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BY THE PROFESSIONALS FOR THE PROFESSIONALS

Webinar on BEPS and MLI

Webinar on BEPS and MLI conducted on 4th, 5th, 6th & 7th November, 2020 presented by Achromic Point and BRICS CCI along with Aorakii Advisory as Knowledge Partner. In this Key Note Address was given by Pranshu Goel, Mentor at Aorakii Advisors also he shared his insights on Transparent Entities, Dual Resident Entities and application of methods of elimination of double taxation, whereas Sachin Vasudeva, Partner at SCV & Co LLP, Vidur Puri, Partner at SCV & Co LLP, Parul Jolly, Partner at SCV & Co LLP shared their insights on the Basic introduction on BEPS & MLI, Taxation of Digital Economy - Global Trends, Significant Economic Presence Test, Equalisation Levy and India's position. Artificial avoidance of PE status through Commissionaire and Agency arrangements and India's domestic measures to address BEPS were discussed by Shrey Khanna, Associate Director, International Tax and Regulatory at B S R & Co. LLP.

Digital Training on Investigation Report Writing

In this Digital Training on Investigation Report Writing conducted on 3rd, 5th, 10th & 12th November, 2020, where The report writing task by recognizing the criteria for, and importance of writing reports, why investigation reports are written and the types and Components of Report Observations, Evidence Gathering and Privilege and Actions basis the Investigation report were discussed by Sundar Narayanan, Director – Forensics at Nexdigm (SKP) and Ankoosh Mehta, Partner at Cyril Amarchand Mangaldas.

Certificate Course on Cyber- Readiness Business, legal and Financial Risks

In this Virtual Certificate Course on Cyber- Readiness Business, legal and Financial Risks conducted on 20th, 25th, 27th November, 2nd & 4th December, 2020. Introduction was given by Vicky Shah Advocate, whereas the most common typologies and Future Trends in Cyber-security were discussed by Anirban Banerjee, Global Head - Business Advocacy & Excellence at TCS BFSI Operations.
Kamala Naganand from Aarna Law shared her insights on Electronic Evidence and The Legal Challenges to Internet Banking.

Digital Workshop on Data Analytics for Internal Auditors

In this Digital Workshop on Data Analytics for Internal Auditors conducted on 1st, 2nd, 3rd & 4th December, 2020, where The Data Analytics Rationale was discussed by Sundar & Srivatsan from Deloitte India. Kaarthik Ramachandran, Associate Director at Deloitte India shared his insights on Technology Trends in Data and Analytics, whereas Session on Standard Data Analytics in Risk, Control and Internal Audit was taken by Swapna, Associate Director at Deloitte India. Last session on Use of Data through the Audit Lifecycle was taken by Jayashree, Associate Director at Deloitte India.

Virtual Interactive Session on - Detecting and Preventing Internal and External Frauds

In this Virtual Interactive Session on - Detecting and Preventing Internal and External Frauds conducted on 7th, 8th, 9th, 10th & 11th December, 2020, where Anirban Banerjee, Global Head - Business Advocacy & Excellence at TCS BFSI Operations shared his insights on The Fraud Problem, Conducting a Fraud Risk Assessment and Recognizing the Red Flags of Internal Fraud was discussed by Atul Luthra, Director, Forensic Services at PwC India.

Session on Fraud Detection was taken by Nirmal Paul, Vice President and Head -Fraud Prevention Unit & Claims Investigation at Bajaj Allianz Life Insurance Company, whereas Clare Fernandes at Nexdigm & Shefali Desai, Manager, Forensic Service at Nexdigm (SKP) shared their insights on Investigation Techniques- Forensic Accounting Investigation - What it Is.

Establishing an Anti- Fraud Culture was discussed by Hardik Sheth, Head - Internal Audit & Risk Management at Tech Mahindra Business Services & Jaideep Joshi, Risk & Compliance & Tech Mahindra.

TRANSFORMING YOUR FINANCE FUNCTION

Creating Efficiencies.
Enabling Technology.
Improving Performance.

The role of the finance function in current times is not merely limited to managing accounts and compliance. The expectations from the finance function is that of a strategic driver providing insights to the management to support their decisions on the organization's future course of action.

The finance function is constantly required to ideate and innovate to optimize processes, implement technology solutions, minimize costs and maximize profits as well as cash flows.

