

Key notes from Video Interview



- ✓ My only dream at that point in time was to play Cricket for the Nation.
- ✓ My first walk-in interview with Arthur Andersen landed me with the job which was not just the first job also the last job.
- ✓ Turning 40, I realized that it's one life let's do something different now.
- ✓ My hunger and desire to learn even at this age and that goes back again to the philosophy of being a student.
- ✓ I owe a major part of what i am today to my CA qualification.
- ✓ IFA - largest non-governmental independent international tax research organization with spanning across 50 countries.
- ✓ Don't spend your life doing things that don't move your soul, so if you spend time chasing your dreams with passion and hard work, sky is the limit.
- ✓ The younger generation has to temper their expectations and look at the big picture and look at the long term.
- ✓ Keep up your curiosity levels for learning & knowledge, you are a student and you will always remain one.

Role of Export in \$ 5 Trillion Economy

Role of New Age Banking for Startups



Adv (CA) Mukesh Butani
Founder & Managing Partner
BMR Legal Advocates
Independent Director - Dabur



Rajesh Gulati
Managing Partner
Gulati Overseas
Leading Export House



Rupin Goel
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We believe that

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

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From the Desk of Honorary Chief Editor



Dear Readers



Our First Newsletter was launched way back in June 2020 by CA Nilesh Vikamsey, Past President of the Institute of Chartered Accountants of India (ICAI). Thanks to his good wishes and blessings, we have been publishing our newsletter every month without a break, since. I am happy to share that this is the 22nd Edition of our Newsletter. As change is constant and life becomes boring if we don't change, so going forward I will try to do Video Interviews in addition to our newsletter, which will be uploaded on our YouTube channel.

Last month, I got the opportunity to interact with Adv (CA) Mukesh Butani – Founder & Managing Partner of BMR Legal Advocates, Independent Director of Dabur, where he shared his learnings and experiences during his illustrious professional journey. I am thankful to him for sparing his valuable time & I am confident that his journey would inspire today's professionals, especially those who look forward to creating their own brand image in long run. He is an inspiration and a role model to young professionals.

As this year, the impact of COVID is minimal and we are ready to achieve the target of a \$ 5 Trillion Economy, tried to understand with viewpoints of Rajesh Gulati - Managing Partner of Gulati Overseas (A Leading Export House) regarding the role of exports. Interestingly, export plays a major role in economic development by bringing the foreign exchange to the country and further helps in the development of the economy in many ways.

Further, startups also plays a vital role in boosting the economy with great innovative ideas and products. I am thankful to Rupin Goel – Founder of Raindrop Home Products for sharing his thoughts on the role of new-age banking for startups.

Knowledge is Power, Power provides Information; Information leads to Education, Education breeds Wisdom; Wisdom is Liberation. People are not liberated because of a lack of knowledge.

Like previous editions, in this newsletter, readers will be able to find all relevant circulars, notifications, press releases, and miscellaneous communications related to Direct Taxes and Indirect Taxes for the month of May 2022.

Quote for the month

“Anyone can copy the way you are but no one can copy the passion you have, so keep your passion alive”

Lastly, as we are approaching the month of July, which will be full of compliances including but not limited to Quarterly TDS Filling, GSTR 1 & GSTR 3B, and also very important Income Tax Returns for certain specified classes, it will be advisable to plan our office work in such a way so that work can be completed on time and with quality, avoid late sittings and concentrate on health as well.

Yoga is a practice that brings joy, health, and peace from within, and it deepens a sense of continuous connection between an individual's inner consciousness and the external world. The Union Ministry of Ayush has recently announced 'Yoga for Humanity' as the theme for International Day of Yoga 2022. I wish each and every one a very Happy Advance Yoga Day 2022.

Moradabad
10th June 2022

With regards,
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Interview of **Advocate (CA) Mukesh Butani** Founder & Managing Partner - BMR Legal Advocates India Chair - International Fiscal Association Independent Director - Dabur



Advocate (CA) Mukesh Butani is a commerce graduate from the University of Bombay and holds a bachelor's degree in law. He qualified as a Chartered Accountant in 1985 and practiced as a fellow member until 2010. Subsequently, he enrolled as an Advocate with the Bar Council of Delhi

Mukesh is the Founder and Managing Partner of BMR Legal Advocates, an independent boutique law firm specializing in Tax Policy, Advocacy & Disputes, ranked amongst Top Tier Law Firms in India in independent surveys like Legal 500, Benchmark Litigation, India Business Law Journal and Asia law Profiles.

He co-founded and was the Chairman of BMR Advisors, which was amongst the India's leading professional services firm with competencies in the area of Tax & M&A Advisory services until it transitioned into the Big 4 firms in late 2017. BMR Advisors was featured in 2016 Harvard Business case studies, taught in leading business schools in the U.S. and IIMs in India.

Prior to founding BMR Legal Advocates in 2010, Mukesh led the International Tax & Transfer Pricing practice for two of the Big 4 firms. After qualifying as a Chartered Accountant, he spent most of his professional life with Arthur Andersen wherein he became a National Partner in 1995 and a Partner in Andersen Worldwide in 1998.

He is an inspiration/role model to young professionals who dream to build their own brand as he was worldwide partner in Arthur Andersen at just 31 years of age, started his own firm at 39 years of age with clientage of 800 including fortune 500 companies.

Scan



Video Interview



Interview of Stalwart & Role Model to Professionals

1. **CA Arjit Agarwal** - Firstly, I am thankful to you on behalf of AASquare Advisors LLP for sparing your valuable time and **Inspiring today's professionals by sharing your illustrious professional journey building your own brand.**

Advocate (CA) Mukesh Butani - Thank you very much Arjit for having me on your show. The brands are created over a period of time. I can merely attribute it to as we say right person at the right time. I had never dreamt of leave alone becoming getting a rank in CA, I had never dreamt of becoming a Chartered Accountant, my only dream at that point in time was to play cricket for the nation and as a result of which i was told that either i should take up a job as an inspector in the Income Tax Department or appear for State Bank of India probationary test to become an officer because in those days, these two were the gateways for playing cricket in Mumbai and then suddenly this thought came up why not try your hand at appearing for your CA entrance exams and that was really it but I think the most important thing was that rank holders if I may say so were treated a little differently in those days. They were discriminated, they used to get letters of offer even in those days when there were hardly any multinationals in the country, they used to get a walk-in



interview and my first walk-in interview with Arthur Andersen landed me with the job which was not just the first job also the last job and just before turning 40, I realized that it's one life let's do something different. Now there are advantages and

disadvantages of achieving senior leadership. Responsibility at a young age, which i got it when i was in my 30s, as a result of which we want to do something different in life. What is it that you can be doing different become an entrepreneur that's where the journey of BMR with my other partners started. So I would say, I was and am very lucky.

2. **CA Arjit Agarwal** - As I understood, you were the youngest as being 31 years old only who assume responsibility as worldwide partner in Arthur Andersen. Please share a few points of your learning's/ viewpoints during your professional journey so far from beginning to till date in brief which can be helpful & also inspire other professionals.

