





## Who We Are

Since 2004 and counting, we have been the preferred market leader for Accounting, Auditing, Finance and Taxation Services, operating for 18+ years now.

Embracing challenges and driving innovation is what we do best and our expertise lies in but is not limited to Auditing and Assurances, Taxation Advisory, Corporate Insolvency Resolution, Forensic Audits, Valuations, Company law, Intellectual Property Rights, RERA, Project Finance, Risk Management and MIS Reporting

With an aim to deliver nothing but excellence to our clients, we have blended our years of technical expertise with premiere creativity and responsiveness to drive client service and fuel customer satisfaction. We are a multidisciplinary organization focused on creating long term partnerships with our clients so that we can transform our services into value-worthy experiences for our clientele.



### Our Vision

Enabling the business brains globally with innovative solutions & value additions



### Our Mission

To build a team of 100 energetic brains by 2025 enabling people development consistently



### Our Values

We embrace challenges consistently for growth. We strive to be frontrunner in adopting the changes. Integrity is in our DNA.



## The World Is My Runway

-Ramya Singh

Welcome to the first issue of the newsletter by SKYZ & Co. A place where bouquet of services are being served with expertise of varied professionals. SKYZ & Co. from its inception was determined to satisfy its clients to the fullest.

**“Kindness and Courtesy are at the root of positive client service experience”**

-Shep Hyken

It gives me immense pride and pleasure that SKYZ & Co. is launching its first newsletter which is a result of the collective efforts of the whole team of the firm. I am hopeful that this new initiative will be a learning source for individuals and would help them to stay updated with the continues changes in the professional field in the various laws. Our enthralling journey started in year 2004 after obtaining Certificate of Practice in a small space setup with limited clients, which gradually took bull stoop by enhancing the portfolio by adding services with every coming year as Core Chartered Accountancy Practice, Bank Audits, Advisory to Corporate clients in the domain of Taxation, Internal Audits and Information System Audits, Corporate Insolvency Resolution Process (“CIRP”), Bankruptcy, Liquidation, and Restructuring services, Corporate Governance services along with Company Law, IPR, Startup Advisory, Valuation, and Forensic Audit services.

It is indeed my great pleasure that “SKYZ & Co.” is Publishing its first Newsletter on 6th February, 2022.

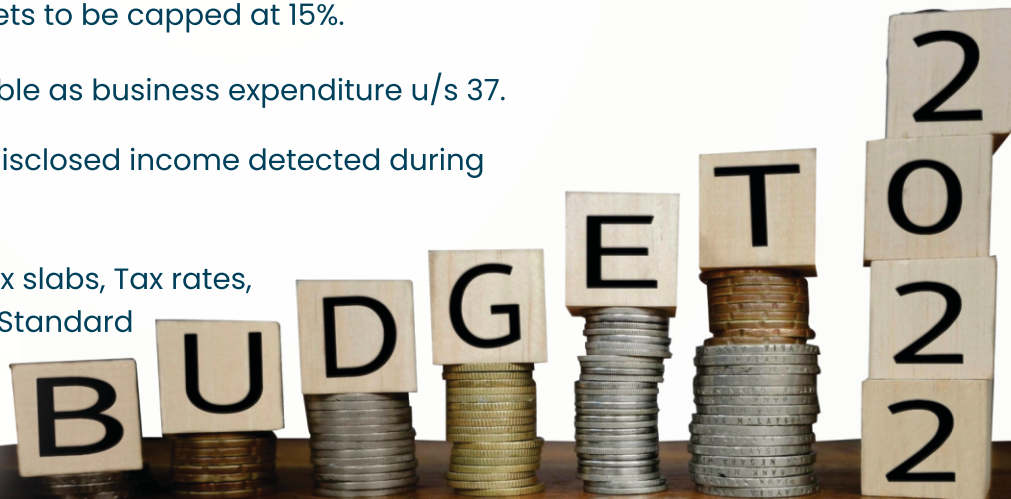
The newsletter aims to bring into view about various proceeding, functions and updates in the Financial and Legal area. The major strength of the firm is a team of well dedicated professionals and trainees working for the better future.

