

The Institute of Chartered Accountants of India  
(Setup by an Act of Parliament)

**CHH. SAMBAJINAGAR BRANCH OF WIRC OF ICAI**

# NEWSLETTER

**JUNE 2023**



**WORLD**  
*Environment*  
**DAY**

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## **BRANCH MANAGING COMMITTEE :**

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CA Rupali Bothara - Vice Chairperson  
CA Mahesh Indani - Secretary  
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CA Amol Godha - WICASA Chairman  
CA Yogesh Agrawal - Immediate Past Chairman

## **EDITORIAL BOARD :**

CA Ganesh Bhalerao - Chairman  
CA Mahesh Indani - Secretary  
CA Sapna Lunawat - Newsletter Committee Chairperson

# Chairman's Message

Dear Readers,

It is with great pleasure and excitement that I address you through the Chairman's message for our June journal. As we approach the midpoint of the year, it is a moment of reflection and celebration of Chhatrapati Sambhajnagar (Aurangabad) Branch Foundation Day this month. We celebrate the remarkable milestone achieved, 17th June 1986, when our branch was established. Over the years, our branch has grown and flourished through vision of our seniors and talented members. Firstly, I take this opportunity to express our sincere gratitude to the visionary leaders, esteemed members, faculty, and staff who have tirelessly worked towards the advancement of our branch.



Our monthly activities this month included seminars on Fund raising via SME IPO for MSMEs, Entrepreneurship Needs and Challenges, HUF Basics and its Taxation, Seminar on Project Finance and New Foreign Trade Policy and Export Incentive Scheme. We had held a three days' Education Fair Jointly with Lokmat Media Ltd. For the physical health and wellness of our members and students, we also held a Box Cricket League and celebrated International Yoga Day on 21st June, 2023 with our members and Students.

Our journal has always aimed to be at the forefront of advancing research and fostering intellectual dialogue. In keeping with this commitment, we have continued to publish cutting-edge articles, insightful reviews, and thought-provoking commentaries that contribute to the ever-expanding landscape of human understanding. Our dedicated team of editors and reviewers has tirelessly worked to maintain the highest standards of scholarly rigor, ensuring the quality and credibility of the work published in our journal.

This June issue encapsulates the spirit of interdisciplinary collaboration and cross-pollination of ideas. It brings together diverse perspectives from various fields, enriching our readers' experience and encouraging the cross-fertilization of knowledge. From the realms of science and technology to social sciences, humanities, and beyond, our journal encompasses a wide array of disciplines, striving to be inclusive and representative of the vast tapestry of human inquiry.

In this edition, you will find write up on Delayed Payments to MSME Vendors that sheds light on disallowances to vendors and their consequences under the Income Tax Act, 1961. With this we also come to you with the buzzing topic, Does Digital Transformation Demand for Tax Reforms. Our contributors have delved into the depths of their respective domains, unearthing new insights and pushing the boundaries of knowledge. Furthermore, we have curated a selection of thought-provoking essays that tackle pressing societal issues, fostering critical thinking and encouraging dialogue. I would like to express my gratitude to all the authors who have entrusted us with their valuable research, as well as our diligent reviewers and editors who have devoted their expertise and time to ensure the highest level of scholarship. Additionally, I extend my appreciation to our readers whose unwavering support and engagement fuel our mission to disseminate knowledge to the farthest corners of the globe.

As we look ahead, the world is grappling with challenges that demand innovative solutions and interdisciplinary approaches. Our journal remains steadfast in its commitment to being a platform for sharing groundbreaking research and fostering collaboration across disciplines. We are constantly evolving to meet the evolving needs of the scholarly community and strive to adapt to the changing landscape of academia.

I encourage you, our esteemed readers, to immerse yourselves in the rich tapestry of knowledge presented in this June journal. May it inspire you, challenge your assumptions, and spark new avenues of exploration. We welcome your feedback and engagement as we continue our journey towards academic excellence. Thank you for your continued support.

