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ज्ञानं परमं बलम्

# THE CTC NEWS

Monthly Newsletter of The Chamber of Tax Consultants

(For Private Circulation - Members Only)

DECEMBER 2022



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Glory to God in the highest, and on earth  
peace, good will toward men.



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**If members have any query, kindly contact the following staff members.**

Hitesh G. Shah : *Chief Manager* - 9821889249 | Pradeep Nambiar - *Manager-Events* - 8080254129

Bindu Mistry : *Manager-Technical* - 9637692312 Manisha Kasbe : *Manager-Accounts* - 8104816841

Helpdesk: (1) Events: Mr. Pradeep Nambiar / Mr. Anand Kadam Email: [events@ctconline.org](mailto:events@ctconline.org)

(2) Accounts: Ms. Manisha Kasbe Email: [accounts@ctconline.org](mailto:accounts@ctconline.org) (3) Journal: Ms. Bindu Mistry Email: [jou@ctconline.org](mailto:jou@ctconline.org)

(4) Membership: Ms. Savita Mane Email: [member@ctconline.org](mailto:member@ctconline.org)

## THE CHAMBER OF TAX CONSULTANTS

Dear Member,

We intend to streamline the office administration by allocating different email ids for improvising our communication system. Instead of one email id for all the staff, we have assigned Email ids to the staff in work allocated to them. For ease of reference, a chart is prepared giving a list of email ids, area of work, and staff handling the said area of work. The same is listed as under:

Sr. No.	Email ID	Area of Work	Staff handling the area of work
1	manager@ctconline.org	General Queries	Mr. Hitesh Shah, <i>Chief Manager</i>
2	events@ctconline.org	All event-related issues like webinar, conference, study circle/group meeting, payment related to events	Mr. Pradeep Nambiar / Mr. Anand Kadam / Ms. Neha Kadakia / Mr. Dinesh Dalvi
3	accounts@ctconline.org	accounts related issues	Ms. Manisha Kasbe / Ms. Savita Mane
4	jou@ctconline.org	Chambers Journal printing matter, newsletter matter and other related matters	Ms. Bindu Mistry / Ms. Neha Kadakia
5	it@ctconline.org	All website and social media related matters	Mr. Dinesh Dalvi / Mr. Pradeep Nambiar
6	member@ctconline.org	Members queries such as Renewals/ journal not received/change of address etc	Ms. Manisha Kasbe / Ms. Savita Mane
7	office@ctconline.org	Will be used parallely for 3-6 months. Thereafter, it will be used for communication with members only.	Ms. Savita Mane / Ms. Neha Kadakia

The members are requested to send emails on the above mentioned emails for smooth functioning of Chambers.

We solicit your wholehearted co-operation for smooth functioning of the Chambers office.

Thanks and regards,

**For The Chamber of Tax Consultants**

Sd/-                                      Sd/-  
(Vijay Bhatt)                      (Mehul Sheth)  
*Hon. Joint Secretaries*

## International Taxation Committee

**Chairman:** Kirit Dedhia  
**Co-Chairperson:** Karishma Phatharphekar  
**Vice Chairman/Chairperson:** Shabbir Motorwala, Isha Sekhri  
**Convenor(s):** Kartik Mehta, Niraj Chheda, Vishal D. Shah

## International Taxation Study Circle Meeting on Permanent Establishment - Intricacies - Part 1 (Hybrid Mode)

**Venue:** CTC's Conference Room, 3, Rewa Chambers, Ground Floor, 31, New Marine Lines, Mumbai-400 020  
**Speaker:** CA Bijal Desai

Tuesday, 6th  
December, 2022

6.00 p.m. to  
8.00 p.m.

### Fees

For International Taxation Study Circle Members	NIL
CTC Members	₹ 200/- + ₹ 36/- (18% GST) = ₹ 236/-
Non-Members	₹ 300/- + ₹ 54/- (18% GST) = ₹ 354/-

## Direct Taxes

**Chairman :** Abhitan Mehta  
**Co-Chairman :** Ashok Mehta  
**Vice Chairman :** Viraj Mehta  
**Convenors :** Chintan Gandhi  
 Chirag Wadhwa, Radha Halbe

## Intensive Study Group (ISG) Meeting on Recent Important Decisions under Direct Tax (Virtual Mode)

**Speaker:** CA Chirag Wadhwa

Tuesday, 6th  
December, 2022

6.00 p.m. to  
8.00 p.m.

## Membership & PR

**Chairman:** Premal Gandhi  
**Co-Chairperson:** Ashita Shah  
**Convenors:** Bandish Hemani, Tanvi Vora  
**Advisor:** Sujal Shah

## SAS Meeting on Relationship Management in Professional and Personal Life (Hybrid Mode)

**Venue:** CTC's Conference Room, 3, Rewa Chambers, Ground Floor, 31, New Marine Lines, Mumbai-400 020  
**Speaker:** CA Atul Bheda

Wednesday,  
7th December,  
2022

6.00 p.m. to  
8.00 p.m.