Wishing all the fellow members happy reading and learning experience.

**CA IP Sunit Shah**  
Founder & Managing partner  
SKYZ & Co.

## The major announcements which have been made in this Budget are as under

1. Provision for filing 'Updated Income Tax Returns' within 2 years from the end of relevant assessment year.
2. For Co-operative society, AMT is reduced from 18.50% to 15.00% and surcharge is reduced from 12% to 7% for income from 1 crore to 10 crore.
3. Tax relief for persons with disability: Allow annuity payment to differently abled dependents when parents attaining age of 60 years.
4. Deduction for National Pension Scheme for State Govt. Employees u/s 80CCC made at par with Central Govt.
5. Start-ups established before 31.03.2023 (earlier 31.03.2022; now extended by 1 year) will be provided tax breaks.
6. Last date for commencement of manufacturing for claiming lower tax regime under Section 115BAB to be 31.03.2024 (earlier 31.03.2023; now extended by 1 year)
7. Virtual Digital Assets (VDA) (Cryptocurrency):
  - Income from transfer of virtual digital assets to be taxed at 30%;
  - No deduction for expenses other than cost of acquisition;
  - No set off of losses TDS @ 1% on consideration above specific threshold;
  - Gift to be taxed u/s 56(2)(x)
8. No repetitive appeals for common question of laws.
9. Off-shore banking units/ IFSC income to be provided exemptions.
10. Surcharge of certain AOPs to be capped at 15%.
11. Surcharge on LTCG on any assets to be capped at 15%.
12. Health and Ed. Cess not allowable as business expenditure u/s 37.
13. No set off of losses against undisclosed income detected during search & survey.
14. No Change/Relief in Income Tax slabs, Tax rates, deduction under chapter VI-A, Standard Deduction and so.



### \*Amendments for the Insolvency & Bankruptcy Code\*

- ◆ IBC amendments to enhance efficiency of resolution process
- ◆ facilitate cross-border insolvency resolution
- ◆ To speed up voluntary winding up of companies

## Mandatory Aadhaar authentication for registered person – 21/12/2021

The Central Government vide **Notification No. 38/2021-CT dated 21.12.2021** has notified January 1, 2022 as the implementation date for Rule 10B of CGST Rules, 2017. Mandatory for the registered person to undergo Aadhaar authentication for the below purposes:

1. Filing of **application for revocation of cancellation** of registration in FORM GST REG-21 under Rule 23 of CGST Rules, 2017.
2. Filing of **refund application** in FORM RFD-01 under Rule 89 of CGST Rules, 2017.
3. **Refund of the IGST** paid on goods exported out of India under Rule 96 of CGST Rules, 2017.

Aadhaar authentication or E-KYC verification before filing of refund may be completed by navigating to **"Dashboard > My Profile > Aadhaar Authentication Status"**

## Upcoming functionality – Interest Calculator in GSTR-3B – 08/01/2022

As a facilitation measure for taxpayers & for assisting the taxpayers in doing a correct self-assessment, a new functionality of interest calculator is being released in GSTR-3B. This functionality will arrive at the system computed interest on the basis of the tax liability values declared by the taxpayers. The interest applicable, if any, on the tax liability declared in the GSTR-3B of a particular tax-period will be computed after the filing of the said GSTR-3B.

## Resumption of Blocking of E-Way Bill (EWB) generation facility – 04/10/2021

The blocking of E way bill generation facility had been temporarily suspended by Government on account of Covid pandemic. In terms of Rule 138 E (a) and (b) of the CGST Rules, 2017, the E Way Bill generation facility of a person is liable to be restricted, in case the person fails to file their return in Form GSTR-3B / statement in CMP-08, for consecutive two tax periods or more, whether Monthly or Quarterly. To avail EWB generation facility on EWB Portal on continuous basis, you are, therefore, advised to file your pending GSTR 3B returns/ CMP-08 Statement on regular basis.

## Removal of additional ITC – 21/12/2021

CGST Rule 36(4) is amended to remove 5% additional ITC over and above ITC appearing in GSTR-2B. From 1st January 2022, businesses can avail ITC only if it is reported by supplier in GSTR-1/ IFF and it appears in their GSTR-2B.

