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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

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

❖ Kind Attention

▼ Input Service Distributor

File your GSTR-6 Return for the month of July 2021 by August 13th, 2021.

▼ Who have opted for QRMP Scheme.

Enjoy the convenience of IFF to enable flow of ITC to recipients by uploading B2B invoices for July-21 before August 13, 2021.

- **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	Union of India v. Vishnu Aroma Pouching (P.) Ltd. SLP (CIVIL) DIARY NO(S). 1434/2021 JUNE 29, 2021	Supreme Court	Dismissed department's SLP against HC order to not levy interest on delayed tax payment due to technical glitch on GST Portal. Where petitioner had duly discharged tax liability of August, 2017 within period prescribed therefor, however, it was only on account of technical glitches in system that amount had not been credited to Government account, declaration submitted by petitioner along with return of September, 2019 shall be treated as petitioner having discharged its tax liability of August, 2017 within period stipulated under GST laws and petitioner shall not be liable to pay any interest on such tax amount; SLP dismissed.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
2	Deem Distributors (P.) Ltd. v. UOI WRIT PETITION NO. 7063 OF 2021 AUGUST 3, 2021 Download order here	Telangana HC	No tax demand can be issued or raised without determination of demand u/s 73 or 74 & when investigation is still in progress. Applicant partnership firm was engaged in business of dealing in goods and services relating to ferrous waste and scrap, re-melting scrap ingots of iron or steel, flat rolled products of iron or non-alloy steel etc. - Applicant had availed input tax credit on basis of invoices issued by certain suppliers/firms - Investigations were conducted by department which revealed that said suppliers/firms were fictitious and were issuing fake invoices with an intent to pass on input tax credit and it appeared that said credit was availed by applicant in a fraudulent manner without receiving any material, and applicant was requested to reverse input tax credit of Rs.1.52 crores availed on such invoices immediately - Whether no tax demand could be issued or raised when investigation was still in progress - Held, yes - Whether without there being a determination of liability of applicant in any enquiry conducted under Act, a demand for immediate reversal of input tax credit allegedly availed by applicant could not be raised - Held, yes [Paras 18, 20 and 22]

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

❖ **Mumbai: Businessman booked in Rs 9 crore GST fraud.**

[TOI Report](#)

❖ **Your gift and cash back vouchers will now attract 18% GST.**

Expanding the scope of taxation, the tax department will now levy GST on the supply of e-vouchers thereby bringing even exclusive marketing companies under the tax net. In a recent ruling the Authority for Advance Ruling, Karnataka brought supplies of e-vouchers made by marketing firms liable for 18 per cent GST terming these instruments as part of overall supply of goods and service having an underlying value that is taxable. The order will now make marketing companies buying and supplying e-vouchers taxable at the specified rate on the value of purchase of such vouchers.

[Read this report.](#)

❖ **Kanpur: SNK pan masala owner, director held for evasion of Rs 50 crores GST.**

[TOI Report](#)

❖ **India needs to reduce GST rates for auto sector: Revenue Secretary.**

Higher taxes on automotive sector have a negative impact and the government needs to look at the solution, Revenue Secretary Tarun Bajaj said on Wednesday. "I quite agree with automotive sector. Two-wheelers and four-wheelers were not only charged 28 per cent Goods and Services Tax (GST) but we also charged cess, which is much more and as I see it will continue for two more years," he said while addressing the annual session of Confederation of Indian Industry (CII).

❖ **Industry body AIGF, EY suggest online gaming sector be kept under 18% GST.**

[ET Report](#)

❖ **CGST Commissionerate, Faridabad has arrested two directors of a firm on charges of illegally availing and passing on input tax credit by issuance of invoices without supply of goods.**

[Mint Report](#)

❖ **Division Bench of Karnataka HC stays verdict on levy of GST on race clubs.**

[Business Line 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	ACIT, Cir 1, Mumbai v. Covestro India (P.) Ltd. IT APPEAL NO.2170 OF 2017	Mumbai Tribunal	Share premium amount received by assessee company) could not be brought to tax as revenue receipt and consequently same could not be treated as income under section 56(1) of income tax.
2	Anderson Biomed (P.) Ltd. v. ACIT, Circle 1(1)(1) R/SPECIAL CIVIL APPLICATION NO. 21716 OF 2019 JULY 31, 2021	Gujrat HC	Justified reassessment initiated on info. that assessee provides accommodation entries for shell Co.
3	District Co-operative Central Bank Ltd. v. ACIT, Circle-1, Gulbarga IT APPEAL NO. 185 (BANG) OF 2019 JUNE 22, 2021	ITAT Bangalore	No reassessment to disallow provision for bad debts if AO duly called for all details during original assessment.



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.	Kay Bouvet Engineering Ltd. v. Overseas Infrastructure Alliance (India) (P.) Ltd. CIVIL APPEAL NO. 1137 OF 2019 AUGUST 10, 2021	SC	Application to initiate CIRP must be rejected if a dispute truly exists in fact and is not spurious or illusory.

❖ Govt. notifies IBC Amendment Act, 2021 enables Pre-packaged Insolvency Resolution for MSMEs.

The Central Government has notified the Insolvency and Bankruptcy Code Amendment Act, 2021 which has enabled Pre-packaged Insolvency Resolution for MSMEs. The Insolvency and Bankruptcy Code (Amendment) Bill, 2021 was introduced in Lok Sabha on July 26, 2021. It amends the Insolvency and Bankruptcy Code, 2016. Insolvency is a situation where individuals or companies are unable to repay their outstanding debt. The Bill replaces the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021, which was promulgated on April 4, 2021.

[Tax Scan Report](#)



Reserve Bank of India

❖ RBI published Scheduled Banks' Statement of Position in India as on Friday, July 30, 2021.

[Download here](#)



Economy & Finance

❖ CII meet: Fixing mistakes of past, retrospective tax move will build trust, says PM Modi.

PRIME MINISTER Narendra Modi Wednesday said the decision to end retrospective taxation would strengthen trust between the Government and industry. He said the Government is pushing the boundaries on reforms and that its recent legislative measures will help small investors and depositors.

“Recently, fixing mistakes of the past, we have decided to end retrospective taxation. The way in which this is being appreciated by the industry makes me believe that this will lead to the trust between industry and Government being strengthened,” Modi said at the annual session of the Confederation of Indian Industry (CII) through a video-conference.

The Prime Minister’s remarks came after both Houses of Parliament cleared amendments to the Income-Tax Act and Finance Act, 2012 to ensure that no demand shall be raised in connection with retrospective tax for any indirect transfer of Indian assets if the transaction had been undertaken before May 28, 2012.

❖ Quick Estimates of Index of Industrial Production and Use-Based Index for the Month of June 2021 (Base 2011-12=100) by Ministry of Statistics & Programme Implementation.

Press Release 

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