

Interview

Special Message

Special Message



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Moradabad



Gurbinder Singh
Service Incharge
Moradabad Civil Society



Er. Harsh Singh
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Happy 75th Independence Day



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Strong team of experienced, competent, skilled and energetic professionals who believe in providing quality services to clients with honesty, building trust & confidence with them.

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The members of the firm provide a perfect blend of consistent high quality expertise derived from immense transactional experience and innovative thought in providing solutions in domains covering multidisciplinary fields working closely with Chartered Accountants, Company Secretaries, Lawyers and professionals from other discipline.

Please feel free to reach us at info@asquareadvisors.in / arjitagarwal@gmail.com for your valuable views/suggestions/ feedback for improvement of this Newsletter.

We believe that

“If you want to go fast – Go Alone . If you want to go far – Go Together”

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"लहराए तिरंगा शान से"

इस वर्ष स्वतंत्रता का 75वां वर्ष होने के कारण "अमृत महोत्सव" आयोजित हो रहा है, अतः देशभक्त नागरिकों से निम्न अपील है।

- 1- नागरिक 14 और 15 अगस्त की शाम अपने घरों पर प्रकाश करें।
- 2- 15 अगस्त के दिन प्रातः अपने घरों पर परिवार सहित तिरंगा फहरायें तथा राष्ट्रगान गाएँ।
- 3- राष्ट्रध्वज फहराते तथा उतारते समय उसे पूर्ण गरिमा प्रदान करें।
- 4- राष्ट्रध्वज कटा फटा या मैला ना हो।
- 5- हरा रंग नीचे धरा की ओर तथा केसरिया रंग आकाश की ओर ऊपर होना चाहिए।
- 6- अपने मोहल्ले या कॉलोनी के किसी सार्वजनिक स्थल या पार्क में राष्ट्रीय ध्वज लगाकर उसके नीचे आस-पड़ोस के नागरिकों को एकत्र कर किसी बुजुर्ग की अध्यक्षता में आजादी के महत्व और स्वतंत्रता संग्राम में शहीद होने वाले महापुरुषों के जीवन पर चर्चा करें।
- 7- यदि संभव हो सके तो आस पड़ोस के बच्चों को एकत्र कर उनसे स्वाधीनता संग्राम और सेनानियों पर चित्रकला प्रतियोगिता कराई जा सकती है, और उन्हें पुरस्कार भी प्रदान किए जा सकते हैं।
- 8- उपरोक्त विचार-गोष्ठी के अंत में तिरंगे के समक्ष राष्ट्रगान गाएँ।

मुरादाबाद
13th अगस्त 2021

हार्दिक शुभकामनाओं सहित,

गुरबिंदर सिंह
सेवा प्रभारी
मुरादाबाद नागरिक समाज





" पचहत्तर वें स्वतंत्रता दिवस की हार्दिक शुभकामनाएं "

15 अगस्त का दिन हर भारतवासी के लिए महत्वपूर्ण होता है। भारत को 15 अगस्त 1947 को अंग्रेजी हुकूमत से आजादी मिली थी।

स्वतंत्रता हमारे स्वतंत्रता सेनानी का अनमोल उपहार है

गूँज रहा हैं दुनिया में भारत का नगाड़ा

चमक रहा आसमा में देश का सितारा

आज़ादी के दिन आओ मिलके करें दुआ

की बुलंदी पर लहराता रहे तिरंगा हमारा

अंत में यही कहना चाहता हूँ

जीवन में सफलता के लिए मात्र दो सिद्धांत अपनाएं है कर्म ही पूजा है और सत्यमेव जयते दोनों मंत्र हमें उन अध्यापकों ने दिया जिनसे हमें शिक्षा ग्रहण की तथा इन दोनों पर अमल करने का भरपूर प्रयास किया ।

मुरादाबाद
14th अगस्त 2021

हार्दिक शुभकामनाओं सहित,
हरीश भसीन और वरुण भसीन
प्रधानमंत्री भारतीय जन औषधि केंद्र
मुरादाबाद नागर