## Changes in GST impacting On E-Commerce Operators – 18/11/2021

Government has given a directive via issued **NN. 17/2021- Central Tax (Rate) dated 18th November 2021** wherein E-commerce platforms ("ECO") like Zomato, Swiggy are liable to pay tax on the restaurant services effective from 1st January, 2022. The liability to pay taxes on the non-restaurant services as per this directive still lies with the restaurants themselves.

## GST rate on Works Contract Services for specified Contracts to Government Authority and Government Entity – 01/01/2022

Works contract services provided for specified contracts to Government Authority or Government Entity have been excluded from the reduced tax rate entry of GST @5%/12% w.e.f 01.01.2022 vide NN 15/2021-CTR. Those specified works contract services will be taxable at residual tax rate @18% under entry 3 (xii) of tax rate notification no 11/2017- CT(R) w.e.f 01.01.2022.

## GST Registration can be suspended

If the percentage difference in liability declared in GSTR-3B varies more than 10% with that declared in GSTR-1 **OR** the ITC claimed in GSTR-3B varies more than 10% with the values auto-populated from GSTR-2B on the basis of GSTR-1 filed by suppliers.

## Some Other Updates

The taxpayers cannot file GSTR-1 if the previous period's GSTR-3B was not filed.

The GST officers can initiate recovery proceedings without any show-cause notice against taxpayers who under-report sales in GSTR-3B compared to GSTR-1, under Section 75(12).

Changes in **GST rate on footwear** from 5% to 12% with effect from 01/01/2022.

Securities and Exchange Board of India (“SEBI”) has vide its notification dated 24 January 2022, notified amendment in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Following are the key amendments:

### ◆ **Appointment of Manager [Reg. 17(1C)]:**

Appointment of Manager would require shareholders' approval and it has to be obtained at the next general meeting or within three months from the date of appointment, whichever is earlier.

### ◆ **Re/Appointment of MD/WTD/Manager, once rejected by shareholders [Reg. 17(1C)]:**

Re/appointment of MD/WTD/Manager, once rejected by shareholders, shall be done only by prior approval of shareholders, which means approval of board followed by shareholders would only be valid process before their appointment.

### ◆ **Explanatory Statement:**

Any re/appointment under point no. 2 above should be supported with an explanatory statement should contain detailed explanation and justification of NRC and Board for recommending re/appointment.

### ◆ **Introduction of Special Situation Funds as a sub-category under Category I AIFs**

SEBI (Alternative Investment Funds) Regulations, 2012 (“AIF Regulations”), have been amended to introduce

Special Situation Funds (SSF), a sub-category under Category I AIF, which shall invest in 'special situation assets:

- Each scheme of SSF shall have a corpus of at least one hundred crore rupees.
- SSF shall accept an investment of value not less than ten crore rupees from an investor.
- In case of an accredited investor, the SSF shall accept an investment of value not less than five crore rupees.
- This circular shall come into force with immediate effect.
- In case of investors who are employees or directors of the SSF for employees or directors of the manager of the SSF, the minimum value of investment shall be twenty-five lakh rupees.

◆ Statement of monitoring agency should be placed on quarterly basis instead of annual.

◆ Sub-division, split, consolidation, renewal, exchange of share certificates should be done only in dematerialized form.

◆ Transfer and Transmission of securities to be done in dematerialized form.



