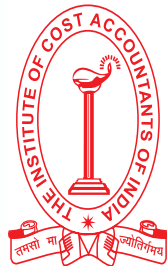


# TAX Bulletin

April, 2018 Volume - 14



## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

[www.icmai.in](http://www.icmai.in)

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### MISSION STATEMENT

“The CMA Professionals would ethically drive enterprises globally by creating value to stakeholders in the socio-economic context through competencies drawn from the integration of strategy, management and accounting.”



### VISION STATEMENT

“The Institute of Cost Accountants of India would be the preferred source of resources and professionals for the financial leadership of enterprises globally.”

## Objectives of Taxation Committee:

1. Preparation of Guidance Note and Analysis of various Tax matters for best Management Accounting Practices for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit suggestions to the Ministry from time to time for the betterment of Economic growth of the Country.
4. Evaluating opportunities for CMAs to make effective value addition to the tax-economy.
5. Designing of Certificate Course on Direct and Indirect Tax for members and stake holders.

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## FROM THE DESK OF THE CHAIRMAN

“True success is overcoming the fear of being unsuccessful” Paul Sweeney

India has witnessed high level of economic expansion over the last decade and has emerged as a knowledge driven economy today. With its large domestic market and demographic advantage, it has emerged as one of the fastest growing economy globally. India is sure to play a decisive and constructive role in global economy of today and tomorrow.

In our Tax Research Department, we are in-line with the vision of our Government. Moving ahead with this we have compiled and submitted to the Central Board of Direct Taxes the views of our members on drafting of new Direct Tax laws in adherence with the economic needs of our country. We are also in the process of submitting some specific suggestions on Direct Tax Laws from the perspective of Tax Administrators and Government.

The Second batch of Certificate Course on GST will start from 16<sup>th</sup> April, 2018. It is in continuation of our 1<sup>st</sup> Batch of Certificate Course on GST, which has been a huge success PAN India. Also to facilitate students at far-fetched areas online classes on GST has been launched. These would be beneficial for students wherein study centres of our course are still not operational. To support study procedure the members of the Tax Research Department are always on their toes helping the learners and resolving their queries.

We are confident that with such a determination in our mind we have a long way to go to succeed.

I, on behalf of the Taxation committee expect members participation in our endeavour to continue the activities and also at the same time thanks Team TRD for their continuous effort.

A handwritten signature in blue ink, appearing to read 'Niranjan Mishra'.

**CMA Niranjan Mishra**  
Chairman - Taxation Committee  
17<sup>th</sup> April, 2018

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# CONTENTS

<b>ARTICLES</b>		
<b>DIRECT TAX</b>		
<b>01</b>	<b>IMPLICATION OF INCOME TAX ON MUTUAL FUND INCOME</b>	
	CMA Mrityunjay Acharjee	Page - 1
<b>INDIRECT TAX</b>		
<b>02</b>	<b>E-WAY BILL UNDER GST – AN OVERVIEW, PROCEDURE &amp; ANALYSIS</b>	
	CMA Susanta Kumar Saha	Page - 6
<b>03</b>	<b>E-WAY BILLS – A MEASURE TO CURB TAX EVASION</b>	
	CMA Dr. Pradeep G Tulsian & CA Abhay Tulsian	Page - 16
<b>04</b>	<b>E-WAY BILL WHEN, WHAT, WHO...</b>	
	CMA Satya Sundar Mahasuar	Page - 21
<b>Frequently Asked Questions</b>		
		Page - 22
<b>TAX UPDATES, NOTIFICATIONS AND CIRCULARS</b>		
	INDIRECT TAX	Page - 23
	DIRECT TAX	Page - 25
<b>PRESS RELEASE</b>		
	INDIRECT TAX	Page - 28
	DIRECT TAX	Page - 29
<b>JUDGEMENTS</b>		
	INDIRECT TAX	Page - 30
	DIRECT TAX	Page - 31
<b>TAX COMPLIANCE CALENDAR AT A GLANCE</b>		
	INDIRECT TAX	Page - 32
	DIRECT TAX	Page - 32
<b>Brochure - Certificate Course on GST</b>		
		Page - 34







## IMPLICATION OF INCOME TAX ON MUTUAL FUND INCOME

**CMA MRITYUNJAY ACHARJEE**

Associate Vice President, Tax and Chief Internal Auditor, Balmer Lawrie Limited

**A**s a popular adage goes, there are two things certain in life; death and taxes. And yet, most of us are either ignorant of our tax liabilities or are trying to save taxes by numerous ways and mechanisms. Investing in mutual funds is supposed to be one of the ways to save tax. While, there is truth to it (like for instance by investing in ELSS schemes), largely there is a tax liability to take care of as well. In this article we would try to elaborate about what you should know about taxes and mutual funds, especially capital gains tax. Know all about it and stay invested:

Mutual funds combine the savings of a large number of investors and manage it as a single pool of money. Instead of investors worrying about which stock or bond or commodity to invest in, professional fund managers do the job.

For the individual investor who doesn't have much time to study and research investments himself, mutual funds are a great way to reap the benefits getting easy access to different types of investments with a minimum effort and a relatively low minimum investment. In most funds, it is possible to start investing with as little as a thousand rupees or even less.

Also, unlike many other investments, mutual fund investments are highly liquid. This means that an investment can generally be withdrawn without any delay. When an investor wants to withdraw money from a mutual fund, he can put in an order on any weekday and he will generally receive the money in his account in a matter of few days.

There are many types of funds with a wide range of risk levels, profit potential, and quality of fund management. There are funds that invest in equities and there are funds that invest in bonds and there are funds that combine the two asset classes. They all offer varying degrees of risk and return. There are also funds that invest in gold and some have investments outside of India.

There are many advantages of investing mutual funds, which include:

**Convenience:** You can easily invest as well as withdraw from them in any amount. Investments can be made by filling up a simple form or even online with direct debit from your bank account. Similarly, redemptions can be made directly into your bank account and take no more than three days.

**Diversification:** One of the basics of safe investing is to spread your money across different investments. Mutual

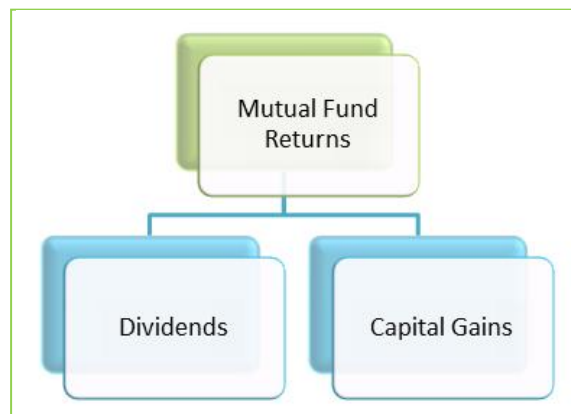
funds are an easy way to do this. Each mutual fund spreads the money across a large number of investments. In any well-managed fund, this spread is balanced not just across different companies but also across different sectors and sizes of companies, thus providing optimum safety.

**Variety:** There are mutual funds available for every kind of return and risk level and suitable for every kind of time horizon. No matter what kind of investment you want, there's likely to be a variety of funds that suit you.

**Professional Research and Management:** Investing is a lot of work. There are hundreds of companies to track and their prospects could change without warning. While you could do it all yourself, you may not have the time or the resources to spare. Mutual funds employ professional, whole-time investment managers and research staff. Their cost and effort gets shared 'mutually' among all the investors in a fund.

**Tax Efficiency:** When you buy or sell any investment, you have to pay tax on the profit you make. However, this doesn't happen when that buying and selling is being done on your behalf by a mutual fund. To maximise profits, the fund manager could keep buying and selling stocks as needed, but you have to pay tax only when you redeem your investments from the fund.

**Transparency:** Mutual funds are obligated by law to release comprehensive data about their operations and investments. Almost all funds release NAVs daily and most release their complete portfolio every month. Sebi regulates the fund industry very tightly and is constantly refining the applicable rules to protect investors better.



## Capital gains

Capital gains in mutual funds is simply the difference between the market value of the fund unit at the time of redemption and purchase. In other words, it is the profit the investor makes when they sell their mutual fund units. There are two types of capital gains i.e long-term capital gains (LTCG) and short-term capital gains (STCG). As the name suggests, the category is bifurcated depending on the term period. However, the term period can differ based on the type of fund. The tax applied on these capital gains is known as capital gains tax.

## Tax on equity mutual funds

Taxation on equity mutual funds or equity oriented schemes is fairly simple. To qualify as an equity oriented scheme, the

portfolio must contain 65% or more of its holdings in domestic equity shares. Even ELSS funds would be classified as equity with the difference being that you get Section 80C deduction for it.

Any capital gain for a unit held for longer than 12 months is considered as a long-term capital gain. There is no tax on long-term capital gains.

A short-term holding (12 months or less) has a flat tax rate of 15% on the capital gains, whether you are a domestic investor or an NRI.

Similarly, any dividends or distributed income from equity funds are exempt from, irrespective of when you receive it.

	Individual & HUF investors	Non-individual investors
Equity Oriented funds	Nil	Nil
Non - equity oriented funds (Debt Funds)	28.84% (25% + 12% Surcharge + 3% Education cess)	34.61% (30% + 12% Surcharge + 3% Education cess)

Dividends are declared on face value of the mutual fund units i.e. Rs. 10/-. If a mutual fund declares a dividend of 40%, it means an investor would get Rs. 4/- as dividend for every unit he is holding.

Details	Amount (in Rs.)
Dividend declared 40% (per unit)	4.00
DDT @ 28.84% of Rs 4.00	1.15
<b>Net Dividend in the hands of the investor after deducting DDT</b>	<b>2.85</b>

The post DDT amount of Rs. 2.85 would be passed on to the investor, which is tax free in his hands.

**Taxation on interest income:** The common misunderstanding on treatment of interest income earned from bank deposits is that it is exempted if the interest earned is less than Rs 10,000/-p.a and taxed at 10% if the earning is more than Rs. 10,000/- p.a which is deducted by the bank before paying the interest.

## Tax on non-equity mutual funds

Non-equity mutual funds include debt funds, liquid funds, money market funds and infrastructure debt funds.

For non-equity mutual funds, units need to held for more than 36 months to be classified as long term. Long-term capital gains are taxed at 20% with indexation. Basically, indexation can be defined as adjusting the price of a particular value for inflation. And then, inflation is calculated every financial year, and the value is called the Cost Inflation Index (CII). The primary idea is to factor in the rise of prices so that investor has to pay tax only on the "real gains".

Also, capital gains realised on debt fund units held for less than 36 months would be categorised as short-term capital gains. It is perhaps the only scenario where the investor would be taxed according to their respective tax slabs. Capital gains will be added as part of the income and if the investor falls in the 10% tax bracket, the tax rate on CG will be 10%. Similarly, if the investor falls under the 30% tax bracket, any STCG will be taxed at 30%. Any domestic company, however, will be taxed at a flat 30% for STCG on non-equity schemes.

While dividends in debt oriented schemes are nil, there is a catch known as the dividend distribution tax (DDT). As per the Union Budget of 2016, there is a dividend distribution tax (DDT) for retail investors at 28.33% including surcharge and cess. It can be broken up as

$$25\% + (12\% * 0.25) + 3\% * (0.25 + 12\% * 0.25) = 28.84$$

However, the investor does not pay this tax, at least not directly. The fund house deducts it from the NAV of the scheme to the extent of statutory levy (if applicable) and pursuant to the payout of the dividend the NAV of the scheme would fall to the extent of payout and statutory (if applicable) .

The returns earned from mutual funds are taxed under the head 'Income from Capital Gains.'

Many mutual fund investors are a bit confused about the taxation of returns from investments. Many mutual fund investors are a bit confused about the taxation of returns from investments. Investment experts are always busy answering questions like should I pay tax on my mutual funds or will my investment qualify for a tax deduction. Experts say the different treatment of MF returns for calculating the tax liability is the main reason for the confusion. The returns earned from mutual funds are taxed under the head 'Income from Capital Gains.' And capital gains can be short-term.

### **Taxation of equity schemes**

A mutual fund scheme qualifies to be taxed as an equity scheme if it invests at least 65 per cent of the total corpus in equity and equity related instruments.

Returns from an equity mutual fund are treated as long term capital gains if investments are held for more than a year. Such returns are completely exempt from income tax according to the current laws.

However, if investments are held for one year or less, the returns are taxed under short term capital gains. Such returns are taxed at 15 per cent.

### **Taxation of debt schemes**

Mutual fund schemes that invest less than 65 per cent of the corpus in equity are categorised as non-equity funds for the purpose of taxation. Your debt mutual funds fall under this category.

Also, gold funds, fund of funds, international funds, etc are categorised as non-equity schemes for the purpose of taxation.