Interview with Adv. (CA) Praveen Agarwal

Founding Partner - Agarwal Jetley & Co., Advocates



Adv. (CA) Praveen Agarwal is one of the founding partners of Agarwal Jetley & Co., Advocates and heads the firm's Corporate, Commercial and M&A practice. With his wide ranging experience of over three decades and added qualification of Chartered Accountancy, he brings a sophisticated understanding of clients' business and commercial requirements. Clients find him both, a lawyer and a strategist. With his particular experience in inbound transactions, he has advised more than 250 foreign companies in either setting up business or doing business in India.

He has been instrumental in building the Corporate practice of the firm and provides strategic advice on matters relating to foreign direct investment, joint venture agreements, business entity and start-up registrations, mergers & acquisitions, regulatory approvals, commercial contracts, banking, employment and tax laws, litigation and alternate dispute resolution. He is a certified mediator from the Centre for Effective Dispute Resolution (CEDR), London. He also assists clients with respect to general litigation preparation and strategy.

He is a fellow member of the Institute of Chartered Accountants of India and alumnus of Delhi University (LLB). He has served on the governing council of the International Centre for Alternate Dispute Resolution and the Indo-French Chamber of Commerce. He was also a two term India Jurisdictional Council Member of the Inter Pacific Bar Association.



1. **CA Arjit Agarwal** - First of all I am thankful to you on behalf of AASquare Advisors LLP for sparing your valuable time and discuss on Topic "Future of Litigation" considering COVID 19 and faceless assessments.

CA Praveen Agarwal - COVID-19 has brought about a paradigm shift in the legal services sector in this country, especially the way the professional community and all other stakeholders have embraced technology during this period. Client interaction, case management, record keeping, the manner in which hearings are conducted etc. has all changed permanently in this short period. All this bodes well for the future of litigation as the fear of technology is confronted more and more by governments, courts, tribunals, citizens, professionals etc.

For being up to the challenge, professionals have to ensure that they quickly embrace technology and make correct use of it. This is the future of litigation and only those professionals who are quick to learn and adapt will become leaders and show the way to others.

2. **CA Arjit Agarwal** - Government is moving towards faceless assessment, wherein manual interface will be minimal and accelerating a transformation from manual to digital processes. What are your view points on same and what challenges & positives you think during Faceless Assessments considering your rich experience in field of litigation of almost three decades?



CA Praveen Agarwal - A very welcome addition to the ongoing changes is the scheme of faceless assessments. We are still in early days and we all have to look out whether the faceless assessments scheme achieves two very important aspects – firstly, reducing harassment and secondly, that the principles of natural justice are adhered to whereby the assessee should have the satisfaction of being heard. Efficiency and transparency will be the biggest victim if these twin objects are not met. This casts a very onerous responsibility on professionals of being the watch dog while being the user of technology at the same time. Once these objects are achieved, accountability of taxpayers and tax department will follow. Digital processes will demand cyber security measures of highest order and Government should immediately ensure that cyber security is made affordable, as costs for implementing cyber security measures are very high for professionals. Also, our professional brothers must be trained in this area by ICAI.



3. **CA Arjit Agarwal** –How was the litigation work impacted during COVID 19 and your view points on New Normal Life post COVID 19?

CA Praveen Agarwal - Litigation took a severe hit during both phases of COVID-19. Closure of courts and tribunals etc. left citizens and professionals worried for different reasons in their own ways. Citizens became restless for their rights and lawyers were in a bind for their daily bread. Courts and professionals are still coming to terms with technology and instances of “people being caught with their pants down” are mostly in jest. During this period, professionals have adjusted to the “New Digital Life” and I notice that professional behavior and digital etiquette have improved in the last one year.

4. **CA Arjit Agarwal** - As you are practicing for M&A since long, did you notice any increase in Mergers & Acquisitions during last 2 years due to COVID 19 pandemic?

