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The Institute of Chartered Accountant of India

VASAI BRANCH OF WIRC NEWSLETTER



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May 2021

TIME TO VACCINATE





CHAIRMAN'S COMMUNICATION

कर्मण्येवाधिकारस्ते मा फलेषु कदाचन।
मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि॥

“The only constant in life is change”, the words by the great Greek Philosopher Heraclitus has been true since ages. Time and again, the world have faced innumerable challenges but have always managed to adapt to the changes and situations and move forward as stronger and better.

Friends, despite all the hurdles and unfortunate happenings, I look at the positive side which is quite evident in the air we breathe, the river we live nearby and the opportunity to introspect ourselves. This is the time when we should do our SWOT analysis and work on our weaknesses.

Branch conducted various Virtual CPE during this month with galaxy of Chief Guests, President, Past President and Speakers:

It is fortunate enough for Vasai Branch, that our honourable ICAI President Sir - CA. Nihar Jambusaria shared his views and guided members in Virtual CPE Meeting on Next Generation Technology for CA Profession. Also galaxy speakers CA. Shahnawaz Khan (Partner at Grant Thornton Bahrain) & CA. Dheeraj Sharma (Vice President - Sankalp Holdings) touch the subject how today generation technology playing important role.

In Virtual CPE Meeting (VCM), Past President CA. Prafulla Chhajed followed by speakers Sanjay Singh Panwar (Vice Chairman, Singapore Chapter of the ICAI) & CA Ganesh Sharma (Chairman - British Columbia Chapter of ICAI, Vancouver) highlight the opportunity for CA's to work abroad & IT Audit opportunities for CA's.

In other VCM, Past President CA. Nilesh Vikamsey along with CA. Jay Chhaira (Central Council Member) enlighten the members on importance of Networking & Networthing in today era.

In other VCM, Past President CA. Subodh Kumar Agrawal along with speaker CA. Rishabh Kumar Sawansukha explained the concept of Community Commerce for Practicing CA.

In other VCM, Shri. Abhinesh Maharshi (MLA Ratangarh, Dist – Churu (Rajasthan) along with CA. Sunil Patodia (Past Chairman – WIRC of ICAI) enlighten the Members about the importance of Chartered Accountants professions.

Other Virtual CPE Meeting conducted by branch are:

- Changes in ITR Forms wherein Chief Guest CA. Atul Bheda (Past CCM) along with Speaker CA. Abhishek Jain highlight his views on Changes in Income Tax Forms.
- CA Practice Management Strategy wherein Chief Guest CA. Rajesh Sharma (Central Council Member) along with speaker CA. Umesh Sharma (Regional Council Member) explained how CA Members can smooth line is practice through management strategies.
- Professional Opportunities in RERA, Audit & Certification by learned speaker CA. Ramesh Prabhu
- Maharashtra State Government Industrial Subsidies & Professional Opportunities for CA's by learned speaker CA. G B Modi

Branch also conducted session on Myth Busting Covid jointly with Thane Branch of WIRC encouraging Members & their families for vaccinate.

Incidentally, when the pains of pandemic were fading, the corona virus is spreading with increased severity. Akin to the seas characterised by high tides and low tides, the day by dusk and dawn, the wheel of life continues to cycle through the good and bad, one instant after another. We are sure this second bout of the virulent spread will also be over soon. As members of accounting profession, I request you to take all precautions including vaccination as suggested by the government to save human life and take best actions to safeguard the business and economy.

As I conclude, I wish you all a very Happy Parshuram Jayanti, Happy Akshaya Tritiya, Eid al-Fitr, and Buddha Purnima.

Stay safe, stay healthy. Best wishes.

CA. Abhishek Tiwari

Chairman

Vasai Branch of WIRC of ICAI

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Recent RBI Circulars for Banking and NBFC Sector



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A. Corporate Governance:

The Reserve Bank of India (RBI) in recent past have announced various policy decisions and have amended various existing policies. Some of those are highlighted below:

• New Framework for Appointment of Statutory Auditors- RBI Circular dated 27th April 2021:

Nature/ Entities	All NBFC ¹	All Private Banks ²	All Public Sector Banks
Exclusion	Non-Deposit taking NBFC with asset size less than Rs. 1000 crore		None
Applicability	From FY 2021-22 or Second Half of FY 2021-22		From FY 2021-22
Tenure of appointment	For continuous period of 3 years		
Joint Audit	For Asset size more than Rs.15,000 cr. as at end of previous year		
Cooling Period	Six years in same entity after completion of term		
Independence	No non-audit work (Sec.144. Internal Assignment, Special Assignment) from the entity before and after one year of its appointment. No audit/non-audit work for its group entities before and after one year of its appointment.		
No. of Audit	Maximum eight NBFC during a particular year	Maximum four Commercial Banks (not more than one PSB or one AIFI or RBI)	
Approval from RBI	No requirement	Prior approval required from RBI	
Audit Fees	as per discussion with Management and Auditor		In PSB's: as per RBI circular
Other relaxation	None		PSB's : Requirement of appointment in ratio of 60:40 between experienced and new audit firm done away. Mandatory Colling off period of three years done away with

However, the Banking and the NBFC sectors have raised concerns about practical difficulties if these guidelines are implemented immediately, without giving industry sometime to implement these changes. As per recent media reports, the industry is planning to make representation to RBI for deferral of such guidelines at least for one year.

The ICAI has also recently made a representation to RBI for removal of mandatory cooling off period, reinstatement of weightage for experience, minimum no. of auditor and other such matters.

1. NBFC including Housing Finance Companies
2. Private Banks including Small Finance Banks



• **New Corporate Governance Framework- RBI circular dated 26th April 2021:**

The RBI had issued a discussion paper in June 2020 on “Governance in Commercial Bank in India” and recently the RBI issued notification with respect to Appointment of Directors and Constitution of Committees of the Board. Some key highlights are as follows:

- The rules apply to private banks, small finance banks, and wholly owned subsidiaries of foreign banks and these instructions are to be complied latest by 1st October 2021.
- Managing Director (MD) & chief Executive Officer (CFO) or Whole Time Director (WTD) cannot be held by the same incumbent for more than 15 years (in case of promoter only 12 years) and no person can continue as MD&CEO or WTD beyond the age of 70 years.
- The Chair of the board shall be an independent director and At least half of the directors attending the meetings of the board shall be independent directors.
- Audit committee of Board (ACB) shall be constituted with only non-executive directors (NEDs) and Chair of the ACB shall not be a member of any committee of the board which has a mandate of sanctioning credit exposures.
- All members should have the ability to understand all financial statements.
- upper age limit for NEDs, including the Chair of the board, shall be 75 years and after attaining the age of 75 years no person can continue in these positions.

B. Policy Circular:

• **Dividend declaration by Banks- RBI Circular dated 22nd April 2021:**

RBI in April 2020 has directed banks not to make any dividend payout on equity shares from the profits pertaining to the financial year ended 31st March 2020 to conserve their resources to deal with the uncertainty caused by Covid-19.