Returns from non-equity funds are treated as long-term capital gains if investments are held for more than three years. And the returns are taxed at 20 per cent with the indexation benefit. Indexation is a procedure of inflating the purchase cost to account for inflation with the help of a price index. The process reduces the taxable profits.

If investments are held for three years or less, the returns are treated as short-term capital gains. Such gains are added to the income and taxed as per the income tax rate applicable to the investor.

### **Taxation of hybrid schemes**

Hybrid schemes can be either equity-oriented or debt-oriented. The scheme information document would clearly specify the investment pattern, making it clear whether the scheme qualifies to be an equity fund or a debt fund.

Needless to say, you should pay attention to this factor while investing in a hybrid scheme because the tax liability is very different for equity and non-equity schemes.

### **How to calculate the holding period?**

Holding period is determined from the date of purchase of mutual fund units till the day you sell them. In case of a Systematic Investment Plan (SIP), you are purchasing certain number of units every month or quarter and the period of holding has to be calculated individually for all these purchases.

### **Investing in mutual funds generates capital gains which can be taxed. Taxation on**

- Tax-Saving Equity Funds**
- Non-tax Saving Equity Funds**
- Debt Funds**
- Balanced funds**
- SIPs**

### **1. Mutual Funds Holding Period**

The basic motivation behind investing in mutual funds is to earn interest/dividends and capital gains. You need to know that these capital gains are taxed by the income tax authorities. The amount of tax to be paid on capital gains depends on the time for which you stay invested in them. It is referred to as the holding period of mutual funds.

The holding period of mutual fund units can be short-term or long-term. In case of equity mutual funds and balanced mutual funds, a holding period of 12 months or more is regarded as long-term. In case of debt mutual funds, a holding period of 36 months or more is regarded as long-term. A holding period of less than 36 months for debt funds and less than 12 months for equity and balanced funds is defined as short-term.

The following table gives a glimpse of holding period classification of mutual funds:

	Short-term	Long-term
Equity funds	Less than 12 months	12 months and more
Balanced funds	Less than 12 months	12 months and more
Debt funds	Less than 36 months	36 months and more

Now let's have a look at the taxation of short-term gains and long-term capital gains on different types of mutual funds.

### **Taxation on Mutual Funds**

#### **Tax-Saving Equity Funds**

Equity-Linked Saving Scheme (ELSS) are the most efficient tax-saving instruments under Section 80C of the Income Tax Act 1961. These are diversified equity funds which invest in equity shares of companies across market capitalization.

ELSS comes up with a lock-in period of 3 years. It means that once you invest in ELSS, you cannot redeem your units before expiration of 3 years. You can claim a tax deduction of up to Rs 1.5lakh and save taxes up to Rs 45000 by investing in ELSS.

Upon redemption after 3 years, the long-term capital gains (LTCG) up to Rs 1 lakh are tax-free in your hands. LTCG in excess of Rs 1 lakh is taxed at the rate of 10% without the benefit of indexation.

## Non-tax Saving Equity Funds

Long-term capital gains (LTCG) on non-tax saving equity funds of up to Rs 1 lakh are tax-free in your hands. LTCG in excess of Rs 1 lakh are taxed at the rate of 10% without the benefit of indexation.

Just in: Budget 2018 Proposals  
1<sup>st</sup> February 2018

Currently, equity mutual fund investors need not pay any tax on long term capital gains on investments made before a year. If investments in equity mutual funds are sold within a year, gains will be treated as short term capital gains and taxed at 15 per cent.

However, all gains up to January 31, 2018 will be grandfathered, said the finance minister. For example, if an equity share is purchased six months before 31st January, 2018 at Rs 100 and the highest price quoted on 31st January.

- To tax Long-term capital Gains on sale of Equity shares/units of Equity oriented Fund if more than Rs 1 lakh at @ 10% without the benefit of indexation.
- Relief to existing investors to exempt amount of capital gains up to 31 Jan 2018. The amount of Gains made thereafter this cut-off date will be taxed.

For Example, Mr A purchased shares for Rs. 100 on 30th September 2017 and sold them on 31st December 2018 at Rs 120. The Value of the Stock was Rs. 110 as on 31st January 2018. Out of the capital gains of Rs. 20 (i.e 120-100), Rs. 10 (i.e 110-100) is not taxable. Rest Rs. 10 is taxable as Capital gains @ 10% without indexation.

Short-term gains from equity funds, if the units are redeemed before 12 months, are taxed at the rate of 15% (No changes in the Budget 2018 in this regard)

## Debt Funds

Long-term capital gains on debt fund are taxed at the rate of 20% after indexation. Indexation is a method of factoring in the rise in inflation between the year when the debt fund units were bought and the year when they are sold.

Indexation allows inflating the purchase price of debt funds so as to bring down the quantum of capital gains. come down significantly. Short-term gains from debt funds are added to your income and are subject to short-term capital gains tax (SCGT) as per the income tax slab you fall under.

## Balanced funds

Balanced funds are equity-oriented hybrid funds that invest at least 65% of their assets in equities. This is why their tax treatment is exactly the same as non-tax saving equity funds.

Taxation on different types of mutual funds		
	Short-term capital gains (STCG) tax	Long-term capital gains (LTCG) tax
Equity mutual funds	15%	10% on LTCG in excess of Rs. 1 Lakh
Balanced mutual funds	15%	10% on LTCG in excess of Rs. 1 Lakh
Debt mutual funds	As per tax slab	20% after indexation

## Systematic Investments Plan (SIPs)

An SIP or a systematic investment plan is the method of investing a fixed amount in a mutual fund in a periodic manner. An SIP can be fortnightly, monthly, quarterly or yearly. Gains made from SIPs are taxed as per the type of mutual fund and the holding period. For the purpose of taxation, each individual SIP is treated as a fresh investment and gains on it are taxed separately.

Suppose you begin an SIP of ₹10,000 a month in an equity fund for 12 months. Each individual SIP is considered to be a fresh investment. Hence, after 12 months, if you decide to redeem your entire accumulated corpus (investments plus gains), all your gains will not be tax-free. Only the gains earned on the first SIP would be tax-free because only that investment would have completed one year. The rest of the gains would be subject to short-term capital gains tax.

Apart from these, there is also something called the Securities Transaction Tax (STT). An STT of 0.001% is levied by the fund company itself when you sell units of an equity fund or balanced fund. There is no STT on the sale of debt fund units.

## Conclusion

The longer we hold onto the mutual fund units, the more tax-efficient they become as the tax on long-term gains is much lesser than tax on short-term gains.

# E-way Bill



# E-WAY BILL UNDER GST – AN OVERVIEW, PROCEDURE & ANALYSIS

**CMA Susanta Kumar Saha**  
GST Consultant

**N**ation-wide E-Way Bill system under GST was set to be implemented with effect from 1st February 2018. Implementation was postponed, and The Central Government has rolled out E-Way Bill from **April 1, 2018** in case of inter-State movement of goods. Here is an overview and procedural discussion.

## 1. What is an e-way bill?

E-Way Bill is a document to be generated from “Good and Services Tax E – Way Bill System”, in electronic form or electronic generated, required to be carried by a person in charge of the conveyance, carrying any consignment of goods of value exceeding fifty thousand rupees with detailed information of goods under movement and conveyance details. E-Way Bill is a twelve digit (12) number.

## 2. Purpose and advantage of E-Way bill:

The e-Way Bill provisions under Goods and Services Tax will bring a uniform e-Way Bill rule, valid throughout India. This will facilitate free movement of goods across India without any intervention at check posts in between which in turn will reduce transit time for movement of goods. Once successfully implemented, e-way bill will act as an effective tool to track movement of goods during its entire journey within India. Introduction of e-way bill is expected to check evasion of tax, and thus Government revenue is expected to increase.

## 3. Statutory Provisions:

The Central Government, on the recommendations of the Council, is empowered to formulate procedures to be followed by certain classes of registered persons, under section 68 of the CGST Act, 2017 (corresponding SGST or UGST Act, 2017). Based on the power conferred under this section, Government has notified EWB rules.

Extracts of section 68 of the CGST Act, 2017 is stated below:

Section 68		
Sub-section(1)	Sub-section(2)	Sub-section (3)
The Government may require the person in charge of a conveyance carrying any consignment of goods of value exceeding such amount as may be specified to carry with him such documents and such devices as may be prescribed.	The details of documents required to be carried under sub-section (1) shall be validated in such manner as may be prescribed.	Where any conveyance referred to in sub-section (1) is intercepted by the proper officer at any place, he may require the person in charge of the said conveyance to produce the documents prescribed under the said sub-section and devices for verification, and the said person shall be liable to produce the documents and devices and also allow the inspection of goods.

## E-Way Bill Rules

Rules	Forms	Remarks
138(1) to 138(14)	FORM GST EWB- 01 & FORM GST EWB-02	Provisions relating to E-Way Bill, FORM GST EWB – 01 is for Single E –Way Bill, and FORM GST EWB- 02 is for Consolidated E-Way Bill.
138A	-----	Documents and devices to be carried by a person-in-charge of a conveyance
138B	-----	Verification of documents and conveyances.
138C	FORM GST EWB-03	Verification Report (Inspection and verification of goods in transit)
138D	FORM GST EWB-04	Report of Detention

#### 4. Journey so far, w.r.t date of Implementation:

- a. Government of India vide Notification No. 74/2017 – Central Tax, dated 29th December, 2017 has appointment 1st day of February, 2018, mandatorily for generation of e-way bill for **inter-State** movement of goods and latest by 1st June, 2018 for **intra-State** movement of goods.
- b. Government of India, exercising the powers conferred by section 164 of the CGST Act, 2017, rescinds Notification no.74/2017 dated 29th December, 2017 vide Notification no.11/2018 dated 2nd Feb 2018, and postponed the implementation of E-Way Bill.
- c. The GST council, in its 26th Meeting held on 10.03.2018 at New Delhi, decided to implement the e-way bill for inter-State movement of goods across the country w.e.f 01.04.2018. E-way bill for intra-State movement of goods will be introduced latest by 1st June, 2018 in a phased manner.
- d. In exercise of the powers conferred by section 164 of the CGST Act, 2017, Central Government appointed 1st day of April, 2018 for implementation of e-way bill for inter-State movement of goods across the country.
- e. However Karnataka had rolled out mandatory generation of e-way bill for intra-State movement of goods w.e.f 1st day of April, 2018. [Notification (8/2018) No. FD 47 CSL 2017, dated 23.03.2018]
- f. It has being informed by The Government of India that e-Way Bill system for intra-State movement of goods would be implemented from 15th April, 2018 in the following States in line with the recommendations of GST Council:
  - i) Andhra Pradesh
  - ii) Gujarat
  - iii) Kerala
  - iv) Telangana
  - v) Uttar PradeshRoll out of e-Way Bill in the above mentioned States, would bring trade and industry closer to a nation-wide single e-Way Bill system. [Source: press release dated 10.04.2018 (Release ID – 1528436)]

#### 5. Consequence when the provision of E-way bill is not complied with:

E-Way Bills, wherever required, if not issued / generated in accordance with the provisions stipulated in Rule 138 of the CGST Rules, 2017, the same shall be considered as contravention of rules.

Section 122 of the CGST Act, 2017 (corresponding section in State / UT GST Act, 2017) stipulates, a taxable person who transports any taxable goods without the cover of documents as may be specified (clause (xiv) of sub-section 1, e-way bill is one of the specified documents) shall be liable to pay a penalty of Rs.10,000/- or an amount equivalent to the tax evaded, whichever is greater.

Section 129 of CGST Act, 2017 (corresponding section in State / UT GST Act, 2017) states inter alia, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made there under, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure.

#### 6. Can E-Way Bill be cancelled or deleted?

E - Way Bill cannot be deleted but can be cancelled within 24 hours of generation.

**7. Rule 138:** [Information to be furnished prior to commencement of movement of goods and generation of e-way bill]

**8. Sub-rule (1) of Rule 138** [who, why and when shall furnish information in Part A]:

Every **registered person** who **causes movement** of goods of **consignment value exceeding fifty thousand rupees-**

- i) in relation to a supply; or
- ii) for reasons other than supply; or
- iii) due to inward supply from an unregistered person,

shall, **before** commencement of such movement, **furnish information relating to** the said **goods** as **specified in Part A** of FORM GST EWB-01, **electronically, on the common portal** along with such other information as may be required on the common portal and a **unique number** will be generated on the said portal:

**Provided** that the **transporter, on an authorization** received **from the registered person, may furnish** information in Part A of FORM GST EWB-01, electronically, on the common portal along with such other information as may be required on the common portal and a unique number will be generated on the said portal:

## Decoding the sub-rule:

### ➤ Who is a registered person?

**Ans:** A person registered under GST is a registered person. However, the person shall also register on the portal of e-way bill namely: <http://ewaybill.nic.in> using his GSTIN to generate his user id and password.