CA Praveen Agarwal - M&A activity in last 2 years has been driven mainly by domestic companies as they continued their consolidation. Edtech, E-commerce and Technology companies were the biggest drivers. I was fortunate to handle at least 3 M&A cases in this period. I have a feeling that with things getting better and economy poised to grow, M&A activity will go up in next couple of years and make up for the lost time.

5. **CA Arjit Agarwal** - Can you brief us about certified mediator from the Centre for Effective Dispute Resolution (CEDR), London ? What is its roles and how this certificate helps in Litigations ? Technology is one of the most important tools in the development of any economy. COVID 19 has in many ways accelerated a transformation from manual to digital processes in a very short span of time. What are your views on technological development worldwide and how do you think technology has impacted the accounting function?

CA Praveen Agarwal - Mediation is a collaborative mode of settling disputes and I find that it is better than the adversarial mode. However, all said and done, the mediation lawyer makes a huge difference between a successful and failed mediation. The importance of a properly trained mediator cannot be overlooked. As settling disputes by mediation has always fascinated me, I underwent mediator training from CEDR, London and am certified mediator. This training has helped me not only in settling disputes but also preventing them – by using right methods during the negotiation stage itself for my clients.

Technology is fast changing our lives – the way we think, the way we function, the way we work etc. and the accounting function is no exception. Digital accounting was already in vogue but digital auditing and assurance has now found place. No wonder the Government has brought changes for accounting software to have audit trails. Accountants have to understand that technological advancement and changes in laws in recent years have taken away all (dis)advantages of using technology to fudge accounts and they should now act also as conscience keepers and not mere accountants who would sit below a staircase outside the pantry or bathroom in client's office. Stature and role of accounting function has grown over the years and it is our duty to maintain its shine and dignity and uphold its glory.



6. CA Arjit Agarwal - Inter-Pacific Bar Association (IPBA) is an international association of business and commercial lawyers who live in, or otherwise have a strong interest in, the Asia-Pacific Region. Please share some of your experiences while working as India Jurisdictional Council Member of the IPBA?

CA Praveen Agarwal - I have been a member of IPBA which is headquartered in Tokyo for more than two decades now and was also JCM for a 6 year period from 2008-2014. Association with IPBA is a blessing with lot of fond memories of interacting and bonding with fellow professionals from all over the world. It has also been an avenue of learning new things apart from making global friends. I was lucky to be part of the host committee for hosting the annual IPBA conference in New Delhi during my JCM days.

7. CA Arjit Agarwal - Lastly, what advice would you like to give to finance professionals specially young ones for future. Your journey can be inspirational to them as I understand that you build your brand by yourself without any ancestral attach into it?

CA Praveen Agarwal - I was the first CA in my family and I owe my success to my parents. My father was a strict disciplinarian and I think that discipline in all what I do is firmly ingrained in my genes and this has helped me a lot in my professional career of over 35 years now. My mother taught me two very important things – humility and to never give up, and both have helped me become a better human being than a professional. I also owe my success to my partner Kamal Jetley. We have survived thirty six years together. Partnerships survive only when there is a mutual respect and give and take between the partners – just as in marriage.

My advice to the new generation is to firstly follow your passion – but back it with discipline, hard work, empathy, humility and patience. Heart can take you anywhere but the mind will always keep you on track, so let the mind rule in professional matters. Build relations. Success will follow. Today, it is also important to build a creditable brand name – and this is possible not with endless toil only, but by believing in yourself, following principles and not forgetting family virtues. There is no better teacher than your parents. Avoid shortcuts as the path is short and can end abruptly.

8. CA Arjit Agarwal - Thank you so much for giving your precious time and answering all questions so well.

CA Praveen Agarwal - It has been a pleasure knowing you and your family over the years. Your brother Arpit and your sister Akansha worked with me and I still have pleasant memories. By the way, your gardening and photography fascinate me a lot. Wish you all the best.



I would like to wish all our citizens a Happy 75th Independence Day. I wish the whole world to be free from Covid-19 soon. On this day, we should honour the sacrifices made by our freedom fighters, who gave away their life so that the nation can achieve freedom and the armed forces, who are always alert and performing their duty on the borders so that we can enjoy our freedom. We should always be proud of our nation, our motherland.