Challenges from the current pandemic have forced CFOs and members of the finance function to revisit the way activities are performed. There is a need to look at efficient solutions, identify redundant processes, or identify and explore the possibilities of digital transformations.

With this article we have highlighted the ways to establish a finance function that will not only help you sail through hurdles but also create a long-term operating model.

The process of achieving an optimized finance structure can be divided into three stages –

A. People - Optimizing roles and job descriptions
B. Process - Creating a standardized, efficient process
C. Technology - Use technology for automating daily functions

A. People - Optimizing roles and job descriptions

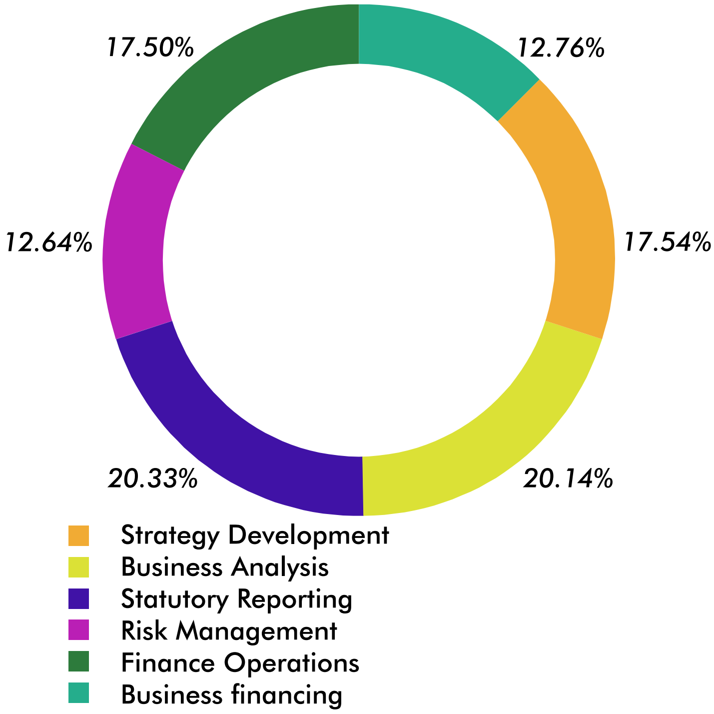
Many organizations worldwide have encountered situations wherein an employee hired for a particular position ends up spending substantial time on activities that were not a part of their job profile.

In the shadows of multi-tasking, the lack of planning and optimized job distribution is hidden. There is a need to re-look in the way activities are segregated among various team members.

The following steps can be adopted by the management to optimize performance of people in the finance function.

1. Benchmarking various activity areas across which the finance

team is spending their time
A study by the Institute of Management Accountants on 'Enterprise Performance Management and the Role of the Management Accountant in India' discusses how the Indian finance function spends their time. The results of the report areshowcased below [1]



Note: The survey respondents came from various sizes of organizations
ranging from 100 to greater than 5000 employees, revenues between INR 50 million to INR 5 trillion, as well as diverse sectors. A majority of the respondents worked at privately held companies.

2. Prepare a drilled-down list of sub-activities involved in each activity
Detail out each activity (mentioned in the diagram above) into a further set of sub-activities and processes. This will need an exhaustive discussion with finance team members. The objective of this step is achieve a complete visibility of the processes being followed in the entire operations.

3. Mapping people and time against activity
The next step is to map resources involved in various activities against time spent on various sub-activities. This will help recognize how individual resources are devoting time to the finance function and will also provide an understanding of the efforts required to perform each activity. It will also help in mapping capabilities to the nature of the job.

4.Identifying inefficiencies and implementing changes
An analysis of each activity and time spent by individual resources would need to be performed to identify inefficiencies, duplication of work, over/under utilization of resources, availability of spare capacity, etc. Post-analysis, a gradual movement of work can be initiated, and over a defined period, an ideal organization structure, with optimized roles can be achieved.

Highlights
The steps mentioned above should be performed with utmost planning and care as it can create an environment of hostility. Fear may set in among employees regarding job security, role changes, etc. and the same needs to be addressed strategically.

B. Process – Creating a standardized, efficient process
A process is *"a series of actions that are needed to achieve a result."* Organizations tend to overlook issues in processes until the occurrence of an adverse event. In the case of a breakdown, error, or hindrance of normalcy, organizations must understand the root cause, and take remedial action.
The processes should be designed in a way that would make the entire operation function smoothly with fewer errors and delays. A standardized process across the function will help achieve efficiency, avoid duplication of work, wastage of resources, meet timelines, and improve work satisfaction of the people involved in the process.

