9.5 lakh crore revenue stuck in direct tax disputes at different forums in nearly 5 lakh cases.

[Finance Express Report](#)



ICAI Announcements

❖ **ICAI's announcement for January/February 2021 ICAI Examination.**

[Download here](#)

❖ **ICAI e-Journal (November 2020 - PDF Download)**

[Use this link](#)

❖ **ICAI's upcoming programs**

- Internal Audit Standards Board of ICAI is organising Live Webinar on "Mentoring SMPs- Internal Audit" on November 20, 2020 from 5 PM-8 PM
- Research Committee is organising Virtual CPE meeting (VCM) on 'Research - Paradigm and Review of Literature for CAs' on November 21, 2020 (Saturday) from 4pm-6pm
- The Centre for Audit Quality of ICAI welcomes you to the 1st Batch of the Virtual Executive Master Program – New Age Auditors from 23rd November to 8th December 2020 - 4:00 p.m. till 8:00 p.m.

[More details here](#)



Insolvency & Bankruptcy

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

❖ **IBBI Disciplinary Committee's order in the matter of Mr. Kamal Garg, Insolvency Professional.**

IBBI sent SCN for accepting the assignment of the voluntary liquidation after 31st December 2019 without holding a valid Authorisation for Assignment (AFA) from his IPA and SCN was disposed of without any direction against Mr. Kamal Garg.

[Read the observations and order 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] 121 taxmann.com 196 State of Maharashtra v. Anil Kohil WRIT PETITION NO. 3396 OF 2019 CIVIL APPLICATION NO. 29 OF 2020 NOVEMBER 9, 2020	Bombay HC	Appropriate forum for action under MPID Act is Designated Court under Act and not NCLT. Action taken under provisions of Maharashtra Protection of Interest of Depositors (In Financial Establishments) Act, 1999 (MPID Act) against a 'Financial Establishment', as contemplated under MPID Act, can be challenged before Designated Court under MPID Act and not before NCLT thus, appropriate forum to challenge attachment of account of a financial establishment is Designated Court under MPID Act where financial establishment can raise all contentions on merits and also can point out provisions of IB Code and effect of same on steps taken under MPID Act it will be for MPID Court to consider interplay of provisions of MPID Act and I.B. Code and rule on matter.

News / Latest Developments / Other updates

❖ Corporate Insolvency — NCLAT Ruling: ‘Final plan okayed by CoC can’t be challenged by rejected bidders.

In its judgment rejecting a plea filed by Hindustan Oil Exploration Company against private equity firm Atyant Capital’s plan for JEKPL, a part of the Jubilant Group, a three-member Bench of the NCLAT ruled that even if there were some changes in the agreed upon resolution plan as an indirect result of the outbreak of the coronavirus pandemic, it “would not be uncalled for”.

[Indian Express Report](#)



Economy & Finance

❖ **Moody's revises India's 2020-21 GDP contraction to 10.6%.**

Moody's Investors Service has revised its GDP projection for India in 2020-21 to a 10.6% contraction compared to a 11.5% drop it had estimated. The rating agency has also marginally elevated its forecast for 2021-22 GDP growth from 10.6% to 10.8%. "Consumer confidence in India remains relatively low amid a continued elevated number of daily new coronavirus cases, although this has come down from a peak in September," Moody's said in a note issued on Thursday.

[The Hindu Report](#)

❖ **Technology based Initiatives & Interventions of MSME Ministry to tackle COVID-19 challenge leads to Effective response to Prime Minister's call of Atmanirbhar Bharat & Make in India.**

Union Ministry of MSME has taken a number of Technology based Initiatives & Interventions to tackle COVID-19 challenge. These have resulted in effective response to Prime Minister's call of Atmanirbhar Bharat & Make in India. With help of these initiatives and interventions, country is now not only manufacturing enough Hand Sanitizer Bottle Dispensers (Pump/Flip) for meeting almost all its sharply increased demand but also poised to export the same. They have also helped India in achieving Self-sufficiency in Hand-sanitizing materials(liquid/gel) and have contributed immensely to developing/producing auxiliary items like masks, face-shields, PPE Kits, sanitizer box, testing facilities etc.

[Media report](#)

SAVE WATER || SAVE UNIVERSE