Sare Jahan Se Achha Hindustan Hamara.

Jai Hind Jai Bharat Vande Mataram

Er. Harsh Singh
Director
Blissladder Consulting Pvt Ltd
Noida

Independence Day is celebrated on 15th August, as a national holiday in India commemorating the nation's independence from the United Kingdom on 15 August 1947, the UK Parliament passed the Indian Independence Act 1947 transferring legislative sovereignty to the Indian Constituent Assembly. India still retained King George VI as head of state until its transition to full republican constitution. India attained independence following the Independence Movement noted for largely nonviolent resistance and civil disobedience led by the Indian National Congress (INC). Independence coincided with the partition of India, in which the British India was divided along religious lines into the Dominions of India and Pakistan; the partition was accompanied by violent riots and mass casualties, and the displacement of nearly 15 million people due to religious violence. On 15 August 1947, the Honorable Prime Minister, Jawaharlal Nehru raised the Indian national flag above the Lahori Gate of the Red Fort in Delhi. On each subsequent Independence Day, the Honorable Prime Minister customarily raises the flag and gives an address to the nation.



Wishing everyone Happy 75th Independence Day.

Adv. Shubham Agarwal
Legal Advisor
Amroha





1. In Brief :-

As per provisions section 269SS of Income Tax Act 1961, a person shall not accept any loan or deposit or “specified sum” from any other person otherwise than by an account payee cheque or account payee bank draft (or use of electronic clearing system through a bank account) if, (a) the amount of such loan or deposit or the aggregate amount of such loan and deposit ; or (b) on the date of taking or accepting such loan or deposit, any loan or deposit taken or accepted earlier by such person from the depositor is remaining unpaid and the amount or the aggregate amount remaining unpaid ; or (c) the amount or the aggregate amount referred to in clause (a) together with the amount or the aggregate amount referred to in clause (b), is ₹20,000 or more: The limit of ₹20,000 will also apply to a case even if on the date of taking or accepting such loan or deposit, any loan or deposit taken or accepted earlier by such person from such depositor is remaining unpaid and such unpaid amount along with the loan or deposit to be accepted, exceeds the aforesaid limit. “Specified Sum” means any sum of money receivable whether as advance or otherwise, in relation to transfer of an immovable property, whether or not transfer takes place

Honorable Madras Court in case of
The Commissioner Of Income Tax-I
Vs
V.Sivakumar



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Held that

There is no separate identity for the partnership firm and that the partner is entitled to use the funds of the firm and that the assessee acted bonafide and that there was a reasonable cause within the meaning of Section 273B of the Act (Para 11)

2. Relevant terms :-

Section No.	Bare Law
269SS	<p>No person shall take or accept from any other person (herein referred to as the depositor), any loan or deposit or any specified sum, otherwise than by an account payee cheque or account payee bank draft or use of electronic clearing system through a bank account [or through such other electronic mode as may be prescribed], if,—</p> <p>(a) the amount of such loan or deposit or specified sum or the aggregate amount of such loan, deposit and specified sum; or</p> <p>(b) on the date of taking or accepting such loan or deposit or specified sum, any loan or deposit or specified sum taken or accepted earlier by such person from the depositor is remaining unpaid (whether repayment has fallen due or not), the amount or the aggregate amount remaining unpaid; or</p> <p>(c) the amount or the aggregate amount referred to in clause (a) together with the amount or the aggregate amount referred to in clause (b),</p> <p>is twenty thousand rupees or more:</p>
271D	<p>If a person takes or accepts any loan or deposit or specified sum] in contravention of the provisions of section 269SS, he shall be liable to pay, by way of penalty, a sum equal to the amount of the loan or deposit or specified sum so taken or accepted</p>