Advocate (CA) Mukesh Butani - My learning experiences in the earlier days were many. I think my first job gave me the ability to before you think about giving technical advice to a client you need to understand the business of the client and that I felt this made a lot of difference to my thinking so you put your technical hat on and you take into consideration the business of the organization, so that you are seen as giving a workable practical solution. Businesses and clients are not interested in technical advice, they are interested in what is it that is workable within the four corners of the law and if there are any risks associated with it then is it defensible successfully. So I think this is really my first lesson. I was also very fortunate and lucky to have been surrounded by a group of people who were my peers my superiors and my mentors. I learned a lot from them. One thing that i missed after becoming an entrepreneur was not having someone above me. Our profession and for that matter, any profession is such that you always remain a student which means that you should have a guru, so now you resort to external mentorship. I do often go and talk to few people who have admired and respected over the years and seek mentorship. I think in my view, if these are the few qualities that professionals ingrain in themselves, they can never go wrong. My third attribute is, my hunger and desire to learn even at this age and that goes back again to the philosophy of being a student. It is only if you're a student that you want to learn more and your curiosity goes up and you will never get to a state where you will say well i know it all. I encourage my younger professionals to speak. I run a boutique law firm, where 80 percent of my associates are between the age of 23 and 27 and one thing i tell them is that when you sit with me whether to brief me, whether to get your work product reviewed by me don't hesitate to speak up and talk about it, so i think and that again strikes to the very issue of learning because if you're a student then you can learn even from your juniors as well because they are more well read, they have done better research and they can come out with ideas that your old brain can't think of so. I think these are some of the attributes i have tried to embrace.

3. **CA Arjit Agarwal** - BMR is the only firm in India who is featured in Harvard and IIM Bangalore as case study on Topic "Competing on Quality". To whom would you give credit of your illustrious success and who are your role models?

Advocate (CA) Mukesh Butani - Firstly this is not my success, the firm that you're referring to BMR Advisors, in 2017 that firm got transitioned. Yes that's correct, we are possibly the only professional services firm that featured in the case study. It's interesting that you talk about the case study. IIM Bangalore approached us for doing this case study. It first took us by surprise why do they want to do the case study. They explained the reasons to us. I think, this case study is still taught in IIMS and many U.S universities. It's unique, i always pick up that document and look at it. I think there were many attributes that contributed. If you go through the details of the case study as i remember, it's a 2016 case study. It talks about one the core values of the firm and do the partners the founders of the firm do consistently practice those core values of integrity, passion for excellence, personal growth. Looking at all stakeholder interest which is the tax administration taxpayers and responsibility towards the tax fraternity. So consistently practicing those core values are very critical. The credit goes not to the leaders or founders, the credit goes, in my view to the entire partnership that practiced those core values. The second most important thing is building strong resilient client service teams. There's a lot of talent available in the market, the challenge is identifying that talent and the challenge starts after you identify the talent which is how do you groom that talent, how do you actually make that talent respond to challenging client needs. I think that it is where leaders and partners have to play a very important role. The third aspect is how much investment do you make in training and developing people, in building knowledge platforms, that not just help you serve your clients effectively but also make you a knowledge powerhouse.

Advocate (CA) Mukesh Butani - First i wanted to add that though for the last 12 years i am practicing as an advocate, I owe a major part of what i am today to my CA qualification and let me explain to you that the transition from CA to being a lawyer wasn't easy. Whenever i goof up as a lawyer, i tell everyone, don't consider me as someone in the profession for 30 plus years but consider me as a lawyer with 10 years of experience and 10 years of experience as a lawyer is not that great. There are lawyers with 30 40 50 years of experience. I think CA qualification in my view, helps you strengthen the fundamentals not just fundamentals in terms of Tax, Accounting, Financial Management or Costing, the subjects that were part of an academic curriculum but it helps you give more attention to details, it helps you analyze things like businesses do, it helps you put the business thinking hat right from your student days and i think in my view, it gives you a overall perspective in the world of economics and finance. Now if you start practicing in your professional capacity, depending on the nature of your practice, whether you're dealing with mid size, small size, startups or multinational, it forces you to apply that knowledge, thinking and attention to details on a day-in day-out basis. In my view that makes you even better and better coming to the legal profession. Many people tell me now in my capacity as a lawyer, people who don't know my background, feel that i think very differently as a lawyer and when i tell them about my background that i practiced for first 24 years of my career as a Chartered Accountant, they say wow. No wonder all of these accounting principles and all of these financial ratios. They come to you automatically and they come to you naturally. So i think there is clearly an inherent advantage for a lawyer who's practiced as a Chartered Accountant and i use the word practice because there are many lawyers who are qualified as chartered accountants. The second advantage obviously is that, when I went for my first and last job, I had the opportunity to work with a firm which doesn't exist anymore. Arthur Anderson was the only big four or in those days big eight which practiced as an international firm. Rest of the firms in those days, which are in the current avatar the big four today, practiced merely as franchisees and licensees. Anderson was the only global firm that was there in India at that point in time and that structure gave an ability to everyone who worked in the firm to be world-class. Whether you are an associate in Mumbai office or you are in New York or London or Tokyo, the quality of training that was imparted to you, the competencies that were required were consistent. It was like whether you're a Mackenzie consultant in Mumbai or in New York, same thing same standards are applied and that also was a competitive edge for many people who worked in Arthur Anderson. The other aspect was the worldwide partnership in Anderson, everyone aspired to be becoming a worldwide partner and the entire process of how the candidates were tested on their skills. How they made it to national partners and how after national partners there was oversight by the worldwide organization partners to assess whether the individual is capable of becoming a worldwide partner or not made that firm as a very unique firm. So i would say that those early days of grooming were there and they contributed a lot to me, which many people today will admit that they never had an opportunity to work in that firm and hence they couldn't be groomed in that manner. Remember one thing talent is always groomed, it is an assumption that we have to make that everyone is intelligent and is capable but the question is how do you hone those skills, how do you leverage on those skills for that you need an enabling environment which i just described and i was very fortunate and lucky to have that enabling environment.