Recently in April 2021, RBI partially relaxed its earlier ban on dividend distribution by allowing banks to pay dividend on equity shares from the profits for the financial year ended 31st March 2021, subject to a cap of fifty percent of the amount determined as per the dividend payout ratio matrix as per RBI May 2005 circular.

• **Restructuring Schemes for MSME & Others- RBI Circular dated 5th May 2021:**

The RBI considering the impact of second wave of COVID-19 has extended various restructuring scheme of last year in current year as well:

- For MSME-** All MSME borrower (as on 31st March 2021) having exposure less than Rs.25 cr. are eligible for restructuring under this scheme provided the account of the borrower is standard as on 31st March 2021. The last date for implementation of such scheme is 31st December 2021. However, the accounts of MSME borrower restructured under earlier COVID schemes will not be eligible for the repeated restructuring under this scheme. For such cases, the RBI has permitted one time measure to review the working capital sanction limits or margin reduction without treating them as “restructuring”.
- For Others-** Other than MSME the RBI has allowed restructuring of Individual and Small business having exposure of less than Rs. 25 cr. provided the account is standard as on 31st March 2021 (as against not overdue in earlier scheme). Further the accounts restructured in earlier COVID schemes will not be eligible under this scheme, however for such cases RBI has suggested following:
 - In cases where the moratorium under earlier scheme is less than two years, now the same can be extended upto period of two years (maximum two years including both old and new scheme)
 - Review working capital including re-assess the margin by 30th September 2021, however the original level to be restored by 31st March 2021.

• **Utilisation of Floating Provision- RBI circular dated 5th May 2021:**

The RBI considering the adverse impact of COVID 19 has decided to allow the banks to utilise the 100% floating provision as on 31st December 2020 for making specific provision towards non-performing assets. This is permitted immediately and upto 31st March 2022.

C. Key Takeaways:

The RBI since past few years has been consistently working on bringing new reforms in regulating the financial sector. The above circular will impact the banking as well as chartered accountants in following manner:

- a. New rule for auditor appointment has opened the doors for various Miz-size CA firms and will bring new opportunities to grow in future. There are some teething problems which will hopefully resolved soon by RBI and ICAI. However, the firms also need to upgrade themselves both in technical (regulations) as well as technology to take the benefit of such opportunity.
- b. New Policy circular on restructuring norms as well utilisation of floating provision will definitely provide breather to the banking industry in short run. However, these relaxations are increasing the size of restructured book of the banking industry which will have an impact on the profitability once the moratorium period is over (24 months from now).
- c. As a chartered Accounts we play a dual role i.e. in capacity of auditor for banks as well as in capacity of financial advisor to several MSME borrowers. Considering these recent relaxations, we should advise our clients in the manner which is financial beneficial for the business. Also, as auditor we should also assess the increased credit risk of the banks and its impact on the provisioning.





Fast Track Merger



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With the unprecedented economic crisis due to Covid-19, different business houses are undertaking consolidation exercise internally with an intention to objectively reduce number of entities within the group which can save future costs, time & energy. While closing down may be the easiest options for proprietorship and partnership firms, in case of companies, the process is relatively complex and time consuming. Further, the promoters would also permanently lose the track record of such companies once they are wound up. Hence, there is an interesting opportunity to go for merger of two or more companies which will reduce total number of companies within the group but still provide an opportunity to get benefit on historical legacy.

Under the Companies Act, 1956 the companies were required to take approval from the respective High Courts of the state for all kinds of scheme of arrangements with shareholders including merger, amalgamation, demerger, etc. However, given the very high pendency of cases at the High Courts, the National Company Law Tribunal (NCLT) were given requisite powers to sanction such schemes u/s 230 – 232 of the Companies Act, 2013. Accordingly, different cases related to any issues arising out of Companies Act, 2013 including mergers and amalgamation are handled by NCLT, and subsequently, NCLT also got jurisdiction for cases related to insolvency resolution process under the Insolvency & Bankruptcy Code, 2016. Initially, there were 10 benches of NCLT at New Delhi, Mumbai, Chennai, Kolkata, Ahmedabad, Allahabad, Bengaluru, Chandigarh, Guwahati and Hyderabad. Recently, five new benches have been added at Jaipur, Cuttack, Kochi, Indore and Amaravati. Despite having a wide set-up, more than 21,000 cases were pending across different benches of NCLT as on December 2020 which shows very high level of pendency.

In order to ease the pressure on different benches of NCLT and allow them to use time more effectively towards other critical matters including insolvency resolution process, the concept of “Fast Track Merger” was introduced. Accordingly, simplified mergers have been permitted on fast track basis u/s 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 which came into force w.e.f. 15th December 2016.

Eligible Categories

Following categories of companies are eligible under “Fast Track Merger” scheme:

1. Holding company with its one or more wholly owned subsidiaries
2. Merger between 2 or more small companies
3. Merger between 2 or more recognised start-ups
4. Merger between a recognised start-up and a small company
5. Merger between such other class of companies as may be notified by the Government

Originally, small company meant a company having paid-up capital of less than Rs 50 Lakhs and turnover of less than Rs 10 crores. However, in budget 2021 these limits are increased to Rs 2 crore for paid-up share capital and Rs 20 crores for turnover.

Process Snapshot

1. Articles of Association of both the companies need to have provided for merger or else they need to be updated.
2. Conduct a Board meeting for approving the scheme of merger
3. Send 21 days notice to convene meeting to all shareholders and creditors for inviting their objections / suggestions within 30 days
4. Submit draft of the scheme to the Regional Director, Registrar of Companies, Official Liquidator and any other person affected by the scheme
5. File declaration of solvency for each of the companies involved in merger process with the Registrar of Companies under whose jurisdiction the registered office is situated
6. Hold shareholders' general meeting and obtain approval from minimum 90% of shareholders
7. Hold creditors' meeting and obtain approval from minimum 90% of creditors
8. Submit copies of resolution passed by the shareholders as well as creditors with the Regional Director alongwith the approved scheme



9. Resolve the objections on the scheme, if any raised by the Registrar of Companies and Official Liquidator within 30 days. If no such communication is made by the Registrar of Official Liquidator then it shall be presumed that there is no objection to the scheme
 10. Clarify queries of the Regional Director and get his final approval after satisfying all requirements
 11. File the copy of confirmation order allowing merger with the Registrar of Companies within 30 days of such approval.
2. Saving of costs due to exemption from issuing public advertisements
 3. Saving of efforts as there no need to have court convened meetings of creditors and shareholders
 4. Lesser administrative burden and series of hearings can be avoided
 5. Registration of the scheme shall deemed to have the effect of dissolution of transferor companies without the process of winding up

Effect of Registration of Scheme:

The confirmation order filed in form INC-28 shall be deemed to have the effect of dissolution of the transferor company without undergoing winding up process. Moreover, the registration of the scheme shall have the following effects:

- (a) Transfer of property or liabilities of the transferor company to the transferee company so that the property becomes the property of the transferee company and the liabilities become the liabilities of the transferee company;
- (b) The charges, if any, on the property of the transferor company shall be applicable and enforceable as if the charges were on the property of the transferee company;
- (c) Legal proceedings by or against the transferor company pending before any court of law shall be continued by or against the transferee company; and
- (d) If the scheme provides for purchase of shares held by the dissenting shareholders or settlement of debt due to dissenting creditors, such amount, to the extent it is unpaid, shall become the liability of the transferee company.