S.No.	Case Law	Judgment
1.	Commissioner of Income Tax v. R.M.Chidambaram Pillai [(1977) 106 ITR 292 (SC)]	Wherein the Hon'ble Supreme Court held that "there cannot be a contract of service in strict law between a firm and one of its partners, so as to consider the salary paid to the partner as income from the salary, the firm and partners cannot be considered to be separate entity". The Hon'ble Supreme Court further held that "payment of salary to a partner represents a special share of the profits and salary paid to a partner retains the same character of the income of the firm" and deleted the penalty
2.	Commissioner of Income Tax v. Lokhpatt Film Exchange (Cinema) [(2008) 304 ITR 172 (Raj)]	Partnership firm is not a juristic person and for inter relationship different remedies are provided to enforce the rights arising out of their inter se transactions and that the inter se transactions between the partner and firm are not governed by the provisions of Sections 269SS and 269T of the Act.
3.	Commissioner of Income Tax v. Lakshmi Trust Co. [(2008) 303 ITR 99 (Mad)],	If there were genuine and bonafide transactions and the tax payer could not get a Loan or Deposit by account payee cheque or demand draft for some bonafide reason, the authority vested with the power to impose penalty has a discretion not to levy penalty

4. Facts of Case in V.Sivakumar :-

- The assessee was a partner in four firms and Proprietor in Reliance Realtors
- In the assessment year 2005-2006, assessee had taken cash loan from the four partnership firms in which he was partners.
- The Assessing Officer initiated penalty proceedings under Section 271D of Income Tax Act and imposed penalty of Rs.18 lakhs
- The Commissioner of Income Tax (Appeals) dismissed the appeal (ITA.No.68/07-08) and assessee preferred further appeal (ITA.No.142/Mds/08) before the Income Tax Appellate Tribunal
- Tribunal remitted the matter to the Assessing Officer to give a definite finding whether the transaction was between the firm and partner
- The Assessing Officer passed a fresh order (17.07.2008) that the assessee individual was a partner in four firms from where funds had been advanced to the assessee and imposed a penalty of Rs.18 lakhs
- In the appeal (ITA.No.89/08-09) preferred by the assessee, Commissioner of Income Tax (Appeals) allowed the appeal holding that the transactions between the partner and the firm do not partake the character of a Loan or Deposit and therefore, there is no applicability of the provisions of Section 269SS of the Act
- The further appeal (ITA.No.408/Mds/2009) preferred by the Revenue was dismissed by the Tribunal on the finding that the assessee acted bonafide and that there was a reasonable cause within the meaning of Section 273B of the Act
- Appeal preferred before High Court on question of law that "Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the levy of penalty by the Assessing Officer under Section 271D of the Income Tax Act, 1961, even though the advance has been accounted as loan and interest debited ?"





5. Madras High Court :-

As per Section 260A, an appeal shall lie to the High Court from every order passed in appeal by the Appellate Tribunal before the date of establishment of the National Tax Tribunal, if the High Court is satisfied that the case involves a substantial question of law .

a) Issues before the Madras High Court :-

"Whether on the facts and in the circumstances of the case, the Income Tax Appellate Tribunal was right in law in deleting the levy of penalty by the Assessing Officer under Section 271D of the Income Tax Act, 1961, even though the advance has been accounted as loan and interest debited ?"

b) Assessee's Department's Contention:-

Assessee's Contention	Department's Contention
<ul style="list-style-type: none"> That the amounts were taken in his capacity as partner and it cannot be taken as an independent transaction and there is no violation of Section 269SS of the Act The partnership firm has no separate legal entity. There is no separate identification between the firm and the partner. 	<ul style="list-style-type: none"> That the assessee is partner of the firms, he has taken loan from the firms by cash in his capacity as Proprietor of Reliance Realtors and the Assessing Officer had recorded factual finding and in view of the consequences of violation of Section 269SS, justified in imposing penalty under Section 271D of the Act That money has been advanced from the firms as loan and the same was debited from the accounts of the proprietary concern which would show that the transactions between the firms and the assessee were not in his capacity as a partner and while so, Commissioner of Income Tax (Appeals) and the Tribunal were not correct in saying that the transactions were between firms and partner and prayed that the substantial question of law be answered infavour of the Revenue

c) Madras High Court :-

(i) There is no separate identity for the partnership firm and that the partner is entitled to use the funds of the firm and that the assessee acted bonafide and that there was a reasonable cause within the meaning of Section 273B of the Act (Para 11)