### ➤ How to register for generation of E-way bill?

**Ans:**

- a. Visit <http://ewaybill.nic.in>;
- b. Click on "Registration" => "e-Way Bill Registration" available on the right-hand side of the top panel in the webpage.
- c. A new web page, "E-Way Bill Registration Form" will open up, GSTIN of the registered person whether consignor or consignee is to be filled in and then enter the Captcha Code, lastly click on the "Go" button. Click on send OTP and after checking the auto-filled details, verify the same.
- d. OTP will be sent to the registered mobile number. Enter OTP and verify the same by clicking on the "verify OTP" button".
- e. Create own "New User id and password".

### ➤ Who can generate E-Way Bill?

Registered person, either consignor or consignee, causing movement of goods, shall generate E-way bill furnishing information in Part-B of Form EWB-01;

Where the e - Way Bill is not generated by the registered person and goods are handed over to a transporter for transportation by road, the registered person shall furnish the information relating to the transporter on the common portal and transporter shall generate E-way bill on the basis of information furnished by the registered person in Part-A of Form EWB-01;

Where the goods are transported by railways or by air or vessel, the e - Way Bill shall be generated by the registered person, being the supplier or the recipient, who shall, either before or after the commencement of movement, furnish, on the common portal, the information in Part B of FORM GST EWB-01.

Provided where the goods are transported by railways, the railways shall not deliver the goods unless the e-way bill required under these rules is produced at the time of delivery.

### ➤ What may cause movement of goods?

#### Reasons for movement of goods

- **in relation to a supply** (e.g. Sale, Purchase, Export / Import etc.);
- **for reasons other than supply** (e.g. Job Work, goods sent on approval basis, exhibition purpose, demo, SKD/CKD, sales return, etc);
- **due to inward supply from an unregistered person.**

**Note:** Sometimes "movement of goods" may arise in the course of supply of services, e.g, Works Contract services, supply of food / drinks etc. Hence, supply of goods may not be the sole cause for movement of goods.

### ➤ How to determine consignment value exceeding rupees fifty thousand?

**Ans:** Value as declared in an invoice, a bill of supply or a delivery challan, as the case may be, and includes the central tax, State or Union Territory tax, integrated tax and cess charged, if any.

### ➤ What is Consignment value?

**Ans:** Consignment Value = Value determined under Section 15 of the CGST Act including CGST, SGST, UTGST, IGST and cess charged, if any, but excluding the value of exempted goods when an invoice has been issued in respect of both exempted and taxable supply of goods.



➤ What are the information to be furnished in Part A of FORM GST EWB-01?

Ans:

**FORM GST EWB-01**  
(See rule 138)  
**E-Way Bill**

E-Way Bill No. :  
E-Way Bill date :  
Generator :  
Valid from :  
Valid until :

PART - A	
A. 1	GSTIN of Supplier
A. 2	Place of Dispatch
A. 3	GSTIN of Recipient
A. 4	Place of Delivery
A. 5	Document Number
A. 6	Document Date
A. 7	Value of Goods
A. 8	HSN Code
A. 9	Reason for Transportation

**Few explanations for PART - A:**

- HSN Code:

Annual turnover of the taxpayer up to five crore rupees in the preceding financial year	Two digit level
Annual turnover of the taxpayer exceeding five crore rupees in the preceding financial year	Four digit level

- Document Number may be, Tax Invoice, Bill of Supply, Delivery Challan or Bill of Entry number.
- Transport Document number may be, Goods Receipt Number or Railway Receipt Number or Forwarding Note number or Parcel way bill number issued by railways or Airway Bill Number or Bill of Lading Number.
- Place of delivery shall include the PIN Code of place of delivery.
- Place of dispatch shall indicate the PIN Code of place of dispatch.
- In case of **Un registered** supplier or recipient, fill in "URP" in Column A.1 or in A.3, as the case may be.
- Reason for transportation:

Code	Description	Code	Description
1	Supply	6	Line Sales
2	Export or Import	7	Sales Return
3	Job Work	8	Exhibition or fairs
4	SKD or CKD	9	For own use
5	Recipient not known	0	Others

➤ Is there any exception where e-way bill to be generated even if the consignment value does not exceed rupees fifty thousand?

- In case of inter-State movement of goods for **Job work**, principal shall generate e-way bill irrespective of any value of the consignment;
- Movement of inter-State **handicraft goods** by a **unregistered person**.

Notification No. 32/2017-Central Tax dated 15th September, 2017 inter alia states "**Handicraft goods**" as the products and the HSN code mentioned in the table below:

**Table**

Sl No	Products	HSN Code
(1)	(2)	(3)
1	Leather articles (including bags, purses, saddlery, harness, garments)	4201, 4202, 4203
2	Carved wood products (including boxes, inlay work, cases, casks)	4415, 4416
3	Carved wood products (including table and kitchenware)	4419
4	Carved wood products	4420
5	Wood turning and lacquer ware	4421
6	Bamboo products [decorative and utility items]	46
7	Grass, leaf and reed and fibre products, mats, pouches, wallets	4601, 4602

8	Paper mache articles	4823
9	Textile (handloom products)	including 50, 58, 62, 63
10	Textiles hand printing	50, 52, 54
11	Zari thread	5605
12	Carpet, rugs and durries	57
13	Textiles hand embroidery	58
14	Theatre costumes	61, 62, 63
15	Coir products (including mats, mattresses)	5705, 9404
16	Leather footwear	6403, 6405
17	Carved stone products (including statues, statuettes, figures of animals, writing sets, ashtray, candle stand)	6802
18	Stones inlay work	68
19	Pottery and clay products, including terracotta	6901, 6909, 6911, 6912, 6913, 6914
20	Metal table and kitchen ware (copper, brass ware)	7418
21	Metal statues, images/statues vases, urns and crosses of the type used for decoration of metals of chapters 73 and 74	8306
22	Metal bidriware	8306
23	Musical instruments	92
24	Horn and bone products	96
25	Conch shell crafts	96
26	Bamboo furniture, cane/Rattan furniture	
27	Dolls and toys	9503
28	Folk paintings, madhubani, patchitra, Rajasthani miniature	97

**9. Sub-rule (2) of Rule 138: [Who shall generate e-way bill and how]**

Who	What & When	How (means of transportation)	Shall do	Purpose									
Registered persons, either supplier as consignor or recipient as consignee	for transportation of goods, before commencement of movement of goods	Own conveyance, or hired conveyance, or by public conveyance, by road or by railways, or by air, or by vessel.	Furnish information in <b>Part B</b> of Form GST EWB – 01 <table border="1"> <thead> <tr> <th colspan="2">PART - B</th> <th></th> </tr> </thead> <tbody> <tr> <td>B.1</td> <td>Vehicle Number for Road</td> <td></td> </tr> <tr> <td>B.2</td> <td>Transport Document Number</td> <td></td> </tr> </tbody> </table>	PART - B			B.1	Vehicle Number for Road		B.2	Transport Document Number		To generate <b>e-way bill</b> in FORM GST EWB-01.
PART - B													
B.1	Vehicle Number for Road												
B.2	Transport Document Number												

**10. Sub-rule (2A) of Rule 138: [Who shall generate e-way bill and how]**

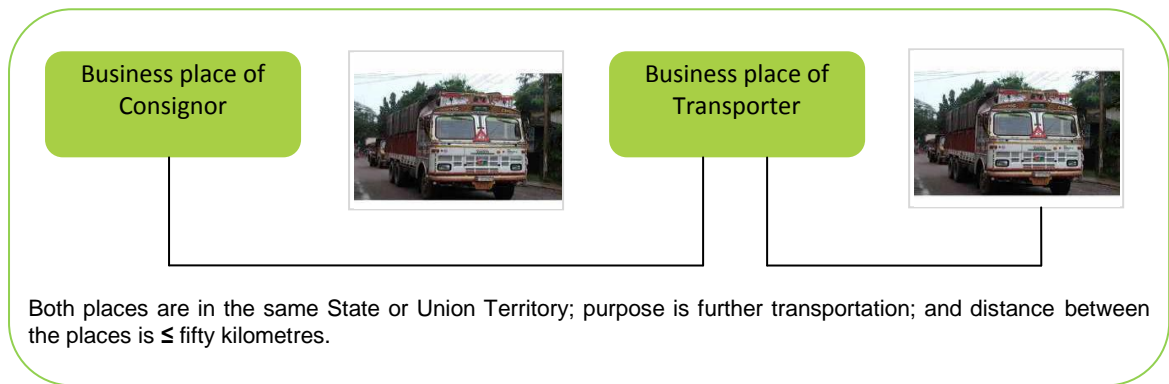
Who	What & When	How (means of transportation)	Shall do	Purpose									
Registered persons, either supplier as consignor or recipient as consignee	for transportation of goods, either before or after commencement of movement of goods	By railways, or by air, or by vessel or by own conveyance, or hired conveyance, or by public conveyance, by road.	Furnish information in <b>Part B</b> of Form GST EWB – 01 <table border="1"> <thead> <tr> <th colspan="2">PART - B</th> <th></th> </tr> </thead> <tbody> <tr> <td>B.1</td> <td>Vehicle Number for Road</td> <td></td> </tr> <tr> <td>B.2</td> <td>Transport Document Number</td> <td></td> </tr> </tbody> </table>	PART - B			B.1	Vehicle Number for Road		B.2	Transport Document Number		To generate <b>e-way bill</b> in FORM GST EWB-01.  <b>Condition</b> Railway shall deliver goods only on production of e-way bill generated on Common Portal
PART - B													
B.1	Vehicle Number for Road												
B.2	Transport Document Number												

**Note:** When goods are transported by Railways, e-way bills can be generated after commencement of movement of goods but before taking delivery from Railways.

**11. Sub-rule (3) of Rule 138: [When transporter may generate e-way bill]**

When the registered person, either as consignor or as consignee **has not** generated e-way bill and the goods have been handed over to the transporter for transportation by road, shall:

- Registered person shall furnish the information about the transporter in Part A in the common portal; and
- Transporter shall generate e-way bill based on the information furnished by the registered person on the Common Portal.
  - First proviso: Generation of e-way bill is optional for a consignment value of less than rupees fifty thousand;
  - Second proviso: Unregistered person causes movement of goods either in his own conveyance or in a hired one or through a transporter, he or the transporter, may generate e-way bill;
  - **Third proviso:** Goods are transported from the place of business of consignor to the place of business of the transporter within a State or Union Territory for further transportation, the supplier or the recipient or as the case may be, the transporter, may not furnish details of transportation in Part B of FORM GST EWB-01 when the distance between the two places of business is up to fifty kilometres.
  - Note:



**Explanation:**

- ❖ Goods supplied by a unregistered person to a registered recipient who is known at the time of supply, movement of goods shall be said to be caused by the recipient;
- ❖ The e-way bill shall not be valid for movement of goods by road unless the information in Part – B of FORM GST EWB-01 has been furnished except for situation stated in third proviso of sub-rule (3), stated above and proviso to sub-rule (5).

**12. Sub-rule (4) of Rule 138 [generation of EBN]:**

Upon generation of e-way bill, a unique e-way bill number (EBN) shall be made available to the supplier, the recipient and the transporter on the common portal.

**13. Sub-rule (5) of Rule 138: [procedure to transfer of goods from one conveyance to another during transportation]**

The consignor or the recipient, or the transporter as the case may be, who has provided information in Part A of the FORM GST EWB-01, shall update the details of conveyance in the e-way bill on the common portal before transferring the goods to another conveyance for further movement of goods.



- Details of conveyance may not be updated in the e-way bill if goods are moved from the place of business of the transporter finally to the place of business of consignee in a State or Union territory where such distance is less than equal to 50 kilometres.

**14. Sub-rule (5A) of Rule 138: [Can the e-way bill number be assigned]**

The consignor or the recipient, who furnished information in Part – A, or the transporter, may assign the e-way bill number to another registered or enrolled transporter for updating the information in Part – B for further movement of consignment.

- Once transporter updates the details of conveyance in Part B, the consignor or the recipient shall not be allowed to assign the said e-way bill to another transporter.

**15. Sub-rule (6) of Rule 138: [Generation of consolidated e-way bill]**

Multiple consignments are intended to be transported in one conveyance and e-way bill has been generated in accordance with sub – rule (1), the transporter may indicate the serial number of each e-way bill generated in the common portal to generate a consolidated e-way bill prior to movement of goods.

**Note:** (a) Transporter can only generate consolidated e-way bill; (b) to be generated prior to movement of goods.

**16. Sub-rule (7) of Rule 138: [Transporter to generate e-way bill when consignor or consignee hasn't]**

Aggregate value of consignment exceed rupees fifty thousand in a conveyance, and neither the consignor nor the consignee has generated e-way bill, transporter, except in case of transportation of goods by railways, air and vessel, shall, in respect of inter-State supply, generate FORM GST EWB-01 based on the delivery challan or invoice or bill of supply and may also generate consolidated e-way bill.