In today's age, the world is moving towards self-centred individualistic society. Most people are running a rat race towards materialistic personal goals. This is leading to disturbances in relations, mental stress and emotional distress. The generation gap is becoming a big issue and relationship management helps in reducing the difference due to generation gap. Proper relationship management and interpersonal communication skills will help in maintaining and improving professional and personal relationship. Relationship Management is all about your interpersonal communication skills and to help overcome the above challenges the MPR committee is having a Workshop on the Topic of "Relationship

Management in Professional and Personal Life" The workshop is being kept in a hybrid mode so that more people can participate and take the benefit of the vast enriching experience of the speaker.

### What will you learn in this workshop?

This workshop will highlight more on family relationships.

- Relationship management between peers in family (Peers relate to Spouse, Sister and Brothers)
- Relationship management between Juniors in Family (Juniors relate to the Children in family)
- Relationship management between Seniors in Family (Seniors relate to Parents in the family)





**The Chamber of  
Tax Consultants**

## Lecture meeting on Unsettled issues on Direct Tax

(Virtual Mode)



**6 PM – 8 PM**

DECEMBER

**09**

Friday  
2022

Speaker:  
**CA Yogesh Thar**

### Decoding various open - ended issues including the following:

- Sec 194R & applicability to brand reminders;
- Impact of Wipro SC ruling for loss return
- Applicability of Sec 45(4) to appreciation of stock-in-trade;
- Do's and don'ts of IBC takeover
- Issues in new reopening provisions
- Non-compliant conversion of Company into LLP
- Claim of business loss of investment in subsidiary



### Organized by: Direct Tax Committee



#### Participation Fees:

Scan QR or visit <https://bit.ly/3LIYJjd>

Members:- NIL | Non-Members:- Rs. 200+GST



## Accounting & Auditing Committee

**Chairman:** Tejas Parikh

**Vice-Chairman:** Hemal Shah

**Convenors:** Deepak K. Shah, Prashant Daftary

**Advisor:** Jayesh Gandhi

## Full Day Workshop on NBFC – Accounting, Audit and Regulatory Aspects (Physical Mode)

**Venue:** Babubhai Chinai Room, 2nd Floor,  
IMC Building, Churchgate, Mumbai-400 020

Saturday, 10th  
December, 2022

9.30 a.m. to  
5.00 p.m.

NBFC's are the recent trending topic of the town and past couple of years were fascinating for NBFCs in India. Despite the impact of the pandemic, the NBFCs witnessed continued momentum and there have been significant increase in the loan disbursements expanding the loan books of the most companies. In the meanwhile, the Reserve Bank of India has been tightening several regulations for NBFCs including, introduction of Scale-based regulations and revised IRAC norms including clarification on daily NPAs and upgradation of NPA status. For larger NBFCs that apply Ind AS, financial

reporting continues to be a significant matter. Although most of the complex issues have been by-and-large settled, applying Ind AS (particularly ECL provisioning) amidst the current economic environment (geo-political scenario, rising interest rates and inflation, foreign exchange vagaries) involves several practical interpretative issues.

In this backdrop, we at CTC have organised a workshop to cover some of the key accounting and regulatory topics NBFCs are facing.

Sr. No.	Topics	Speakers
1.	Keynote Address	CA Bhavesh Vora
2.	Expected Credit Loss Provision <ul style="list-style-type: none"> <li>Accounting Aspects</li> <li>Auditing Aspects</li> </ul> (Possible coverage: <b>Accounting</b> – Calculation of EAD, LGD, PD, Management Overlay, Scenario analysis, lifetime LGD, various models in practice, interaction with RBI IRAC provisions.... <b>Auditing</b> – Audit procedures for the models, scenario analysis, inputs, etc.)	Mr. Murtuza Vajihi
3.	Effective Interest Method <ul style="list-style-type: none"> <li>Accounting Aspects</li> <li>Auditing Aspects</li> </ul> (Possible coverage: Typical issues such as, rebasing for variable rates like MCLR, contractual life Vs. expected life, etc.) <b>Other Issues:</b> <ul style="list-style-type: none"> <li>Repossessed assets – Classification as Held for Sale</li> <li>Deferred Tax</li> <li>Securitisation / PTC/ Direct Assignments</li> </ul> Typical disclosures deficiencies in NBFCs	CA Santosh Maller
4.	Scale based Regulations effective from 1 Oct 2022 IRAC provision – daily NPA, upgradation, differential provisioning for standard assets for UL, new RBI IT outsourcing regulations, etc.	CA Kunal Mehta
5.	Panel Discussion amongst some eminent panel from industry – Regulatory Overkill for NBFCs-is RBI going overboard with the regulations for NBFCs?	<b>Moderator:</b> CA Ashutosh Pednekar <b>Panelist:</b> Mr. Rakesh Bhatia CA Heneel Patel CA Gautam Shah Eminent Faculty