- 5. CA Arjit Agarwal** - As i understood, you are Chairing International Fiscal Association for India over a long period of time. What is the Role of International Fiscal Association in India and overseas & how it is different from other Chambers of commerce like FICCI, Assocham etc

Advocate (CA) Mukesh Butani - IFA or International Fiscal Association, I have a long long innings. It dates back almost 27 years, this was an introduction made to me by the then chair of IFA Late Mr OP Vaish, Senior Advocate India, was hosting the congress in 1997 and in order for India to host a congress, I just happened to be attending the congress preceding the 1997 congress which was in Geneva and that gave me an insight into the larger IFA organization. Well IFA is the largest non-governmental independent International Tax research organization with memberships spanning across 50 countries. India is one of the major contributors to the global organization of IFA. It brings together tax practitioners who have a flare for international tax and in my view given all that we see around us in the past 10 years and what we will see probably for the next 10 years in the area of international tax is very fascinating and interesting. How is IFA different, well IFA is not a business chamber, so IFA does not make any representations or does any advocacy with the government to influence policy, instead IFA is called upon by governments, by multinational agencies such as the



UN or the OECD, by business chambers of commerce to contribute to the vast area of international tax research so that's the biggest difference between IFA



and the chamber of commerce. We hold congresses, these congresses require phenomenal preparation of the technical agenda which is called the scientific agenda and many conferences and it is attended spoken of. IFA also brings together on one platform all stakeholder views, so that is what makes it different from business. Businesses normally project what the business point of view is, IFA brings tax administrators, taxpayers, tax practitioners, tax activists, multilateral agencies and governments so it's a common non-partisan platform on international tax research. It's very different than a chamber of commerce.

6. **CA Arjit Agarwal** - According to you, what should a professional do so that they can be a Leader or be a brand in future? Most of the times we find ourselves working for others and building for them. What one can do right now so that he can say after 15-20 years down the line that he has made his own brand? Like one can be called by his name and not likely by his organization if employed?

Advocate (CA) Mukesh Butani - It's a difficult question but let me try and answer that. I think all of us as professionals have been given a platform to be either self-employed or to employ ourselves but whether you're a self-employed or you're employed the very profession whether you're an engineer doctor lawyer or a chartered accountant gives you the ability to think independently so i think independence of thinking in my view helps you build a brand, i also feel that most professionals take up job because for the sake of taking up a job, they don't take up a job to chase their dreams, chasing your dream is in my view very critical and chasing your dream relentlessly is important. I am reminded of a very nice quote that US Senator Elizabeth warren spoke about in the in last week's harvard law school graduation ceremony. It says, don't spend your life doing things that don't move your soul, so if you spend time chasing your dreams with passion and hard work, sky is the limit. These are not generalities this is something that you need to practice every day. I have always believed that i want to chase my dream. I do recall at the age of 39 when i told my wife that i am giving up a job to become an entrepreneur and she said why would you do that. I was just a little over seven years into my marriage at that point in time and she could really see the advantage of marrying someone who's in a leadership position. I became a partner even before i got married. Know all the perks associated with working in a large organization, first class travel, staying in the best hotels, overseas travel. You name it, you have everything and she asked me why will i give up, than i said well i just wanted to try becoming an entrepreneur because i think somewhere at the back of my mind i had a dream and i wanted to chase it and same thing happened when i decided at the age of 45 that i want to switch over from practicing as a Chartered Accountant to practicing as a lawyer and at that point in time my wife said "i think you're going through a serious midlife crisis to think doing that because for all these years people recognize you as a qualified competent Chartered Accountant". I did that again because some where it was a dream for me, i wanted to chase that which I am chasing right now as a lawyer so. I think that there are no hard and fast rules about how you build a brand, i think it's a combination of what CA and Lawyer as a qualification gives you to think independently. That helps you build a brand and of course the basics are the basics of hard work and commitment are there because without hard work and commitment your luck can take you only so far even if you're lucky. So i would say that, i put most stress on commitment to a cause as an important instrumentality to build a brand that's really easy.

7. **CA Arjit Agarwal** - At Last, what advice would you like to give to finance professionals referring to your enrich experience seeing corporate & practical life very closely and also what are the do's and don'ts they have to keep in their mind as a checklist while doing work in their initial years at least& also after reaching certain heights ?

Advocate (CA) Mukesh Butani - Say i come from an old school of thought, i come from a background where changing a job was considered more as an outlier but that was different era. I don't think it's fair to compare that era to this era where the opportunities are multi-fold, but i also equally feel that in our profession what used to be an underpaid class of citizens has turned out to be now very decently and sometimes overly paid profession. As you correctly pointed out, the major contributor for change in job is salary compensation, i think that is where the younger generation needs to be careful about that if you keep on switching jobs just for the sake of earning higher salary then where is it going to end. I think you need to look at what kind of organizations are you working with, what kind of values does that organization espouse, what kind of learning's are you getting in your job. So in my view, the growth for any younger professional is a combination of many factors



including compensation, yes compensation is very important. It may be easy for me, given my situation to talk about it but i never hesitate in telling people that i got my first Maruti 800 car when i was a senior manager just about to make it to a partner. I owned a house when i was five years into my marriage in the late 30s. So i think that somewhere the younger professionals have to temper their expectations of money and instead focus on what kind of organization am i working for, what are the values of those organizations, what is my learning and what is my growth potential. To your question, self-employed versus being employed in a large organization well you look at any profession if you're self-employed you're going to start small the quality of work, may not be comparable to the work that you will get working in a large organization, so you have to make compromise this day. You can't suddenly compare yourself. I feel over the years, self-employed Chartered Accountants have been either disillusioned or have given up the concept of being self-employed and practicing on their own. I think the avenues for Chartered Accountants are immense, i mean just look at the startup ecosystem in a country, just look at the growth of small and medium enterprises in our country, so it's one thing to say that serving large conglomerates and serving large multinationals may be the prerogative of large firms or people employed in large firms but there is a whole ecosystem outside of the large conglomerates and multinationals who require hand-holding who require seamless service, who require in my view multi-disciplinary skills Accounting, Finance, Tax, Treasury, Business Management Arbitration and that is an area which is a possibility for self-employed Chartered Accountants or people who work in small and mid-sized. So i think that the younger generation have to embrace the concept of becoming entrepreneurs and in their pursuit to become entrepreneurs there would be years in which they may want to compare themselves with their peers and accept it that they will not be able to make that much money initially. In my view, the entire profession of CA which used to be more recognized as self-employed has moved completely the pendulum has swing completely on the other side. Most of them are employed because either they are disillusioned or they see no opportunities for themselves. The CA profession is spread throughout the country and it's not that the self-employed CA does not have opportunities in large cities. Of course it has but here is where the younger generation has to temper their expectations and look at the big picture and look at the long term rather than succumbing and taking up a job. I am not saying that they should not take up a job, they should if they want to, there are family pressures for people to start earning but somewhere they have to think of being self-implemented

8. **CA Arjit Agarwal** - Anything which you want to convey or say anything which i missed out in any part of my question ?

Advocate (CA) Mukesh Butani - Well i would again, maybe repeat what some of the things that i mentioned. I would say

a. Keep up your curiosity levels for learning & knowledge. You are a student and you will always remain one. I do recall my first day of articles when my principal told me, you are entering a profession which is very demanding. It is demanding on you, your time, family sacrifices, don't give up the habit of reading and learning. I still have those lessons with me and that's the only thing that i would say. **b.** Second believe in sharing knowledge, believe in contributing to the society, believe in giving up, something this is more for people who have attained heights. I see many senior professionals who are more worried about their next bonus, who are more worried about the chargeable hours that they will deliver to the organization by way of revenues and running around to meet targets but they should contribute to what the profession has given them by grooming younger professionals, by mentoring them, by talking to them. I think that in my view is missing a lot and that is my biggest criticism against many of my peers in the profession

9. **CA Arjit Agarwal** - Thank you so much for giving your precious time and answering all questions so well. I really enjoyed it a lot and strongly believe that your interview will inspire many professionals.

