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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 &
SEBI | Insolvency | RBI | Economy & Finance

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Indirect Taxes

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

❖ **Federation of Indian Exports Organizations "FIEO" jointly with DGTS, Chennai Zone will be conducting a Webinar on IGST Refund & RMCC Process for Risky Exporters - A Practical View on 23rd March, 2022.**

[Register using this link](#)

- **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	Mohsin Salimbhai Qureshi v. State of Gujarat R/CRIMINAL MISC.APPLICATION NO. 91 OF 2022 MARCH 7, 2022	Gujrat HC	Court grants bail to applicant who is in custody for alleged offence of fraudulently availing ITC in GST. Applicant alleged as having received and passing of fraudulent ITC to buyers by way of creating chain of bogus firms without physical receipt and supply of goods - HELD: Facts of complaint would require to be proved by Directorate General of GST Intelligence - Applicant is in jail - Pre-charge evidence would be recorded - Trial will take its own time to conclude - Commissioner is empowered to recover due amount and proceedings can be abated under Section 138 on compounding - If bail is denied, judicial custody will be prolonged beyond statutory period of five years - Fit case where discretion could be exercised in favour of applicant - Applicant is ordered to be released on regular bail .

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
2	Time Education Kolkata (P.) Ltd. TSAAR ORDER NO. 28/2021 A.R. COM/43/2018 DECEMBER 6, 2021	AAR Telangana	18% GST leviable on supply of artwork along with space for advertisement. Advertisement space along with art work, supply of - Heading No. 9983 - Classification - Applicant is engaged in business of purchase and supply of space for advertisement to prospective customers - In course of supply of space for advertisement it is also supplying art work to adorn space - HELD: Notification No. 11/2017-Central Tax (Rate), dated 28-6-2017 has classified services under Head. 9983, i.e., other professional, technical and business services with respect to advertisement services - Said Notification makes a clear distinction between sale of mere 'advertisement space' and 'other advertisement space', which is having a separate Service Code, i.e., 998366 - Applicant is supplying two different supplies and each is attracting different tariffs under this Notification - Therefore, question of deducing a composite supply from combination of drafting a design and incorporating a space does not arise - Where only space for advertisement and print media is supplied Service Code 998362 is attracted and rate of tax applicable is 2.5 per cent CGST + 2.5 per cent SGST - Where a person is supplying ornate space it shall be treated as other advertisement space falling under item (ii) of Sl. No. 21 of Notification No. 11/2017-Central Tax (Rate), dated 28-6-2017 - Services supplied by applicant will fall under 'other advertisement space', which is having a separate Service Code, i.e., 998366 and GST is leviable at rate of 18 per cent.



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	RMSI (P.) Ltd. v. National Faceless Assessment Centre, Delhi W.P. (C) NO. 13553 OF 2021 CM NO. 42773 OF 2021 DECEMBER 2, 2021	Delhi HC	Court quashes faceless assessment order passed without issuing SCN and draft assessment order. Section 144B, read with section 143, of the Income-tax Act, 1961 - Faceless assessment (Show cause notice) - Assessment year 2018-19 - Impugned assessment order had been passed in case of assessee by NFAC without issuing a Show Cause Notice and a draft assessment order which was mandated under section 144B(1)(xvi)(b) - Assessee submitted that said action was violative of section 144B - He emphasized that NFAC straightaway issued impugned final assessment order without issuing any draft assessment order and Show Cause Notice and assessed assessee's income and raised demand - Whether in view of section 144B(9), any assessment order not made in accordance with procedure laid down in section 144B would be non-est - Held, yes - Whether Principal Commissioner was to be directed to examine as to whether NFAC would withdraw a final assessment order, passed in violation of principles of natural justice and/or without issuing Show Cause Notice and draft assessment order as well as without considering reply and/or assessee's request for a personal hearing - Held.

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

- ❖ **Minister of Finance shared in parliament data related to the number of persons who are paying income tax in the country & the total percentage of tax payers vis-à-vis population of the country.**

Read here → [use this link](#)

- ❖ **Finance Ministry submitted data in Rajya Sabha related to status of returns processing and refunds status for income tax payers with audit report for assessment year 2020-21.**

Read this reply to a question asked in parliament ↓

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Corporate Laws & SEBI

- ❖ **More than 3.82 lakh companies struck off till financial year 2020-21 in Special Drives taken by Registrar of Companies.**

Under the Special Drives taken by Registrar of Companies, 3,82,875 number of companies were struck off u/s 248 (1) of the Companies Act till the financial year 2020-21. This was stated by Union Minister of State for Corporate Affairs Shri Rao Inderjit Singh in a written reply to a question in Rajya Sabha.

Explaining further, the Minister stated that there is no definition of the term “Shell Company” in the Companies Act, 2013 (the Act). It normally refers to a company without active business operation or significant assets, which in some cases are used for illegal purpose such as tax evasion, money laundering, obscuring ownership, benami properties etc. The Special Task Force set up by the Government to look into the issue of “Shell Companies” has, inter-alia, recommended the use of certain red flag indicators as alerts for identification of suspected Shell Companies.



Insolvency & Bankruptcy

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

❖ Financial creditors realise 221% of liquidation value and 51% of admitted claims through corporate insolvency resolution process.

As per inputs received from the Ministry of Corporate Affairs (MCA), corporate insolvency resolution process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC), was initiated by banks in the 12 large accounts that were referred by the Reserve Bank of India. Financial creditors had an aggregate outstanding claim of Rs 3.45 lakh crore against these corporate debtors. Out of these 12 corporate debtors, resolution plans have been approved in respect of eight corporate debtors, CIRP is ongoing in respect of two corporate debtors, and two corporate debtors are undergoing liquidation process.

[Read more in this press release](#)

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

Sr.No.	Key to find the document	Authority who passed the order	Details of decision
1	Innovative Construventures (P.) Ltd. v. Brainer Trade and Fin-Tech (P.) Ltd. CA (AT) (INSOLVENCY) NOS. 470 & 486 OF 2019 NOVEMBER 25, 2021	NCLAT Delhi	CoC is empowered to liquidate corporate debtor at any stage before approval of resolution. Where appellant-resolution applicant submitted Expression of Interest (EOI) after last date which was rejected by Committee of Creditors (COC) of corporate debtor and NCLT ordered liquidation by impugned order, CoC was empowered to take such decision and could resolve to liquidate corporate debtor at any stage before approval of resolution plan.

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