### Fees

**Member** ₹ 2,250/- + ₹ 405/- (18% GST) = ₹ 2,655/-

**Non-Member** ₹ 2,750/- + ₹ 495/- (18% GST) = ₹ 3,245/-

**Study Circle & Study Group****Chairman:** Ashok Sharma**Vice-Chairman:** Dipesh Vora**Convenor:** Dhaval Shah, Dinesh R. Shah**Study Group Meeting on Recent Judgements under Income-tax Act (Hybrid Mode)****Venue:** CTC's Conference Room, 3, Rewa Chambers, Ground Floor, 31, New Marine Lines, Mumbai-400 020**Speaker:** Kavita Jha, AdvocateThursday, 15th  
December, 20225.30 p.m. to  
7.30 p.m.

Dear Member,

The Study Circle and Study Group Committee of The Chamber of Tax Consultants has organised a Study Group Meeting on "Recent Judgements under Income Tax Act" (Hybrid Mode) scheduled on 15th December, 2022.

**Fees****For Study Group Members**

NIL

**CTC Members**

₹ 200/- + ₹ 36/- (18% GST) = ₹ 236/-

**Non-Members**

₹ 400/- + ₹ 72/- (18% GST) = ₹ 472/-

**Study Circle & Study Group****Chairman:** Ashok Sharma**Vice-Chairman:** Dipesh Vora**Convenor:** Dhaval Shah, Dinesh R. Shah**Study Circle Meeting on Penalty for under-reporting and misreporting of income u/s. 270A & Immunity from imposition of Penalty u/s 270AA (Hybrid Mode)****Venue:** CTC's Conference Room, 3, Rewa Chambers, Ground Floor, 31, New Marine Lines, Mumbai-400 020Saturday, 17th  
December, 202211.00 a.m. to  
1.00 p.m.

Sr. No.	Topics	Speaker
1	Penalty for under-reporting and misreporting of income u/s 270A	Dharan Gandhi, Advocate
2	Immunity from imposition of PENALTY u/s 270AA	

**Fees****For Study Group Members**

NIL

**CTC Members**

₹ 200/- + ₹ 36/- (18% GST) = ₹ 236/-

**Non-Members**

₹ 400/- + ₹ 72/- (18% GST) = ₹ 472/-

## Indirect Taxes

**Chairman:** Sumit Jhunjhunwalla

**Vice-Chairman:** Hemang Shah

**Convenors:** Keval Shah, Raj Khona, Yash Parmar

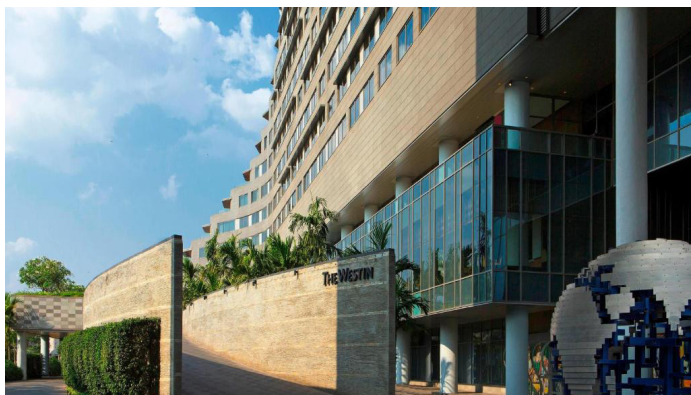
**Advisor:** Rajiv Luthia

**RRC Director:** Ashit Shah

## 11th Residential Refresher Course on GST

**Venue :** The Westin, Pune 36/3-B Koregaon Park Annexe, Pune-411001

Thursday,  
05th January,  
2023 to Sunday,  
08th January,  
2023



Indirect tax Committee of the Chamber of Tax Consultants is pleased to announce much awaited 11th Residential Refresher Course (RRC) on GST, at Hotel Westin, Pune from 5th January 2023 to 8th January 2023

The venue is easily accessible by road from Mumbai and is at a driving distance of 3 hours from Mumbai Suburbs & Thane. The venue is also within driving distance from Nashik, Aurangabad, Satara, Solapur and many more cities of Maharashtra. The Nearest airports to the venue are Pune and Mumbai. Pune airport being nearest is at the distance of 4.7 kms only and the nearest railway station is at the distance of 16 Kms from the venue. Pune airport as well as railway station is well connected with most of the cities of India

### About The Westin Pune

Situated in Koregaon Park, The Westin Pune is a pet friendly hotel that features 3 food and beverages venue and an outdoor swimming pool.

The property has been recently renovated and is a 5-star haven of wellness and renewal. Offering views of urban and riverside landscapes, the spacious air-conditioned rooms are equipped with a personal safe, ironing facilities and a flat-screen TV. All bathrooms come with a hairdryer, bathtub, bathrobes and free toiletries. Certain rooms offer terraces.