Advocate (CA) Mukesh Butani - Thank you Arjit for your time and I am glad that despite all the hiccups you could make it happen. Thank you for reaching out to me stay blessed



Role of Exports in \$ 5 Trillion Economy

India is one of the fastest growing major economies and is currently ranked as the world's sixth largest economy. As per recent press release by Department of Commerce – Ministry of Commerce & Industry, New financial year begins with record exports of USD 38.19 billion in April jump 24.22%, continuing the record-breaking 2021-22 performance, resulting in highest ever exports in April. This shows the confidence of other countries in India and also sign of symbol that we will achieve \$5 Trillion economy much before the target/expected date.

As per said release, Engineering goods shared 24.09 % of total exports which shows that our country is equipped with Intelligent Human Brains so in nutshell we are moving towards enriching the economy with well equipped technology which is required for sustainability of developing economy specially in times when we are talking about Artificial Intelligence.



Rajesh Gulati
Managing Partner
Gulati Overseas
Leading Export House

As I belongs to Brass Export segment and majority of our country brass export is from Moradabad which is also known as Brass City worldwide. Indian Government is fully supporting the brass exports in many folds and in my view there should be dedicated government office for Brass Exports in Moradabad.

At last, as we are approaching towards International Yoga Day, we all must concentrate on our health's as well. This is one of the biggest lessons which COVID has taught us and we should implement it as early as we can. Happy International Yoga Day.

Role of New Age Banking for Startups



The rise of Neobanks has become a critical phenomenon for SMEs and Startups in today's pandemic world. The majority of them are concerned about the long-term effects of the COVID-19 crisis on their businesses, and thus have significant concerns about payroll, loan payments, and so on. As a result, businesses are looking for a more dependable banking partner who can offer innovative financial management tools, improved customer service, and tailored financial products. Essentially, they are willing to abandon the traditional corporate banking structure.



Rupin Goel
Founder
Raindrop Home Products

Data-Driven Business: Neobanks make use of data that is powered by cutting-edge technology such as artificial intelligence, data analytics, and machine learning. As a result, they provide small businesses with dashboards on their applications or websites that allow them to obtain real-time insights into their operations and better plan their cash flow. Accounting, payments, accounts receivable, and other information is also highlighted on these dashboards. This gives entrepreneurs a clearer picture of their financial needs and aids in the elimination of superfluous business expenses.

Financial services in their entirety

Neobanks employ a one-stop-shop concept to provide SMEs with a range of financial services via apps and websites, ranging from banking to remittances, money transfers to utility payments, and personal finance. Small business owners can also take advantage of services such as company registration, accounting, invoicing, GST filing, cost management, cash flow management, virtual receipts, and more. Neobanks have seen a boom in user adoption by providing a distinct experience to India's small business owners. They are playing an important role in meeting the special demands of SMEs that may have been overlooked by established players. Neobanks will play a key part in fulfilling India's ambitions to become the world's small business capital as the country's regulatory framework matures.

Re-assessment - Correctness and genuineness of information should be examined by AO – An Analysis of Honorable Gujarat High Court Judgement

1. In Brief :-

Section 147 of the Income Tax Act 1961, provides for reopening of the cases of the previous years, if any income chargeable to tax has escaped assessment. Explanation to this section provides certain circumstances where it will be deemed that income has escaped assessments

The expression “change of opinion” postulates formation of opinion and then a change thereof. In the context of section 147 of the Income Tax Act 1961, it implies that the Assessing Officer should have formed an opinion at the first instance, i.e., in the proceedings under section 143(3) and now by initiation of the reassessment proceeding, the Assessing Officer proposes or wants to take a different view.



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The word “opinion” is derived from the latin word “opinari” which means “to believe”, “to think”. The word “opinion” as per the Black’s Law Dictionary means a statement by a judge or a court of a decision reached by him incorporating cause tried or argued before them, expounding the law as applied to the case and, detailing the reasons upon which the judgment is based. Advanced Law Lexicon by P. Ramanatha Aiyar (third edition) explains the term “opinion” to mean “something more than mere retaining of gossip or hearsay ; it means judgment or belief, that is, a belief or a conviction resulting from what one thinks on a particular question . . . An opinion is a conviction based on testimony . . . they are as a result of reading, experience and reflection”. In the context of assessment proceedings, it means formation of belief by an Assessing Officer resulting from what he thinks on a particular question. It is a result of understanding, experience and reflection to use the words in Law Lexicon by P. Ramanatha Aiyar. The question of change of opinion arise when an Assessing Officer forms an opinion and decides not to make an addition or holds that the assessee is correct and accepts his position or stand.

However ,it may be noted that there is always a dispute between Income Tax officials and Assessee as to what constitute “Change in opinion”, which I believe will be resolve to some extend by recent Judgment of Honorable Gujarat High Court.

Recently

Honorable Gujarat High Court in case of
Kantibhai Dharamshibhai Narola
Vs
The Assistant Commisioner of Income Tax. Ward 3(2)(4)



Held that

- (i) While disposing of the objections, the Assessing Officer has kept a conspicuous silence **(Para 33)**
- (ii) The reopening on the basis of some information is not valid in the eyes of law and liable to be quashed for the reason that the Assessing Officer failed to apply his mind **(Para 34)**
- (iii) This belief that income has escaped assessment has to be the reasonable belief of the Assessing Officer himself and cannot be an opinion and/or belief of some other authority **(Para 35)**
- (iv) Independent reasons are recorded by the Assessing Officer before issuance of notice under Section 148 of the Act. **(Para 37)**
- (iv) Mentioning by the Assessing Officer that the assessee has failed to disclose all material facts in the reasons recorded is not sufficient enough. **(Para 38)**
- (iv) There is no escapement of income chargeable to tax. The conditions precedent for resorting to reopening of the assessment under Section 147 of the Act 1961 are not satisfied in the present case **(Para 40)**

Section No.	Bare Law
147	<p>Income escaping assessment :-</p> <p>If the Assessing Officer has reason to believe that any income chargeable to tax has escaped assessment for any assessment year, he may, subject to the provisions of sections 148 to 153, assess or reassess such income and also any other income chargeable to tax which has escaped assessment and which comes to his notice subsequently in the course of the proceedings under this section, or recompute the loss or the depreciation allowance or any other allowance, as the case may be, for the assessment year concerned (hereafter in this section and in sections 148 to 153 referred to as the relevant assessment year)</p> <p>Provided that where an assessment under sub-section (3) of section 143 or this section has been made for the relevant assessment year, no action shall be taken under this section after the expiry of four years from the end of the relevant assessment year, unless any income chargeable to tax has escaped assessment for such assessment year by reason of the failure on the part of the assessee to make a return under section 139 or in response to a notice issued under sub-section (1) of section 142 or section 148 or to disclose fully and truly all material facts necessary for his assessment, for that assessment year</p>
148	<p>Issue of notice where income has escaped assessment.-</p> <p>(1) Before making the assessment, reassessment or recomputation under section 147, the Assessing Officer shall serve on the assessee a notice requiring him to furnish within such period, as may be specified in the notice, a return of his income or the income of any other person in respect of which he is assessable under this Act during the previous year corresponding to the relevant assessment year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, and the provisions of this Act shall, so far as may be, apply accordingly as if such return were a return required to be furnished under Section 139</p> <p>(2) The Assessing Officer shall, before issuing any notice under this section, record his reasons for doing so.”</p>

