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Most Authentic Newsletter of India

Direct & Indirect Taxes | ICAI & ICSI Updates | Corporate laws |
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Indirect Taxes

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

- ❖ **CBIC Cargo update.**

New Toll-Free Number for Express Cargo Clearance Helpdesk and Trade Helpdesk 1800-2666-882 will be effective from January 16, 2022.

[Link for details](#)

- **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	V. S. Products v. Union of India WRIT PETITION NOS. 52371 OF 2019, 651 OF 2020 AND 3810 OF 2021 (T-RES) & OTHERS JANUARY 4, 2022	HC of Karnataka	Simultaneous levy of GST, excise duty and NCCD on tobacco and tobacco products is permissible as it amounts to taxing of taxable event of manufacture on two different occasions and levy of surcharge would subsist even if the goods are subjected to levy of GST. Levy of excise duty and NCCD are constitutionally valid after Constitution (101st Amendment) Act on GST came into force; NCCD is an independent levy in the nature of duty of Excise and there is no bar for operation of NCCD Simultaneous levies would be consistent with purposive and harmonious construction of the Constitution because sources of power under Articles 246A and 246 are mutually exclusive and could be simultaneously exercised.

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
2	Raj Quarry Works ADVANCE RULING (APPEAL) NO. GUJ/GAAAR/APPEAL/20 21/03 (IN APPLICATION NO. ADVANCE RULING/SGST & CGST/2020/AR/03) FEBRUARY 11, 2021	AAAR Gujrat	18% GST leviable on royalty paid to Government for license to carry out mining activity. - Where State Government entered into lease/license agreement with appellant for a period of ten years, whereby appellant was entitled to carry out mining activity on a plot of land subject to payment royalty, to services received by appellant from Government of Gujarat was classifiable under Service Code 999113 liable to 18% GST. - Where Government of Gujarat entered into lease/license agreement with appellant, whereby appellant was entitled to carry out mining activity on a plot of land subject to payment of certain amount to Government, appellant was required to pay GST on services received by it from Government on reverse charge basis.

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

- ❖ **Navi Mumbai CGST Commissionerate busts Input Tax Credit racket of more than Rs. 10 Crores, arrests one businessman.**

[Read this press release](#)



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	Sharvah Multitrade Company (P.) Ltd. v. ITO, Word 4(3)(1). WRIT PETITION NO. 3581 OF 2021 DECEMBER 20, 2021	Mumbai HC	Court asked CBDT to frame a scheme to train Income Tax officers on how to apply mind while recording reasons in notice under section 148. The AO has issued notice under section 148 and the reasons recorded for issue of notice show total non-application of mind. The reasons recorded for reopening assessment indicate total non-application of mind in as much as it shows the petitioner-assessee company to be the provider of bogus accommodation entries as well as beneficiary of the entries. A company cannot, obviously, provide bogus entry to itself. Therefore, this clearly shows total non-application of mind by the Assessing Officer. Even approval for issue of notice was granted mechanically without applying mind to reasons recorded. The AO disposed of assessee's objections to notice without application of mind. In the result, writ petition allowed. AO cautioned to be careful in future. A copy of this order be also sent to the Chairman, CBDT, who may perhaps formulate a scheme whereby the officers are trained how to apply their mind and what all points should be kept in mind while recording the reasons. The Chairman, CBDT may also advise the concerned Commissioners not to grant approval under section 151 of the said Act mechanically but after considering the reasons carefully and scrutinizing the same.



Economy & Finance

❖ **India expects to open LIC IPO issue by mid-March: Report.**

Life Insurance Corporation, India's largest insurer, is likely to file a draft prospectus as early as end of this month and begin issuing public shares by mid-March, one government and two banking sources with direct knowledge of the matter in New Delhi and Mumbai told Reuters. The listing of LIC is set to be India's biggest ever IPO, with the government aiming to raise up to 900 billion rupees (\$12.18 billion) from its stake sale.

Officials are working on the valuation of the company which manages more than \$450 billion of assets, and once that is done, they will issue a draft IPO prospectus for investors, a government and two banking sources with direct knowledge of the matter said.

[Money Control Report](#)

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