To bring efficiency in the process, an organization can follow these
steps[2]:
1. Identification of the process that needs a change Identifying which process needs a change is a key decision. Mentioned below are a few aspects which can help in identifying these processes -
- **a.** Frequent breakdowns, delays in any process
- **b.** Duplication of work, inefficiency, inability to meet expectations
- **c.** New goals set, thus changing the objective of the existing processes
- **d.** New technology available for improving the existing processes

[1] https://www.imanet.org/-/media/45ce9a46a03b4c84a5afcb062d83132f.ashx

2. Map the process
After identifying the process that needs to undergo a change, prepare a detailed step-by-step docu`ment of the process and sub-process using a flowchart. It is important to consult the people involved in the current process to ensure all details are captured.

3. Analyze the process
The objective of designing the new method is to find out the origin of the problems or challenges and not merely fix the symptoms. The following aspects can be considered for questioning the existing process –

a. Where do the team members face challenges?

b. Which steps in the process creates bottlenecks?

c. Where do the costs increase and/or quality decrease?

d. Which of these steps require the most time, or cause the most delays?

Consolidating these responses can provide insights into the processes that requires redesigning.

4. Redesign the process
The best approach to redesign is to involve the people who are closely working within the process. Their experience
in performing the current procedure will help reveal new systems and create a sense of acceptance for the proposed process change. The following steps can be carried out while redesigning the process-

a. Ensure everyone is aligned to the ultimate objective that the process is expected to achieve

b. Conceptualize new approaches and ideas. After conceptualizing, carry out an analysis regarding how the ideas on paper would translate into a real-life context, including the cost-benefits analysis

c. Conduct an 'Impact Analysis' to understand the full impact of the proposed new process

d. Carry out a 'Risk Analysis' and a 'Failure Mode and Effect Analysis' to spot possible risks and points of failure

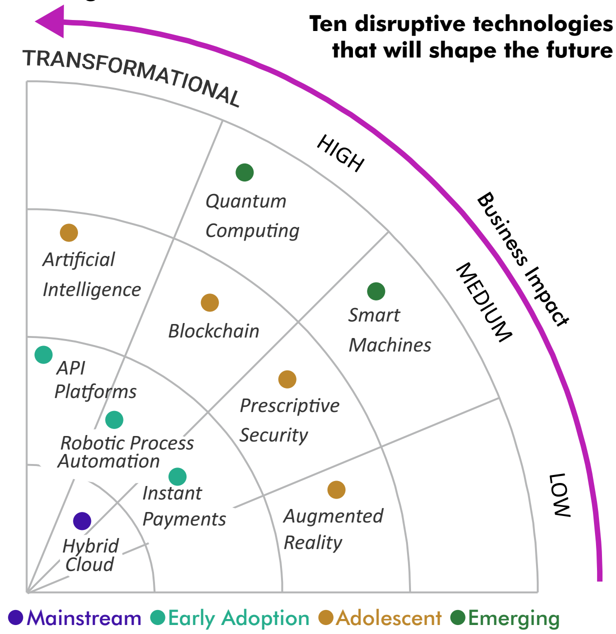
These steps will help you understand possible risks and points of failure within the redesigned process, analyze the consequences of each proposed idea, and make the right decision for the finance function.

5. Implement and communicate change
Implementation might involve changing the existing systems, teams, and processes, for example, implementation of a new software, hiring a new team member, changing the role of an existing team member, etc. Rolling out a new process might be a project in itself and hence, planning and managing the same strategically is important. There might be resistance from the teams, and therefore, handling the implementation tactfully and making people understand the objective of the change is crucial.

6. Monitor the process
Taking continuous feedback and making the necessary tweaks in the newly implemented process will help ensure that the issues faced leading to process changes are resolved gradually.

C. Technology – Use of technology for automating daily functions
Adapting to technological changes is a necessity and organizations must move swiftly to new processes laid on the foundation of the latest technological advancements. Furthermore, the automation of the processes in the finance function will help in data integrity, improved efficiency, speedy approvals, faster and informed decision-making.