3. Important Relevant Judgment discussed during proceedings :-

S.No.	Case Law	Judgment
1.	Centre Provinces Manganese Ore Co. Ltd. vs. ITO (1991) (Apex court)	For initiation of action u/s.147(a) (as the provision stood at the relevant time) fulfillment of the two condition is essential. At that stage, the final outcome of the proceeding is not relevant. In other words, what is required is “Reason to believe” but not to establish fact of escapement of income. At the stage of issue of notice the only question is whether there was relevant material on which a reasonable person could have formed a requisite belief. Whether the material would conclusively prove the escapement is not the concern at this stage. This is so because the formation of belief by the Assessing Officer is within the realm of subjective satisfaction.”
2.	Anirudh Sinhji Karan Sinhji Jadeja vs. State of Gujarat (Apex court)	Held that if a statutory authority has been vested with the jurisdiction, it has to exercise it according to its own discretion. If discretion is exercised under the direction or in compliance with some higher authorities instruction, then it will be a case of failure to exercise discretion altogether. The cases reopened on the basis of information received from the other departments are also governed by the aforesaid principle of making an independent inquiry and recording of satisfaction by the Assessing Officer issuing notice under Section 148 of the Act.

4. Facts of Case in **KANTIBHAI DHARAMSHIBHAI NAROLA :-**

- The applicant filed his return of income for the Assessment Year 2011-12 on 29th December 2011 declaring the total income at Rs.6,67,350=00, which included the long-term capital gain arising on account of sale of the land in question
- The case of the applicant for the year under consideration was selected for scrutiny and various details were called for by the then Assessing Officer and the same were duly furnished by the writ-applicant from time to time.
- It was pointed out that the applicant himself along with three other co-owners had sold the land in question
- The then Assessing Officer chose not to make any addition in respect of the capital gains arising on account of the sale of the land in question.
- That after a period of four years from the end of the relevant Assessment Year, the AO issued the impugned notice dated 28th March 2018 under Section 148 of the Act 1961 for the purpose of reopening of the assessment for the year under consideration.
- The writ-applicant filed his objections to the reasons referred.
- The objections came to be disposed of by the AO vide order dated 3rd December 2018
- The writ-applicant is filled before High Court with the present writ-application.



5. High Court :-

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

a) Issues before the High Court :-

- Whether the impugned notice should be quashed?

b) Assessee's Department's Contention:-

Point of Discussion	Department's Contention	Assessee's Contention
Legal validity of Notice	The assessee is one of the sellers of the land and was 25% share holder in the land and received Rs.2,90,61,775/- (25% of Rs.11,62,47,100/-) and the same is not shown in his return of income for the AY 2011-12. After recording the above reasons and forming satisfaction that the amount of Rs.2,90,61,775/- escaped assessment, the case was reopened u/s. 147 of the Act. Further, notice u/s. 148 of the Act was issued after following the procedure prescribed as per the Act	That the assessment for the year under consideration was framed under Section 143(3) of the Act 1961 and the same is sought to be reopened beyond the period of four years from the end of the relevant Assessment Year on the ground that the Assessing Officer has received information that certain amount was received by the writ-applicant in cash towards his share of the sale consideration.

	and obtaining approval from the Competent Authority which was duly served upon the assessee.	
Full and true disclosure	That the office of the respondent received information from the DCIT, Central Circle-4, Surat, that a search and survey operation was carried out at the residential and business premises of M/s. K.Star Group on 17th August 2016. During the course of the search and survey, it was found that M/s. K.Star Corporation had purchased the land in question situated at Mouje Katargam, Surat. She would submit that the writ-applicant is one of the sellers of the land and at the relevant point of time he had 25% share holding in the land and had received Rs.2,90,61,775=00 towards his share. In such circumstances, the Assessing Officer has formed an opinion that the amount of Rs.2,90,61,775=00 escaped assessment.	That there is nothing on record to even remotely indicate that there was failure on the part of the writ-applicant to make full and true disclosure of the transaction. The capital gains earned on the sale of land was duly disclosed in the return of income.
Change of opinion	<ul style="list-style-type: none"> • That specific information received from the DCIT, Central Circle which is further based on Investigation Wing and these are the internal limbs of the Department and the decision of the Hon'ble High Court in the case of Aradhana Estate P. Ltd. Vs. DCIT is applicable in this case • After forming the belief and obtaining necessary approvals and as per the procedure laid down in the Act, the case was reopened u/s. 147 of the Act. There is no estimation of the figures but the working was made after deciding the figures on the documentary evidences collected during the course of search. In view of the above discussion and on the ratio laid down by the Hon'ble High Court there is no borrowed satisfaction and all the reasons recorded for reopening are valid and this office duly followed the complete procedure as per the provisions of the Act. There is no deviation from the procedure. The contention that the impugned notice is bad, illegal, contrary to law and is required to be appropriately quashed and set aside is totally ruled as this office based on the information available and after examining the same, reopened the assessment of the assessee. 	<ul style="list-style-type: none"> • The then Assessing Officer, after minute examination of all the relevant aspects, had consciously chose not to make any addition in respect of the capital gains while framing the assessment under Section 143(3) of the Act 1961. The respondent now proposes to touch the very same issue by reopening the case of the writ-applicant, which is nothing but mere change of opinion. • There is no involvement of any unaccounted cash investment over and above the sale consideration recorded in the conveyance deed. • That the writ-applicant and the other co-owners had no transaction worth the name with M/s. K.Star Corporation. M/s. K.Star Corporation is a third party. In the course of the search, which might have been carried out in the case of M/s. K.Star Corporation, some documents might have been collected, and relying on the same, it is now sought to be said that the total sale consideration received was Rs.13,08,80,100=00 as against the sale consideration of Rs.1,46,33,000=00 as mentioned in the sale-deed. • That there is nothing in the materials collected from M/s. K.Star Corporation to indicate as regards the actual sale

		<p>consideration over and above the sale consideration mentioned in the sale-deed</p> <ul style="list-style-type: none"> • That the department, on its own, has prepared a rough estimate as regards the cost of the project put up by M/s. K.Star Corporation. While working out the cost of project, the department has come out with the figure of Rs.13,08,80,100=00 towards the value of the land. • That the two individuals named above who purchased the agriculture land in March 2011 from the writ-applicant along with the three co-owners later joined the newly formed partnership firm, namely, M/s. K.Star Corporation, as partners and their respective share in the agriculture land were contributed as share capital. • That there is absolutely no basis whatsoever or any evidence for the unfounded assumption that the agriculture land was sold for Rs.13,08,80,100=00. He submits that there is no tangible material so as to reopen the case of the writ-applicant.
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c) High Court observations:-

(i) To put it in other words, having regard to the entire scheme and the purpose of the Act, the validity of the assumption of jurisdiction under Section 147 can be tested only by reference to the reasons recorded under Section 148(2) of the Act and the Assessing Officer is not authorized to refer to any other reason even if it can be otherwise inferred or gathered from the records. The Assessing Officer is confined to the recorded reasons to support the assumption of jurisdiction. He cannot record only some of the reasons and keep the others upto his sleeves to be disclosed before the Court if his action is ever challenged in a court of law.