Warm regards,

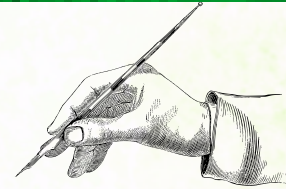
**CA Ganesh Bhalerao**

***Branch Chairman***

*Chhatrapati Sambhajinagar*



## **From The Editor...**



*Greetings on the World's Environment Day ! In tandem with the world's environment, economical and financial environment has also changed dynamically. To keep pace with it has become a challenging job. We the professionals of the world's largest accounting body are also required to change our strategies and plan our advisories accordingly.*

*To walk hand in hand with this everchanging digital scenario, we have come up with an articles on the digital transformation aspect viz-a-viz tax reforms. This is another perspective which will give rise to many transformations in the taxation world.*

*Since the MSMEs are about to approach their Income Tax filings, the disallowances of delayed payments to MSME vendors have brought a twist in the financial statements this year. Also, the recent case laws shall give our members a new way of dealing with litigations in GST and Income Tax laws.*

*I thank all the authors for their valuable contribution in making this issue successful. We look forward to see more write-ups being sent to us for upcoming issues to ensure that the custom of knowledge sharing and caring is consistently followed. Please feel free to provide your feedback and send pertinent information for inclusion in our forthcoming issues.*

*Hope all the members enjoy this read and benefit from the knowledge shared by the esteemed authors and get a better understanding on the issues discussed. Any suggestions and questions are welcome by the branch. We thank our authors for sharing their knowledge with us and taking us through this beautiful journey of learning.*

### **CA Sapna Lunawat**

*Editor & Chairperson,  
Newsletter Committee*



# Our Stalwarts



**CA Aniket Talati**  
President, ICAI



**CA Ranjeet Kumar Agarwal**  
Vice-President, ICAI



**CA Umesh Sharma**  
CCM, ICAI



**CA Arpit Kabra**  
WIRC Chairman, ICAI



**CA Hitesh Pomal**  
WIRC Vice-Chairman, ICAI



**CA Sourabh Ajmera**  
WIRC Secretary, ICAI  
& Branch Nominee

## BRANCH MANAGING COMMITTEE



**CA Ganesh Bhalerao**  
Branch Chairman



**CA Rupali Bothara**  
Vice - Chairperson



**CA Mahesh Indani**  
Secretary



**CA Kedar Pande**  
Treasurer



**CA Amol Godha**  
WICASA Chairman



**CA Yogesh Agarwal**  
Immediate Past Chairman

# Photos of Events

Education Fair Jointly with Lokmat Media Ltd. dated 2,3 & 4 June 2023.



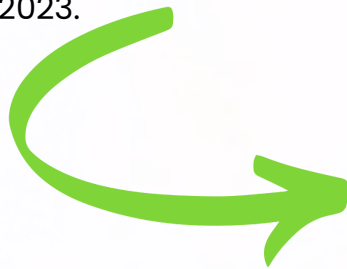
Half Day Seminar on Fund raising via SME IPO for MSME (proprietor, partnership can also tap fund post conversion), Floral Welcome of Speaker CA Piyush Bajaj by Branch Chairman CA Ganesh Bhalerao & Branch Secretary CA Mahesh Indani dated 4 June 2023.

Half Day Seminar on Entrepreneurship Needs and Challenges, Presentation of Memento to Speaker CA Rajkumar Adukia, Central Council Member by Branch Chairman CA Ganesh Bhalerao & Branch Secretary CA Mahesh Indani dated 4 June 2023.



# Photos of Events

Half Day Seminar on HUF Basics and its Taxation, Presentation Of Memento to Speaker CA Yash Nagar by WICASA Chairman CA Amol Godha & Branch Chairman CA Ganesh Bhalerao dated 10 June 2023.