Ten disruptive technologies that will shape the future



Highlights
When machines are trained to handle repetitive activities, humans can spend time on the activities which have the greatest impact on an organization. The future is awaiting the use of Internet of Things, blockchain, cloud computing, robotic process automation, data analytics, artificial intelligence, and much more. These technologies will eventually drive an evolution of the finance function as well.

Below are a few technological advancements that organizations can consider for immediate change:

1. Automation in accounting and routine jobs

- Integration of bank statements with the accounting system to automate cashbook journals and bank reconciliations;

2. https://www.mindtools.com/pages/article/improving-business-processes.htm

- The use of Optical Character Recognition (OCR) to capture fields from invoices can eliminate manual entries. When coupled with machine learning, it can also be used to predict general ledger analysis based on past data;
- An expense module can be implemented to remotely upload and approve expenses;
- Automated debt-chasing can be implemented to send reminders to debtors;
- Templates and posting of re-allocations, prepayments, and accruals can be designed as it would be similar month-on- month;
- Cloud integration can lead to the integration of multiple systems improving connectivity and visibility of the data.

2. Data analytics and dashboards

Performing data analytics based on past data supports the management by identifying what has gone right, what can be improved, and projecting future scenarios. Creating multi- utility dashboards to capture data from various sources and presenting the same visually supports quick and informed decision-making. Examples of some dashboard tools that can be implemented are Power BI, Tableau, Qlikview, etc.

We have also listed certain technological advancement techniques that have the potential to disrupt the way one looks at the finance and accounts function. These technologies may not have a stark impact and widespread acceptance right away but might be imperative in the near future –

A. Blockchain[3]

Implementation of blockchain can reduce the costs of maintaining and reconciling ledgers. It will allow resources to spend time on value-add services rather than record-keeping. Alongside other automation trends such as machine learning, blockchain will lead to more transactional-level accounting– but not by accountants. Instead, successful accountants will be those who assess the real economic interpretation of blockchain records, marrying the record to economic reality and valuation. Although, we have a long way until this technology is fully adopted, there are organizations and ERP vendors already working towards it.

B. Robotic Process Automation (RPA) and Machine Learning[4]

These are relatively upcoming technologies finding their way into the practical world. Various bots can be implemented to replace the checks and balances as well as mundane tasks. Using machine learning, the bots can become smarter as more and more data is processed by them. An example of RPA can be implementing programmable bots, which will help tackle mundane but time-consuming activities involved in book-keeping, audit and taxation.

Note: These are an indicative list of areas that can be automated; it will vary on a case-to-case and company-to-company basis.

People, Process, and Technology, are the pillars of any organizational growth. To achieve optimization, combined efforts in each of these three aspects is necessary. In these trying times, when organizations are grappling for survival, this could be an ideal time for companies to focus on optimization and efficiency to accelerate growth.

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[3] https://www.icaew.com/technical/technology/blockchain/blockchain-articles/blockchain-and-the-accounting-perspective#:~:text=Blockchain%20is%20an%20accounting%20technology,ledger%20of%20accurate%20financial%20information.&text=And%20an%20asset's%20ownership%20might,still%20need%20to%20be%20assured.
[4] https://www.intapp.com/blog_posts/rpa-pandemic-transform-accounting/

THE DUTY TO PROTECT CONFIDENTIAL INFORMATION IN INDIA

Introduction:

A duty of confidence is often assumed to be existing in several professional relationships even when such duties are not specifically spelt out in a written agreement. Such relationships would include relationships with lawyers, accountants, bankers, and doctors. Apart from the said professional relationships, which are to some extent statutorily regulated by a certifying or accreditation agency, such duties are also recognised and protected under law where the information is generally received in confidence. The broad legal principle is that one who received information in confidence shall not take unfair advantage of it or profit from the wrongful use or publication of it.[1]

Extent of Protection of Confidential Information:

The law of confidence in India generally follows the well accepted principles of modern English common law.[2] The general law of confidence protects both written and oral information.[3] Further, the obligation of confidence rests not only on the original recipient, but also on any person who received the information with knowledge that it was originally given in confidence.[4]

An action for breach of confidence requires satisfaction of the following requirements: (a) the information must be confidential; (b) the circumstances in which the information was imparted must import an obligation of confidence; and (c) there must be unauthorised use of the information which will be detrimental to the first party.[5]