(ii) The Assessing Officer has to see whether there is prima facie material, on the basis of which, the department would be justified in reopening the case. The sufficiency or correctness of the material is not a thing to be considered at that stage.

(iii) The validity of the reopening of the assessment shall have to be determined with reference to the reasons recorded for reopening of the assessment.

(iv) The basic requirement of law for reopening and assessment is application of mind by the Assessing Officer, to the materials produced prior to the reopening of the assessment, to conclude that he has reason to believe that income has escaped assessment. Unless that basic jurisdictional requirement is satisfied-a postmortem exercise of analysing the materials produced subsequent to the reopening will not make an inherently defective reassessment order valid

(v) The crucial link between the information made available to the Assessing Officer and the formation of the belief should be present. The reasons must be self evident, they must speak for themselves

(vi) Something therein, which is critical to the formation of the belief must be referred to. Otherwise, the link would go missing.

(vii) The reopening of assessment under Section 147 is a potent power and should not be lightly exercised. It certainly cannot be invoked casually or mechanically.

(viii) Although the reopening may be after the expiry of four years from the end of the relevant assessment year, yet it would not be necessary for the Assessing Officer to show that there was any failure to disclose fully or truly all the material facts necessary for the assessment.

(ix) In order to assume jurisdiction under Section 147 where assessment has been made under sub-section (3) of section 143, two conditions are required to be satisfied:-

- a.** The Assessing Officer must have reason to believe that the income chargeable to tax has escaped assessment;
 - b.** Such escapement occurred by reason of failure on the part of the assessee either (a) to make a return of income under section 139 or in response to the notice issued under sub-section (1) of Section 142 or Section 148 or (b) to disclose fully and truly all the material facts necessary for his assessment for that purpose.
- (x)** The Assessing Officer, being a quasi judicial authority is expected to arrive at a subjective satisfaction independently on an objective criteria.
- (xi)** The reasons to believe must demonstrate some link between the tangible material and the formation of the belief or the reason to believe that the income has escaped assessment.
- (xii)** Merely because certain materials which is otherwise tangible and enables the Assessing Officer to form a belief that the income chargeable to tax has escaped assessment, formed part of the original assessment record, per se would not bar the Assessing Officer from reopening the assessment on the basis of such material.
- (xiii)** The order, disposing of objections or any counter affidavit filed during the writ proceedings before the Court cannot be substituted for the "reasons to believe".
- (xiv)** The decision to reopen the assessment on the basis of the report of the Investigation Wing cannot always be condemned or dubbed as a fishing or roving inquiry. The expression "reason to believe" appearing in Section 147 suggests that if the Income Tax Officer acts as a reasonable and prudent man on the basis of the information secured by him that there is a case for reopening, then Section 147 can well be pressed into service and the assessments be reopened.
- (xv)** The test of jurisdiction under Section 143 of the Act is not the ultimate result of the inquiry but the test is whether the income tax officer entertained a "bona fide" belief upon the definite information presented before him. Power under this section cannot be exercised on mere rumours or suspicions.
- (xvi)** The concept of "change of opinion" has been treated as a built in test to check abuse. If there is tangible material showing escapement of income, the same would be sufficient for reopening the assessment.
- (xvii)** It is not necessary that the Income Tax Officer should hold a quasi judicial inquiry before acting under Section 147. It is enough if he on the information received believes in good faith that the assessee's profits have escaped assessment or have been assessed at a low rate.
- (xviii)** The "full and true" disclosure of the material facts would not include that material, which is to be used for testing the veracity of the particulars mentioned in the return.
- (xvii)** A discovery of fresh facts or of new and important matters not present at the time of the assessment, which appears to be credible to an honest and rational mind leading to a scrutiny of facts indicating incorrect allowance of the expense, such disclosure would constitute information as contemplated in clause (b) of Section 147.
- (xviii)** It is also well settled that the sufficiency and adequacy of the reasons which have led to the formation of a belief by the Assessing Officer that the income has escaped the assessment cannot be examined by the court.

d) High Court Ruling:-

(i) That from day one he has been telling the respondent that the land was not sold to M/s. K.Star Corporation. The land was sold to two individuals. While disposing of the objections, the Assessing Officer has kept a conspicuous silence in this regard. This aspect of the matter has not been dealt with while considering the objections. **(Para 33)**

(ii) We are of the view that having accepted the entire transaction on the basis of the scrutiny assessment under Section 143(3) of the Act 1961, the reopening on the basis of some information is not valid in the eyes of law and liable to be quashed for the reason that the Assessing Officer failed to apply his mind. **(Para 34)**

(iii) It is also established principle of law that if a particular authority has been designated to record his/her satisfaction on any particular issue, then it is that authority alone who should apply his/her independent mind to record his/her satisfaction and further mandatory condition is that the



(iv) A third party information is only an information and does not constitute 'reason to believe' until and unless the third party information is subjected to investigation and, on the basis thereof, independent reasons are recorded by the Assessing Officer before issuance of notice under Section 148 of the Act. **(Para 37)**

(iv) Mentioning by the Assessing Officer that the assessee has failed to disclose all material facts in the reasons recorded is not sufficient enough. Rather the Assessing Officer is under the obligation to arrive at such conclusion that the assessee failed to disclose all material facts necessary for the assessment after applying his mind and verification of the facts. **(Para 38)**

(iv) The entire basis for reopening the assessment is on the premise that there was a cash transaction of a huge amount, and having regard to the same, there was no true and full disclosure. We have already explained that this issue of cash transaction is nothing but a mere guess, and at the cost of repetition, the transaction of sale was not with K.Star Corporation. M/s. K.Star Corporation, in the present case, is the second buyer. There is no escapement of income chargeable to tax. The conditions precedent for resorting to reopening of the assessment under Section 147 of the Act 1961 are not satisfied in the present case **(Para 39 & 40)**

6. Conclusion :-

In this case, it can be concluded that when an information came to knowledge of assessing authority, he is required to examine its genuineness & correctness without it he has no jurisdiction to proceed for re-assessment.

It is welcome judgment by Honorable High Court.

