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[Daily Newsletter related to Profession]

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Most Authentic Newsletter of India

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

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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	[2021] 125 taxmann.com 4 Shree Sagar Stevedores (P.) Ltd., In re ADVANCE RULING NO. GUJ. /GAAR/R/45 OF 2020 APPLICATION NO. ADVANCE RULING/SGST AND CGST/2018/AR/54) JULY 30, 2020	AAR Gujrat	No GST exemption on services of transportation of goods from mother vessel to daughter vessel.

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

❖ **Government released data of GST Revenue collection for February 2021.**

The gross GST revenue collected in the month of February 2021 is ₹ 1,13,143 crore of which CGST is ₹ 21,092 crore, SGST is ₹ 27,273 crore, IGST is ₹ 55,253 crore (including ₹ 24,382 crore collected on import of goods) and Cess is ₹ 9,525 crore (including ₹ 660 crore collected on import of goods).

The government has settled ₹ 22,398 crore to CGST and ₹ 17,534 crore to SGST from IGST as regular settlement. In addition, Centre has also settled ₹ 48,000 crore as IGST ad-hoc settlement in the ratio of 50:50 between Centre and States/UTs. The total revenue of Centre and the States after regular settlement and ad-hoc settlement in the month of February 2021 is ₹ 67,490 crore for CGST and ₹ 68,807 crore for the SGST.
Finance Ministry Press Release here

- **GST compensation shortfall released to States reaches Rs. 1.04 Lakh crores.**

  The Ministry of Finance, Department of Expenditure has on Friday, released the 18th weekly instalment of Rs. 4,000 crores to the States to meet the GST compensation shortfall. Out of this, an amount of Rs. 3,677.74 crore has been released to 23 States and an amount of Rs. 322.26 crore has been released to the 3 Union Territories (UT) with Legislative Assembly (Delhi, Jammu & Kashmir & Puducherry) who are members of the GST Council. The remaining 5 States, Arunachal Pradesh, Manipur, Mizoram, Nagaland, and Sikkim do not have a gap in revenue on account of GST implementation.

  Finance Ministry Release

- **DGGI Gurugram officials arrest man for defrauding exchequer in excess of ₹ 13.76 crores.**

  The Gurugram Zonal Unit of Directorate General of GST Intelligence has arrested a person, namely Mr. Pradeep Jain, resident of Muzaffarnagar, UP who is Director of M/s PSR Metals Pvt Ltd, Muzaffarnagar. Accused is found to have defrauded the exchequer in excess of ₹ 13.76 crore. by clearance of goods without issue of invoices. He was therefore arrested on 27.02.2021 under section 69 of the CGST Act, 2017. The Magistrate sent him to Tihar Jail for 10 days' Judicial Custody. Further investigation in the matter is under progress

  Read more here

- **Abolition of GST annual audit could save firms up to Rs. 30000 crores.**

  The government's decision to do away with mandatory goods and services tax (GST) annual audit requirements will help at least 10 million firms save audit fee worth about ₹30,000 crore annually, besides reducing the compliance burden, two officials with direct knowledge of the matter said on condition of anonymity. However, accountants are against the move.

  "The Finance Bill, 2021, will amend the law, which will be notified soon after. The basic purpose of this move is to expand the GST base by reducing compliance burden and help businesses, particularly small firms, save by not paying audit fees to professionals," one of the two officials said.

  Mint Report

Direct Taxes

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

❖ **Your income tax return not processed yet? Please resolve your outstanding tax demand to enable quick processing of your ITR.**
[To watch a video on how to view and respond to outstanding tax demand, use this link for Income Tax India you tube channel:]

❖ **Penalty arising/pending with Investigation Wing, I & CI, or Risk-assessment outside purview of Faceless Scheme: CBDT**
The Central Board of Direct Taxes (CBDT) has issued clarification that penalty proceedings arising or pending in the Investigation Wing, the directorate of I&CI, erstwhile DG (Risk-Assessment) or by any prescribed authority shall remain outside the purview of Faceless Penalty Scheme.

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

❖ **Income Tax Department conducts searches on a major Pharmaceutical group based out of Hyderabad.**
The search has led to unearthing of evidence relating to unaccounted income of around Rs. 400 crores out of which the assessee group has admitted an additional income of Rs. 350 crores.
[Finance Ministry release here]

❖ **ITAT grants exemption on amount invested in purchase of residential house in daughter's name.**
Bangalore Tribunal in a ruling directed AO to grant an exemption to the assessee u/s 54F, on the amount invested in the purchase of a residential house in his daughter's name. Under Section 54F, an individual after selling a residential property can avail tax exemption from Capital Gains if the capital gains are invested in the purchase or construction of a residential property, subject to certain conditions.
[Finance Express Report]

ICAI Announcements

- **ICAI opened Empanelment of Members to act as Observers at the Examination Centres for the Chartered Accountants Examinations May 2021.**
  More details here

Insolvency & Bankruptcy

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

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	CIVIL APPEAL NO.10355 OF 2018 P. MOHANRAJ & ORS VERSUS M/S. SHAH BROTHERS ISPAT PVT. LTD	SC	**The important question that arises in this appeal is whether the institution or continuation of a proceeding under Section 138/141 of the Negotiable Instruments Act can be said to be covered by the moratorium provision, namely, Section 14 of the IBC.** Given our judgment in Civil Appeal No.10355 of 2018, all these writ petitions have to be dismissed in view of the fact that such proceedings can continue against erstwhile Directors/persons in charge of and responsible for the conduct of the business of the corporate debtor.

SEBI

- **Consultation Paper on Review of Regulatory Provisions related to Independent Directors.**
  Object is to solicit public comments / views on the proposals on review of regulatory provisions related to Independent Directors (IDs) on the boards of listed entities.
  Download here

- **Master Circular on Surveillance of Securities Market.**
  Download here

Economy & Finance

- **Bank credit demand may almost double to 9-10% in FY22: Report.**
  On the back of timely government and regulatory measures this fiscal, which helped the economy to recover faster than expected, bank credit is seen growing 400-500 bps to 9-10 percent in the next financial year, according to a report. In the current fiscal, bank credit is expected to rise 4-5 percent despite the sharpest contraction in the economy since Independence. As per the Crisil report, the economy is likely to grow at 11 percent in FY22.

  While bank credit growth had contracted 0.8 percent in the first half of this fiscal, it recovered sharply in the third quarter by growing 3 percent sequentially. In the fourth quarter, too, it should clock 3 percent sequential growth, Krishnan Sitaraman, a senior director at Crisil said on Monday.

  In June 2020, Crisil had pegged bank credit growth to be at 0-1 percent this fiscal.
  Money Control Report

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