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No 573 | Tuesday 07 December 2021

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	Vikas Bansal v. Union of India BAIL APPLICATION NO. 2381 OF 2021 SEPTEMBER 23, 2021	Guwahati High Court	Court granted bail to petitioner arrested for selling coal without issuing GST invoices. Where petitioner arrested for allegedly selling coal without issuing GST invoice and for issuing bogus e-way bills, was unlikely to evade trial, and had co-operated with investigation and had been in custody for 30 days, bail was to be granted.
2	East India Info Tech (P.) Ltd. v. State of Tripura W.P. (C) NOS. 494 TO 496 OF 2021 JULY 28, 2021	Tripura HC	Where Competent Authority detained ambulance van of assessee under transport on ground that vehicle did not carry e-way bill and issued show-cause notice upon assessee why unpaid tax and penalties not be recovered, said authority was to be directed to release ambulance van on assessee furnishing bank guarantee to tune of 25 per cent of tax and penalties as indicated in show-cause notice and furnishing a bond for remaining 75 per cent of values.
3	Kamdhenu Agrochem Industries LLP NO. GST-ARA-112/2019-20/B-87 NOVEMBER 2, 2021	AAR Maharashtra	Separate registration not required in other State if imported goods sold directly from Container Freight Station or on Direct Port Delivery basis.

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

❖ **Stock brokers' body pleads govt to cut GST for capital markets in Budget.**

The Association of National Exchanges of Members of India (Anmi), on behalf of its 900 stock brokers, has written to the GST Council on rationalizing goods and services tax (GST) rates for capital markets, and urged the government to consider it in the upcoming Union budget for financial year FY23.

[Mint Report](#)

❖ **Food delivery apps not to get input tax credit under new GST regime from January 1.**

E-commerce Operators (ECOs) in food delivery space like Swiggy and Zomato will not get input tax credit (ITC) under the new GST mechanism coming into effect from January 1. This will be included in the frequently asked questions (FAQs) expected to be released soon.

[Business Line Report](#)



Direct Taxes

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

❖ **As the year comes to an end Finance Ministry glance through the initiatives/ announcements undertaken in 2021.**

- A new section 194P inserted in Income-tax Act, 1961 provides that senior citizens above 75 years, having only pension & interest income from accounts maintained with bank in which they receive pension will be exempted from filing ITR.
- Finance Act, 2021 has inserted specific section in the IT Act, 1961 to provide relief to NRI taxpayers who have an issue with respect to their accrued incomes in their foreign retirement accounts due to mismatch in taxation period.
- Faceless Penalty Scheme eliminates interface between the IT Department & taxpayers. Provides a team-based mechanism with dynamic jurisdiction. Taxpayer can submit replies at their convenience without the need for visiting IT Office.

- Time limit to re-open IT assessment cases reduced to 3 years from 6 years. The assessment can be reopened up-to 10 years only when there is evidence of concealment of income of more than Rs. 50 lakhs in a year with approval of Pr. CCIT.
- Integrated e-filing & CPC 2.0 Project will radically transform & scale-up e-governance capability & performance of the IT Deptt. in delivering taxpayer services. Will redefine ITR filing & processing to provide best-in-class services.
- Taxpayers' Charter launched by Hon'ble PM, reflects certain principal commitments of the IT Department towards the taxpayer. The Charter will go a long way in strengthening the trust between the taxpayer and the tax administration.
- Pre-filled ITRs to individual taxpayers make filing of ITRs easier and encourage compliance. Initial pre-filled data includes salary income. Scope of data for pre-filing is being expanded to include interest, dividend etc.
- Subsequent to a comprehensive study of Income-tax Act & Rules to identify compliances that can be reduced, out of 271 compliances 74 compliances were reduced; 152 of the balance are online and the rest are being made online.
- To increase #EaseOfCompliance of small charitable trusts running educational institutions & hospitals, tax exemption relief to such trusts is provided by the Finance Act, 2021 by raising existing threshold of annual receipts from Rs 1 cr. to Rs 5 cr.
- In order to further ease compliance in filing documents, the Govt. has clarified that e-verification and digital signature is not required if documents are filed through an e-filing account in Faceless Assessment proceedings.