*Sources

- <https://gujarathighcourt.nic.in/>
- <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 **May 2022** 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
49/2022/F.No.370142/6/2022-TPL	05 th May	These rules may be called the Income-tax (Twelfth Amendment) Rules, 2022	In exercise of the powers conferred by the section 245Q 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 for the forms –FORM No. 34C to FORM No. 34EA	Click here to Read
50/2022/F.No.370142/2/2022-TPL	06 th May	These rules may be called the Income-tax Amendment (Thirteenth Amendment) Rules, 2022	In exercise of the powers conferred by the Explanation 3 to clause (23FE) of section 10 and fourth, fifth and sixth provisos to clause (23FE) of section 10, 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 related to Computation of minimum investment and exempt income for the purposes of clause (23FE) of section 10 of the Act	Click here to Read
51/2022/ F.No.370142/4/2021-TPL	09 th May	These rules may be called the Income-tax (Fourteenth Amendment) Rules, 2022	In exercise of the powers conferred by clauses (i), (ii), (iii) and (iv) of first proviso to clause (23C) of section 10, ninth proviso to clause (23C) of section 10, sub-clauses (i) (ii), (iii), (iv), (v) and (vi) of clause (ac) of sub-section (1) of section 12A, sub-section (3) of section 12AB, first and fifth proviso to sub-section (1) subsection (1A) of section 35, clauses (i), (ii), (iii) and (iv) of first proviso to sub-section (5) of section 80G, third proviso to sub-section (5) of section 80G, clauses (viii) and (ix)	Click here to Read

			of sub-section (5) of section 80G, read with section 295 of the Income-Central Board of Direct Taxes hereby makes the certain rules further to amend the Income-tax Rules, 1962 related to FORM No. 3CF, Form 10A, Form 10AB, Form 10BD, Form 10BE	
52 /2022/F. No.370142/4 /2021-TPL	09 th May	Central Board of Direct Taxes hereby amends the Notification Number 30 of 2021	In exercise of the powers conferred by clause (i) of sub-rule (1), sub-rule (5) and sub-rule (6) of rule 2C, sub-rule (1), sub-rule (5) and sub-rule (6) of rule 5CA, clause (a) of sub-rule (1), sub-rule (5) and sub-rule (6) of rule 11AA and clause (i) of sub-rule (1), sub-rule (5) and sub-rule (6) of rule 17A of the Income tax Rules, 1962 the Central Board of Direct Taxes hereby amends the Notification Number 30 of 2021 (hereinafter referred to as the said Notification), published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 1443(E), dated the 1st April, 2021, namely in the opening paragraph, the words “and Commissioner of Income-tax (Exemption), Bengaluru” shall be omitted	Click here to Read
53/2022/F.N o.370142/49 /2020-TPL	10 th May	These rules may be called the Income-tax (Fifteenth Amendment) Rules, 2022	In exercise of the powers conferred by clause (vii) of sub-section (1), sub-section (6A) of section 139A, and clause (ab) of Explanation to the said section 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 namely Rule 114, Rule 114BA, Rule 114BB.	Click here to Read
54/2022/F. No.370142/5 1/2020-TPL(Part III)	27 th May	This Scheme may be called the Faceless Penalty (Amendment) Scheme, 2022	In exercise of the powers conferred by sub-section (2A) of section 274 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the Scheme to amend the Faceless Penalty Scheme, 2021	Click here to Read
55/2022/F. No.370142/5 1/2020-TPL(Part III)	27 th May	Faceless Penalty (Amendment) Scheme, 2022	In exercise of the powers conferred by sub-section (2B) of section 274 of the Income-tax Act, 1961 (43 of 1961)(hereinafter referred to as –the Act) and in consequence to the amendments made in section 144B of the Act vide the Finance Act, 2022, for the purposes of giving effect to the Faceless Penalty (Amendment) Scheme, 2022 made under sub-section (2A) of section 274 of the Act, the Central Government hereby makes the following amendments in the notification of the Government of	Click here to Read

			India, Ministry of Finance (Department of Revenue), Central Board of Direct Taxes published in the Gazette of India, Extraordinary vide number S.O. 118(E), dated the 12th January, 2021	
56/2022 F.No.22S/911 2022/ITA-JI	28 th May	Section 143 of Income tax Act, 1961 (43 of 1961) (the Act) read with Rule 12E of the Income-tax Rules, 1962	In exercise of powers conferred under sub-section (2) of section 143 of Income tax Act, 1961 (43 of 1961) (the Act) read with Rule 12E of the Income-tax Rules, 1962, and in supersession of Notification No. 25/20211F. NO. 187/312020-ITA-I dated 31.03.2021, the Central Board of Direct Taxes hereby authorises the Assistant Commissioner of Income Tax Deputy Commissioner of Income Tax (International Taxation), Circle - 1(1)(1), Delhi to act as the 'Prescribed Income-tax Authority' for the purpose of issuance of notice under subsection (2) of section 143 of the Act	Click here to Read
57/2022/ F. No.370142/3 1/2021- TPL(Part III)	31 st May	This rule may be called the Income-tax (Sixteenth Amendment) Rules, 2022	In exercise of the powers conferred by sub-section (1) of section 245W 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, namely 44FA. Form and manner of filing appeal to the High Court on ruling pronounced or order passed by the Board for Advance Rulings under sub-section (1) of section 245W	Click here to Read
58 /2022 F.No.300196/ 12/2021-ITA- I	31 st May	Section 10 of the Income-tax Act, 1961 (43 of 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, 'National Biodiversity Authority' (PAN AAALN0331K), an Authority established under the Biological Diversity Act, 2002 (18 of 2003), in respect of the following specified income arising to that Authority, namely:— (a) amount received in the form of grant-in-aid from the Government of India; (b) benefit sharing fee and royalty received; (c) amount received in the form of application fees; and (d) interest earned on (a) to (c) above	Click here to Read

2. Income Tax Act 1961 – Circulars :-

Dated	Heading	In Brief	Link to Read Full
09th May No. 9/2022	Guidelines under clause (23FE) of	Guidelines for 1. Transfer of investment within 3 years by	Click here to Read

	section 10 of the Income-tax Act, 1961 - reg.	<p>the specified person or AIF/ domestic Company/NBFC</p> <ol style="list-style-type: none"> 2. Eligible infrastructure entity carrying on other businesses as well 3. Violation of 50 per cent, 75 per cent or 90 per cent condition as per item (c), (d) or (e) of sub-clause (iii) of clause (23FE) of section 10 of the Act 4. Violation of one or more conditions in clause (23FE) of section 10 of the Act or rules thereunder or under the notification exempting the specified person under the said clause. 5. Computation of the capital gains arising to the specified person on account of the transfer of their holding in domestic company or non-banking finance company 6. Secondary investment in infrastructure companies 7. Tax audit 8. Quarterly statement of investments 	
17th May No.10/2022	Circular regarding use of functionality under section 206AB and 206CCA of the Income-Tax Act, 1961 - reg.	It may be noted that as per the provisos of Section 206AB & 206CCA, the specified person shall not include a non-resident who does not have a permanent establishment (PE) in India. Since the functionality does not have the visibility of non-resident having PE in India, there is likelihood that non-resident having PE in India may not get reflected in this list. Tax Deductors & Collectors are expected to carry out necessary due diligence in respect of nonresidents about the applicability of section 206AB and section 206CCA on them	Click here to Read