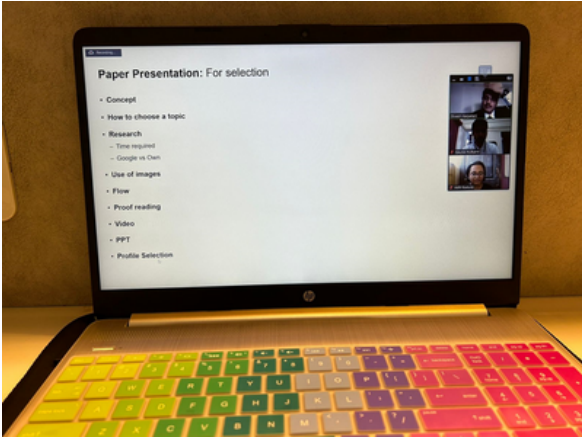
National Talent Hunt – Pitch & Extempore Competition dated 10 June 2023.



Celebration of International Yoga Day, Presentation of Memento to Yoga Trainer CA Rajendra Zawar by Branch Chairman CA Ganesh Bhalerao dated 21 June 2023.



# Photos of Events



Online session for paper presenters  
By CA Divesh Harpalani dated 11  
June 2023.



Half day Seminar on Project Finance, Flower  
Welcome of Speaker CA Shiwbhagwan  
Assawa dated 17 June 2023.



Glimpses of Two Days  
Box Cricket League  
dated 16 & 17 June  
2023.



Half Day Seminar on "New Foreign Trade Policy  
and Export Incentive Scheme", Floral Welcome of  
Speaker CA Abhishek Malpani by Branch  
Secretary CA Mahesh Indani dated 24 June 2023.



# ARTICLE

## 1. Disallowance of Delayed Payments to MSME Vendors

To promote timely payments to MSMES The Budget 2023 has introduced to include payments made to MSMEs within the ambit of Section 43B of the Income Tax Act, 1961. Thus, a deduction for such payments will only be allowed when it is actually paid. It will be allowed on an accrual basis only when the payment is made within the time prescribed under the Micro, Small and Medium Enterprises Development Act, 2006.



THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3(ii)]  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES  
NOTIFICATION:

the Central Government, hereby notifies the following criteria for classification of micro, small and medium enterprises, namely

- (i) a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
- (ii) a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;
- (iii) a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

Any enterprise, which supplies any goods or renders services with the requisite investment and turnover criteria of a micro or small enterprise is a 'supplier' under the MSMED Act. To be able to claim delayed payments under the MSMED Act, an Udhog Aadhar Number is mandatory. Any Micro or Small Enterprise which is registered with the authority under this Act shall be a 'supplier' for the purposes of this Act.

Any entity which sells goods and/or renders services, a registration as a Micro or Small Enterprise is crucial to ensure timely payments for the enterprise concern.

Section 15 of the MSMED Act deals with the delayed payment to MSMEs by the buyer. Section 15 provides that where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefore on or before the date agreed upon between him and the supplier in writing but the period agreed between the parties shall not exceed 45 days or, where there is no agreement in this behalf, not later than 15 days from the day of acceptance or deemed acceptance of goods or services.

As per this section, buyer is liable to make payment to the supplier within a period of 15 days if there is not agreed date of payment or a maximum period of 45 days when period is agreed.

In case of payment is not made within the specified period under section 15 to the supplier, then the buyer is liable to pay interest to the supplier on the principal amount at a fixed rate prescribed under section 16.

Section 16 provides that in case of failure to make the payment towards the goods or services provided by a supplier before the appointed day, the buyer is required to pay compound interest with monthly rests on the due amount at three times of the bank rate notified by Reserve Bank of India.

The MSMED Act specifies in Section 17 that the buyer must “pay the amount with interest thereon as required under Section 16” in exchange for any goods or services delivered by a supplier.