6. Conclusion :-

V Sivakumar taken Cash Loan from 4 different Partnership firms in which he was partner & deposit the same amount in his own proprietorship firm. Honorable Madras High Court held that Partnership Firm is not a juristic person in consideration to decision given by division bench of Madras High Court in CIT Vs Lakshmi Trust Co. (2008) 303 ITR 99 in which it was held that taking to genuine transaction authority vested with the power not to take any adverse view.

It is welcome judgment by Honorable Madras High Court.

*Sources

- <http://itatonline.org/archives/main/>
- <http://www.incometaxindia.gov.in/Pages/acts/income-tax-act.aspx>

Disclaimer: - This Article is just brief of recent Judgment and is not to be construed as any form of legal opinion whatsoever. Readers are requested to go through the Judgment in detailed for more/better understanding.



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This is Gist of all important updates during **July 2021** relating to circulars, notifications, miscellaneous communications & press releases from Income Tax Department and advisory communications to the best of our Knowledge and sources* in brief. However readers are advised to read the relevant in details for better understanding.



1. Income Tax Act 1961 – Notifications :-

Notification No.	Dated	Heading	In Brief	Link to Read Full
76/2021/F.No. 370142/22/2021-TPL	02th July	Income tax Amendment (18th Amendment), Rules 2021	In exercise of the powers conferred by section 48 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct taxes hereby makes the certain rules further to amend the Income-tax Rules, 1962 "8AB. Attribution of income taxable under sub-section (4) of section 45 to the capital assets remaining with the specified entity, under section 48"	Click here to Read
77/2021/ F.No. 370142/23/2021-TPL	07th July	Income tax Amendment (19th Amendment), Rules, 2021	In exercise of the powers conferred by proviso to section 50 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct taxes hereby makes the following rules further to amend the Income-tax Rules, 1962 "8AC. Computation of short term capital gains and written down value under section 50 where depreciation on goodwill has been obtained	Click here to Read
78 /2021/F.No.3 00196/5/2018-ITA-I	09th July	Section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Haryana Building and Other Construction Workers Welfare Board' (PAN AAATH6995H), a Board constituted by the State Government of Haryana, in respect of the certain specified income arising to that Board	Click here to Read
79/2021/F.No. 203/09/2020-ITA-II	12th July	Section 35 of the Income-tax Act, 1961	In exercise of the powers conferred by clauses (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (43 of 1961) read with rules 5C	Click here to Read

			and 5D of the Income-tax Rules, 1962, the Central Government hereby approves M/s Patanjali Research Foundation Trust, Haridwar (PAN:- AABTP8183E) under the category "Research Association" for Scientific Research for the purposes of clauses (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 read with rules 5C and 5D of the Income-tax Rules, 1962	
80/2021/F. No. 300196/30/2 018-ITA-I	14th July	Section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Haryana Labour Welfare Board' (PAN AAATH2451C), a Board constituted by the State Government of Haryana, in respect of the following certain income arising to that Board	Click here to Read
81/2021/F. No. 300196/40/2 018-ITA-I	14th July	Section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Himachal Pradesh Computerization of Police Society', (PAN AABAH0360G), a body established by the State Government of Himachal Pradesh, in respect of the certain specified income arising to that body	Click here to Read
82 /2021/F. No. 370142/29/2 021-TPL	27th July	Section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by section 139 and section 148 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the certain rules further to amend Income-tax Rules, 1962	Click here to Read
83/2021/F. No. 370142/30/2 021-TPL	29th July	Income-tax (21st Amendment) Rules, 2021	In exercise of the powers conferred by section 295 of the Income-tax Act, 1961, (43 of 1961) the Central Board of Direct Taxes hereby makes the certain rules further to amend the Income-tax Rules, 1962	Click here to Read