## CASE LAW

### **AFTER APPROVAL BY THE ADJUDICATING AUTHORITY, THE RESOLUTION PLAN IS NO MORE A CONFIDENTIAL DOCUMENT;**

**COURT:** National Company Law Appellate Tribunal

**JUDGES:** Ashok Bhushan and Dr. Ashok Kumar Mishra

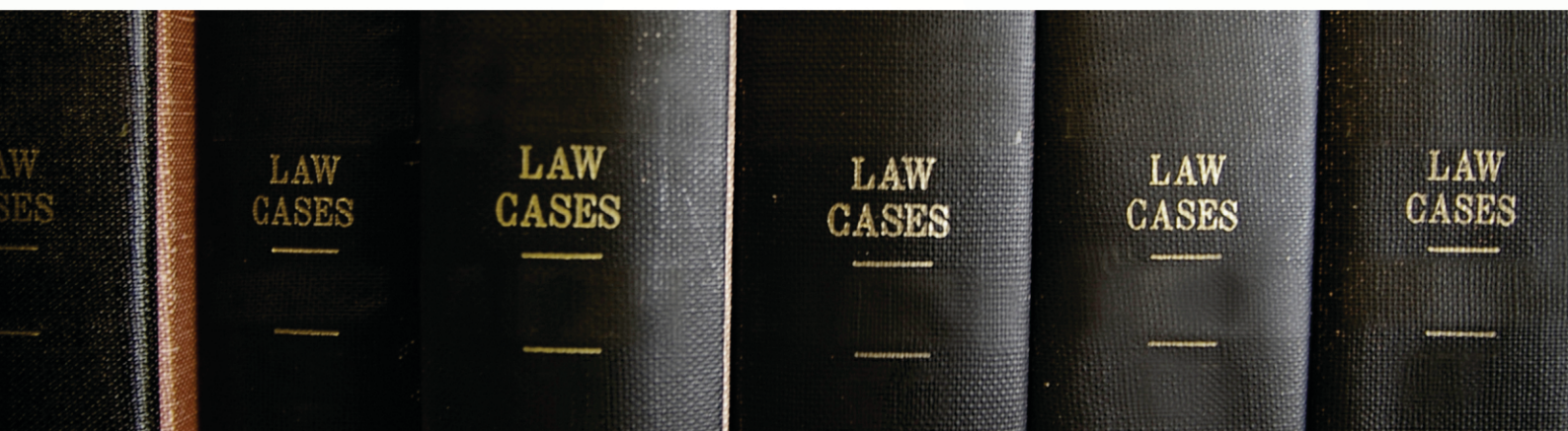
**CASE:** Association of Aggrieved Workmen of Jet Airways (India) Ltd v. Jet Airways (India) Ltd



The Appellants herein are the Operational Creditors, an association of aggrieved workmen of Jet Airways (India) Ltd. and to whom a sum of RS. 52 Crores was allocated in Resolution Plan, of the Corporate Debtor / Jet Airways and are seeking a copy of the Resolution Plan or any part of it. This appeal was filed by the Appellants, seeking to challenge the decision of Adjudicating Authority approving the Resolution Plan.

The question that arose for consideration before the Bench was whether the Appellant, who has filed an Appeal against the order of the Adjudicating Authority is entitled to a copy of the Resolution Plan or any part of it in these proceedings.

The NCLAT in the above matter held that after approval of the Resolution Plan, the Plan does not remain a confidential document, so as to deny its perusal to a claimant, who is aggrieved by the Plan.



### **SETTLEMENT AFTER APPROVAL OF RESOLUTION PLAN BY THE COC PENDING WITH ADJUDICATING AUTHORITY;**

**COURT:** National Company Law Appellate Tribunal

**CASE:** Dewan Housing Finance Corporation Ltd. VS. Mr. KapilWadhawan

In the instant case, after Approval of the Resolution Plan by the CoC, the application was pending before the Adjudicating Authority under Section 31 of the Code, for Approval of the resolution plan the Adjudicating Authority accordingly while disposing of the Interim Application directed the CoC to consider the 2nd Settlement Proposal of the Promoter, within ten days and take an appropriate decision.

NCLAT set aside the order holding that considering the ratio of the Judgement of the Hon'ble Supreme Court in the case of Ebix Singapore (supra), "there was no scope for negotiations between the parties once the CoC has approved the Resolution Plan. Thus, contractual principles and common law remedies, which do not find a rope in the wording or the intent of the IBC, cannot be imported in the intervening period between the acceptance of the CoC Approved Resolution Plan and the Approval by the Adjudicating Authority.



# SKYZ & Co.

Chartered Accountants

+91-79 26422324

www.skyzco.com

info@skyzco.com

801-802 Abhijeet-1, Mithakhali Six Roads,  
Navrangpura, Ahmedabad-380009