❖ **CBDT alert for ITR Filing**

More than 3 crore Income Tax Returns have already been filed on the new e-Filing portal of the Income Tax Department till 3rd Dec 2021. Have you filed yours yet? If not, please log in to <http://incometax.gov.in> & file your #ITR for AY 2021-22 NOW to avoid last-minute rush.

▪ **Legal Updates- Advance Ruling Authorities / Tribunals / High Courts / Supreme Court**

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1	BPIP Infra (P.) Ltd. v. Income Tax Officer, Ward 4(1), Jaipur S.B. CIVIL WRIT PETITION NOS. 13129, 13297 & 10985 OF 2021 & OTHS. NOVEMBER 25, 2021	High Court of Rajasthan	Mandatory procedure under Section 148A applies to reassessment initiated on or after 01-04-2021. • Revenue could initiate reassessment proceeding on or after 1-4-2021, only in accordance with the mandatory procedure in section 148A and the substituted sections 147 to 149 & 151. • Section 148A and amended provisions are not applicable only in cases where reassessment notice has been issued under pre-amended provisions on or before 31-3-2021. • Where reassessment notice is issued on or after 1-4-2021 without complying with the mandatory procedure of section 148A of the Act and the substituted sections 147 to 149 & 151, the reassessment notice issued u/s 148 deserves to be quashed. • However, it is left open to the assessing authority to initiate reassessment proceedings in accordance with the provisions of the Act, as amended by the Finance Act, 2021 after making due compliance as required under the law.



Economy & Finance

- ❖ **Union Budget 21-22 provided capital outlay of Rs. 5.54 lakh crore, an increase of 34.5% over Budget Estimate of FY 2020-21, to boost economy after COVID-19 pandemic.**

To initiate infrastructure development to boost the economy after COVID-19 pandemic, Union Budget 2021-22 has provided a capital outlay of Rs. 5.54 lakh crore, an increase of 34.5% over Budget Estimate of FY 2020-21. This was stated by Union Minister of State for Finance Shri Pankaj Chaudhary in a written reply to a question in Lok Sabha today.

The Minister stated that the Government has also made provision of more than Rs. 2 lakh crores for States & Autonomous Bodies towards their Capital Expenditure. National Monetization Pipeline was also prepared to unlock the value of investments in public sector assets by tapping private capital and efficiencies for delivering infrastructure services. These proceeds are envisaged to augment existing/ create Greenfield infrastructure. Additionally, Central Ministries/Departments have been suggested to expedite infrastructure investment by front-loading capital expenditure.

Giving more details, the Minister said that the CCEA in its meetings held on 21.10.2021 approved the proposal for development of 'PM GatiShakti National Master Plan (NMP)' for providing multimodal connectivity infrastructure to various Economic Zones. It aims to depict various economic zones and the infrastructure linkages to holistically integrate all the multimodal connectivity projects, remove missing gaps for seamless movement of people, goods & services, minimize disruptions, improve logistics efficiency. The sectors intended to be included in PM GatiShakti NMP are Transport & Logistics - Roads, Rail, DFC, Airports, Inland Waterways, Ports, Logistics infrastructure, Bulk material transportation, Urban Public Transport; Energy – Electricity Transmission with specific reference to evacuation of renewable energy projects, National Gas Grid; Communication – OFC network, Telecommunication Towers; Commercial infrastructure - Common infrastructure for industrial parks with industrial activities like, Food parks/Textile parks, SEZs, Electronics Manufacturing Clusters, Fishing Clusters/Harbours, Defence Corridors/Industrial Corridors, Pharma & Medical Device Clusters.