E-commerce operator or Courier agency shall furnish information in Part A of FORM GST EWB-01 when goods to be transported are supplied through them.

However, this sub-rule has not been notified for the time being. [Refer Notf. No 15/2018 – Central Tax]

**17. Sub-rule (8) of Rule 138: [Does the information provided in Part A has other usage]**

Information furnished in Part A of FORM GST EWB-01 by the registered supplier shall be made available to him on the common portal, may be utilised for furnishing details in FORM GSTR-1.

Information furnished by an unregistered supplier or an unregistered recipient, shall be made available electronically to him, if the mobile number or e-mail id is available.

**18. Sub-rule (9) of Rule 138: [Cancellation of e-way bill]**

Goods not transported or not transported as per the details furnished in e-way bill, may be cancelled electronically within 24 hours of generation of the e-way bill.

- E-way bill cannot be cancelled if has been verified in transit;
- Unique number generated under sub-rule (1) shall remain valid for fifteen days for updation of Part B of FORM GST EWB-01.

*Note: E-way bill once generated cannot be deleted.*

**19. Sub-rule (10) of Rule 138: [Is there any validity of e-way bill so generated]**

An e-way bill or a consolidated e-way bill shall be valid for the period mentioned in column (3) of the Table mentioned below from the **relevant date**:

**Table**

Sl. No	Distance	Validity period
(1)	(2)	(3)
1	Up to 100 km	One day <sup>1</sup>
2	For every 100 km or part thereof thereafter	One additional day <sup>1</sup>
3	Up to 20 km	One day in case of over dimensional Cargo
4	For every 20 km or part thereof thereafter	One additional day in case of over dimensional Cargo

<sup>1</sup> Other than over dimensional Cargo.

**Explanations:**

“Relevant date” = the date on which the e-way bill has been generated;

“Period of validity” = shall be counted from the time e-way bill has been generated;

“Each day” = shall be counted as twenty four hours.

“Over Dimensional Cargo” = A cargo as a single indivisible unit and exceeds the dimensional limits prescribed in rule 93 of the Central Motor Vehicle Rules, 1989.



➤ **Can the validity period of e-way bill be extended?**

- Commissioner may, by notification, extend the validity period for certain category of goods;
- Transporter may generate another e-way bill updating Part B of FORM GST EWB-01 if goods could not be transported within the validity period due to an exceptional circumstances.

**20. Sub-rule (11) of Rule 138: [availability of information and acceptance / rejection of e-way bill]**

Sl No	Information furnished in Part A of FORM GST EWB-01 by	Information shall be available to	Communicate <b>acceptance or rejection</b> of the consignment covered under e-way bill
1	the recipient or the transporter	Supplier, if registered	By the supplier
2	the supplier or the transporter	Recipient, if registered	By the recipient

**21. Sub-rule (12) of Rule 138: [time limit for acceptance or rejection]**

Acceptance or rejection to be communicated within seventy two hours of the details being made available to the supplier or the recipient, failing which it shall be deemed to be an acceptance of the details furnished therein.

**22. Sub-rule (13) of Rule 138: [Validity of e-way bill generated under this rule]**

E-way bill generated under rule 138 of the Central Goods and Services Tax (CGST) Rules, 2017 shall be **valid** in every State or Union territory.

**23. Sub-rule (14) of Rule 138: [where generation of e-way bill not required]**

E-way bill is not required to be generated under the following circumstances:

**Clause (a):** where goods specified in Annexure are being transported;

ANNEXURE  
[(See rule 138(14)]

S. No.	Description of Goods
<b>(1)</b>	<b>(2)</b>
1	Liquefied petroleum gas for supply to household and non domestic exempted category (NDEC) customers
2	Kerosene oil sold under PDS
3	Postal baggage transported by Department of Posts
4	Natural or cultured pearls and precious or semi-precious stones, precious metals and metals clad with precious metal (Chapter 71)
5	Jewellery, goldsmiths’ and silversmiths’ wares and other articles (Chapter 71)
6	Currency
7	Used personal and household effects
8	Coral unworked (0508) and worked coral (9601)

**Clause (b):** where the goods are being transported by a non-motorised conveyance;

**Clause (c):** where goods are being transported:

From	To	For
the customs port, airport, air cargo complex and land customs station	an inland container depot or Container freight station	clearance by Customs

**Clause (d):** Movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138 of the Goods and Services Tax Rules of the concerned State or Union Territory;

**Clause (e):** Goods, other than de-oiled cake, being transported as specified in the Schedule appended to notification No. 2/2017 – Central tax (Rate) dated the 28th June, 2017, as amended.

**Clause (f):** Goods transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel.

**Clause (g):** Goods being transported are treated as no supply under Schedule III of the Act.

**Clause (h):** Goods are being transported:- (i) under customs bond from an inland container depot or a container freight station to a customs port, airport, air cargo complex, land customs station, or from one customs station or customs port to another customs station or customs port, or (ii) under customs supervision or customs seal.

**Clause (i):** Goods being transported are transit cargo from or to Nepal or Bhutan;

**Clause (j):** Goods are being transported are exempt from tax under Notification No. 7/2017-Central Tax (Rate), dated 28th June 2017, as amended and notification No. 26/2017- Central Tax (Rate), dated the 21st September 2017, as amended from time to time.

Notification No. 7/2017-Central Tax (Rate)			Notification No. 26/2017-Central Tax (Rate)
S. No	Tariff item, sub-heading, heading or Chapter	Description of supply of Goods	
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	Goods = Heavy water and nuclear fuels, falling in Chapter 28 of the First Schedule to the Customs Tariff Act, 1975
1.	Any Chapter	The supply of goods by the CSD to the Unit Run Canteens	
2.	Any Chapter	The supply of goods by the CSD to the authorized customers	
3.	Any Chapter	The supply of goods by the Unit Run Canteens to the authorized customers	By Department of Atomic Energy to the Nuclear Power Corporation of India Limited.

**Clause (k):** any movement of goods caused by defence formation under Ministry of defence as a consignor or consignee;

**Clause (l):** where the consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail; [Consignor = Central Government / Government of any State / local authority, and means of transportation = Railways]

**Clause (m):** Transportation of empty Cargo containers;



**Clause (n):** Goods are being transported up to a distance of twenty kilometres, under a cover of a Challan from place of business of consignor to weighbridge or from weighbridge to place of business of the same consignor.



Place of business



Transportation by Road



Weigh bridge



**24. Rule 138A: [Documents and devices to be carried by a person- in-charge of a conveyance]**

**25. Sub-rule (1) of Rule 138A: [Documents to be carried by a person- in-charge of a conveyance]**

The person in charge of a conveyance shall carry -

- i) The invoice or bill of supply or delivery challan, as the case may be;
- ii) A copy of e-way bill in physical form or the e-way bill number in electronic form, or mapped to a Radio Frequency Identification Device Number embedded to a conveyance other than when movement of goods by rail, or by air, or by vessel.

**26. Sub-rule (2) of Rule 138A: [Invoice Reference Number]**

Tax invoice issued by a registered person may be uploaded in the common portal in FORM GST INV-1 to obtain an Invoice Reference Number which will remain valid for thirty days and can be produced for verification to proper officer in lieu of the tax invoice.

**27. Sub-rule (3) of Rule 138A: [Information to be auto-populated in Part A]**

Information furnished by the registered person in FORM GST INV-1 shall be auto-populated by the common portal in Part A of FORM GST EWB-01.

**28. Sub-rule (4) of Rule 138A: [Notification by the Commissioner to a class of transporter]**

The Commissioner may, by Notification, require a class of transporters:

- To obtain a unique Radio Frequency Identification Device;
- To get the said device embedded on to the conveyance;
- To map the e-way bill to the Radio Frequency Identification Number; prior to movement of goods.

**29. Sub-rule (5) of Rule 138A: [To carry documents instead of the e-way bill]**

Commissioner may by notification, require the person-in-charge of a conveyance to carry the following documents instead of e-way bill where circumstances so warrant:

- a) tax invoice or bill of supply or e-way bill;
- b) a delivery challan, where goods are transported for reasons other than by way of supply.

**30. Rule 138B: [Verification of documents and conveyances]**

**31. Sub-rule (1) of Rule 138B: [Power of the proper officer to intercept any conveyance]**

Proper officer, duly authorised by Commissioner or an officer empowered by him, may intercept any conveyance to verify the e-way bill or the e-way bill number in physical form for all inter-State and intra-State movement of goods.

**32. Sub-rule (2) of Rule 138B: [Installation of Radio Frequency Identification Device readers]**

Commissioner shall get Radio Frequency Identification Device readers installed at places for verification of movement of goods where the e-way bill has been mapped with the said device.

**33. Sub-rule (3) of Rule 138B: [Authorisation by Commissioner]**

Proper officer, duly authorised by Commissioner or an officer empowered by him, shall carry out physical verification of conveyances.

Any other officer, duly authorised by Commissioner or an officer empowered by him, on receipt of specific information on evasion of tax, shall carry out physical verification of conveyances.

**34. Rule 138C: [Inspection and verification of goods]**

**35. Sub-rule (1) of Rule 138C: [Inspection report by proper officer]**

- Proper officer shall upload summary report of every inspection of goods in Part A of FORM GST EWB-03 within 24 hours of inspection;
- Final report in Part B of FORM GST EWB-03 shall be recorded within three days of such inspection.

**36. Sub-rule (2) of Rule 138C: [Limitation to number of inspection]**

While goods are transported in any conveyance and physical verification of goods are carried out during transit at one place in a State or Union Territory, further verification shall not be carried out in the State or Union Territory, unless a specific information of tax evasion is available subsequently.

**37. Rule 138D: [Information regarding detention of vehicle]**

**Vehicle**, if intercepted and **detained for more than 30 minutes**, transporter may upload the said information in **FORM GST EWB-04**.



## E-WAY BILLS – A MEASURE TO CURB TAX EVASION

**CMA Dr. PRADEEP G TULSIAN**

M.Com, FCA, ACMA, ACS, LLB, DISA (ICAI), Phd (Com)



**CA ABHAY TULSIAN**

B.Com, ACA

In the era of series of reforms and GST implementation, the government has finally managed to introduce the E-Way Bill for movement of goods on Inter-state transaction. The free movement of goods across the nation without any barriers in between is one of the main aims of GST. E-way bill is one of the major reforms in GST regime and would bring a ground – breaking change in the way, the movement of goods is governed in the country. E-Way bill is nothing but the description of the goods being moved. This is going to be a major toll for preventing the GST evasion.

The e-way bill was introduced on trail basis w.e.f. 16<sup>th</sup> January, 2018. E-Way bill for interstate movement of goods was initially set to be implemented all over India from February 1, 2018 along with 13 states which are agreed to implement the same for the intra state transportation of goods but due to the technical glitches in the IT System, it has been introduced from 1 April 2018 for intrastate movement of goods. States are free to choose any date for the implementation of e-way bill system before 1<sup>st</sup> June, 2018. From 1<sup>st</sup> June 2018 e-way bill rules will be applicable to all states on uniform basis for the intrastate movement of goods.

New rules introduced after 1<sup>st</sup> February, has given some relief to small businesses, FMCG, Courier and e-commerce companies. In the above background, this article intends to throw light on the E-way bill rules and procedures.

The E-way bill systems gets its birth from Section 68 of the Central Goods and Services Tax Act, 2017 (CGST Act), which empowers the Government to require the person-in-charge of a conveyance carrying any consignment of goods, exceeding the value, as may be specified to carry with him documents and such devices that may be prescribed. Thus, the E Way bill is just the beginning and the Government has powers where they can very well prescribe much more than the e-Way Bill in the future.

### **What is an e-Way bill?**

e-Way bill is a document which is to be generated online from the e-Way Bill Portal at the time of interstate movement of goods for more than 50Kms and having a value of more than Rs. 50000/- through a motorized conveyance. e-Way bill can also be generated through SMS, Android App, and by Site-to-Site Integration (through the API).

Each e-Way bill generated will have a unique identification number, which will be available to the supplier, recipient and transporter. This number is known as e-Way bill number (EBN).

### **When e-way bill be generated or issued:**

E-way bill be generated in the interstate movement of goods only if the value of the goods in a vehicle/conveyance exceeds Rs. 50000/- either each invoice or in aggregate of all the invoices –

- In relation to a supply,
- For a reason other than a supply,



- Due to inward supply from an unregistered person.

Value of Rs. 50000/- includes transaction value as per Invoice inclusive of all the taxes, excluding the value of exempt goods that are being carried along the taxable goods and billed together.