2. Income Tax Act 1961 – Circulars :-

Circular No.	Dated	Heading	In Brief	
13 of 2021	30 th June	Guidelines under section 194Q of the Income-tax Act, 1961 - reg	Finance Act, 2021 inserted a new section 194Q in the Income-tax Act 1961 (hereinafter referred to as "the Act") which takes effect from 1 st day of July, 2021. It applies to any buyer who is responsible for paying any sum to any resident seller for purchase of any goods of the value or aggregate of value exceeding fifty lakh rupees in any previous year.	Click here to Read

			The buyer, at the time of credit of such sum to the account of the seller or at the time of payment, whichever is earlier, is required to deduct an amount equal to 0.1 % of such sum exceeding fifty lakh rupees as income tax	
14 of 2021	02th July	Guidelines under section 9B and sub-section (4) of section 45 of the Income-tax Act, 1961 - reg	For the removal of doubt it is further clarified that in case the capital asset remaining with the specified entity is forming part of a block of asset, the amount attributed to such capital asset under rule 8AB of the Rules shall be reduced from the full value of the consideration received or accruing as a result of subsequent transfer of such asset by the specified entity, and the net value of such consideration shall be considered for reduction from the written down value of such block under sub clause (c) of clause (6) of section 43 of the Act or for calculation of capital gains, as the case may be, under section 50 of the Act	Click here to Read

3. CBDT Press Releases :-

Dated	Heading	In Brief	
05 th July	CBDT grants further relaxation in electronic filing of Income Tax Forms 15CA/15CB	It has now been decided to extend the aforesaid date to 15th July, 2021. In view thereof, taxpayers can now submit the said Forms in manual format to the authorized dealers till 15th July, 2021. Authorized dealers are advised to accept such Forms till 15th July, 2021 for the purpose of foreign remittances. A facility will be provided on the new e-filing portal to upload these forms at a later date for the purpose of generation of the Document Identification Number	Click here to Read
09 th July	Income Tax Department conducts searches in Hyderabad	As a result of the search & seizure operation, and on the basis of various incriminating documents found, the entities and associates have admitted to having unaccounted income of Rs. 300 crore and have also agreed to pay due taxes	Click here to Read
13 th July	Income Tax Department conducts surveys in Bengaluru	Overall, the survey has resulted in detection of concealment of income to the tune of Rs. 880 crore spread over various assessment years	Click here to Read
20 th July	CBDT grants further relaxation in electronic filing of Income Tax Forms 15CA/15CB	It has now been decided to extend the aforesaid date to 15th August, 2021. In view thereof, taxpayers can now submit the said Forms in manual format to the authorized dealers till 15th August, 2021. Authorized dealers are advised to accept such Forms till 15th August, 2021 for the purpose of foreign remittances. A facility will be provided on the new e-filing portal to upload these forms at a later date for the purpose of generation of the Document Identification Number.	Click here to Read
	Income Tax	Evidences have been found which indicate receipt	