The law of confidence is understood to be different from the law of copyright. The difference emerges from the fact that there can be no copyright over ideas and it is not infringement of copyright to unduly adopt or appropriate ideas or information from others, provided there is no substantial copying of the form in which the idea or information was embodied

[1] Zee Telefilms Ltd. v. Sundial Communications Pvt. Ltd., (2003) 3 Mah LJ 695, Para 9 ('Zee Telefilms').
[2] Chief Public Information Officer, Supreme Court of India v. Subhash Chandra Agarwal, (2020) 5 SCC 481 ('CPIO'), Para 48-49.
[3] Zee Telefilms, Para 10.
[4] Zee Telefilms, Para 10.
[5] CPIO, Para 136.

originally.[6] However, if such an idea or information is imparted in circumstances which import confidence, an actionable claim against breach of confidentiality would lie in such a case, provided that the contents of the idea was clearly identifiable, original, of potential commercial attractiveness and capable of reaching fruition.[7] Such protection is of considerable value in cases involving plagiarism of unpublished manuscripts, and concepts for advertising campaigns, television shows or movies, where copyright protection may not be available. In the prominent case of *Zee Telefilms Limited v. Sundial Communications Pvt. Ltd.,*[8] the Bombay High Court imposed an injunction against the use of a concept for a television show developed by the Plaintiff which was shared with the Defendant in confidence.

Similarly, in the case of *Diljeet Titus v. Alfred A. Adebare*,[9] the Delhi High Court granted an injunction against the use of confidential materials by a break-away group of lawyers, who had allegedly taken away client information and confidential work drafts, while leaving the Plaintiff's law firm.

Limitations to Protection of Confidential Information — The Iniquity Exception:

The protection of confidential information is not absolute. The English law rule "that there is no confidence in iniquity" has been recognised by the Supreme Court in *CPIO, Supreme Court of India v. Subhash Chandra Agarwal*,[10] and it was noted that there was a *"public interest in the disclosure of iniquity for there cannot be any loss of confidentiality involving a wrongdoing."*[11] The 'iniquity' exception would, therefore, include: (a) any matter carried out in breach of law, including a statutory duty or a fraud; and/or (b) matters of which disclosure is required in the public interest.

There are instances where Courts have ruled in favour disclosure of confidential information, in accordance with the iniquity exception. In *X v. Hospital Z*,[12] the Supreme Court dealt with a case where a claim was brought against a hospital for disclosure of medical information i.e. test reports that the appellant had contracted HIV. The disclosure led to the appellant's prospective marriage being called off, and his subsequent ostracism from the community. The Court, however, rejected the claim for breach of confidentiality,

[6] Zee Telefilms, Para 10.
[7] Zee Telefilms, Para 16.
[8] 2003 (3) Mh.L.J. 695.
[9] 130 (2006) DLT 330.
[10] (2020) 5 SCC 481.
[11] CPIO, Para 72 (Sanjiv Khanna, J.).

holding that the hospital had a duty to protect the interests of Y, the prospective bride, from contracting HIV if the marriage were to proceed without her having knowledge of the appellant's condition.

In *Shankarlal Agarwalla v. State Bank of India,*[13] the petitioner deposited certain high value currency notes which had ceased to be legal tender under an Ordinance. Under the Ordinance, one was entitled to a credit of the amount of bank notes deposited by him with bank. The bank reported the deposit to the Income Tax authorities, which commenced proceedings against the petitioner. The petitioner's claim of breach of confidentiality was rejected by the Calcutta High Court. The Court held that the duty to maintain secrecy was a contractual as well as moral duty, but not an absolute duty, and was subject to exceptions, including an overriding public duty (the bank relied on a directive requiring reporting of information to the authorities).

Similarly, in *Kattabomman Transport Corporation v. State Bank of Travancore*[14] the Kerala High Court ruled that, while a bank was under a statutory duty to maintain confidentiality, public interest weighed in favour of disclosure of bank statements of a customer. In this case, the customer's former employer sought disclosure of the bank statements for ascertaining if the customer was employed or not. The purpose for seeking such information was to determine the back-wages payable by the former employer and to determine if the customer was eligible for the same (the eligibility involved not being employed for the concerned period).

[12] (1998) 8 SCC 296.
[13] AIR 1987 Cal 29.
[14] AIR 1992 Ker 351.

Conclusion:

It is important to understand the contours of the law of confidence which may be applicable in commercial relations. Understanding of the iniquity exception is particularly important in view of the possibility that a claim of confidentiality may yield to a direction to disclose such confidential information during the course legal proceedings.