One can indulge in a pampering massage at the Heavenly Spa by Westin. It also has squash courts and a fitness

studio. The Market is an innovative restaurant with a live kitchen and offering food using self-grown herbs and micro-greens.

Participants may visit the hotel website: <https://www.marriott.com/en-us/hotels/pnqwi-the-westin-pune-koregaon-park/overview/> for further details.

### About Pune.

Widely regarded to be the second major IT hub and the most important automobile and manufacturing hub in India, Pune is also called "Queen of the Deccan". Pune was also the seat of the Peshwas, the prime ministers of the Maratha Empire, and one of the most important political centres in the Indian subcontinent in the 18th century.

Visit the Shreemant Dagdusheth Halwai Ganapati Mandir, Sinhagad (Kondhana) a hill fortress, Lal Mahal, Shaniwar Wada a 13 storey palace of Peshwas or choose from a range of clubs and lounges to explore its night life and rejuvenate yourself.

### Salient features of the RRC:

- RRC is for 3 Nights/4 Days to provide relaxed schedule for learning and enough time for participants to enjoy the venue and places around. The relaxed schedule also helps in networking with professional colleagues coming from various parts of the country.
- For Non Residential Participants, the fees for the Conference includes course materials, Dinner on 5th & 6th January, Lunch 6th, 7th and 8th January 2023.
- There will be 2 case study papers, 2 presentation papers and one panel discussion covering substantive and conceptual aspects of GST. The papers will be contributed by senior, expert and experienced faculties invited from different part of the country.
- There will be sufficient duration for intensive group discussion. Faculties will be given ample time to cover the case studies in greater depth.



**RRC itinerary:**

Papers for Discussion		Proposed Faculties
<b>PAPER I</b>	Case studies covering Place of supply, Time of Supply, Exemption and ITC	<b>Adv. K Vaitheeswaran</b>
<b>PAPER II</b>	Case studies on scope of supply, Important Definitions and Schedules I,II and III	<b>Senior Advocate Tarun Gulati</b>
Paper For Presentation		
<b>III</b>	SEZ, EOU, Bonding and warehousing and it's Customs, FTP and GST implications	<b>Adv. Rohit Jain</b>
<b>IV</b>	Key takeaways of recent Supreme Court Rulings and its implications on GST	<b>Senior Advocate S Ganesh</b>
Panel Discussion		
<b>V</b>	Real Estate Sector – Interplay of GST and Income Tax	<b>Panelists:</b> <b>1. CA Naresh Sheth</b> <b>2. CA Jagdish Punjabi</b> <b>Moderator: CA Rajiv Luthia</b>

**Day, Date, Venue & Fees**

<b>Date</b>	Thursday, 5th January 2023 to Sunday 8th January 2023 3 nights and 4 days on Twin Sharing basis
<b>Venue</b>	The WESTIN, Pune
<b>Fees</b>	<b>Enrollment fees for Twin Sharing basis</b>
	₹ 21,500/- + ₹ 3,870/- (18% GST) = ₹ 25,370/- <b>for members</b>
	₹ 23,000/- + ₹ 4,140/- (18% GST) = ₹ 27,140/- <b>for non-members</b>
	<b>Enrollment fees for Single Occupancy</b>
	₹ 33,500/- + ₹ 6,030/- (18% GST) = ₹ 39,530/- <b>for members</b>
	₹ 35,000/- + ₹ 6,300/- (18% GST) = ₹ 41,300/- <b>for non-members</b>

**Non-Residential Participants for Pune Residents****CTC Members:-**

₹ 14,000/- + ₹ 2,520/- (18% GST) = ₹ 16,520/-

**Non-members:-**

₹ 15,500/- + ₹ 2,790/- (18% GST) = ₹ 18,290/-

**Other relevant information:**

- The committee plans to provide enrollment to 250 delegates on first cum first serve basis. Members are requested to enroll at **earliest, to avoid the disappointment.**
- Participants are requested to ensure that they get fully vaccinated prior to 14 days of the event.**
- RRC will commence from Lunch at 12.30 PM on Thursday, 5<sup>th</sup> January 2023 and end by 2 PM (after lunch) on Sunday, 8<sup>th</sup> January, 2023.
- Check in time at West In, Pune is at 2.00 PM on 5<sup>th</sup> January 2023. Inaugural session will start at 3.00 PM on 5<sup>th</sup> January 2023. Participants are requested to plan accordingly.
- Participants have to make arrangements for reaching to Hotel Westin, Pune.
- RRC fees includes course materials, stay on twin sharing basis, all meals, etc.
- Request for refund will be entertained subject to the discretion & approval of managing committee of chamber.