For the purpose of e-way bill, supply means:

- A supply made for a consideration in the course of business.
- A supply made for a consideration which may not be in the course of business
- A supply without consideration,

Therefore, in a normal circumstance the supply of the goods means a:

- Sale – sale of goods and payment made
- Transfer – branch transfers, for instance
- Barter/Exchange – where the payment is by goods instead of in money

Therefore, e-way bill is compulsory to generate in all types of movements of goods.

However, the E-way bill shall be generated mandatory irrespective of the value of the goods, i.e. even if the value of the goods is less than Rs. 50000/- in the following cases;

- ▶ Interstate movement of goods for Job work – E-Way bill to be generated by the principal or the Job worker
- ▶ Handicraft goods being transported from one State to another by a person who has been exempted from the requirements of obtaining registration under clauses (i) and (ii) of section 24 – to be generated by the said person irrespective of the value of the consignment.

In case where both exempted and taxable goods are moved, then the value of taxable goods will be considered for the purpose of generating e-way bill. This will give a great relief to the FMCG companies, which normally moves all kinds of goods together. Further, in a situation, where the goods are supplied by an unregistered supplier to a registered person, the movement shall be said to be caused by such registered person. This may result in practical hardships to the registered person procuring materials from the unregistered persons.

In case, the goods to be transported are supplied through an e-commerce operator, the information may be furnished by such e-commerce operator or the transporter.

#### **Who will generate the E-way bill?**

- ❖ **By a Registered Person** – In case where goods of more than Rs 50,000 in value are moved then e-way bill must be generated by a Registered Person. If the value of goods is less than Rs. 50000/- then a registered person or the transporter may choose to generate and carry e-way bill.
- ❖ **By Unregistered Persons** – Unregistered persons are also required to generate e-Way bill for the movement of goods. Whereas if a supply is made by an unregistered person to a registered person, the receiver will have to ensure all the compliances are met as if they were the supplier. Which means that in such a case registered person should generate the e-way bill.
- ❖ **By a Transporter** – Transporters carrying goods by road, air, rail, etc. also need to generate e-Way Bill if the supplier has not generated an e-Way Bill.

A chart shows who and when e-way bill will be generated:

Who has to generate	When to generate	Part	Form
Every Registered person	Before movement of goods	Fill Part A	Form GST EWB-01
Registered person is a consignor or consignee (mode of transport may be owned or hired) OR is recipient of goods	Before movement of goods	Fill Part B	Form GST EWB-01
Registered person is a consignor or consignee and goods are handed over to the transporter of goods	Before movement of goods	Fill Part B	The registered person shall furnish the information relating to the transporter in Part B of FORM GST EWB-01
Transporter of goods	Before movement of goods		Generate e-way bill on the basis of information given by the registered person

An unregistered person under GST and recipient is registered	Compliance to be done by Recipient as if he is the Supplier.		<p>1. If the goods are transported for a distance of less than 50 Km within the same State/Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.</p> <p>2. If supply is made by air, ship or railways, then the information in Part A of FORM GST EWB-01 has to be filled in by the consignor or the recipient</p>
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#### **Furnishing the details of the Supply:**

The documents that the person-in-charge of a conveyance must carry have been prescribed under rule 138 of the CGST Rules 2017 as amended by Notification No. 12/2018. The reading of the above said rule provides that a registered person causing the movement of goods shall furnish information relating to the said goods as specified in Part A of FORM GST EWB-01 (E-way Bill).

- Invoice/ Bill of Supply/ Challan related to the consignment of goods
- Transport by road – Transporter ID or Vehicle number
- Transport by rail, air, or ship – Transporter ID, Transport document number, and date on the document

#### **Furnishing the details of the Conveyance:**

The details of the conveyance through which the goods are being transported shall be furnished in Part B of the E-way bill. The mode of transportation may be either own or hired conveyance or by railways or by air or by vessel. Further, where the goods are transported by railways or by air or vessel, the serial number and date of the Railway Receipt or the Air Consignment Note or Bill of Lading, shall also be furnished in Part B of the E-way bill.

Where the distance involved in the movement of goods is less than 50km, Part B of the E-way bill need not be furnished, however, furnishing the details in Part A of the E-way bill shall be mandatory. However, the method to compute the distance is not prescribed in the act or the rules.

In the event where goods are transported by railways, railways shall not allow recipients to take delivery of goods unless E-way bill produced at the time of taking delivery of goods.

Where the goods are handed over to the transporter, the registered person shall update the details of the transporter on the common portal and the transporter can update Part B of the E-way bill.

In a scenario goods are transfer from one conveyance to another, the consignor or the recipient, or the transporter shall, update the details of conveyance in Part B of the e-way bill before such transfer and further movement of goods.

#### **Consolidated E-Way Bill:**

In a scenario, where multiple consignments are intended to be transported in one conveyance, the transporter may indicate the serial number of e-way bills generated for each consignment and a consolidated E-way bill in FORM GST EWB-02 may be generated by him prior to the movement of goods.

Moreover, if the consignor or the consignee has not generated GST EWB-01 and the value of goods carried in the conveyance is more than INR 50,000/-, then the transporter shall generate Form GSTEWB-01 based on the invoice or bill of supply or delivery challan and may also generate a consolidated e-way bill. Under the new rules relief is given to e-commerce and courier companies for not generating the e-way bill in case the individual consignment value is less than Rs. 50000/- even if the consolidated consignment value is more than Rs. 50000/-.

#### **Validity and Cancellation of E-Way Bill:**

To calculate the validity of the e-way bill, the distance to be covered by all the modes combined must be taken into consideration. The validity provided in the rules is as under:

Sl. No.	Distance	Validity period
1.	Upto 100 km.	One day in cases <b>other than</b> Over Dimensional Cargo
2.	For every 100 km or, part thereof thereafter	One additional day in cases <b>other than</b> Over Dimensional Cargo

3.	Upto 20 km	One day in cases of Over Dimensional Cargo
4.	For every 20 km or, part thereof thereafter	One additional day in cases of Over Dimensional Cargo

Powers has been granted to the Commissioner to extend the validity period of E-way bill for certain categories of goods as may be specified.

Further, where due to some circumstances of an exceptional nature, the goods could not be transported within the validity period, the transporter may generate another e-way bill after updating the details in Part B of E-way bill.

The details of the E-way bill shall also be furnished to the recipient or the supplier of the goods depending on the person who has generated the E-way bill. The supplier or the recipient shall communicate his acceptance or rejection of the consignment covered by the e-way bill within 72 hours of generation of E-way bill. If, he fails to do so, it shall be deemed that he has accepted the said details. If the E-way has been rejected, it shall stand immediately invalid and goods cannot be further moved. The E-way bill may be cancelled within 24 hours of its generation, if the goods are not transported or not transported as per the details furnished in the e-way bill. The common portal does not allow the modification of details mentioned in Part A of the E-way bill once generated. Thus, in case details furnished in the E-way bill is incorrect the same can be modified only by generating a new E-way bill and cancelling the E-way will generated earlier. However, if the E-way bill is verified during transit it cannot be cancelled.

#### **Exemption from E-way bill:**

E-way bill shall not be required in the following cases;

- Goods being transported are specified in Annexure to rule 138 of CGST and the SGST rules;
- Goods are being transported by a non-motorized conveyance
- Goods are being transported from the port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs
- Goods, other than de-oiled cake, being transported are specified in the Schedule appended to notification No. 2/2017- Central tax (Rate) dated the 28<sup>th</sup> June, 2017
- Goods being transported are alcoholic liquor for human consumption, petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas or aviation turbine fuel; and
- Goods being transported are treated as no supply under Schedule III of the Act.
- Movement of goods within such areas as are notified under clause (d) of sub-rule (14) of rule 138
- Goods are being transported are
  - under customs bond from an inland container depot or a container freight station to a customs port, airport, air cargo complex and land customs station, or from one customs station or customs port to another customs station or customs port, or
  - under customs supervision or under customs seal;
- Goods being transported are transit cargo from or to Nepal or Bhutan
- Movement of goods caused by defence formation under Ministry of defence as a consignor or consignee
- Consignor of goods is the Central Government, Government of any State or a local authority for transport of goods by rail
- Empty cargo containers are being transported
- Goods are being transported upto 20KM from the place of the business of the consignor to a weigh bridge for weightment or from the weighbridge back to the place of the business of the said consignor subject to the condition that the movement of goods is accompanied by a delivery challan issued in accordance with rule 55.

#### **Documents and devices to be carried by a person-in-charge of a conveyance:**

The person in charge of a conveyance shall carry:

- the invoice or bill of supply or delivery challan, as the case may be; and
- a copy of the e-way bill or the e-way bill number, either physically or mapped to a Radio Frequency Identification Device embedded on to the conveyance.

A registered person may obtain Invoice Reference Number lieu of the tax invoice and produce the same for verification by the proper officer.

#### **Verification, Inspection and Detention of documents and conveyances:**

The proper officer authorized by the commissioner may intercept any conveyance to verify the E-way bill or the E-way bill number during the movement of goods.

On receipt of specific information on evasion of tax and obtaining necessary approval from the Commissioner, physical verification of a specific conveyance can also be carried out by any other officer.

The Proper officer shall record online, a summary report of every inspection of goods in transit in Part A of FORM GSTEWB-03 within 24 hours of inspection and the final report in Part B of FORMGST EWB-03 within three days of such inspection.

No physical verification of the conveyance shall be carried out, if verification of goods being transported has been done during transit at one place within the State or in any other State, unless a specific information relating to evasion of tax is made available subsequently.

If a vehicle has been intercepted and detained for a period exceeding thirty minutes, the transporter may upload the said information in FORM GST EWB-04.

**Mandatory Information to be Furnished in E-way bill:**

<b>Part A</b>		<b>Part B</b>	
GSTIN of Supplier			
Place of Dispatch		Vehicle Number for Road	
GSTIN of Recipient		Transport Document Number/Defence Vehicle No. /Temporary Vehicle Registration No./Nepal or Bhutan Vehicle Registration No.	
Place of Delivery			
Invoice or Challan Number			
Invoice or Challan Date			
Value of Goods			
HSN Code			
Reason for Transportation			

**How to generate the E way Bill:**

E-Way Bill can be generated on the e-Way Bill Portal. All you need is a Portal login. Every registered person, unregistered person or transporter can apply for the login ID at the eway portal. One e-Way bill needs to be generated against each Invoice.

The transporter can also re-assign another transporter by updating transporter ID on the eway bill portal. Once transporter re-assigns another transporter, seller cannot make any changes to assigned transporter.

So, the user has to generate different delivery challans against the invoice based on the different Transporter ID, because different e-way bills against a single invoice is not possible and will also cause the problem in populating the data in the GSTR-1.

**Penalty Provisions:**

When it is found that the goods are moving without e-way bill or where the details are partially declared, the proper officer has proper authority to detain or seize such conveyance or goods, and such shall be released after the payment of applicable tax or penalty as provided under section 129 of CGST Act, 2017.

If the E-way bill is not issued in accordance with the provisions contained in rule 138, the same will be considered as contravention of rules, and a taxable person who transports any taxable goods without the cover of specified documents (e-way bill is one of the specified document) shall be liable to a penalty of rupees 10000 or tax to be avoided, whichever is greater.

In case where the transporter is required to generate the e-way bill, but he fails to generate the e-way bill a penalty of Rs. 10000/- may be imposed or tax sought to be evaded (wherever applicable) whichever is greater, further liable for confiscation of goods and seizure of the vehicle.