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GST IMPLICATIONS ON BY-PRODUCTS/WASTE RETAINED BY JOB-WORKER AFTER JOB-WORK

Recently, the captioned issue has caught a lot of limelight in the job-work sector with Revenue Authorities already prepared to begin audits. The question pertains to the inclusion of value of by-products/waste retained by a job-worker after job-work, for charging Goods and Services Tax ('GST').

With the recent decision of Andhra Pradesh High Court ('HC') in favour of rice mills converting paddy into rice and retaining the by-products along with the job charges. Ironically, the issue has become more confusing post the HC decision. In March 2020, the Appellate Authority for Advance Ruling ('AAAR') of Andhra Pradesh in some other case had ruled against the rice mills in almost identical facts.

In this write-up, we have discussed the facts, contentions taken and decisions in both the cases along with our comments on the same.

BRIEF FACTS

- A rice mill (job-worker) converted paddy into rice for the recipient (State Government's Agency). The recipient supplied paddy to the job-worker for milling and handing over the resultant rice back to the recipient.

- It was agreed that the job-worker would give back rice equivalent to 67 percent of the paddy given. In actual, however, the yield derived by job-worker was 61-62 percent and thus, it had to replenish at its own cost by procuring from the open market.

- It was further agreed that the job-worker shall retain all the by-products such as broken rice, bran, husk etc., derived during the process.

TAXPAYER'S CONTENTIONS

- Before the AAAR, it was contented that the retention of by-products is a compensation for various costs of running the mills.

- In the writ petition, the job-worker contended that the actual yield was lower than what it was obligated to supply under the agreement. The balance rice, therefore, was being given to the recipient from its own pockets.

- It was, thus, argued before the HC that the retention of the by-products was a compensation for the lost yield and not a consideration towards job-work services.

- It was also contended that broken rice and husk are exempt product and GST on bran was duly paid by job-worker on its supply.

REVENUE'S CONTENTIONS

- Department demanded GST on job-work charges including the market value of all the by-products by applying Rule 27 of the Central Goods and Service Tax ('CGST') Rules, 2017.

- The Revenue contended that it is a case where 'price is not the sole consideration' in as much as the job-worker is receiving a non-monetary consideration in form of by-products.

- It was further contended that the retention of By-products by job-worker is covered by the definition of 'consideration' given under Section 2(31) of the CGST Act.

- The Revenue also contended before the HC that there is nothing in the agreement which suggests that the retention of by-products is a compensation towards lost yield. Further, there are other rice mills processing paddy at a yield of 67 percent.

AAAR DECISION

- It was held that the value of all by-products shall be included in the taxable value of job-work services since retention of by-products is a non-monetary consideration for the job-worker.

HC DECISION

- The HC observed that when the terms of an agreement only specify a certain amount as consideration and nothing else is indicated towards consideration. Therefore, no further amount can be included in the consideration.

- In view of above, it was held that retention of By-products cannot be regarded as a consideration since it was not mentioned as consideration for job-work services in the agreement.

- It was also held that since the actual yield was less than the stipulated yield obligation, the retention of By-products is not a consideration but a compensation.

GABA & CO. | COMMENTS

- At the outset, it is notable that the decisions impact entire job-work sector and not only the rice mills.