A transferee company shall not on merger or amalgamation, hold any shares in its own name or in the name of any trust either on its behalf or on behalf of any of its subsidiary or associate company and all such shares shall be cancelled or extinguished on the merger or amalgamation. The transferee company also needs to file an application with the Registrar along with the scheme registered, indicating the revised authorised capital and pay the prescribed fees due on revised capital. However, original fees paid by transferor company on its authorised capital prior to merger will be deducted from the fees payable by transferee company on its enhanced authorised capital due to scheme of amalgamation / merger.

Key Benefits of Fast Track Mergers

“Fast Track Mergers” have been gaining popularity since the process can be completed in a short span of 3 months. Many companies including quite a few listed companies have used this simplified mechanism while merging their wholly owned subsidiaries due to following reasons:

1. Saving of time since approval is given by the Regional Director and proceedings at NCLT can be avoided

Imperative Role of Chartered Accountants

Given the extra-ordinary economic slowdown, there is a need to find economical solution in a time bound manner which can help businesses to consolidate their position and save costs. With the domain expertise in corporate & allied laws besides finance, Chartered Accountants can play a key role across entire process:

- Devising suitable transaction structure
- Drafting various documents keeping in mind overall objective
- Carrying out due diligence to assess liabilities and level of compliance
- Assisting the management in carrying out valuation and getting expert opinions, if needed from other professional agencies
- Addressing queries raised by the regulatory authorities and get their approval
- Complying with various provisions under different corporate, tax & other laws to give effect to corporate restructuring

Conclusion

Fast Track Merger can certainly be a preferred choice over traditional merger due to no intervention of NCLT which result in significant savings of resources including time.

Economic revival is directly linked with survival, revival and growth of businesses and therefore, they have to be very quick while responding to ongoing crisis. Corporate restructuring can positively help the companies to get desired results in a timebound manner, however, careful attention needs to be given to doing various compliances by following prescribed methodology. In the event of any lapses in execution, the companies may have to incur higher costs besides wastage of time and it may even have an adverse impact on the overall strategy. Therefore, precautionary approach is recommended while executing such strategies under the supervision of experienced professionals.

Afterall, Albert Einstein has rightly said – “The only source of knowledge is experience”



Pre-Packaged Insolvency Resolution



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Introduction:

• Hon'ble President has promulgated the IBC (Amendment) Ordinance, 2021 on April 04, 2021.

• On March 31, 2021, the Cabinet had approved the proposal to make amendments in the existing IBC Code, 2016.

- Inserted separate chapter III-A for Pre-Packed insolvency resolution process in existing IBC Code, 2016
- Amendment / addition of certain section in existing IBC Code, 2016

Background:

Micro, small and medium enterprises are critical for India's economy as they contribute significantly to its gross domestic product and

provide employment to a sizeable population it is expedient to provide an efficient alternative of insolvency resolution process for entities classified as micro, small and medium enterprises ensuring quicker, cost-effective and value maximizing outcomes for all the stakeholders, in a manner which is least disruptive to the continuity of their businesses and which preserves jobs & in order to achieve these objectives, it is considered expedient to introduce a Pre-Packaged Insolvency Resolution Process – "PIRP" for MSMEs i.e the corporate persons classified as micro, small and medium enterprises as per MSME Act 2006 as amended and became effective from 1st July 2020.

Definition of MSME Sector in India:

Micro	Small	Medium
Investment < 1 Cr. And Turnover < 5 Cr.	Investment < 10 Cr. And Turnover < 50 Cr.	Investment < 50 Cr. And Turnover < 250 Cr.

Note: Investment in Plant & Machinery, Equipment

Important difference between Pre-packaged insolvency resolution (PIRP) and normal IBC process CIRP:

Criteria	Pre-Packaged Insolvency Resolution Process (PIRP)	Corporate Insolvency Resolution Process (CIRP)
Eligibility	Only MSMEs	All corporate debtors
Default threshold	Minimum Rs 10 Lacs	Minimum Rs 1 crore
Initiation by	Corporate Debtor (CD)	Financial Creditor/Operational Creditor/ Corporate Debtor
Timeline	120 days and no extension	180 days extendable up to max 330 days
Management Control	Corporate Debtor-in-Possession with Creditor-in-Control	Possession and Control with Creditors
Resolution plan	CD to submit Base Resolution Plan	Invited from all prospective resolution applicants
Consequence of Failure	Termination of PIRP, or liquidation or initiation of CIRP	Liquidation
Termination of Process	PIRP can be terminated with minimum 66% of CoC votes	CIRP can be withdrawn from with 90% vote of CoC

Pre-packaged Insolvency Resolution Process ("PIRP") under IBC. Process Steps are listed as below.

START OF PROCESS

Step-1 Minimum default of 10 Lacs by the corporate debtors (CD)

Step-2 To initiate PIRP approval by the Board of directors in Board Meeting

Step-3 Approval of Shareholders to approve the move with special resolution in general meeting

Step-4 Approval by the Financial Creditors with 66% majority in COC meeting

Step-5 Filing of application with Adjudicating Authority i.e. National Company Law Tribunal

Step-6 Admission of application by the Adjudicating Authority i.e. National Company Law Tribunal

Step-7 Commencement of PIRP on the date of admission of application by the Adjudicating Authority i.e. National Company Law Tribunal



Step-8 CD to submit list of claims both financial/operational, Information Memorandum & Base Resolution Plan with Resolution Professional

Step-9 Constitution of committee of creditors (COC) by the Resolution Professional

Step-10 Holding first COC meeting by the Resolution Professional

Step-11 Considering base resolution plan submitted the corporate debtor in COC meeting

Step-12 Resolution Professional to invite other resolution plan in case required or suggest modification in base resolution plan with the approval of COC

Step-13 Approval of resolution plan by the COC

Step-14 Submission of approved resolution plan by the resolution professional to adjudicating authority

Step-15 Approval of plan by the adjudicating authority

END OF PROCESS

Some of resolution Strategies:

i) Sale of assets of the corporate debtor ii) Merger iii) Acquisition of shares of the corporate debtor iv) Extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor v) Amendment of the constitutional documents of the corporate debtor vi) Change in portfolio of goods or services produced or rendered by the corporate debtor vii) Change in technology used by the corporate debtor viii) Obtaining necessary approvals from the Central and State Governments and other authorities ix) Any other type of resolution strategy may be introduced by the resolution applicant considering its legality and viability x) Modification of any security interest created on assets.

In case of any queries related to the above, kindly email us on kamal.sharma@ajalp.in or Contact CA Kamal Sharma on 91-9322595106. Glad to assist further for more clarifications.