Filing a claim under Section 18:

The supplier can file complaint online on <https://samadhaan.msme.gov.in>. All he need is the Udhdyog Aadhar Number provided at the time of registration and invoices & work orders in scanned format to be uploaded with the application.

As per Section 22 of MSMED Act, where the buyer is required to get his annual accounts audited, he shall furnish the following information in the annual statement of accounts –

- i) Principal amount and interest due thereon (to be shown separately) remaining unpaid to any supplier as at end of accounting year;
- ii) Amount of interest paid by buyer under MSMED Act along with the amount of payment made to supplier beyond the appointed day during each accounting year;
- iii) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond appointed day) but without adding interest specified under the Act;
- iv) Amount of interest accrued and remaining unpaid at the end of each accounting year; and
- v) Amount of further interest remaining due and payable even in the succeeding years, until such dates when interest dues are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure.

Section 23 of MSMED Act has specifically prohibited the assessee from claiming the deduction from the income on account of interest paid to MSME. Interest not to be allowed as deduction from income.

### **What is Section 23 of the MSME Act, 2006 ?**

Notwithstanding anything contained in the Income-tax Act, 1961 (43 of 1961), the amount of interest payable or paid by any buyer, under or in accordance with the provisions of this Act, shall not, for the purposes of computation of income under the Income-tax Act, 1961, be allowed as deduction.

Section 24 of MSME Act provides that sections 15 to 23 shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

### **INTEREST ON DELAYED PAYMENT**

Sections 15 to 24 of the MSME Act make a buyer liable to pay interest. However, as payment of such interest is considered as penal in nature, no deduction is allowed under section 37 of the Income Tax Act, 1961.

### **Clause 22 of Form-3CD : Interest Paid to MSME Creditors**

The tax auditor is required to state the amount of interest inadmissible under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

A Clause (h) is inserted in Section 43B of the Income Tax Act stating that any sum payable by an assessee to MSME beyond the time limit specified in Section 15 of the Micro, Small and Medium Enterprises Development (MSME) Act, 2006, will be allowed as deduction only when the payment has been made within the time limit specified in section 15 of the MSME Act to qualify for the deduction.

### **What is the new rule of MSME?**

By the Finance Bill, 2023 brings new clause (h) to section 43B of the Act, by which any expenditure in related to purchases/services hired from MSME, will be allowed only if such expenditure is paid within the time limit specified in section 15 of Micro, Small and Medium Enterprises Development Act, 2006.

It should also be noted that if sums remaining unpaid to the Micro and Small Enterprises at the end of the year for a period beyond 15 days or 45 days, as the case may be, shall attract section 15 of the MSME Act and therefore, will attract the provisions of clause (h) of section 43B of the Act.

**APPLICABILITY** The Bill provides that this amendment will take effect from 1st April, 2024 and will accordingly apply to the assessment year 2024-25 and subsequent assessment years. It means the proposed amendment will apply to payments falling due on or after 1st April, 2024 and not to the unpaid amounts brought forward from past years on 1st April, 2024.

It will not be out of context to mention that The Companies Act, 2013 provides that a Company must file e-form MSME-1 every half year with Registrar of

Companies mentioning all the transaction, wherever payment made after 45 days and is also required to give certain additional information in its financial statements.

### **IMPACT OF THE PROPOSED AMENDMENT**

Section 43B of the Act provides that deduction for certain sums specified in its clauses (a) to (g) is allowable only on actual payment. However, the Proviso to this section allows deduction on accrual basis if the specified sum is paid by due date of furnishing of the return of income. The sums covered by clauses (a) to



(g) may have fallen due for payment before the close the financial year and remain unpaid at the end of the year. In respect of these sums, section 43B is not concerned whether the payments had fallen due or not before the end of the financial year. The Section and the proviso thereto read together provide that deduction is allowable if the actual payment is made by the due date of furnishing the return of income.