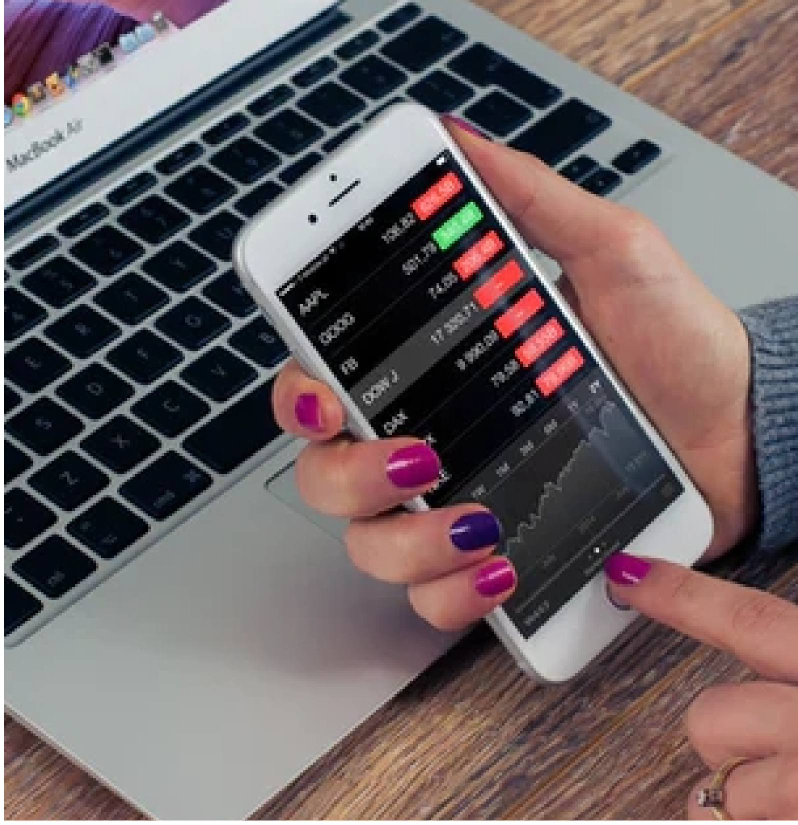
- It is notable that the only difference between two decisions is that in AAAR, taxpayer contented that the by-products are compensating the cost of running mill and in HC, it was contended as a compensation towards lost yield.

- Both the decisions, in our view, has totally ignored Section 15(2)(b) of the CGST Act, 2017. The provision states that any amount which a supplier is liable to incur but is being incurred by a recipient, shall be added to the taxable value.

- In the agreement, the obligation on part of job-worker was to supply rice equivalent to 67 percent of the paddy given by the recipient. Any loss in yield was to be fulfilled by the job-worker. Thus, where the recipient is compensating for such loss, it shall be added to the taxable value.

- Further, the yield of 61-62 percent was not stipulated in the agreement. It is known post-facto the agreement. Thus, regarding retention of by-product as a compensation may be not be correct.

- In our humble view, thus, the decision may not lay down a correct position in law. We suggest taxpayers to be very thoughtful while relying on this decision.



Disclaimer:

The views expressed in the write-up are strictly personal, based on our understanding of the underlying law. We are not responsible for any injury, loss or cost arising to any person who refers this write-up and acts or refrains from any act accordingly. We would suggest that a detailed legal advice must be so

Yogesh Gaba
Managing Partner- Indirect Tax,
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Tax Court Speaks!

An insight into the recent key judicial rulings

Income Tax				
S No	**Tax Issue**	**Legal take away**	**Judicial Body**	**In the case of**
1	Criminal proceedings stayed pending disposal of case by ITAT on merits	Prosecution against assessee for allegation cannot be permitted as the demand is not crystalized pending adjudication on merits and owing to the fact that substantial demand has been deposited by assessee	Gujarat HC	HEMAL MANUBHAI PATEL Versus STATE OF GUJARAT R/CRIMINAL MISC.APPLICATION NO. 13769 of 2020
2	DDT Vs Tax rate for dividends in treaty	Issue of refund of DDT excess charged over the tax rate under treaty remanded back to ITAT	ITAT Kolkata	Reckitt Benckiser (I) Pvt. Ltd. Vs DCIT /ITA No.404/Kol/2015
3	Independence of ITAT	Upholds constitutional validity of ITAT Rules, 2020. Observes that: • Dispensation of justice by the tribunals can be effective only when they function independent of any executive control; • Have noticed a disturbing trend of the Government not implementing the directions issued by this Court, thus, directs the Central Government to strictly adhere to the directions and "not force the Petitioner-Madras Bar Association, which has been relentless in its efforts to ensure judicial independence of the Tribunals, to knock the doors of this Court again.	Supreme Court	MADRAS BAR ASSOCIATION Vs Union of India Writ Petition (C) No.804 of 2020
4	Reassessment proceedings	Approval granted u/s 151 by JCIT without recording 'satisfaction' on 'reason to believe' renders the issuance of notice u/s 148 void A summary approval by the JCIT without expressing any satisfaction on presence of underlying materials showing escapement while exercising the functions u/s 151 of the Act cannot be countenanced in law	ITAT Ahmedabad	Tyrone Patrick Lemos Vs ITO I.T.A. No. 2414/Ahd/2018