**Interested Members may enroll from the Chamber's Website [www.ctconline.org](http://www.ctconline.org) to make online payment.** Members can also download the "Form" from The Chamber's website [www.ctconline.org](http://www.ctconline.org) or may collect it from The Chamber's office and send it along with the cheque/DD/Pay Order in favor of "The Chamber of Tax Consultants." **Outstation members are requested to make the Online payment or by at par Cheque / Demand Draft only.**

For enrollment and any other conference related inquiries,

**Mr. Hitesh Shah** – Chief Manager of Chamber's Office (98218 89249, 79772 58507)

## RESIDENTIAL REFRESHER COURSE

- **Chairman:** Bhavik R. Shah • **Vice Chairman:** Ankit Sanghavi, Darshak Shah  
• **Convenors:** Pratik Doshi, Vishal Shah • **Advisor:** Kishor Vanjara

## 46th Residential Refresher Conference

• **Day & Date:** Thursday, 2nd March 2023 to Sunday, 5th March 2023 • **Venue:** The Sheraton Grand Palace, Indore



Dear Colleagues,

The participants of Residential Refresher Course of Direct Taxes have always shown great interest in fostering the exchange of knowledge in evolving landscape of direct taxation. The objective of such an exchange is to delink participants from day-to-day work and spend quality time in developing skillsets on topics which promises to be future of new avenues of practice and be up to date with amendments in taxation.

In the 46th RRC, our endeavour shall be to focus the paradigm shift in taxation of charitable trust and other direct tax matters of relevant importance. Special sessions are planned to discuss development on this arena. Following that goal, the 46th RRC on Direct Taxes will be held from Thursday, 2nd March 2023 to Sunday, 5th March 2023 at THE SHERATON GRAND PALACE, INDORE which is known to be the cleanest city of India and having rich heritage of magnificent palaces, temples and scrumptious street food.

**(REGISTRATION  
FOR NRRC  
PARTICIPANTS)**

The organizers of the conference has received phenomenal participation for Residential participants. The organisers now invite all lawyers, chartered accountants, tax professionals from Indore and Bhopal to participate on Non-Residential basis and encourage junior

Sr. No.	Paper for Discussions	Speakers
1	Legality and Consequences of Cash Transactions (Covering Disallowance of cash expense (S. 40A(3) r.w.r 600), Penal consequences on cash transactions (269T, 269SS, 269ST, etc), Cash found during survey, Cash Deposit in bank account, Reporting by Financial Institutions (Banks, Credit Card Companies, etc.), and other Taxation Issues and Penalties)	CA Ketan Vajani, Chairman - Adv Hiro Rai
2	Case Studies in Direct Taxation	Adv Mihir Nanivadekar
3	Recent Developments in Taxation of Charitable Trusts - A Paradigm Shift (Covering the changes in the last 3 years)	CA Rajesh Kadakia
4	Paper for Presentation - NRI Taxation including Implications of Overseas Assets	CA Manoj Shah
5	Brains' Trust	CA Pinakin Desai Sr. Adv. Saurabh Soparkar

Fees structure for Non-Residential Participants is under:

Non-Residential Participants – Only for Indore and Bhopal Participants (Fees up to 15th January, 2023)	
<b>CTC Members</b>	₹ 9,000 + ₹ 1,620 (18% GST) = ₹ 10,620
<b>Non Members</b>	₹ 10,500 + ₹ 1,890 (18% GST) = ₹ 12,390
Fees From 16th January, 2023	
<b>CTC Members</b>	10,500 + 1890 ( 18 % GST ) = 12390
<b>Non Members</b>	12000 + 2160 ( 18% GST ) = 14160
(The above fees Includes Course Materials, Dinner on 2nd & 4th March, Lunch on 3rd March, 4th & 5th March, 2023)	

### Notes:

- The organisers are inviting participation from residents of Indore and Bhopal to register for Non-residential participation.
- The participants are requested to upload the address proof for participation on Non-Residential basis.
- The aforesaid fee includes Course Material, Lunch on 3rd, 4th and 5th March 2023. Also, it includes Dinner on 2nd March and participation in Gala Night on 4th March 2023 followed by Dinner
- The conference on 2nd March 2023 shall start sharp at 2 pm with Group Discussion on Paper of Legality and Consequences of Cash Transactions
- The following is the tentative Day wise and time-wise schedule for participants joining on Non-Residential basis:
  - 2nd March 2023 – 2pm to 9 pm
  - 3rd March 2023 – 9 am to 1.30 pm
  - 4th March 2023 – 9 am to 4 pm followed by Gala Night from 8 pm onwards;
  - 5th March 2023 – 8.30 am to 12 noon
- The fee does not include participation for sight-seeing on 3rd March 2023 which is schedule from 2 pm onwards.
- Considering there are limited seats for enrollment, participants must note that registrations will be subject to first-cum-first-serve basis.
- The conference will conclude on Day 4 (Sunday, 5th March 2023) at 12.00 noon. Lunch has been arranged on Day 4 for the participants.
- For safety of members, it is mandatory to follow all Covid – 19 prevailing guidelines in the hotel premises.
- In case of cancellation, member is requested to nominate someone to attend the RRC, no refund request shall be entertained, except under genuine unavoidable circumstances, subject to the approval of RRC Committee and Managing Council.
- For enrolment and any other conference related enquiry, please contact Mr. Hitesh Shah, Chief Manager on 9821889249/7977258507

## Important Decisions under GST and Service Tax Laws

By Vinay Kumar Jain and Jay Chheda, Advocates

### 1. Whether an assessee can amend GSTR-1 to rectify the mistake of mentioning incorrect GSTIN number of the supply recipient?