But so far as the sum covered by the proposed clause (h) is concerned, the payment of the principal sum due to a Micro and Small Enterprise must be made within the time limit specified in section 15 of the MSME Act so as to qualify for deduction.

**CA Ravindra Chhajed**



### **Invitation to Contribute Articles**

**Articles are invited from members and students for being published in the Newsletter. Articles can be sent to [aurangabad@icai.org](mailto:aurangabad@icai.org). Word limit for articles is 2000 to 5000 words. Send the article alongwith Passport size scanned photo.**

# ARTICLE

## 2. Does Digital Transformation Demand for Tax Reforms?

It is no longer the Big beating the Small, but the fast beating the slow. Today no product is made, no person moves, nothing is collected, analyzed, or communicated without some 'digital technology' being an integral part of it. That speaks for the overwhelming value of digital technology. India's digital economy grew 2.4 times faster than the Indian economy during 2014 to 2019, with strong forward linkages to non-digital sectors.

The Current tax regulations (both international and domestic) were formulated decades ago using brick-and-mortar economy capabilities as a guideline.



It has become obsolete now with the advent of the Digitalized economy. The E-Commerce Platforms or Digital Companies as the case maybe seek to deliver services or goods without having any physical registered office or presence in India; thereby such companies are rendered outside regulatory control of the Indian Government. Digital companies mainly rely upon flow of information / data to generate their revenues and since there is no clear definition in the existing laws, many of the digital companies have been able to avoid taxation altogether. It is important to note that laws of international taxations are applicable to only Non- Resident Indians ("NRI"). In this we shall be discussing the aforesaid issues with regards to the scope and extent of taxation for income arising through digital model.

### 1. CLASSIFICATION OF INCOME

As per Section 9 of the Income Tax Act, 1961 "Income deemed to accrue or arise in India" applicable to NRI is categorized under three broad headings:

- Business Income
- Royalty
- Fee for Technical Services

The issue of classification of income is really important to be redressed because it makes a huge difference whether the income from giving digital services is classified as a royalty or business income which is further classified into two categories viz tax rate of 10%, if NRI does not have "business connection" or Permanent Establishment (PE) in India and at a tax rate of 40% if NRI has PE in India.

There needs to be guidelines / directives for classification of source of income for digital companies since there is ambiguity in judgements passed by High Courts / Tribunals / Appellate Authority. Following examples to illustrate the same:

- Subscription fees received by digital service provider:

- o CIT v. Wipro Limited, [2013] 355 ITR 284 (KAR) The Hon'ble High Court of Karnataka held that the payment received by authority having control over the database shall constitute a royalty payment even though the database consists of publicly disclosed documents.

- o Re Dun and Bradstreet Espana, S.A., (2005) 193 CTR (AAR) 9 The Tribunal held that merely giving access rights to reports which are already public documents and giving service access to such reports compiled thereafter shall not constitute as royalty payment.

- o Re Cargo Community (2007)208 CTR (AAR) 184 where The Appellate Authority held that the quantum of money paid under the grab of subscription fee for the usage of Cargo Community Network regarding the provision of access and usage of web portal whose server was at that point in time located at Singapore would come under the head of "Royalty Payment".

- **Commissions / user fees received by website operators:**

eBay International AG v. Deputy Director of Income Tax (IT), ITA No.6784/M/2010, Income Tax Appellate Tribunal held that any user fees charged by eBay does not come under the head "fees for provision of managerial services" under Section 9 of IT Act because eBay is a platform where merely buyers-and-sellers interact. Since eBay does not play any role whatsoever in successful sales thereof the contention of revenue authorities that commissions/ user fee received by eBay is taxable was rejected because only managerial services were provided by eBay platform for managing customer orders.

Therefore, it can be seen from the case laws that there are contradictory rulings of the judicial and quasi-judicial authorities/ tribunals when it comes to classifying user fees or subscription fee under business income or as license fee thereby being characterized as royalty, hence in conclusion there is lack of legislative clarity as to the classification into heads of income for transactions generating revenue over the digital e-commerce.