Income Tax				
S No	**Tax Issue**	**Legal take away**	**Judicial Body**	**In the case of**
5	Allowability of discount of issue of ESOPs	Difference between grant price and the market price on the shares as on the date of grant of options is allowable as deduction u/s 37	Karnataka HC	CIT LTU Vs M/S BIOCON LTD I.T.A. NO.653 OF 2013
6	Set off of loss and unabsorbed depreciation	It is statutorily mandatory to set off business loss and unabsorbed depreciation even if taxpayer has not claimed so	ITAT Bangalore	Mistral Solutions Pvt.Ltd. Vs DCIT ITA No.1911/Bang/2018: Asst.Year 2005-2006
7	Capitalization of forex loss on ECB	Forex loss arising on ECB availed for acquisition of capital asset in India is to be added to the actual cost of the asset	ITAT Pune	Aesseal India Pvt. Ltd Vs ITO ITA Nos.2202 & 2203/PUN/2017
8	Stay on demand	When 100% issue covered by jurisdictional HC, stay of demand be given	Delhi HC	ALCATEL LUCENT INTERNATIONAL Vs ACIT W.P. (C) 8965/2020 & CM APPL.28937/2020
9	Section 68 vis-à-vis fake book entries	Section 68 contains a legal fiction that is applicable to real transaction and not on the fictitious ones It would be impracticable i.e. impossible for the assessee to discharge onus u/s 68 where no actual cash inflow happened	ITAT Ahmedabad	Rich Paints Ltd. Vs ITO ITA No 186/Ahd/2015
10	TDS compliance and taxing of respective income	TDS compliance on unrealized rent cannot be reason for its taxability	ITAT Mumbai	Vishwaroop Infotech Pvt. Ltd. Vs ACIT I.T.A. No. 633/Mum/2019
11	Reassessment	Reopening of assessment based on Revenue's satisfaction emanating from audit objection is valid	ITAT Jabalpur	ACIT Vs Anurag Shrivastava M.A. No.03/JAB/2020
12	TDS on software purchase	TDS is applicable on software purchase from AE for further sale in India	ITAT Bangalore	Kaseya Software India Private Limited Vs DCIT ITA No. 1304/Bang/2018

Alok Pareek
Chartered Accountant

2021 Upcoming Events

S. No	Topic	Date
1.	Digital Training on Goods and Services Tax (GST)	11th January 2021 – Session 1 12th January 2021 – Session 2 15th January 2021– Session 3 18th January 2021– Session 4 19th January 2021– Session 5 22nd January 2021– Session 6
2.	Seminar on Claims Management	11th January 2021 – Session 1 12th January 2021 – Session 2
3.	Virtual Session on Labour Law – Key Issues & Recent Amendments	11th January 2021 – Session 1 16th January 2021 – Session 2 18th January 2021– Session 3 23rd January 2021– Session 4
4.	Hands on Digital Training on Drafting Commercial Contracts	12th January 2021– Session 1 15th January 2021– Session 2 19th January 2021– Session 3 20th January 2021– Session 4 22nd January 2021– Session 5 27th January 2021– Session 6 29th January 2021– Session 7
5.	Digital Training on FEMA- Legal, Compliance and Tax Issues	20th January 2021– Session 1 21st January 2021– Session 2 27th January 2021– Session 3 28th January 2021– Session 4 29th January 2021– Session 5 30th January 2021– Session 6
6.	Certificate Course on Practical Knowledge of Arbitration and Dispute Resolution	2nd February 2021– Session 1 3rd February 2021– Session 2 4th February 2021– Session 3 5th February 2021– Session 4
7.	Virtual Training on Mergers and Acquisitions	2nd February 2021– Session 1 3rd February 2021– Session 2 4th February 2021– Session 3 5th February 2021– Session 4
8.	Digital Workshop on Project Financing	2nd February 2021– Session 1 3rd February 2021– Session 2 5th February 2021– Session 3
9.	Fraud Prevention, Detection and Investigation Training Program	22nd February 2021– Session 1 23rd February 2021– Session 2 24th February 2021– Session 3 25th February 2021– Session 4
10.	4th Annual GST Summit and Awards- Virtual Conference & Awards	26th February 2021
11.	Dispute Resolution and Tax Controversy Webinar	2nd March 2021– Session 1 3rd March 2021– Session 2 4th March 2021– Session 3 5th March 2021– Session 4

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