3. CBDT Press Releases :-

Dated	Heading	In Brief	Link to Read Full
	There is no important CBDT Press release for the month May 2022		

4. CBDT Relevant Miscellaneous Communications :-

Dated	Heading	In Brief	Link to Read Full
11th May	Guidelines for compulsory selection of returns for Complete Scrutiny during the Financial Year 2022-23 - procedure for compulsory selection in such cases - regarding.	<p>The parameters for compulsory selection of returns for Complete Scrutiny during Financial Year 2022-23 and procedure for compulsory selection in such cases are prescribed as under:</p> <ol style="list-style-type: none"> 1. Cases pertaining to survey u/s 133A of the Income-tax Act, 1961 (Act) 2. Cases pertaining to Search and Seizure 3. Cases in which notices u/s 142(1) of the Act, calling for return, have been issued & no returns have been furnished 4. Cases in which notices u/s 148 of the Act have been issued 5. Cases related to registration/ approval under various sections of the Act, such as 12A, 35(I)(ii)/ (tia)/ (iii), IO(23C), etc. 	Click here to Read

6. Cases involving addition in an earlier assessment year(s) on a recurring issue of law or fact and/or law and fact
7. Cases related to specific information regarding tax-evasion

As per the amendments brought by Finance Act 2021, the time limit for service of notice U/S 143(2) of the Act has been reduced to three months from end of the Financial Year in which the return is filed. Therefore, selection of cases and transfer of cases, wherein assessments have to be completed in faceless manner, to NaFAC shall be completed positively by 31.05.2022. In cases selected for compulsory scrutiny, service of notice u/s 143(2) of the Act shall be completed by 30.06.2022.

Sources * <http://www.incometaxindia.gov.in> as on date 10th June 22

1. In Brief :-

This is Gist of all important updates during **May 2022** 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.

2. Central Tax - Notifications :-



Notification No.	Dated	Heading	Link to Read Full
05/22	17 th March	Seeks to extend the due date of filing FORM GSTR-3B for the month of April, 2022	Click here to Read
06/22	17 th March	Seeks to extend the due date of payment of tax, in FORM GST PMT-06, for the month of April, 2022 by taxpayers who are under QRMP scheme	Click here to Read
07/22	26 th March	Seeks to waive off late fee under section 47 for the period from 01.05.2022 till 30.06.2022 for delay in filing FORM GSTR-4 for FY 2021-22	Click here to Read

3. Central Tax (Rate) - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month May 2022			

4. Integrated Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month May 2022			

5. Integrated Tax (Rate)- Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month May 2022			

6. Union Territory Tax & (Rate) - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month May 2022			

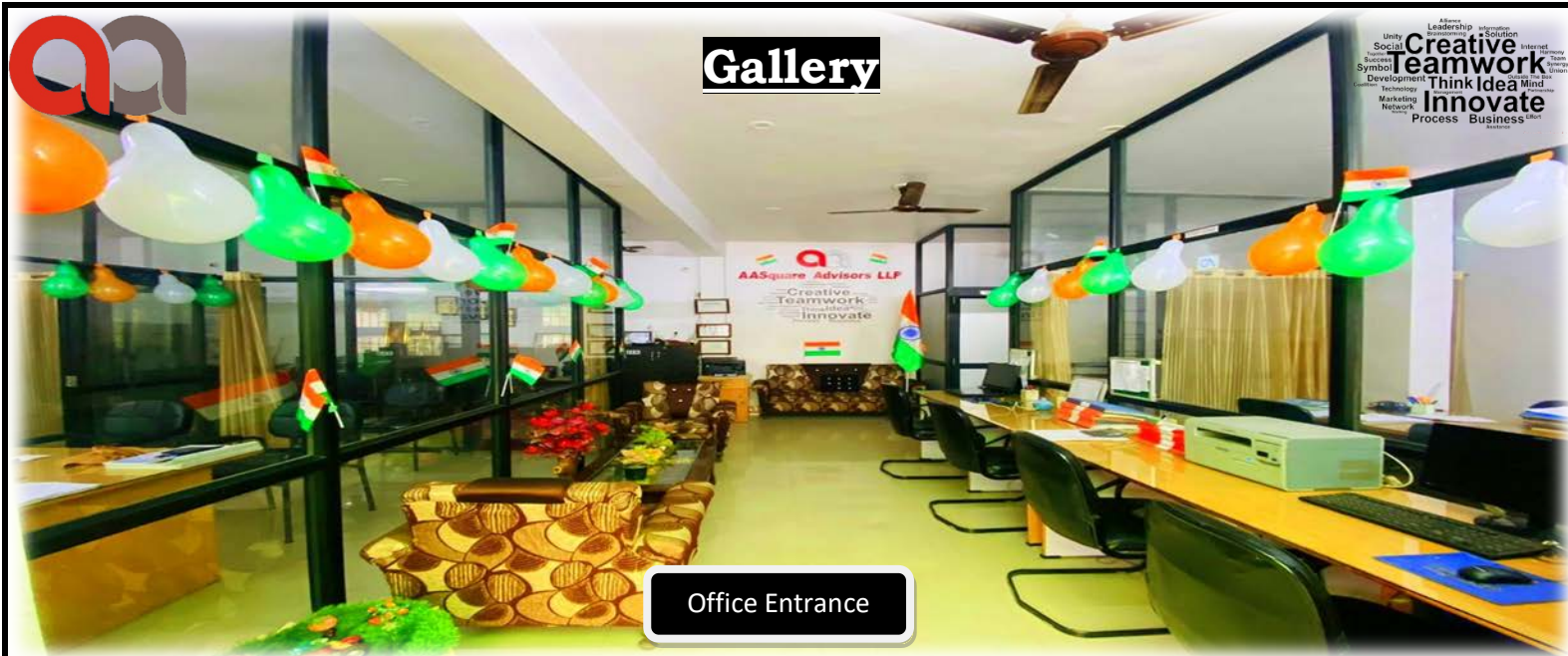
7. Circulars :-

Circular No.	Dated	Heading	Link to Read Full
There is no important circular for the month May 2022			

8. Instructions/Guidelines :-

Instruction No.	Dated	Heading	Link to Read Full
01/2022-23[GST-INV]	25 th May	Deposit of tax during the course of search, inspection or investigation	Click here to Read

Sources * <https://www.cbic.gov.in> as on date 10th June 22



Office Entrance

Beautiful Garden in office premises



MadhuMalti



Organic Farming – Lady Finger



Canna Musifolia



Heena



Organic Farming - Pomegranate