**Conclusion:**

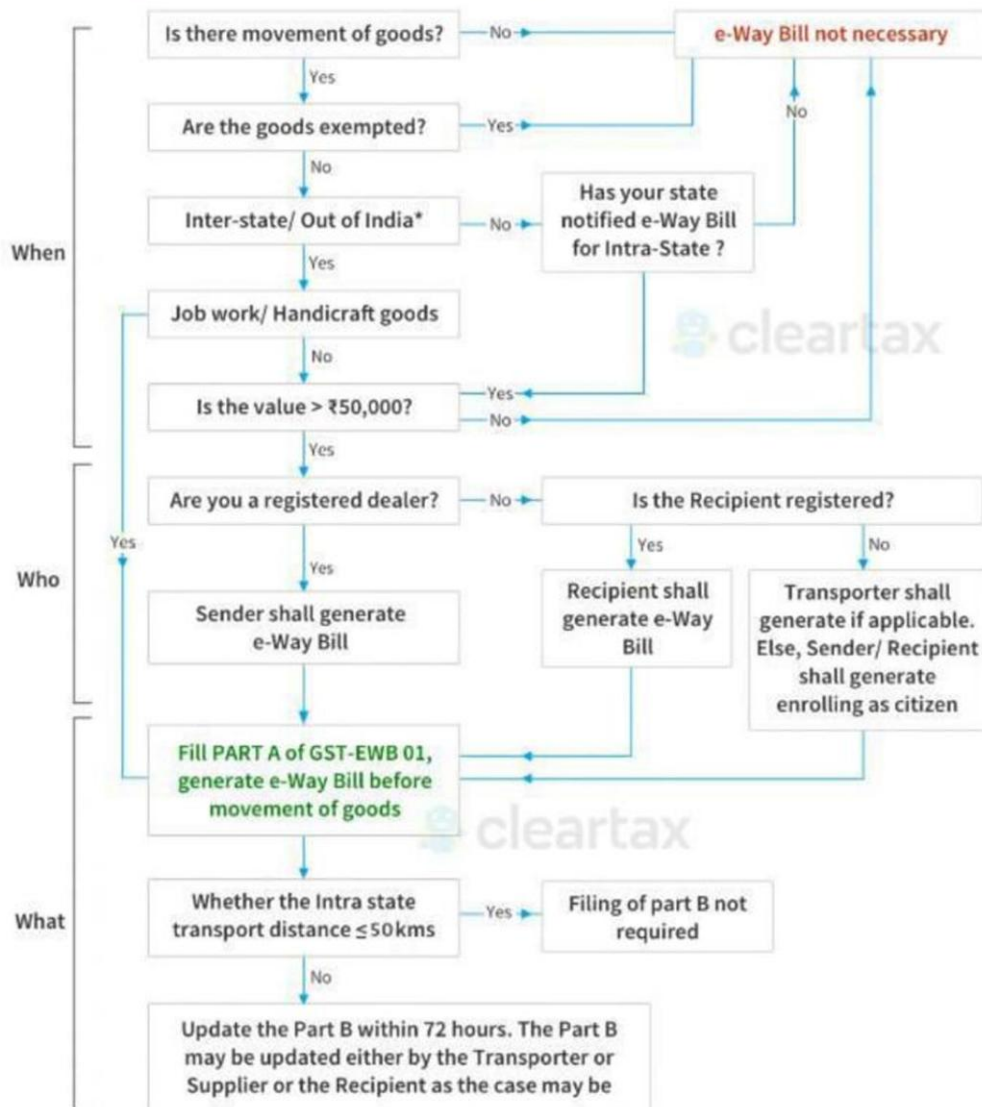
A very short span of time is given to understand the intricacies of this new way bill system and there may arise many practical challenges in the beginning. There are a few practical issues and lack of clarity in E-way bill rules and it is likely that the lawmakers would come out with appropriate explanations so that the purpose of the introduction of E-Way bill and the fundamental goal of "One Nation-One Tax" is achieved and it does not cause any hardships in ease of doing business.



CMA SATYA SUNDAR MAHASUAR  
DM Finance, NALCO

# e-Way Bill

## When, What, Who...

\* includes all the transactions in which IGST is applicable

## FREQUENTLY ASKED QUESTIONS

Q1. I have purchased a villa at Hyderabad on 28/12/2017 for Rs.48 lacs. The builder has collected Rs.5.76 lacs as GST in addition. He has not passed on any input credit to me. What is the course of action available to me?

Ans. GST is applicable if handed over before the issue of occupancy certificate. Reduction of price is one of the conditions for the fulfilment of Anti - profiteering provisions specified in section 171 of the CGST Act.

In case if you find that the builder has not passed on the benefit, you can take it up with him or file a complaint for the same.

Q2. Please suggest can supplier/ Vendor raise a single invoice for the month for aggregating supply made by him within the month under GST. Consolidation will help in term of single invoice by vendor and single process of invoice in the month rather than process of invoice for each consignment/ supply basis. Hence, If possible supply throughout a month can be affected through delivery challan and generating a supply GST invoice at end of month aggregating month supply made.

Ans. No

Q3. Is GST applicable on air freight in case of imports and exports and are there any exemptions available thereof.

Ans. GST is not payable on Air Freight charges of imported goods. It is to be paid only in case of goods imported by sea. No GST is payable on export goods. If paid, it is refunded by way of rebate

Q4. A registered taxpayer (sole proprietor) under GST has died, now we have to cancel the GST registration with effect of death, but one month's GST is still pending.

1. Can we pay GST first and then cancel the GST registration (is this possible).
2. If we cancel it first then how we pay one month pending GST.

Ans. If the taxes are due to government, in case of deceased person, his legal heirs will be liable to pay the dues with interest. Section 79 of CGST Act has provisions in this respect. Hence it is advised that the dues should be paid, the returns should be filed and then the registration can be cancelled. You can approach the jurisdictional officer and explain him the facts and your readiness to pay the dues of the deceased. This should be done through a written letter to safeguard your interest.

Q5. Whether the GST Audit is a statutory obligation?

Ans. Yes if your turnover is above 2 Cr.

Q6. Under CGST Rules 2017, CHAPTER XVI, Section 138(e-way rules), If an unregistered supplier under GST Act supplies goods(value more than 50,000) to an unregistered buyer

then Is it mandatory to issue an e-way bill and if yes then what is the procedure for the same.

Ans. Yes, E-way Bill is to be generated from the Portal.

Q7. Presently whether the E-Way bill has been issued for Inter State movement of goods or Inter and Intra State movement?

Ans. Interstate rules are very clear and for Intra state it depends on which state you are belong to.

Q8. Whether e way bill applicable on end user?

Ans. E-way bill is to be generated by the supplier as per the Tax Invoice issued by him. Either the buyer or transporter can issue E-way bill. The end user - i.e. customer has to accept or reject the e-way bill.

Q9. If any works contracts done, what GST rate need to apply for given transaction , whether as a whole it should be considered as works contract(without considering the material) and charge GST or need to separately prepare invoice of material and services.( Even PO got as works contract basis only)

Ans. Notification No. 11/2017 (Central Tax) Rate dt. 28.6.2017 specifies that works contract service will attract 9% (CGST) rate. Hence, in total 18% is the GST rate for works contract service. This is to be paid on total value of contract.

Q10. We are public limited company having canteen in factory premises.

We have canteen contractors who run the canteen. As per scope we have to provide everything except grocery/grains & man power. From 15/11/2017 GST rate on almost all types of canteen ,restaurants etc has been reduced to 5% from 18%.Contractor is still charging 18% on the pretext that he has 80+units all over India and he gas to take credit. We are a power generating unit and our final product "electricity" is out of purview of GST and hence we cannot take input credit.

Under the situation what should be our final incidence? Contractor is also arguing that he is coming under "outdoor caters" and GST is 18%.He argues the 5% GST is applicable if company runs it s own canteen. It is ridiculous if company runs it s own canteen where is the question of billing. Kindly give your valuable input.

Ans. GST @ 18% is applicable on Industrial Canteen. GST council has to take steps to reduce the GST rate on industrial canteens. Suggested the company sends the representation to reduce the GST rates on Industrial canteens for which the company is not able to avail input tax credit.

# TAX UPDATES, NOTIFICATIONS AND CIRCULARS

## GOODS AND SERVICES TAX

### CENTRAL TAX

**Circular No. 39/13/2018-GST**

**Dated: 03.04.2018**

Setting up of an IT Grievance Redressal Mechanism to address the grievances of Taxpayers due to technical glitches on GST Portal.

It has been decided to put in place an IT-Grievance Redressal Mechanism to address the difficulties faced by a section of taxpayers owing to technical glitches on the GST portal and the relief that needs to be given to them. The relief could be in the nature of allowing filing of any Form or Return prescribed in law or amending any Form or Return already filed.

Problems which are proposed to be addressed through this mechanism would essentially be those which relate to Common Portal (GST Portal) and affect a large section of taxpayers.

**Circular No. 40/14/2018-GST**

**Dated: 06.04.2018**

Clarification on issues related to furnishing of Bond/Letter of Undertaking for exports

Various communications have been received from the field formations and exporters that the LUTs being submitted online in FORM GST RFD-11 on the common portal are not visible to the jurisdictional officers of Central Board of Indirect Taxes and Customs and of a few States.

Therefore, a need was felt for a clarification regarding the acceptance of LUTs being submitted online in FORM GST RFD-11. Following are the clarifications:

- *Form for LUT: The registered person (exporters) shall fill and submit **FORM GST RFD-11** on the common portal. An LUT shall be deemed to be accepted as soon as an acknowledgement for the same, bearing the Application Reference Number (ARN), is generated online.*
- *Documents for LUT: No document needs to be physically submitted to the jurisdictional office for acceptance of LUT.*
- *Acceptance of LUT/bond: An LUT shall be deemed to have been accepted as soon as an acknowledgement for the same, bearing the Application Reference Number (ARN), is generated online. If it is discovered that an exporter whose LUT has been so accepted, was ineligible to furnish an LUT in place of bond as per Notification No. 37/2017-Central Tax, then the exporter's LUT will be liable for rejection. In case of rejection, the LUT shall be deemed to have been rejected ab initio."*

### CUSTOMS

#### TARIFF

**Notification No. 42/2018-Customs**

**Dated: 06.04.2018**

This Notification is regarding omission of Notifications in respect to

- Exempt Additional Duty of Customs (Road Cess) i.e. 19/2018- Customs, dated 02-02-2018 and 20/2018- Customs, dated 02-02-2018.
- Exempt levy of the whole of the Secondary and Higher Education Cess on all goods in the First schedule to the Customs Tariff Act, i.e. 8/2018- Customs, dated 02-02-2018.
- Exempt levy of the whole of the Education Cess on all goods in the First schedule to the Customs Tariff Act, 1975 Notification No. 7/2018- Customs, dated 02-02-2018.

**Notification No. 43/2018-Customs**  
**Dated: 10.04.2018**

Increase in Customs duty for the following product:

**Heading – 0404** WHEY, WHETHER OR NOT CONCENTRATED OR CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER; PRODUCTS CONSISTING OF NATURAL MILK CONSTITUENTS, WHETHER OR NOT CONTAINING ADDED SUGAR OR OTHER SWEETENING MATTER, NOT ELSEWHERE SPECIFIED OR INCLUDE.

**0404 10 10** – Whey, concentrated, evaporated or condensed, liquid or semi-solid - 40%

**0404 10 20** – Whey, dry, blocks and powdered - 40%

**0404 10 90** – Other - 40%

**0404 90 00** – Other - 40%

**Notification No. 44/2018-Customs**  
**Dated: 10.04.2018**

This Notification is an amendment to Notification No. 50/2017- Customs, dated the 30th June, 2017. The following entries shall be inserted in the Notification No. 50/2017- Customs

SL. No.	Chapter or Heading or sub – heading or tariff item	Description of goods	Standard rate	Integrated Goods and Services Tax
7 A	0404 10 10	Whey, concentrated, evaporated or condensed, liquid or semi-solid	30%	-
7 B	0404 90 00	All goods	30%	-

**NON TARIFF**

**Notification No. 30/2018-Customs (N.T)**  
**Dated: 04.04.2018**

Jute Products under the headings 5310 and 6305 of the First Schedule to the Customs Tariff Act,1975, when imported from Nepal, during the period from the 17th July, 2015 to the 15th December, 2016, the additional duty leviable thereon shall not be required to be paid in respect of the said goods.

**Notification No. 31/2018-Customs (N.T)**  
**Dated: 05.04.2018**

According to this Notification Central Board of Excise and Customs has determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa, shall, with effect from 19th January 2018 be the rate mentioned in this Notification.

SCHEDULE-I

SL. No	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1	Australian Dollar	51.05	49.30
2	Bahrain Dinar	178.30	166.95
3	Canadian Dollar	51.90	50.15
4	Chinese Yuan	10.50	10.15

For the entire table, please visit

<http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt31-2018.pdf>

**ANTI DUMPING DUTY**

**Notification No. 18/2018-Customs (ADD)**  
**Dated: 06.04.2018**

This Notification is regarding imposition of anti-dumping duty on imports of ' Phosphoric Acid-Technical Grade and Food Grade' originating in or exported from China PR. It also explains Assessment and Collection of Anti-dumping duty on dumped articles and for determination of injury Rules, 1995, for determination of individual dumping margin for exports by M/s. Guangxi Quinzhou Capital Success Chemical Co. Ltd. in the case of anti-dumping duty imposed on imports of 'Melamine' originating in or exported from China PR.



**Notification No. 19/2018-Customs (ADD)**

**Dated: 06.04.2018**

This Notification is regarding imposition of anti-dumping duty on imports of ' Phosphorus Pentoxide' originating in or exported from China PR. The anti-dumping duty imposed shall be effective for a period of five years and shall be payable in Indian currency.

For the amount of anti dumping duty, kindly visit <http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-add2018/csadd19-2018.pdf>

**Notification No. 20/2018-Customs (ADD)**

**Dated: 06.04.2018**

This Notification is regarding imposition of anti-dumping duty on imports of ' Fishing Net' originating in or exported from China PR and Bangladesh. The anti-dumping duty imposed shall be effective for a period of five years and shall be payable in Indian currency.