## **2. PERMANENT ESTABLISHMENT (PE) IN INDIA**

The second most important thing after classifying income as business income is to check that whether there exists a "business connection" in India for the income which is taxable in India. Digital Companies or firms which earn revenue via offering of their goods and services on their respective digital platforms, to avoid taxes, set up their offices in those territories where neither the parent company is a resident, nor the customers of that company reside. The online business model structures seen in Uber India Services where Uber India when questioned on its tax liability stated that Uber India is merely a platform which gives support services and a mere agent who collects revenue from India and disburses funds outside India as directed by Uber BV (parent company of Uber which has been established in Netherlands) which enjoys a lot of tax benefits for the newly incorporated companies within the territory of Netherlands. The servers of companies like Facebook, Amazon, Netflix and Google do not even have their servers in India. The said servers are located somewhere abroad thereby the taxation laws of India which have limited extraterritorial reach cannot ripe such high revenue generating digital companies.

### 3. ATTRIBUTION OF PROFIT TO PE

If the NRI possess the PE in connection to India, then the important task of assigning profit to the account of that NRI is a major issue which has not been settled with regards to the operation of the digital economy. Article 7 of the OECD (Organization for Economic Co-operation and Development) model convention provides that for attributing profits to a particular PE, the said PE should be separate and stand on independent footing for comparison with third parties to set up the whole transaction fees (price). In any e-commerce transaction, we assume PE is allocated to the server performing transaction. Since the location of the said server is not known, applicable jurisdiction cannot be determined. This leads to technical problems for calculation of the functions performed and the risks taken by the server. There is an urgent need to look at the options which can help attribute profits to digital PE.

Rule 10 of the Income Tax Rules assigns the given profit rate which is applicable to the quantum of financial revenue-based-turnover generated in India of a company based abroad hereafter seeking the identification of assignable profits (those profits which are assigned to operations of the foreign company) due to operational activities carried out in India. Furthermore, the Apex Court in DIT v. Morgan Stanley & Co. held that principle of transfer pricing is to be applied when assigning profit to that particular PE hence there are several judicial decisions stating that in an ad hoc manner the Profits have to be attributed to the PE. Therefore, following from the above examples and principles laid down there is a lack of legislative clarity over the attribution of income to PE when it comes to income being generated over the digital economy.

### 4. UNILATERAL MEASURES TAKEN BY INDIA

There are several measures which were taken by India as per the changes suggested by the committee on taxation of e-commerce and some of these measures got outdated but later the principles suggested by this committee was valid to date and hence constitute the unilateral measures taken by India and is explained as follows:

- **Equalization Levy** - It is imposed in cases where payments are being made to foreigners, to put the domestic competitors and foreign competitors on the same pedestal in connection with the goods and services provided in the digital economy. Equalization Levy was inserted vide Finance Act, 2016 to provide for a tax of 6% on the consideration received by the NRI. As per the provisions of the Finance Act services like online advertising, which were further amended by Finance Act 2020 to include other online services, were made taxable by the Government, herein the term "online" was defined as a right or benefit which was derived through internet mediums or any form of telecommunication. Equalization levy was not charged to NRI who was having a PE in India. Therefore, only selective services of the digital economy were taxed.



• **Significant Economic Presence (“SEP”)** – This concept was introduced vide Finance Act 2018 where SEP under the Income Tax Act, 1961 was defined to be transaction where the NRI carries on transactions of goods and services with any Indian Resident if the total payment is more than Rs. 20 million. For calculating SEP, the total value of all the considerations received is taken into account. Furthermore, a wide definition in the stating that a systematic and continuous business activities or interacting with a lot of users here the activity must exceed the central government prescribed number of users. As far as the digital economy is concerned the law has failed to keep up because the term “user” was not defined in the Act because a user can be a viewer, clicker, or subscriber hence the government failed to identify the tax base altogether. For example, on Facebook, YouTube, and Instagram the click-based user generates data which is then targeted with advertisement thereof the money is accumulated in a valorised quantum from the advertisement itself.