**Facts and Pleadings:** The Petitioner is engaged in the business of mining. In 2018, the Petitioner's company was engaged by Eastern Coalfields Ltd. for providing services in relation to removal and re-handling of overburden from Dahernangi OC patch. At the time of filing GSTR 1 for the month of January 2019 in March 2019, an inadvertent error occurred in mentioning the GSTIN number of the service recipient. Such error was realized only in June 2021. As a result, the transaction between the Petitioner and Eastern Coalfields Ltd. was not reflected in the GSTR-2A of Eastern Coalfields Ltd, instead it was shown in the GSTR-2A of MIPL-NKAS. The Petitioner therefore requested the department to allow rectification of Form GSTR-1 which was rejected. The department rejected the request on the ground that GSTN portal does not allow amendments of the returns after filing of annual return GSTR-9. Accordingly, the Petitioner filed a writ before Jharkhand High Court.

The Revenue's case before the High Court was that any such rectification in Form GSTR-1 could have been done by the Petitioner within the time limit prescribed under Section 37(3) of the JGST Act i.e. after furnishing of GSTR 3B (the return under section 39) for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier. Further, the Revenue argued that Form GSTR-1 in column No. 9 provides for amendment of such errors or incorrect entries pertaining to invoice, credit notes, debit notes as also GSTIN number which the Petitioner had failed to avail.

#### **Judgment passed by High Court of Jharkhand:**

The Court observed that there was no misutilization of ITC by either of the parties, the issue that essentially remained was that of the correction of returns only. The Petitioner drew the attention of the Court to the provisions of Section 37(3) and section 42 and 43 of the CGST. The Petitioner also referred to the amendment carried out in Section 37(3) by the Finance Act 2022 by which the expression "and which have remained unmatched under Section 42 or 43" have

been omitted. The above amendment was notified through Notification No. 19/2022 dated 28.09.2022 w.e.f. 01.10.2022 only prospectively.

By the said amendment the Rules 69 to 77 and 79 have been omitted and Forms GSTR-1A, GSTR-2 and GSTR-3 have also been omitted. These amendments have been notified for the first time by the Notification dated 28.09.2022 w.e.f. 01.10.2022. Therefore, these amendments do not have any bearing on the case of the Petitioner which relates to filing of GSTR-1 for January 2019 in March 2019.

Subsequently, the mechanism for discovery of any such error or omission to rectify the return as per section 37(3) was not notified at the time of filing of GSTR-1. The correction of the relevant GSTIN number in GSTR-1 form of the Petitioner relating to January 2019, the consequent reflection of such ITC in GSTR- 2A of Eastern Coalfields Ltd. and deletion of such ITC from the return of MIPL-NKAS in GSTR-2A would be revenue neutral. In the interest of justice, the Court allowed the Petitioner to make the necessary correction in GSTR-1 form for January 2019.

The Court directed that the changes may be allowed to be made online by GSTN by opening the portal for a limited period upon due communication to both parties. If the changes are not possible online for technical reasons, the GSTN could allow the Petitioner to make such corrections through manual mode. Such corrections were ordered to be made within a period of 8 weeks from the date of receipt of the order.

**M/s. Mahalaxmi Infra Contract Ltd v. GST Council, New Delhi and Ors – 2022-TIOL-1393-HC-JHARKHAND-GST**

### 2. Whether interest can be levied on delayed filing of GSTR 3B return while the amount has been deposited in the Electronic Cash ledger before the due date of filing the GSTR 3B return?

**Facts and Pleadings:** Petitioner had deposited amount in Electronic Cash Ledger before due date of filing GSTR 3B return but filed GSTR 3B return after due date. The department demanded interest of ₹ 13,23,783/- due to delay in filing of GSTR-3B return for the period July 2017 to December 2019, in terms of Section 50 of the CGST Act.

The Petitioner filed a Writ Petition before Jharkhand High Court on the ground that interest cannot be levied on delayed filing of GSTR 3B return since deposit in Electronic Cash Ledger was undertaken prior to the due date and the same amounts to discharge of tax liability to government.