For the amount of anti dumping duty, kindly visit <http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-add2018/csadd20-2018.pdf>

**DIRECT TAX**

**Notification No.16/2018 [F.No.370142/01/2018-TPL]**

**Dated: 3rd April, 2018**

Central Board of Direct Taxes makes the following amendments of section 139 read with section 295 of the Income-tax Act, 1961:-

- These rules may be called the Income-tax (Second Amendment) Rules, 2018.
  - They shall be deemed to have come into force with effect from the 1st day of April, 2018.
  - In the Income-tax rules, 1962 (hereinafter referred to as the principal rules), in rule 12,-
    - in sub-rule (1),-
      - I. for the figures "2017", the figures "2018" shall be substituted;
      - II. in clause (a),-
        - a. for the words "an individual", the words "an individual who is a resident other than not ordinarily resident and" shall be substituted;
        - b. in sub-clause (ii), after the words "brought forward loss", the words "or loss to be carried forward" shall be inserted;
        - c. in the proviso, for item (I), the following shall be substituted, namely:-
          - i. has assets (including financial interest in any entity) located outside India;
          - ii. has signing authority in any account located outside India;
          - iii. has income from any source outside India;
          - iv. has income to be apportioned in accordance with provisions of section 5A;"
      - III. in clause (c), for the words "derived from a proprietary", the words "under the head" shall be substituted;
      - IV. in clause (d), for the words "deriving income from a proprietary", the words "having income under the head" shall be substituted;
  - in sub-rule (5), for the figures "2016", the figures "2017" shall be substituted.
- In the principal rules, in Appendix II, for Forms "Forms Sahaj (ITR-1), Form ITR-2, Form ITR-3, Form Sugam (ITR-4), Form ITR-5, Form ITR-6, Form ITR-7 and Form ITR-V", has been substituted.

By giving retrospective effect to the amendment rules, no one will be adversely affected and the retrospectively is being given to the present rules as these are applicable for the assessment year commencing on the 1st day of April, 2018 i.e. Assessment Year 2018-19.

**Notification No. 1/2018**

**Dated: 5th April, 2018**

**Procedure for submission of Form No. 60 by any person who does not have a Permanent Account Number and who enters into any transaction specified in Rule 114B of the Income-tax Rules, 1962**

The person who does not have a PAN number and who enters into any transaction specified in rule 114B shall make a declaration in Form No. 60 stating the particulars of such transaction either in paper form or electronically under the electronic verification code.

The persons under Rule 114C shall furnish a statement in Form 61 containing particulars of declarations received in Form 60 to the Director of Income-tax (Intelligence and Criminal Investigation) or the Joint Director of Income-tax (Intelligence and Criminal Investigation) through online transmission of electronic data to a server designated for this purpose and obtain an acknowledgement number.

The person responsible for collecting Form No. 60 for specified transactions under Rule 114B will have to follow some procedure:

For more details, please follow the below link:-

<https://www.incometaxindia.gov.in/communications/notification/system-notification-1-of-2018.pdf>

**Notification No. 2/2018**

**Dated: 5th April, 2018**

**Procedure for Registration and submission of Form No. 61 as per Rule 114D of Income - tax Rules, 1962.**

The person who is required to get his accounts audited under section 44AB of the Income Tax Act, 1961 & who has received any declaration in Form No. 60, in relation to a transaction specified in rule 114B, shall furnish a statement in Form No. 61.

The statement in Form No. 61 shall be furnished through online by the Principal Director General of Income-tax (Systems) –

- i) Where the declarations are received till 30th September, by the 31st October of that year
- ii) Where the declarations are received till 31st March, by the 30th April of the financial year immediately following the financial year in which the form is received

Modification/ changes in the schema / data structure of Form No. 61

Existing Values	Proposed Values
<b>NB</b> – New Statement containing new information <b>CB</b> – Correction Statement containing corrections for previously submitted information <b>ND</b> – No Data to report	<b>NB</b> – New Statement containing new information <b>CB</b> – Correction Statement containing corrections for previously submitted information <b>DB</b> - Deletion Statement for deletion of previously submitted information <b>ND</b> – No Data to report

The Principal Director General of Income-tax (Systems) hereby lays down the following procedure:

- a) **Already registered reporting persons/entities on e-filing portal:** The registration details of already registered reporting persons/entities have been migrated from e-filing portal to Reporting Portal.
- b) **New Registration, Generation of Income Tax Department Reporting Entity Identification Number (ITDREIN):** The reporting person/entity is required to get registered with the Income Tax Department by logging in to the e-filing website.
- c) **Submission of Form No. 61:** Every reporting person/entity is required to submit the Statement with Digital Signature in Form No. 61.
- d) **Submission of correct statement:** In case of any inaccuracy or defects in the information provided in the statement, it is required to remove the defects by submitting a correction statement.
- e) **Deletion of Submitted Reports in a statement:** The reporting person/entity may delete the inadvertently filed reports within a statement if he wishes.

**Notification No. 3/2018**

**Dated: 5th April, 2018**

**Procedure for registration and submission of statement of financial transactions (SFT) as per section 285BA of Income-tax Act, 1961 read with Rule 114E of Income-tax Rules, 1962.**

The specified reporting person has to furnish statement of financial transaction under rule 114E of section 285BA of the Act in Form No. 61A through online.

For more details, please follow the below link:-

<https://www.incometaxindia.gov.in/communications/notification/system-notification-3-of-2018.pdf>

## MISCELLANEOUS UPDATES

**Notification No. GSL/GST/RULE-138(14)/B. 12**  
**Commissioner of State Tax**  
**Gujarat State, Ahmedabad**

**Dated: 11<sup>th</sup> April, 2018**

In this notification it is notified by Gujarat State that no E-Way Bill is required for Intra-City movement as well as Intra-State Movement of all goods within whole of the territory of the state except for intra-state movement within whole of the territory of the state following 19 goods of consignment value exceeding ₹50,000:-

- All kinds of edible oils
- All kinds of taxable oil seeds
- All kinds of oil cakes
- Iron & Steel etc.

For detailed list: - please follow the below link-

<file:///C:/Users/TAXUSER1/Desktop/e%20way%20bill%20for%20Intra%20State%20Movement%20.pdf>

However when the person – in –charge of the conveyance is exempted from carrying E-Way Bill, he will be required to carry Tax Invoice, Delivery Challan , Bill of Supply or Bill of Entry.

### **Important Provision**

#### **Ocean Freight and Double Taxation Continuum**

- 1) Freight on imports reasonably needs to form part of landed cost of Imports, is a standard dictum of costing, valuation and taxation of imports too.
- 2) Any import of goods into India attracts the levy of IGST under Section 3(7).
- 3) The value for the purposes of payment IGST will be the transaction value of imported goods under Section 14 of the Customs Act, 1962, leviable to duties of customs as per Section 12 of the Customs Act, 1962.
- 4) Therefore, ocean freight paid for transport of goods from exporting country into India will be includible in the value of goods imported for the purposes of payment of customs duties and payment of IGST as well.
- 5) Thus, BCD and IGST are levied on the value including ocean freight at the time of import.
- 6) CIF value is cost, plus freight & insurance on freight. FOB value on the other hand, is Free On Board Value, that does not include the element of freight and insurance which is usually borne by either Liner or the importer.
- 7) In case of FOB value, insurance & freight charges are to be loaded to the FOB value at a standard Percentage of 20% since the same needs to be factored in to arrive at the landed cost.
- 8) Services by the way of transportation of goods by an aircraft or a vessel from a place outside India to the Customs station of clearance in India, was exempted under Sec 66 D (p) (ii) of the Finance Act.
- 9) This time, for a change, the burden of tax on ocean freight was sought to be shifted by assigning the liability of tax to the steamer agent under Notification No. 2/2017-ST and 3/2017-ST both dated 12.01.2017.
- 10) It is worth noting that but for Sec 66 C(2) read with Rule 7 of POPS, Sec 68(2), it can't sub-serve the taxation in the above instance when both the provider of Service and recipient are located outside the taxing territory of India.
- 11) However, during the period 12.01.2017 to 23.04.2017, there was a strange technical arrangement that when the CHA's paid for the above ocean freight, that tax would be discharged by CHA's on forward charge basis.
- 12) Any tax waiver was granted or the Notifications were treated as withdrawn, it is silent in the scheme that shifted the burden to the Importers w.e.f 23.04.2017. Be that as it may. Let us now return to the new realities of life.

#### The new testament of Ocean Freight, under GST

- When a trader imports goods *vis-à-vis* a manufacturer exporter, he would have no chance of absorbing the cost of tax on ocean freight and they have to pass it on to the end user, thereby giving rise to an input taxed condition under GST. This was also a cause of concern for distortion of prices which a good GST should avoid.
- It provides for shifting of the tax burden to the recipient of a supplier but not to any third party unconnected with the transaction as Sec 66 C (2) would have permitted under the old regime.
- About an FOB Import, as explained in detail, the very nature of transaction entails payment of freight by the Importer in taxing territory, and therefore there is no issue in fixing the burden of tax on the Importer under the aforementioned circumstances under reverse charge method in GST.
- In case of CIF Imports, the above tax on importer would appear to be totally out of the question since he does not fulfill the requirement of payment of consideration and recipient of service from taxing territory.
- In case of FOB, perhaps, the unfortunate importer paying for the consideration can be rightfully treated as the recipient and charged to IGST on reverse charge.
- Advantage direct importers *vis-a-vis* who import through local Liners.

# PRESS RELEASE

## INDIRECT TAX

6<sup>th</sup> April, 2018

4<sup>th</sup> April, 2018

### Circular on setting up of an IT Grievance Redressal Mechanism to address the grievances of taxpayers due to technical glitches on GST Portal-reg.

1. It has been decided by the Government to put in place an IT-Grievance Redressal Mechanism to address the difficulties faced by a section of taxpayers owing to technical glitches on the GST portal. In this regard, GST Council has delegated powers to an IT Grievance Redressal Committee to approve and recommend to the GSTN the steps to be taken to redress the grievance and provide relief to the taxpayer. The relief could be in the nature of allowing filing of any Form or Return prescribed in law or amending any Form or Return already filed. However, where the problem relates to individual taxpayer, due to localized issues such as non-availability of internet connectivity or failure of power supply, this mechanism shall not be available.

2. The mechanism inter alia envisages that taxpayers shall make an application to the field officers or the nodal officers where there was a demonstrable glitch on the Common Portal in relation to an identified issue, due to which the due process as envisaged in law could not be completed on the Common Portal. The IT Grievance Redressal committee shall examine and approve the solutions as may be necessary for an identified issue.

3. The Circular also seeks to address the problems faced by the taxpayers who could not complete the process of filing of TRAN-1 by due date, due to IT - glitch such that the process of digitally signing/validating TRAN-1 could not be completed. The taxpayer would be

allowed to complete the process of filing such TRAN 1, stuck due to IT glitches, by 30<sup>th</sup> April 2018 and the process of completing filing of GSTR 3B which could not be filed for such TRAN 1 shall be completed by 31<sup>st</sup> May 2018.

4. The last date for filing of TRAN 1 is not being extended in general and only the taxpayers, who have been identified in terms of the circular issued in this regard, shall be allowed to complete the process of filing TRAN-1.

The decision relating to filing of TRAN-1 shall benefit 17,573 taxpayers who shall consequently be able to avail Rs. 2582.98 cr. as CGST credit and Rs. 1112.77 cr. as SGST credit. For further details, circular no. 39/13/2018-GST dated 03.04.2018 may be downloaded from the website [www.cbec.gov.in](http://www.cbec.gov.in).

### 5% Uniform rate of GST to apply in all railway catering services in trains or on stations

With a view to remove any doubt or uncertainty in the matter and bring uniformity in the rate of GST applicable to supply of food and drinks made available in trains, platforms or stations, it has been clarified with the approval of the competent authority that the GST rate on supply of food and drinks by the Indian Railways or Indian Railways Catering and Tourism Corporation Ltd. or their licensees, whether in trains or at platforms (static units), will be 5% without input tax credit. The copy of letter F. No. 354/03/2018-TRU dated 31.03.2018 (Order No. 2/2018 - GST) issued to the Railway Board is available at [www.cbec.gov.in](http://www.cbec.gov.in)

10<sup>th</sup> April, 2018

### Roll out of e-Way Bill system for intra-State movement of goods in the States of Andhra Pradesh, Gujarat, Kerala, Telangana and Uttar Pradesh from 15<sup>th</sup> April, 2018

As per the decision of GST Council, e-Way Bill system for all inter-State movement of goods has been rolled out from 01<sup>st</sup> April, 2018. E-way Bill system for intra-State movement of goods in the State of Karnataka is also operational from the said date. E-Way Bills are getting generated successfully and till 09<sup>th</sup> April, 2018 more than sixty three lakh e-Way Bills have been successfully generated.