Classification Criteria for Accounting Standards Pre-Packaged Insolvency Resolution Process - A remedy for law-abiding MSME in debt default



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With insertion of chapter III-A in Insolvency and Bankruptcy Code 2016 (IBC, or "the Code"), effective 4th April 2021, the provisions of Pre-Packaged Insolvency Resolution Process (PIRP), is now available as a remedy with

corporate debtors for resolution of its existing default. Here, Corporate debtor means a corporate person, like a company or an LLP, who owes a debt to any person. This remedy is available only to a corporate debtor classified as micro, small or medium enterprise (MSME). The concept of PPIRC, is based on prime principle of trust, wherein during PPIRP, the management of affairs of corporate debtor continue to vest in board of directors or partners of the corporate debtor and not taken away from them, if the existing management runs the affair of corporate debtor within the prescribed frame work of the Code. However, there exist provisions under section 54J of the Code, which provides that if affairs of the corporate debtor have been conducted in fraudulent manner, or there is gross mismanagement in affair of corporate debtor, the CoC may decide and apply to AA, thus and with proper order from Adjudicating Authority, the affair of corporate debtor will vest in resolution professional. Here Adjudicating authority means National Company Law Tribunal (NCLT).

The Chapter III-A has been inserted in part II after chapter III of the code, and applicable to corporate debtor, where minimum amount of the default is ten lakh rupees. The chapter contains 16 sections starting from section 54A to 54P. The rules and regulations have also been notified for PPIRP on 9th April 2021, and called The Insolvency and Bankruptcy (prepackaged insolvency resolution process) Rules, 2021 and Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021; respectively.

The application for initiating PPIRP may be made in respect of a corporate debtor classified MSME under sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006. The beginning paragraphs of the ordinance amending IBC, explains the logic of the need to address issues of MSME. It rightly mentions in amendment ordinance that MSME are critical for India's economy as they contribute significantly to its gross domestic product and provide employment to a sizeable population; and whereas it is considered necessary to urgently address the specific requirements of micro, small and medium enterprises relating to the resolution of their insolvency, due to the unique nature of their businesses and simpler corporate structures.

The application for initiating PPIRP may be made in respect of a corporate debtor, who commits a default of 10 Lacs or more, subject to the following conditions:

- (a) it has not undergone pre-packaged insolvency resolution process or completed corporate insolvency resolution process, as the case may be, during the period of three years preceding the initiation date;



- (b) it is not undergoing a corporate insolvency resolution process;
- (c) no order requiring it to be liquidated is passed
- (d) it is eligible to submit a resolution plan under section 29A;

Further the application also needs to contain name of insolvency professional to be appointed as resolution professional, approved with 66% voting from unrelated financial creditors.

The majority of the directors or partners of the corporate debtor also need to make declaration, stating that the pre-packaged insolvency resolution process is not being initiated to defraud any person. The members or partners of the corporate debtor also needs to approve to initiate PPIRP.

The time limit prescribed for completion of PPIRP is 120 days whereby within 90 days of prepackaged insolvency commencement date, the resolution professional requires to submit the resolution plan, as approved by the committee of creditors by vote of not less than 66% of voting share, with the Adjudicating Authority, i.e. NCLT. If no resolution plan is submitted within 90 days as mentioned, the resolution professional needs to submit an application for termination of PPIRP.

Like normal Corporate Insolvency Resolution Process (CIRP), the PPIRP also declares moratorium and requires public announcement to be made. Wherein moratorium prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor, and restrict corporate debtors in transferring, encumbering, alienating or disposing off any of its assets. Also, the moratorium prohibits, any action to foreclose, recover or enforce any security interest created by the corporate debtor under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor. However, unlike normal CIRP, protection of continuation of the essential goods or services are not available till the management of affairs of corporate debtors is with existing directors or partners, this protection is available once the management of affairs, transferred to resolution professional.

As the term pre-package indicates, the existence of a pre-existing resolution plan, which is called base resolution plan and within two days of commencement of PPIRP, the corporate debtor is required to submit this base resolution plan to the resolution professional, who will present it to Committee of creditors (COC). Similar to normal CIRP the COC will consist of unrelated financial creditors. The corporate debtor provides list of financial creditors to the resolution professional, basis this list and available record and information from corporate debtors, resolution professional forms the CoC. The CoC to be constituted and 1st meeting of the CoC to be called within 7 days of commencement of PPIRP. The

CD also provides the resolution professional with the Information Memorandum.

The COC may provide an opportunity to the Corporate Debtor to revise the base resolution plan prior to its approval or rejection. If the resolution plan is not approved by the COC or the plan approved by COC impairs any claims of the operational creditors, the resolution professional shall invite prospective resolution applicants to submit a resolution plan or plans, to compete with the base resolution plan. The resolution professional shall provide to the resolution applicants, the basis for evaluation of resolution plans applicant and many prescribed provisions of normal CIRP shall be mutatis mutandis apply to PPIRP.

The resolution professional shall put the competitive resolution plan after providing the CD a chance to improvise on the base resolution plan if the resolution plan as received from other Resolution Applicants being comparatively competitive, to the COC and to be approved by a vote of not less than sixty-six per cent of the voting shares, after considering its feasibility and viability, the manner of distribution proposed. While approving the resolution plan, it also needs to take into account the order of priority amongst creditors, including the priority and value of the security interest of a secured creditor. Post approval from COC, the resolution professional shall submit the resolution plan to the Adjudicating Authority.

If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors is in compliance with priority of payment, treatment and other provisions as referred to in section 30 (2) of the Code, it shall, within thirty days of the receipt of such resolution plan, by order approve the resolution plan, provided that the Adjudicating Authority shall, before passing an order for approval of a resolution plan satisfy itself that the resolution plan has provisions for its effective implementation.

These are very good provisions for any MSME, who are in trouble due to COVID-19 pandemic or otherwise and require to be protected from shutting down or losing control of its entity. However, the existing owners of the corporate debtor need to follow the provisions of PPIRP in true spirit of law, without fraudulent or mismanaged intent. There exist provisions in section 54N, which states that if the affair of the corporate debtor has been transferred to Resolution professional u/s 54J, as mentioned above and the pre-packaged insolvency resolution process is required to be terminated, the NCLT shall pass an order of liquidation in respect of the corporate debtor, the existing owner will lose control of the entity, if the intention is not in true spirit of law. Accordingly, the provisions of PPIRP have good balance to ensure resolution for defaulting MSME, with good intend to resolve the debt.

5



Forensic Audit / Transaction under Insolvency & Bankruptcy Code, 2016



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Relevant Sections for Transactional / Forensic Audit under Insolvency and Bankruptcy Code

Section 43: Preferential Transactions

Preferential Transaction means if the Corporate Debtor enters into a transaction with any party who is given preference as against the other parties of the Corporate Debtors.