**Judgement passed by High Court of Jharkhand:**

The High Court held that the department has rightly computed interest as deposit in Electronic Cash Ledger does not amount to payment of tax liability to government. As per Section 49(1) any deposit made in the prescribed modes are mere deposits towards tax, interest, penalty, fee or any other amount by such person credited to the Electronic Cash Ledger. Such deposit does not mean that the amount is appropriated towards the Government exchequer. The discharge of tax liability is simultaneous with the filing of GSTR 3B return. The cash ledger is just an

e-wallet where cash can be deposited at any time by creating the requisite Challans. Since, the amount lies deposited in the Electronic Cash Ledger, a registered assessee can claim its refund any time. Any registered person can pay the tax not later than the last date on which he is required to furnish such return but only on filing of GSTR-3B the amount lying in his Electronic Cash Ledger is debited towards payment of tax, interest or tax liability. As per the scheme of CGST Act, payment of tax cannot be done prior to filing of GSTR 3B return, though such deposits may be made or are lying in Electronic Cash Ledger. The High Court held that mere deposit of amount in the Electronic Cash Ledger on any date prior to filing of GSTR-3B return, does not amount to payment of tax liability. Accordingly, the High Court dismissed the petition.

**RSB Transmissions India Limited v. Union of India & Others - 2022-VIL-745-JHR**

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## Unreported Tribunal Decisions

By Ajay R. Singh Advocate and CA Rohit Shah

### 1. Value of Shares Determined by Merchant Banker shall be Taken for Computation of Perquisite and TDS Liability

**Facts:**

The facts of the case were that the assessee was engaged in the manufacturing and sales of wines in India, and a survey under section 133A of the Income Tax Act, was carried out in the case of the Assessee, on 10/10/2018, wherein according to the assessing officer, the assessee violated provisions relating to deduction of tax at source, including section 192 of the Income Tax Act. according to the Assessing Officer the assessee company had allotted 40,000 warrants, at the option of conversion into shares at the rate of ₹ 155 per share. The company having got the fair market value determined through a merchant banker, who worked out the fair market value of the shares at ₹ 194.15 per share, the assessee company had accordingly worked out the perquisites in the hands of the employee and accordingly it had deducted tax at source

(TDS) on the perquisite amount, in terms of section 192. However, according to the assessing officer, during the relevant assessment year, M/s. Reliance capital had sold shares of the assessee company at the rate of ₹ 850 per share and therefore, he held the view that fair market value should have been computed by taking the market value at the rate of ₹ 850 per share. Accordingly, he computed the quantum of perquisite and liability in terms of section 201(1) and interest under section 201 (1A), leaving the assessee company aggrieved to prefer an appeal before the CIT (A). However, on further appeal the CIT (A) deleted the liability raised under section 201(1) and interest under section 201 (1A). The Revenue preferred appeal before the ITAT.

**Held:**

Assessee submitted that while computing the fair market value of the equity shares allotted to the employee, the assessee has followed the procedure laid down in Rule 3(8) of the Rules. Under the Rules, in case of shares of unlisted



company, the fair market value shall be the value determined by a merchant banker. The merchant banker has also been defined in the Rules, and the said Rule has been reproduced by the Ld. Assessing Officer in the impugned order.

The Ld. DR could not controvert the factual aspect as pointed out by the assessee. Relying on the assessee's submission. Ld. ITAT upheld the order of the Ld. CIT(A) and thus dismissed revenue's appeal.

**ACIT (TDS)-2(2) vs. Sula Vineyards Pvt. Ltd.  
ITA No.12/MUM/2022] AY 2018-19**

**2. Denial of Exemption on Long Term Capital Gains  
us 10(38)**

**Facts:**

The assessee had filed the return declaring total income of ₹ 13,92,790. The assessee has shown income from speculation business and income from other sources. The return of income filed by the assessee was processed under section 143 (1) of the Act. Pursuant to the information received from Directorate of Investigation that assessee is a beneficiary of an organized racket of generating bogus entries of long term capital gains in penny stocks, notice under section 148 of the Act was issued initiating reassessment proceedings in the case of the assessee. After receipt of reasons, assessee filed detailed objections before the Assessing Officer. The AO passed an order under section 143(3) r/w section 147 of the Act after, referring to information gathered and collected from the investigation wing pertaining to survey action conducted in the case of company, i.e. First Financial Services Ltd, in whose shares assessee had transacted. Accordingly, sum of ₹ 84,45,050 being long term capital gains claimed by the assessee was treated as unexplained investment made by the assessee in cash to obtain the equivalent amount as bogus profit on sale of shares and was added to the total income of the assessee. Further, the AO made an addition of ₹ 22,712, being the

commission charged by the brokers @ 0.25% for providing accommodation entry, on the basis that the payment would have been made in cash by the assessee over and above the total sale value of ₹ 90,85,050.