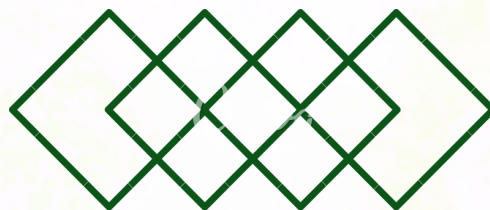
## 5. CONCLUSION

“Technology Connects Us, Technology Unites Us and Technology Amplifies our Power”. In this era of Digital Revolution, there is an urgent need to reform our tax system. As it is said, technology is transforming every single Human, every sector of industry, education system same way tax system must be reformed to catch hold of the means of income which were unanticipated decades back. Even though India took some

unilateral measures to regulate the income generated via the digital economy and technology, there is need for specific guidelines / directives to close the gaps being generated with the evolving digital economy.



**CA Manali Modani**



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# RECENT CASE LAWS

## **Delhi HC Set Aside Section 148A(d) Order Passed without Considering Reply of Assessee: Directs de novo exercise-MAJESTIC HANDICRAFT PRIVATE LIMITED vs DEPUTY COMMISSIONER OF INCOME TAX-2023 TAXSCAN (HC) 704:**

The Delhi Bench of High Court has set aside the order passed under Section 148A(d) of the Income Tax Act 1961 as this was passed without considering the reply of the assessee. The assessing officer was directed for de novo exercise in lieu of the above order.

The Division Bench of Justice Rajiv Shukdher and Justice Tara Vistata Ganju set aside the order passed under Section 148A(d), and the consequential notice observing that, "What the AO is required to prima facie establish, is that the stand of the petitioner, which is that it had obtained supply of the readymade garments from the aforementioned entities was false. It appears that the AO has not done his due diligence on that behalf." The Bench also held that the AO would have liberty to carry out a de novo exercise.

## **Cancellation of GST Registration due to Non-filing of returns for 6 Consecutive months: Uttarakhand HC directs to pay O/s dues-CITATION: 2023 TAXSCAN (HC) 703**

In a recent ruling, the Single bench of Justice Manoj Kumar Tiwari directed the petitioner to pay the outstanding dues of the Goods and Services Tax (GST). The petitioner, aggrieved by the cancellation of his GST registration by the GST State department filed the writ petition seeking reliefs.

The petitioner sought to issue suitable writ, order or direction in the nature of certiorari calling the record of the case and quash the cancellation of GST Registration order as the petitioner is ready to pay all the dues. The bench observed that the cause of the cancellation of the GST registration was not clearly mentioned in the cancellation order. Thus the state counsel was asked to submit the instructions on the same.

## **Amalgamated Company considered to be a Non-existing Company: Calcutta HC quashes notice u/s 148 of I-T Act-Brilliant Credit & Finance Limited vs Income Tax Officer CITATION: 2023 TAXSCAN (HC) 702**

The Calcutta High Court presided by a single bench Justice Md. Nizamuddin quashed and set aside on the ground that the impugned notice was issued in the name of non-existing company in spite of revenue having notice and knowledge of non-existence of such Company.

The High court stated that once the scheme for amalgamation has been sanctioned by the Court, from that date amalgamating Company would not be in existence. Thus under the circumstances, the impugned notices, which are issued against the non-existent Company, cannot be sustained and the same deserves to be quashed and set aside.

# Planner for July

Date	Seminar/Event
1st July	CA Day Celebration
7th July	Study Circle Meeting / Half Day Seminar on Internal Audit
13th & 14th July	Tax Clinic
15th July	Study Circle Meeting/Half Day Seminar on ITR
22nd July	Study Circle Meeting/Half Day Seminar on Co-operative Society