Illustration:

1. Transfer or sale of an asset to creditor under indirect control or ownership, to keep it away from the reach of a genuine creditors in a would-be insolvency situation.
2. Knocking off the debtors or receivables against chosen payables or creditors. These transactions may be classified under preferential transactions because, as per the IBC. This is because, once the matter is admitted by the NCLT, there is a specified manner and waterfall in which payments are to be done. This gets bypassed to protect interest of a dearer creditors as against all others.

Time Frame:

- In case of Related Parties: Within 2 years preceding Insolvency Commencement Date
- In case of any other Person: Within 1 year preceding Insolvency Commencement Date

Section 45: Undervalued Transactions

Transfer of assets done for significantly lesser value than its market value would be classified as the undervalued transaction.

Also, the transactions like gifts of assets to persons may get classified as a undervalued transaction.

Time Frame to go back:

- In the case of Related Parties : Within 2 years preceding Insolvency Commencement Date
- In the case of any other Person : Within 1 year preceding Insolvency Commencement Date

Section 49: Consequence of entering into an Undervalued Transaction.

Section 49 gives the powers to the NCLT which is called the adjudicating authority, if satisfied that the same is an undervalued transaction, to restore the old position and to protect the persons who are the victims of this transaction.

Section 50: Extortionate Credit Transactions

Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

A transaction shall be considered as extortionate credit transaction where the terms :

- a) Require the corporate debtor to make exorbitant payments in respect of the credit provided. OR;
- b) Are unconscionable under the principles of law relating to contracts.

Time Frame to go back:

In the case of Related Parties: Within 2 years preceding Insolvency Commencement Date

In the case of any other Person: Within 1 year preceding Insolvency Commencement Date

Section 66: Wrongful and Fraudulent Trading

If during the corporate insolvency resolution process or a liquidation process, it is found that any business of the corporate debtor has been carried on with intent to defraud creditors of the corporate debtor or for any fraudulent purpose, the Adjudicating Authority may on the application of the resolution professional pass an order that any persons who were knowingly parties to the carrying on of the business in such manner shall be liable to make such contributions to the assets of the corporate debtor as it may deem fit.

This is a typical section wherein the liability is extended to the directors and even to the third party who is involved in that the fraud, without any limitation of liability.

This section carries criminal implications once the default is established.

Time Frame:

There is no time Frame for this kind of a transaction being classified as fraudulent trading u/s 66 of the Insolvency and Bankruptcy Code.

Section 29(a):

When the company is under CIRP the insolvency professional has to formally float a requirement of Expression of Interest in Public for taking over the Corporate Debtor. This process is called as resolution application. As per IBC to avoid fraudulent Applicants, some conditions have been prescribed under Section 29(A) (a) to 29(A) (i). For purpose of this clause, person includes

- Any Person who is promoter or in the management or control of the resolution applicant
- Any Person who shall be the promoter or in the management or control of business of the corporate debtor during the implementation of Resolution Plan



- The Holding Company, Subsidiary Company, Associate Company or Related Party of a person referred to in above clauses

(except : Scheduled Bank, ARC registered with RBI under section 3 of SARFAESI Act, 2002 and Alternate Investment Fund registered with SEBI)

Section 65: Fraudulent Initiation of Insolvency Process

Section 65 was incorporated in the Code so that the provisions of IBC cannot be misused by any person, who has initiated the insolvency resolution process or liquidation proceedings, with a fraudulent or malicious intent, and for any purpose other than for the resolution of insolvency or liquidation, as the case may be. The article will be particularly focusing on the effect of this provision on persons who have fraudulently or maliciously initiated insolvency proceedings. We will also be relying on a recent case law, wherein NCLT has taken broad and sweeping interpretation, in consonance with the spirit of law.

Time Frame to go back:

Not Applicable

Who is liable to report Transactions to the Adjudicating Authority?

Under Section 18, the Insolvency professional is required to review the Assets and Liabilities of the Corporate Debtors. The transaction auditor is appointed by the Insolvency professional is just for an expert opinion on the matter. Hence, the ultimate responsibility to report to the Adjudication Authority remains on the Resolution Professional.

Can't the auditor go beyond the given time frame as "relevant time frame"?

The sections for the preferential, undervalued and the extortionate transactions limit the resolution professional to the extent of 2 years before the inception of the CIRP process.

Section 66 doesn't have any restriction of the time limit for the described transactions. This means that technically the

transaction auditor may be required to go beyond the time limits for finding out cases described in the Sec 66.

Basis our experience in these audits, many of the accounts have been classified as Non-Performing Assets or NPA 4 to 5 years before the IBC proceedings. There is a Restructuring, SARFASI, BIFR, etc has already been done long before in many cases.

There is hardly any transaction in such cases in last two years. This may make the entire exercise just a formality.

Having said that, the transaction auditors can always make their scope clearer by saying that they will not go beyond the specified financial year. This will help the auditor safeguard his position.

What is the reporting hierarchy for the Transaction Auditor?

Transaction Auditor has to Report to the Resolution Professional. Then the same is left on the Resolution Applicant to take it further or use it in his report to the NCLT. There is no way of escalation if there is any issue nexus of the Resolution Professional with the KMPs. This makes the transaction audit less effective. In our view, this may call for a review while drafting a provision for such escalation in the law.

Is the Transaction Auditor Required to Classify the Transactions into various Sections of the I & B Code?

Law is silent on this, as IBC says IP can appoint any Professional Expert as and when he feels like doing so. But, since IP is appointing a Transaction Auditor for making a view as to whether there are any such transactions, he may include this obligation in the Scope of Work, to get the classification of the transactions in under various sections.

The transaction auditor is not expected to be a legal expert, he cannot be relied upon by the RP for the classification side. Transaction auditor should mention this aspect in his disclaimer while submitting the report.

☐



Legal Updates



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Note: The ratio of the case laws discussed hereinunder are as per the citations available with the author. Any member desirous of getting any citation may contact the author.

