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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

Initiative by

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Indirect Taxes

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

❖ **NACIN of CBIC issued its Weekly GST Update dated 19.12.2020.**
This Presentation covers the GST changes / observations/ press releases/ Tweet FAQs/ Sectoral FAQs released by CBEC since the last update on 14.11.2020. It supplements the earlier GST Updates. No updates were issued on 21.11.2020, 28.11.2020, 05.12.2020 and 12.12.2020.
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- **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] 122 taxmann.com 251 Amogh Ramesh Bhatawadekar, In re ORDER NO. GST/ARA/06/2019-20 B-58 DECEMBER 15, 2020	AAR Maharashtra	**Digital Goods mainly online gaming will be treated as services under GST, taxable at 18%.** Where applicant is supplying digital goods i.e., online gaming, it is held that e-goods (online gaming) will be covered under services under GST Act which are classified under Heading No. 998439 and are taxable at 18 per cent GST

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

❖ **New Year calendars, pens, bags, diaries gifted or given for brand promotion now under GST.**
ET 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] 122 taxmann.com 213 UFX Ventures (P.) Ltd. v. ACIT Corporate TC APPEAL NOS. 357 & 358 OF 2020 C.M.P. NO. 11260 OF 2020	Madras High Court	**CIT(A) can restore appeal if assessee did not appear before him due to genuine reasons.** Tribunal cannot refuse to condone delay without considering restoration application filed by assessee before Commissioner (Appeals).
2	[2020] 122 taxmann.com 274 Sir Dorabji Tata Trust v. DCIT, Exemption Circle 2(1), Mumbai IT APPEAL NO. 3909 (MUM.) OF 2019 [ASSESSMENT YEAR 2014-15] DECEMBER 28, 2020	Mumbai ITAT	**ITAT quashes revisionary order initiated on basis of Cyrus Mistry's allegations against 'Tata Trust'** In the instant case, the Assessing Officer received 2 box files containing additional material against 'Tata Trust' at the fag-end of the assessment proceedings. As the additional material was at the last-minute, the AO was not able to come to a definite conclusion within the statutory time limit for completing the assessment. Just because the AO could not consider the additional material, the ITAT held that it could not be said that order of Assessing Officer was erroneous and prejudicial to the interest of revenue. Thus, the Tribunal held that Commissioner was not justified in initiating revisional proceedings under section 263 solely on this issue.

ICAI Announcements

- **Announcement regarding extension of name reserved through SPICE+ upon payment of fees by CL&CGC ICAI.**
  More details here

- **Invitation of Comments on Exposure Drafts of Forensic Accounting and Investigation Standards (FAIS) - 250, 360, 370, 510, 520, 530 and 540.**
  Here are the details

- **One-time Condonation Scheme to regularize UDINs.**
  Read the announcement here

- **Webinar on Ind AS scheduled on December 30-31, 2020 and January 9-10, 2021 from 3pm-6pm and 11am to 2pm respectively.**
  Click here to know more

ICSI Announcements

- **ICSI's guidance notes on auditing standards [CSAS-1 to CSAS-4] to be effective from 01.04.2021.**
  The ICSI has issued first four Auditing Standards (AS), i.e. (i) AS on Audit Engagement (CSAS-1) ;(ii) AS on Audit Process and Documentation (CSAS-2) ;(iii) AS on Forming of Opinion (CSAS-3) and (iv) AS on Secretarial Audit (CSAS-4), which are applicable mandatorily on audit assignments accepted by auditor on or after 01.04.2021. Guidance Notes sets out explanations, procedures, and practical aspects of [CSAS-1 to CSAS-4] to facilitate compliance thereof by stakeholders.

Corporate Laws

❖ **MCA amends e-form SH-7 for notifying alteration of share capital to Registrar**

The Ministry of Corporate Affairs (MCA) has amended the e-form SH-7 related to notice to registrar for alterations of share capital. The new form includes the provisions for cancellation of unused issued Share of one class and increase in share capital. Earlier, the form did not have any such pointers and the company needed to attach requisite docs. Now, the form also captures the order of tribunal (if applicable) and date of receipt of such order.

Notification here

Insolvency & Bankruptcy

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

❖ **Insolvency and Bankruptcy Board of India releases provisional list.**

Provisional List of IPs prepared in accordance with 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) (Second) Guidelines, 2020,' for appointment as IRP in a CIRP under section 16(4), liquidator in a liquidation process under section 34(6), RP in an individual insolvency resolution process under section 97(4) or 98(3), and bankruptcy trustee (BT) under section 125(4), 146(3) or 147(3) of the Insolvency and Bankruptcy Code, 2016, during the period January 1, 2021 - June 30, 2021.

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

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	[2020] 122 taxmann.com 250 GGS Infrastructure (P.) Ltd. v. Commissioner of CGST & Central Excise WP-LD-VC-NO. 268 OF 2020 DECEMBER 22, 2020	Bombay HC	**Service tax dues computed by NCLT has to be settled @ 5% of amount recovered from debtors as per resolution plan.** Resolution Plan sanctioned by NCLT provided for settlement of dues of operational creditors at rate of 5% of principal amount only with waiver of interest, penal interest and penalty - Principal service tax dues was quantified by GST Commissionerate Rs.7.02 crore - Tribunal noted that claim raised on account of service tax dues fell under definition of operational creditors and held that dues should be settled at par with other operational creditors under resolution plan - Revenue recovered Rs. 6.24 crore from banks and various debtors - Held, that directions of GST Commissioner for appropriation of whole amount of Rs. 6.24 crore could not be sustained, and Revenue should retain 5% of Rs. 7.02 crore from Rs. 6.24 crore and refund balance amount to petitioner.

Reserve Bank of India

- **RBI Working Paper No. 15/2020: Measuring Trend Inflation in India**
  RBI placed on its website a Working Paper titled "Measuring Trend Inflation in India" under the Reserve Bank of India Working Paper Series.
  Click here for more

Economy & Finance

- **SBI, PNB, other Indian banks see sharp fall in NPAs; these reasons to thank for improved asset quality.**

  The improvement in asset quality has majorly been due to recoveries and higher write-offs by the multiple banks. SBI, PNB, STATE BANK OF INDIA, stressed assets, NPA, GNPA, loan. SBI alone had recoveries to the tune of Rs 4,038 crores and has written off loans worth Rs 5,617 crores.

  India's largest PSU banks — State bank of India (SBI) and Punjab national bank (PNB) — saw a significant fall in non-performing assets in the fiscal's second quarter. SBI, which accounts for the highest share of PSU Banks' GNPAs at 20 per cent, reported the highest asset quality improvement in the second quarter. Its GNPA ratio fell to 5.3 per cent in September 2020, compared to 7.2 per cent in the same month last year. Another large PSU bank, PNB that accounts for 16 per cent share in overall PSU banks' GNPAs, saw a fall in NPAs at 13.4 per cent in September 2020, compared to 16.8 per cent in the last year.

  Finance Express report

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