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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	Gensol Ventures (P.) Ltd. ADVANCE RULING NO. GUJ/GAAR/R/48/2021 (IN APPLICATION NO. ADVANCE RULING/SGST & CGST/2021/AR/26) AUGUST 27, 2021	Gujrat AAR	Discount given to passengers by cab aggregator does not qualify as consideration, thus no GST. E-commerce operator running platform for booking of cabs/radio taxi is liable to obtain registration and pay GST on net ride charges excluding discount offered to customers.
2	Continental Engineering Corporation TSAAR ORDER NO.13 OF 2021 A.R. COM 18 OF 2020 OCTOBER 8, 2021	Telangana AAR	Arbitration amount relating to supplies made in pre-GST taxable under GST regime. GST was not payable on unpaid amounts for work executed including price escalation claimed in arbitration in respect of work executed prior to implementation of GST Act even if arbitration award was rendered after introduction of GST Act.

News / Latest Developments / Other updates.

- ❖ In a special drive against GST Tax Evaders, the Mumbai CGST, Thane Rural Commissionerate arrested one CA on 14 December for availment & utilisation of fake ITC of Rs. 92 crores by using a fictitious entity.



Direct Taxes

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

❖ **CBDT’s tax refunds update**

CBDT issues refunds of over Rs. 1,36,779 crores to more than 1.27 crore taxpayers from 1st Apr,2021 to 13th December,2021. Income tax refunds of Rs. 46,438 crores have been issued in 1,25,34,644 cases & corporate tax refunds of Rs. 90,340 crores have been issued in 2,02,705 cases. This includes 90.95 lakh refunds of AY 2021-22 amounting to Rs. 18,848.60 crores.

- **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	Satva Merchandize (P.) Ltd. v. Income-tax Officer R/SPECIAL CIVIL APPLICATION NO. 20740 OF 2019 SEPTEMBER 20, 2021	Gujrat HC	Court declined to entertain writ against reassessment as AO issued notice after duly recording his satisfaction. Where reopening proceedings had been initiated by Assessing Officer after deriving at a satisfaction that assessee-company was involved as a medium for circuitous transaction of rotation of undisclosed income of directors of certain companies, with independent application of mind and also recording reasons in writing, Court was not inclined to entertain writ petition challenging reopening notice.

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

❖ The Income Tax Department carried out search and seizure operations on 08.12.2021 on four Asset Reconstruction Companies (ARCs). Total of 60 premises spread over Mumbai, Ahmedabad, Delhi, etc. have been covered.



ICAI Announcements

- ❖ **The number of auditors against whom disciplinary action has been initiated for their involvement in corrupt practices during the last five year.**

In reply to the above question asked in lok sabha, Corporate Affairs Ministry replied that as per information provided by ICAI, 2434 cases have been initiated against Chartered Accountants by the Disciplinary Directorate during the last five years (up-to 30th November, 2021). Further, as per information provided by NFRA, it has issued 16 show cause notices to the Chartered Accountants and auditors for charges of professional misconduct and disciplinary action /orders in respect of professional misconduct committed by three Chartered Accountants in respect of Statutory Audit of a company.

[Here is reply copy](#)



ICSI Announcements

- ❖ **CSI ANNOUNCE - MEGA PLACEMENT DRIVE 2022.**

More details [➡ ICSI Announcement](#)



Corporate Laws

- ❖ **Ministry of Corporate Affairs and Financial Intelligence Unit-India sign MoU for data exchange between the two organisations.**

A formal Memorandum of Understanding (MOU) was signed today between the Ministry of Corporate Affairs (MCA) and Financial Intelligence Unit-India, Ministry of Finance for data exchange between the two organizations. The MoU was signed by Shri Manoj Pandey, Joint Secretary, MCA and Shri Manoj Kaushik, Additional Director FIU-India in the presence of Secretary, MCA, and Director (FIU-India). The MoU is in line with the vision of MCA and FIU-INDIA to harness data capabilities to ensure effective enforcement. The data sharing arrangement gains significance in light of development of MCA21 Version 3 and FINNET 2.0 which will utilize state of the art technology for improving their regulatory and facilitating functions. MCA is in process of rollout of MCA21 Version 3 in phases. FIU-India is in the process of upgrading existing FINnet 1.0 to FINnet 2.0.