- 1) **ITAT Chennai 17-05-2021.** Addition towards provision for premium on redemption of debentures to book profit u/s 115JB - adjustments to book profit - provision created for premium payable on redemption of debentures is ascertained liability and hence, it cannot be added to book profit u/s 115JB of the Income Tax Act, 1961
- 2) **ITAT Indore 21-5-2021** Addition u/s 69A - unaccounted business receipt - various submissions were filed by the assessee to explain the source but revenue authorities could not go deeper to bring the truth on record. Further Ld. A.O as well as Ld. CIT(A) have observed that it cannot not be denied that the alleged amount is an unaccounted business receipt. We therefore, treat the alleged cash deposit as unaccounted business receipt and apply net profit rate of 8% on this amount and the same is added to the income of the assessee
- 3) **ITAT Indore 21-5-2021** Addition based on survey proceeding - Unexplained stock of gold and silver jewellery - The statement given during the course of survey is not a statement on oath as given u/s. 132(4) of the Act and therefore has no evidentiary value. Reliance should be placed upon the evidence/materials gathered during the course of survey operations while framing the assessment orders.
- 4) **ITAT Pune 20-5-2021.** LTCG - Exemption u/s 54F – Two plots, 28 and 29 were simultaneously purchased and are adjacent to each other. The assessee claimed both the plots were used for construction of new residential house. Simply because the application for construction was given only with reference to Plot No.28, the claim for actual investment in Plot No.29, qualifying for exemption u/s.54F, cannot be denied.
- 5) **ITAT Kolkata 19-5-2021.** Addition u/s 68 - onus to prove the identity, creditworthiness and genuineness of the share applicants - Both the nature & source of the share application received was fully explained by the assessee. The assessee had discharged its onus to prove the identity, creditworthiness and genuineness of the share applicants. - the addition made by the AO and sustained by Ld CIT(A) was based on conjectures and surmises, so it cannot be justified.
- 6) **ITAT SURAT 19-5-2021.** Long Term Capital Gain OR Short Term Capital - period of holding - inclusion of period of tenancy - The word 'held' as per dictionary meaning means to possess, be the owner, holder or tenant of property, stock, land, etc. - the assessee was occupying the asset for more than the qualifying period of 36 months and on assigning the right in the property, the gain earned is certainly qualified for LTCG.
- 7) **ITAT Surat 23-02-2021.** Bogus purchases u/s 69C - Search action u/s 132 at the premises of assessee and certain incriminating material indicating the bogus purchases shown by the assessee was recovered - The seized material is only for the purpose of calculating rebate and there is no such evidence regarding fake purchases for the purpose of Income Tax. - CIT(A) rightly deleted the additions.
- 8) **ITAT Jaipur 03-02-202.** Computation of capital gain - adoption of value of the property as per registered sale deed for the purpose of Section 50C - Where the stamp duty authorities have accepted the original value of the property as per the sale deed, there is no basis left with the AO to continue to apply the enhanced value.
- 9) **ITAT Mumbai 5-5-2021.** AO had contended that the bundles of money found during the course of search u/s 69A had staples on them while RBI directives prohibited banks from stapling notes and thus the money was not earned through regular banking channels - HELD THAT:- The department is not here to sermonize how a tax payer should keep its currency. What is relevant is whether the cash found during the course of search has been duly accounted by the assessee and its group companies sharing the common office. CIT(A) rightly deleted the additions.
- 10) **ITAT Chandigarh 13-05-2021.** Revision u/s 263 - Ld. Pr. CIT exercising jurisdiction under section 263 of the Act, directed the AO to make fresh assessment on the issues which were not the subject matter of the limited scrutiny. CIT(A) has exceeded jurisdiction u/s 263 of the Act by directing the AO to make fresh assessment on the issues which were not the subject matter of the assessment framed on the basis of limited scrutiny.
- 11) **ITAT Chandigarh 29-04-2021.** No doubt a party may choose to waive the right to be heard and instead choose to rely only on written submissions - it is the duty of the adjudicating authorities to ensure that the waiver so made is intelligently made and with full knowledge and understanding i.e. with the foreknowledge that the right to be heard 'exists. Nothing on record to show that the right to be heard was consciously and knowingly waived.
- 12) **ITAT Mumbai 08-04-2021.** Penalty u/s 271D and 271E - creation/ assignment of debt and liabilities vide journal entries - These entries arise in the normal course of day to day business activities. - no person would either receive or repay loans in such odd amounts. - these journal entries in the name of some parties were passed towards assignment of genuine and bonafide receivables / payables arising out of



- business expediencies and exigencies in the normal course of business. - Hence the same would certainly constitute reasonable cause within the meaning of section 273B of the Act and hence no penalty u/s 271D and 271E.
- 13) **ITAT Mumbai- March 3, 202.** Deduction claimed u/s.54F - The new residential house had been purchased by the assessee within two years after the sale of the capital asset which resulted in long-term capital gains. The relevant date in this connection is July 29, 1988, when the petitioner paid the full consideration amount on the flat becoming ready for occupation and obtained possession of the flat. This date has been taken by the Tribunal as the date of purchase. The purchase was substantially effected when the agreement of purchase was carried out or completed by payment of full consideration on July 29, 1988, and handing over of possession of the flat on the next day. Clearly, therefore, the date relevant for determining the purchase of property is the date on which full consideration is paid and possession is taken.
 - 14) **ITAT Mumbai- April 21, 2021.** Addition made on account of notional interest to interest free deposit received by the assessee on property - HELD THAT:- Computation of property income was concerned with annual value or actual rent and not notional interest on interest free deposits and that notional interest on interest free deposit cannot be taken as determinative factor to arrive at the 'fair rent'.
 - 15) **ITAT Mumbai- 09-04-2021.** Unsecured loans u/s 68 - As the directors of the lending companies had filed affidavits confirming the loan transactions before the Id AO which had not been disputed. Once the averments made in the affidavit are not disputed or refuted, the same are to be construed as true and correct - Decision of apex court of 1956 followed.
 - 16) **ITAT Kolkata 30-04-21.** Addition u/s 68 - non maintenance of books of accounts - There was no actual credit of cash or otherwise received by the assessee. No entries are made in the books of account as admittedly no books of account are maintained. Thus, based on the real income thereon no addition can be made based on these false or bogus figures. - An addition u/s. 68 of the Act was made on bogus figures which are not true and when no such entries were made in the books of account - Additions deleted
 - 17) **ITAT Surat 06-05-2021.** Bogus LTCG - disallowance of exemption claimed by assessee u/s 10(38) on account of LTCG - there is no live link in the order of SEBI about the transactions of shares of assessee under scrutiny, so such order cannot be read against the assessee in absence of any corroborative evidence. In fact, there is no evidence on record that he assessee made any prearranged transactions. - Additions deleted.
 - 18) **ITAT Mumbai 20-04-2021.** Penalty u/s 271B - non-filing of Tax audit report u/sec. 44AB of the Act within the due date under section 139(1) - Due to technical issues and pressure of work, the assessee firm could not file their return of income within the due date specified under section 139(1) - Thus the delay in filing is not a wanton act and the explanations has a reasonable causes. Penalty directed to be deleted.
 - 19) **ITAT Surat 01-02-2021.** Capital gain computation - valuation of property - Valuation report of DVO, after all, cannot be treated as the last word on valuation, and there has to be a grievance redressal mechanism against incorrectness of the DVO's valuation- particularly when the DVO has not properly disposed of the objections of the assessee. It is abundantly clear from the precedents cited above, that correctness of a DVO's report can be challenged by the assessee.
 - 20) **ITAT Surat 19-04-202.** Capital gain - Additions made u/s 50C - by no stretch of imagination, without making any spot physical verification, two piece of land can be compared to work out the fair market value. The assessing officer has simply borrowed the finding of CIT(A)-IV, Surat, without seeing its relevance or reference and applied the fair market value n the assessee's land. No addition under section 50C can be made in absence of any evidence.
 - 21) **ITAT Bangalore 01-04-2021.** Concept of mutuality - Payment of interest / compensation to the members - The very fact that bylaws of the assessee-society contained the provisions that payment of dividend to its members goes to show that it is not a mutual society and commerciality is very much inherent in the activities of the assessee-society. In this regard, clause 75(6) of the Byelaws of the assessee-society is relevant. Therefore, the action of the Assessing Officer in thrusting the concept of mutuality even when the assessee-society never claimed the concept of mutuality, is bad in law and is hereby set aside.
 - 22) **ITAT Hyderabad 12-05-2021.** Rejection of books of account - estimation of profit - we set aside the decision of the CIT(A) in enhancing the income of the assessee and uphold the order of the AO in estimating the income of the assessee @ 10% on the total turnover. Once the books of account are rejected, it is trite law that no further additions can be made from the same books of account. CIT(A) has treated it as other income. The CIT(A) has co- terminus powers but once a pragmatic view has been formed by the AO, it should be changed as per the case law cited supra. Further, on perusal of the details of other income shown in the financial statement, this income is related to the primary business activity of the assessee.