24 th July	Department conducts searches PAN-India in a prominent group having diversified businesses	<p>of on-money in cash, on sale of flats by the reality arm of the group. The same has been confirmed by 2 employees and 1 director of the company. The modus operandi as well as the corroborating documents have been found. The exact amount of out- of - books cash receipts are being quantified.</p> <p>A total of 26 lockers have been found in the residential premises of the promoters and key employees of the group, which are being operated</p>	Click here to Read
24 th July	Income Tax Department conducts searches in Uttar Pradesh	The unaccounted amounts so earned were used partly for the purchase and construction of property. Evidence of unaccounted payments in cash running into crores has been found during search. Evidence has also been found to indicate that payments exceeding Rs. 2 crore have been made in cash by one of the businesses in violation of provisions of Income-tax Act, 1961. Huge unaccounted money has also been deposited in a group Trust and routed to the main concerns	Click here to Read
24 th July	161st Income Tax Day: A journey towards Nation Building	Chairman, CBDT, Sh. J. B. Mohapatra, while extending his wishes to the members of the Aayakar Parivar and their families, complimented them for their collective efforts and effectively fulfilling their twin role as the revenue earning arm of the nation and provider of taxpayer services. Referring to the larger and far-reaching policy measures like 'Honoring the Honest', Faceless Regime and adoption of the Taxpayers' Charter, he noted that these initiatives have made the departmental functioning more transparent, objective and taxpayer-friendly. He also expressed his heartfelt condolences for the families of the officers and officials who lost their lives in the line of duty during the pandemic, and observed that their dedication to duty inspires us to making the Department an even more committed, more humane, more professional and a more efficient organization.	Click here to Read
29 th July	Income Tax Department conducts searches in Jharkhand	Unexplained cash of Rs. 50 lakh has been seized and three lockers have been found and placed under restraint. Preliminary evidence found suggests evasion of tax of more than Rs. 50 crore.	Click here to Read
30 th July	Income Tax Department conducts searches in Kanpur	The modus-operandi is similar with respect to the business of Pan Masala. They too have laundered back their unaccounted income through an extensive network of such shell companies. Unaccounted loans and premia received from such paper companies exceeding Rs. 110 crore in three years, have been detected. The group ploughed back their unaccounted money through such shell companies by showing bogus advances against property sale, bogus loans and share premia	Click here to Read

4. CBDT Relevant Miscellaneous Communications :-

Dated	Heading	In Brief	
05 th July	Processing of returns with refund claims under section 143(1) of the Income-tax Act,	The matter has been re-considered by Board in view of pending taxpayers' grievances related to issue of refund. To mitigate genuine hardship being faced by the taxpayers on this issue, Board, by virtue of its powers under section 119 of the Act,	Click here to Read



1961 beyond the prescribed time limits in non-scrutiny cases-regd.	hereby relaxes the time-frame prescribed in second proviso to sub-section (I) of section 143 and directs that all validly filed returns up to assessment year 2017-18 with refund claims, which could not be processed under sub-section (1) of section 143 of the Act and which have become time-barred, subject to the exceptions mentioned in para below, can be processed now with prior administrative approval of Pr.CCIT/CCIT concerned. The intimation of such processing under sub-section (I) of section 143 of the Act can be sent to the assessee concerned by 30.09.2021. All subsequent effects under the Act including issue of refund shall also follow as per the prescribed procedures. To ensure adequate safeguards, it has been decided that once administrative approval is accorded by the Pr.CCIT/CCIT, the Pr.CIT/CIT concerned would make a reference to the DGIT(Systems) to provide necessary enablement to the Assessing officer on a case to case basis
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Sources * <http://www.incometaxindia.gov.in>



This is Gist of all important updates during **July 2021** relating to circulars, notifications, from GST Department to the best of our Knowledge and sources* in brief. However readers are advised to read the relevant in details for better understanding.

1. Central Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
29/2021	30 th July	Seeks to notify section 110 and 111 of the Finance Act, 2021 w.e.f. 01.08.2021.	Click here to Read
30/2021	30 th July	Seeks to amend Rule 80 of the CGST Rules, 2017 and notify Form GSTR 9 and 9C for FY 2020-21. Rule 80 provides for exemption from GSTR-9C to taxpayers having AATO upto Rs. 5 crores.	Click here to Read

2. Central Tax (Rate) - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month July			

3. Integrated Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month July			

4. Integrated Tax (Rate)- Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month July			

5. Union Territory Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month July			

6. Union Territory (Rate)- Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month July			

7. Circulars :-

Circular No.	Dated	Heading	Link to Read Full
157/13/2021 -GST	20 th July	Clarification regarding extension of limitation under GST Law in terms of Hon'ble Supreme Court's Order dated 27.04.2021.	Click here to Read

Sources * <https://www.cbic.gov.in>





Beautiful Garden in office premises



Madhumati Malt Tree



Bella Flower



Yellow Lilly

Beach Spider Lilly