[MCA Press Release here](#)



Insolvency & Bankruptcy

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

❖ Government submitted in parliament details on insolvency proceedings initiated against Reliance Capital.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a): Ministry of Labour and Employment has apprised that Employees Provident Fund Organisation (EPFO) has invested Rs. 2,500 crore in Reliance Capital Limited (RCL), for which RCL has defaulted in payment of interest from October 2019, and the total interest in default on the non-convertible debentures (NCDs) (secured) is Rs. 534.64 crore as on 30.11.2021. Ministry of Labour and Employment has further informed that as the maturity date of these investment has not become due till date, there is no default on principal as on date.

(b) and (c): The matter for initiation of action under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC), against Reliance Capital Limited was taken up by EPFO. Reserve Bank of India has apprised that it has since superseded the Board of Directors of Reliance Capital Limited on 29.11.2021, and has filed an application on 2.12.2021, for initiation of corporate insolvency resolution process (CIRP) against Reliance Capital Limited, under the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudication Authority) Rules, 2019 at the Mumbai Bench of the National Company Law Tribunal. As per the section 12(3) of IBC, CIRP needs to be mandatorily completed within a period of three hundred and thirty days from the insolvency commencement date.

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

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	E S Krishnamurthy v. Bharath Hi Tech Builders (P.) Ltd. CIVIL APPEAL NO 3325 OF 2020 DECEMBER 14, 2021.	SC	NCLT has no power u/s 7(5) of IBC to compel parties before it to settle a dispute.



Economy & Finance

- ❖ Govt. submitted in parliament data of NPAs of banks as on 30.06.2014 and 30.09.2021.

Details on gross NPAs of Public Sector Banks in Domestic Operations

Amounts in crore Rs.

Bank	As on 30.6.2014			As on 30.9.2021		
	Stressed assets, including restructured standard advances not provided for			Stressed assets, including restructured standard advances		
	As percentage of gross advances	Amount	Out of (3), gross NPAs	As percentage of gross advances	Amount	Out of (6), gross NPAs
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Bank of Baroda ¹	11.35%	47,491	15,879	8.49%	52,936	46,382
Bank of India	11.75%	30,759	11,160	15.93%	58,700	40,915
Bank of Maharashtra	12.51%	11,111	3,761	10.76%	12,401	6,403
Canara Bank ²	10.07%	43,017	12,647	8.62%	57,137	52,494
Central Bank of India	20.66%	38,434	11,449	17.31%	30,388	27,252
Indian Bank ³	13.58%	33,227	12,013	15.41%	57,700	36,081
Indian Overseas Bank	13.59%	21,550	8,781	12.57%	17,156	13,835
Punjab and Sind Bank	17.73%	10,215	3,010	19.11%	12,911	9,823
Punjab National Bank ⁴	16.66%	86,882	32,416	14.24%	1,01,906	98,484
State Bank of India ⁵	10.21%	1,39,634	74,482	5.72%	1,23,386	1,20,811
UCO Bank	15.68%	20,993	5,982	13.37%	14,721	10,182
Union Bank of India ⁶	11.60%	55,000	22,199	16.98%	1,05,116	77,781
IDBI Bank Limited ⁷	6.24%	10,762	10,762			--
Total	12.17%	5,49,075	2,24,542	10.52%	6,44,457	5,40,442

Source: RBI data, domestic operations

[Download data document as presented in parliament](#)

- ❖ In response to question asked in Rajya sabha, Govt gave the details of black money brought back to India from foreign countries since 2014 till 30th November, 2021, year-wise and country-wise.

Download reply [→ here](#)

- ❖ In Rajya Sabha, Finance Ministry gave

(a) the details of hike in excise duty on petrol and diesel during last three years, year-wise.

(b) the details of revenue earned through various taxes on petrol and diesel during last three years.

[Download details here](#)