5



Slump Sale under GST



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INTRODUCTION

It is very crucial to set a business from zero in India as there are many formalities in regards to formation & Taxations. Also for growing of business, Business man have to capture huge market

capitalization as well as much customer and another factor which leads to progress of business. Therefore the concept of Merger and Amalgamation & Corporate restructure came in to the light. In the Corporate restructure, Merger, Amalgamation, the transferee will get ready possession of market capitalization and customers and other benefit associated with the business in return to lump-sum consideration. Hence it is most ideal tool to capture big advantages of existing business.

In this article we will discuss the implication of tax in slump-sale as far as GST is concern.

What is Slump-Sale?

Slump-Sale is sale of an Undertaking as a going concern for a single consideration. However GST didn't provide the definition of Slump-Sale so we need to move towards Income tax Act, 1961 for Slump-Sale.

As per section 50 B read with Section 2(42C) of Income-tax Act 1961, **"slump sale" means transfer of a whole or part of business as a going concern in which all the assets and liabilities of a business are transferred to a purchaser for a lump-sum consideration without assigning values to the individual assets and liabilities.**

Silent features of Slump-Sale are as under,

- (A) The transfer of one or more undertakings.
- (B) As a result of the sale.
- (C) For a lump sum consideration.
- (D) Without values being assigned to the individual assets and liabilities in such sales.

Whether Slump-Sale is Supply?:-

GST law provide the definition of supply under Section 7(1) of CGST Act, 2017 the expression **"supply" includes, all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the**

course or furtherance of business.

From the above mentioned definition it is clear that slump sale does not amount to sale of goods or Service, as it is a contract for sale of business as a whole or part as a going concern and not mere sale of goods. Further, slump sale is a transaction not carried out in the course or furtherance of business.

However, the definition of **"business" under section 2(17)(d) of CGST Act 2017, supply or acquisition of goods including capital goods and services in connection with commencement or closure of business.** Due to clause "d" definition of "Business", "Slump-Sale" fit in to the definition of "Business" hence "Slump-Sales" would be treated as Supply and GST will be comes in to the picture.

Slump-Sales is Supply of "Goods" OR "Service"?

Once it is clear that Slump-Sale is Supply, now question is to whether it is supply of "Goods or Service".

GST Act provide "Schedule II" which clearly specified which transaction to be consider as Goods & which transaction to be consider as Service.

One of the Clauses of Schedule II i.e. **Clause 4(c) provide "Where any person ceases to be a taxable person, any goods forming part of the assets of any business carried on by him shall be deemed to be supplied by him in the course or furtherance of his business immediately before he ceases to be a taxable person, unless-**

- (i) The business is transferred as a going concern to another person; or
- (ii) The business is carried on by a personal representative who is deemed to be a taxable person.

In light of the above provision it is clear that Slump-Sales is excluded from the list of supply of goods and so It becomes very obvious that transfer of business as a going concern is considered to be a supply of service and such clarification also supported by the definition of Service provided in **Section 2(102) of CGST Act, 2017 which state "services" means anything other than goods, money and securities but includes activities relating to the use of money or its conversion by cash or by any other mode, from one form, currency or denomination, to another form, currency or denomination for which a separate consideration is charged.**

Valuation of Slump-Sale:-

Once it is clear that the activity of transfer of a going concern constitutes a supply of service & GST will be levied on it we must to identify the valuation for such sale as per Section 15 of CGST



Act, 2017 read with rule 28 of CGST rule 2017.

Rule 28 of CGST Act, 2017 provide three base for valuation in case of consideration is in form in form of Money,

- (A) Be the open market value of such supply.
- (B) If the open market value is not available, be the value of supply of goods or services of like kind and quality.
- (C) If the value is not determinable under clause (a) or (b), be the value as determined by the application of rule 30 (Value of supply of goods or services or both based on cost) or rule 31 (Residual method for determination of value of supply of goods or services or both), in that order.

From the above three base of Valuation it can noted that,

- (1) Slump sale is not an open market sale, since it is not normally made available in the market.
- (2) Each slump sale is unique and there cannot be any services of a like kind and quality.

Thus in the light of the above analysis it is clear that Rule 28 is not applicable.

Now move towards the Rule 30 (Value of supply of goods or services or both based on cost).

Cost of acquisition is not applicable as the supply is one of service of business as going concern, so we have to rule out the Rule 30.

Now move towards the Rule 31 (Residual method for determination of value of supply of goods or services or both).

The option we have left is only the transaction value, Hence we may conclude that the **“Transaction value”** will be the net consideration agreed between the parties.

GST Rate for such service

GST has provided many exemption for supply of services i.e. supply of such service will attract NIL rate of GST wide **Notification No.12/2017-Central Tax (Rate) dated 28.06.2017**, one of the such service is as under, as per serial No. 2 of such notification “Services by way of transfer of a going concern, as a whole or an independent part thereof” will be NIL Rated.

Hence supply of Slump sales is exempted from GST without any conditions.

Availability of ITC in case of Slump-Sale

Since the lump sum consideration received for ‘Slump Sale’ of business is exempt from GST, as stated above thus no tax would be charged on the consideration exchanged between the parties. The transferor would be issuing a bill of supply as per section 31(3) (c) of the CGST Act, 2017. Since no tax would be charged on the consideration, therefore the question of availability of input tax credit would not arise at all.

Transfer of ITC lying in electronic credit ledger in the books of transferor:-

Section 18(3) of CGST Act, 2017 state that **“Where there is a change in the constitution of a registered person on account of sale, merger, demerger, amalgamation, lease or transfer of the business with the specific provisions for transfer of liabilities, the said registered person shall be allowed to transfer the input tax credit which remains unutilized in his electronic credit ledger to such sold, merged, demerged, amalgamated, leased or transferred business in such manner as may be prescribed.”**

As per Section 18(3) of CGST Act 2017 read with Rule 41 of CGST Rules 2017 it is clear that the registered person shall be allowed to transfer the input tax credit which remains unutilized in his electronic credit ledger to such sold, merged, demerged, amalgamated, leased or transferred business.