During the course of hearing, Id AR submitted that SEBI vide interim order dated 19/12/2014 and 11/08/2015, inter-alia, restrained 154 entities, including the assessee, from accessing the securities market and buying, selling or dealing in securities, either directly or indirectly, in any manner, till further directions, pending investigation in the script of in case of First Financial Services Ltd. The directions issued vide aforesaid interim orders were, inter-alia, confirmed vide subsequent orders passed by SEBI. Subsequent to the interim orders, SEBI carried out an investigation to look into the role of debar entities in price manipulation in scrips of First Financial Services Ltd. Vide interim order dated 06/09/2017, the earlier interim orders were modified by SEBI and 91 entities including the assessee against whom directions were issued vide aforesaid interim orders and thus the SEBI vide order dated 06/09/2017, inter-alia, has revoked its earlier interim directions against 91 entities including the assessee upon completion of the investigation.

**Held:**

Since, the very transaction of the assessee in the scrips of First Financial Services Ltd, which resulted in long term capital gains to the assessee, has been found to be not violative of provisions of relevant Act and Rules by the SEBI upon necessary investigation and even the initial restraint order was revoked vide interim order dated 06/09/2017, therefore, Hon'ble ITAT deleted the addition made by the AO by treating the said transaction to be a penny stock transaction resulting in bogus long term capital gains.

**Sunita Chaudhry v. Income Tax Officer 18(3)(4),  
Mumbai [ITA No. 143/MUM/2022] AY 2013-14**

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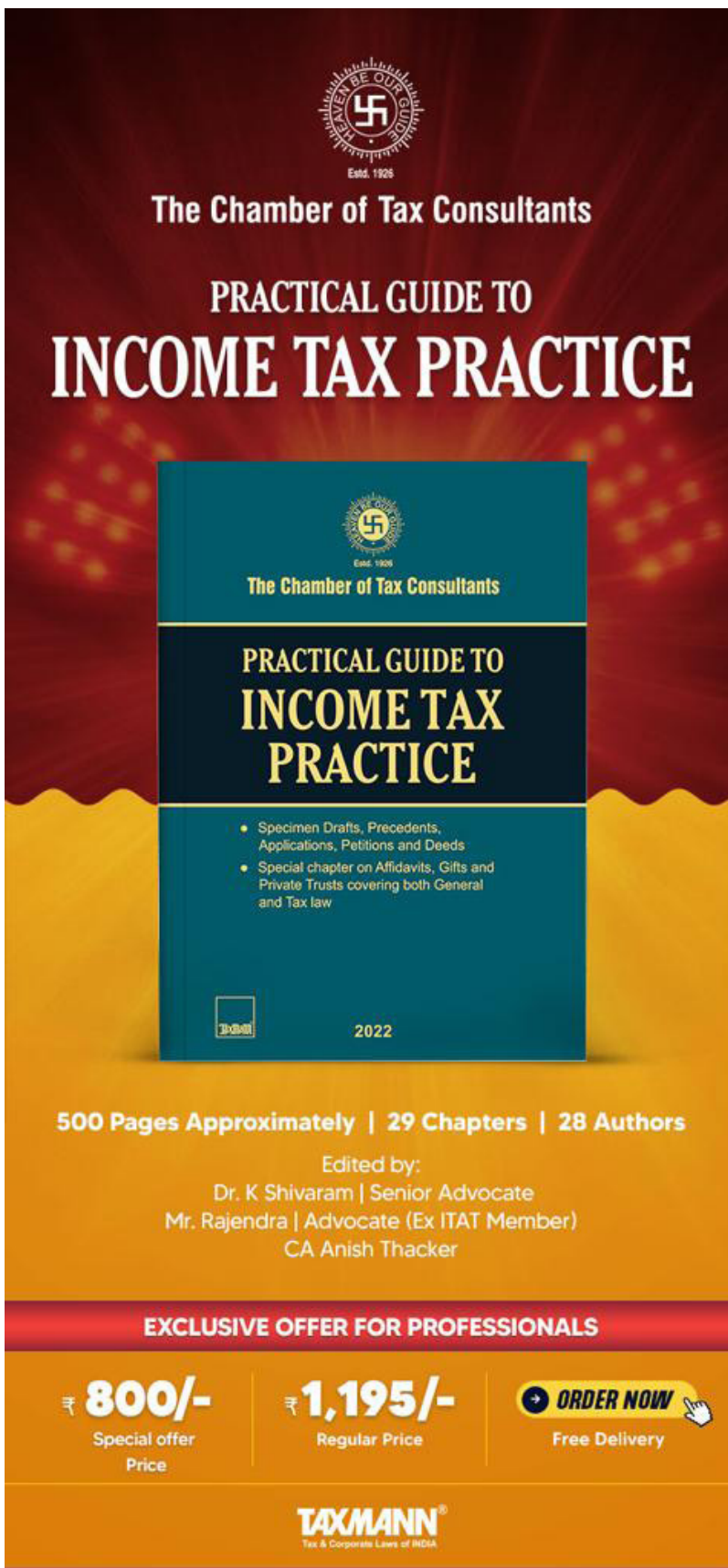
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