Process:-

- (1) A registered person shall, in the event of sale, merger, demerger, amalgamation, lease or transfer or change in the ownership of business for any reason, furnish the details of sale, merger, demerger, amalgamation, lease or transfer of business, in FORM GST ITC-02, electronically on the common portal along with a request for transfer of unutilized input tax credit lying in his electronic credit ledger to the transferee.
- (2) The transferor shall also submit a copy of a certificate issued by a practicing chartered accountant or cost accountant certifying that the sale, merger, de-merger, amalgamation, lease or transfer of business has been done with a specific provision for the transfer of liabilities.
- (3) The transferee shall, on the common portal, accept the details so furnished by the transferor and, upon such acceptance, the un-utilized credit specified in FORM GST ITC 02 shall be credited to his electronic credit ledger.
- (4) The inputs and capital goods so transferred shall be duly accounted for by the transferee in his books of account.
- (5) And by such way the transferee shall be entitled to the ITC transferred as part of transfer business as a going concern in the form of slump sale.

Relevant Authority for Advance Ruling:-

Name:- M/s Rajashri Foods Pvt. Ltd.

Advance Ruling No.:- KAR ADRG 06/2018.

Date:- 23.04.2018.





40th Virtual CPE Meeting on Professional Opportunities in RERA, Audit & Certification held on 8th May 2021



Key Note: CA. Umesh Mestry (Past Chairman – Vasai Branch), **Speaker:** CA. Ramesh Prabhu, **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Sorabh Agrawal (Vice Chairman), CA. Lokesh Kothari (Secretary & Treasurer), CA. Ankit Rathi (Immediate Past Chairman), CA. Vijendra Jain (Committee Member), **Coordinator:** CA. Naveen Mehta

41st Virtual CPE Meeting on Maharashtra State Government Industrial Subsidies & Professional Opportunities for CA's held on 2nd May 2021

Speaker: CA. G B Modi, **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Lokesh Kothari (Secretary & Treasurer) & CA. Vijendra Jain (Committee Member), **Coordinator:** CA. Aman Jain



42nd Virtual CPE Meeting on Changes in ITR Forms held on 1st May 2021



Chief Guest: CA. Atul Bheda (Past CCM), **Speaker:** CA. Abhishek Jain, **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Sorabh Agrawal (Vice Chairman), CA. Lokesh Kothari (Secretary & Treasurer), CA. Vijendra Jain (Committee Member), **Coordinators:** CA. Sunil Gupta & CA. Ashok Kumawat



43rd Virtual CPE Meeting on Opportunities for CA's to Work Abroad & IT Audit opportunities for CAs held on 9th May 2021 (1st Session)



Key Note: CA. Prafulla Chhajed (Past President, ICAI), **Speaker:** CA. Sanjay Singh Panwar (Vice Chairman, Singapore Chapter of the ICAI), CA Ganesh Sharma (Chairman - British Columbia Chapter of ICAI, Vancouver) **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Lokesh Kothari (Secretary & Treasurer), CA. Ankit Rathi (Immediate Past Chairman), CA. Vijendra Jain (Committee Member)

44th Virtual CPE Meeting on Excel as an Audit Tool held on 6th May 2021

Chief Guest: Shri. Abhinesh Maharshi (MLA Ratangarh, Dist – Churu (Rajasthan) **Guest of Honor:** CA. Sunil Patodia (Past Chairman – WIRC of ICAI), **Speaker:** Mr. Nipun Shah, **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Sorabh Agrawal (Vice Chairman), CA. Lokesh Kothari (Secretary & Treasurer), CA. Ankit Rathi (Immediate Past Chairman), CA. Vijendra Jain (Committee Member), **Vote of Thanks:** CA. Dayaram Paliwal (Past Chairman – Vasai Branch)



45th Virtual CPE Meeting on CA Practice Management Strategy held on 14th May 2021



Chief Guest: CA. Rajesh Sharma (Central Council Member), **Speaker:** CA. Umesh Sharma (Regional Council Member), **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Panelists:** CA. Ramanand Gupta (Past Chairman – Vasai Branch), CA. Sumeet Doshi (Past Chairman – Vasai Branch), CA. Ravi Gupta, CA. Tarun Dhandh, CA. Yashpal Rajpurohit, CA. Geetika Jha **Committee Members:** CA. Sorabh Agrawal (Vice Chairman), CA. Lokesh Kothari (Secretary & Treasurer), CA. Vijendra Jain (Committee Member), CA. Amit Agarwal (Committee Member),



46th Virtual CPE Meeting on Networking & Networing held on 16th May 2021



Chief Guest: CA. Nilesh Vikamsey (Past President - ICAI), **Speaker:** CA. Jay Chhaira (Central Council Member), **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Lokesh Kothari (Secretary & Treasurer), CA. Vijendra Jain (Committee Member), **Vote of Thanks:** CA. Shweta Jain (Past Chairperson – Vasai Branch), **Coordinator:** CA. Santosh Jajoo & CA. Daya Bansal

47th Virtual CPE Meeting on Community Commerce for Practicing CA held on 22nd May 2021



Chief Guest: CA. Subodh Kumar Agrawal (Past President, ICAI), **Speaker:** CA. Rishabh Kumar Sawansukha, **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Opening Remark:** CA. Vimal Agarwal (RCM & Branch Nominee), CA. Kishor Vaishnav (Past Chairman – Vasai Branch), **Committee Members:** CA. Lokesh Kothari (Secretary & Treasurer), CA. Vijendra Jain (Committee Member), **Vote of Thanks:** CA. Shiw Bhagwan Assawa (Chairman – Thane Branch), **Coordinator:** CA. Manoj Khemka & CA. Heeralal Agarwal

48th Virtual CPE Meeting on Next Generation Technology for CA held on 25th May 2021



Chief Guest: CA. Nihar Jambusaria (President, ICAI) **Opening Remark:** CA. Lalit Bajaj (Immediate Past Chairman, WIRC of ICAI) **Speaker:** CA. Shahnawaz Khan (Partner at Grant Thornton Bahrain) & CA. Dheeraj Sharma (Vice President - Sankalp Holdings) **Session Chairman:** CA. Abhishek Tiwari (Chairman – Vasai Branch), **Committee Members:** CA. Lokesh Kothari (Secretary & Treasurer), CA. Ankit Rathi (Immediate Past Chairman), CA. Vijendra Jain (Committee Member), CA. Amit Agarwal (Committee Member) **Coordinators:** CA. Neha Goyanka & CA. Pratik Sharma



Virtual Meeting on Success Mantra to Clear CA Exams held on 15th May 2021 (WICASA Event)



Speaker: CA. Rajendra Sah **Session Chairman:** CA. Lokesh Kothari (Secretary & Treasurer) **Coordinator:** Mr. Arvind Karwa

OBITUARY



CA. Sudheer Sharma

From Vasai

We express our deep condolence and grief on sad demise of
CA. Sudheer Sharma on 3rd May 2021.
May the departed soul rest in peace.

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The Institute of Chartered Accountants of India,
Vasai Branch of WIRC

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