It is hereby informed that e-Way Bill system for intra-State movement of goods would be implemented from 15<sup>th</sup> April, 2018 in the following States:-

1. Andhra Pradesh
2. Gujarat
3. Kerala
4. Telangana
5. Uttar Pradesh

With the roll-out of e-Way Bill system in these States, it is expected that trade and industry will be further facilitated insofar as the transport of goods is concerned, thereby eventually paving the way for a nation-wide single e-Way Bill system. Trade and industry and transporters located in these States may obtain registration/enrolment on e-Way Bill portal namely <https://www.ewaybillgst.gov.in> at the earliest without waiting for the last date.

## DIRECT TAX

New Delhi, 3rd April, 2018

### Indian Advance Pricing Agreement regime moves forward with the signing of 16 APAs by CBDT in March, 2018

The Central Board of Direct Taxes (CBDT) has entered into 14 Unilateral Advance Pricing Agreements (UAPA) and 2 Bilateral Advance Pricing Agreements (BAPA) during the month of March, 2018. The 2 bilateral APAs have been entered into with the United States of America. With the signing of these Agreements, the total number of APAs entered into by the CBDT has gone up to 219. This includes 199 Unilateral APAs and 20 Bilateral APAs. A total of 67 APAs (9 Bilateral and 58 Unilateral) have been signed in the F.Y.2017-18.

The 16 APAs entered into during March, 2018 pertain to various sectors of the economy like Telecommunication, Information Technology, Automobile, Pharmaceutical, Beverage, Trading, Manufacturing and Banking, Finance & Insurance. The international transactions covered in these agreements include payment of royalty fee, provision of business support services, provision of corporate guarantee, contract manufacturing, provision of marketing support services, provision of engineering design services, provision of engineering support services, merchanting trade of agro commodity, import/export of components, provision of IT services, provision of IT enabled services, provision of investment advisory services, availing of technical services, etc.

The progress of the APA scheme strengthens the Government's resolve of fostering a non-adversarial tax regime. The Indian APA programme has been appreciated nationally and internationally for being able to address complex transfer pricing issues in a fair and transparent manner.

.....  
New Delhi, 5<sup>th</sup> April, 2018

### Clarification regarding applicability of standard deduction to pension received from former employer

Finance Act, 2018 has amended Section 16 of the Income – tax Act, 1961 (“the Act”) to provide that a taxpayer having income chargeable under the head “Salaries” shall be allowed a deduction of Rs 40,000/- or the amount of salary, whichever is less, for computing his taxable income.

Representations have been received seeking clarification as to whether a taxpayer, who receives pension from his former employer, shall also be eligible to claim this deduction.

The pension received by a taxpayer from his former employer is taxable under the head “Salaries”. Accordingly, any taxpayer who is in receipt of pension from his former employer shall be entitled to claim a deduction of Rs 40,000/- or the amount of pension, whichever is less, under Section 16 of the Act.

New Delhi, 5<sup>th</sup> April, 2018

### CBDT notifies Income Tax Return Forms for Assessment Year 2018-19

The Central Board of Direct Taxes (CBDT) has notified Income Tax Return Forms (ITR Forms) for the Assessment Year 2018-19. For Assessment Year 2017-18, a one page simplified ITR Form-1(Sahaj) was notified. This initiative benefited around 3 crore taxpayers, who have filed their return in this simplified Form. For Assessment Year 2018-19 also, a one page simplified ITR Form-1(Sahaj) has been notified. This ITR Form-1 (Sahaj) can be filed by an individual who is resident other than not ordinarily resident, having income upto Rs.50 lakh and who is receiving income from salary, one house property / other income (interest etc.). Further, the parts relating to salary and house property have been rationalised and furnishing of basic details of salary (as available in Form 16) and income from house property have been mandated.

ITR Form-2 has also been rationalised by providing that Individuals and HUFs having income under any head other than business or profession shall be eligible to file ITR Form-2. The Individuals and HUFs having income under the head business or profession shall file either ITR Form-3 or ITR Form-4 (in presumptive income cases).

In case of non-residents, the requirement of furnishing details of any one foreign Bank Account has been provided for the purpose of credit of refund. Further, the requirement of furnishing details of cash deposit made during a specified period as provided in ITR Form for the Assessment Year 2017-18 has been done away with from Assessment Year 2018-19.

There is no change in the manner of filing of ITR Forms as compared to last year. All these ITR Forms are to be filed electronically. However, where return is furnished in ITR Form-1 (Sahaj) or ITR-4 (Sugam), the following persons have an option to file return in paper form:-

- i. an Individual of the age of 80 years or more at any time during the previous year; or
- ii. an Individual or HUF whose income does not exceed five lakh rupees and who has not claimed any refund in the Return of Income.

The notified ITR Forms are available on the official website of the Department [www.incometaxindia.gov.in](http://www.incometaxindia.gov.in).

# JUDGEMENTS

## INDIRECT TAX

### JUSTIFICATION OF IMPOSITION OF GST ON LONG TERM LEASE PREMIUM (BOMBAY HIGH COURT)

**Builders Association of Navi Mumbai & Neelsidhi Realities, a partnership firm vs. Union of India & The Commissioner of Goods and Service Tax**

**Writ Petition No. 12194 of 2017**

**Dated: - 28.03 2018**

#### Fact of the Case

- 1) The petitioner has obtained some plots of land. He was told to pay one time lease premium amount for the said plots. He was also instructed to pay GST @18% on the one time lease premium separately through demand draft.
- 2) The counsel of the petitioner contended that GST cannot be levied, assessed & recovered from long term lease premium as the one time premium amount is the lump sum consideration paid for entering into the lease.
- 3) The Petitioners also contended that the whole transaction is akin to the sale. The premium is akin to Salami. So, no GST is to be imposed.
- 4) The counsel of the respondent of the GST to be paid on supplying goods & services.

#### Decision of the Case

- 1) The divisional bench passed the order that the lease premium is liable to be taxed.
- 2) The Bombay High Court has upheld the validity of Goods & Service Tax on the Long Term Lease Premium.

### ONE YEAR LIMITATION FOR GST TRANSITIONAL CREDIT CONSTITUTIONALLY VALID (BOMBAY HIGH COURT)

**Evergreen Seamless Pipes and Tubes Pvt. vs. Union of India, The Commissioner of Central Taxes, Central Board of Excise and Customs**

**Civil Writ Petition No.12378 of 2017**

**Date: 20.03. 2018**

#### Fact of the Case

- 1) Evergreen Seamless Pipes and Tubes Pvt. Ltd. is the petitioner here who is engaged in manufacturing of exempted goods or provisions of exempted services & a registered dealer/ importer/ depot of manufacturer and entitled to cenvat credit.
- 2) The condition stipulated in clause (iv) was regarding such invoices or other prescribed documents which were issued not earlier than twelve months immediately preceding the appointed day i.e. 01/07/2017.
- 3) Due to this particular condition, the stocks on which they had already paid tax under the erstwhile tax regime, would be barred from availing CENVAT credit where the invoice is issued on or prior to 30/06/2016.
- 4) Aggrieved the Petitioners approached the High Court as the invoices they had were dated earlier than the

12 - month limitation period set out in the prerequisite under Section 140(3)(iv).

- 5) The Counsel for the Petitioner contended that there is no reasonable rationale beyond inflicting tax cascading effect on depot/traders while extending full credit to registered manufacturers and partial credit to traders who do not have the duty paying documents available with them.
- 6) The Counsel for the respondents argued that a CENVAT credit was a mere concession and it could not be claimed as a matter of right.
- 7) He further contended that it is subject to fulfillment or satisfaction of certain requirements and conditions that the right could be availed of.

#### Decision of the Case

The division bench observed the following points:-

- 1) The availment of Cenvat Credit or Input Tax Credit is clearly termed as a concession.
- 2) Granting of such concession is subject to fulfillment of substantive provision.
- 3) One cannot pick & choose a condition for challenge by alleging that the availment is undisputedly conditional.
- 4) There is nothing infeasible or absolute in the right claimed under the existing law.
- 5) So the challenge made by the petitioner is not justified.

Finally order passed by division that one year limitation for GST transitional credit constitutionally valid.

### JUSTIFICATION OF SEIZURE OF TRANSIT GOODS

**Proactive Plast Pvt. Ltd vs. State Of U.P**

**Writ Tax No. - 87 of 2018**

**Order Date: - 1.2.2018**

#### Fact of the Case

- 1) Proactive Plast Pvt Ltd. is the petitioner here.
- 2) Goods were in transit from outside the state. The transaction would be covered by the Integrated Goods and Services Tax Act 2017. The transit goods were seized.
- 3) The petitioner became aggrieved by the seizure of goods.
- 4) The learned counsel of respondent submitted that mere wrong mention of section cannot invalidate the order of seizure.
- 5) Therefore, even if the seizure is treated to be under Section 129(1) of the Central G.S.T., as there was no provision of E-Way bill on the relevant date under the Central G.S.T. prima facie the seizure appears to be illegal.
- 6) Special Counsel for the State of U.P. may seek instructions and file counter affidavit within two weeks.

#### Decision of the Case

- 1) List for admission/final disposal after the filing of the counter affidavit.

- 2) In the meantime since the seized goods are perishable in nature, it is directed to release the same along with vehicle. But the petitioner must have to furnish indemnity bond & security in respect of the proposed tax & penalty of the value of goods.

## DIRECT TAX

### MISCELLANEOUS RECEIPTS BY CO-OPERATIVE SOCIETIES FROM ITS MEMBERS

INCOME TAX OFFICER, MUMBAI vs.  
VENKATESH PREMISES COOPERATIVE SOCIETY LTD.

**Civil Appeal No.2706 OF 2018**

**Date of pronouncement – 12.03.2018**

#### Fact of the Case

- 1) A common question of law arises for consideration in this batch of appeals, whether certain receipts by co-operative societies, from its members i.e. non-occupancy charges, transfer charges, common amenity fund charges and certain other charges, are exempt from income tax based on the doctrine of mutuality.
- 2) The assessing officer held that receipt of non-occupancy charges by the society from its members, to the extent that it was beyond 10% of the service charges/maintenance charges permissible under the notification dated 09.08.2001, stands excluded from the principle of mutuality and was taxable.
- 3) The Income Tax Appellate Tribunal held that the notification dated 09.08.2001 was applicable to co-operative housing societies only and did not apply to a premises society.
- 4) Learned senior counsel appearing on behalf of the Revenue in all the appeals, submitted that the receipts were exigible to tax no sooner that mutuality came to an end and the receipts had an element of profit, also generating a surplus, rendering commerciality to the nature of the activity.
- 5) The receipt of transfer fee before induction to membership under some of the byelaws shall not be liable to tax as the money was returned in the event that the person was not admitted to membership. The appropriation by the society took place only after admission to membership.
- 6) Non-occupancy charges were levied for the purpose of general maintenance of the premises of the Society and provision of other facilities and general amenities to the members.
- 7) Even if any amount was left over as surplus at the end of the financial year after meeting maintenance and other common charges, that would constitute surplus fund of the society to be used for the common benefit of members and to meet heavy repairs and other contingencies and will not partake the character of profit or commerciality so as to be exigible to tax.

#### Decision of the Case

- 1) Transfer charges are payable by the outgoing member. If for convenience, part of it is paid by the transferee, it would not partake the nature of profit or commerciality as the amount is appropriated only

- after the transferee is inducted as a member. In the event of non admission, the amount is returned.
- 2) No occupancy charges are levied by the society and is payable by a member who does not himself occupying the premises but lets it out to a third person. The charges are again utilized only for the common benefit of facilities and amenities to the members.
- 3) These charges are levied on the basis of resolutions passed by the society and in consonance with its bye-laws. The receipts in the present cases have indisputably been used for mutual benefit towards maintenance of the premises, repairs, infrastructure and provision of common amenities.
- 4) In the result, all appeals preferred by the Revenue are dismissed.

### CRIMINAL PROCEEDINGS FOR LATE DEPOSIT OF TDS CAN'T BE CHALLENGED THROUGH WRIT PETITION (DELHI HIGH COURT)

**INDO ARYA CENTRAL TRANSPORT LIMITED & ORS vs. COMMISSIONER OF INCOME TAX (TDS)**

**Writ Petition (Civil) No. 3964/2017**

**Date of Decision: 12.03.2018**

#### Fact of the Case

- 1) M/s Indo Arya Central Transport Limited is the petitioner here. The petitioner has made default in the deposit of TDS within the prescribed statutory time & show cause notice was issued to the petitioner.
- 2) In response to the notices, the authorized representatives of the petitioner submitted that the the petitioner company & his principal officer would opt for compounding.
- 3) But no compounding application was filed. Another show cause notice was issued.
- 4) TDS was not deposited on account of financial crunch due to sluggish business activity & sudden drop in business orders.
- 5) The petitioner filed writ petition before the High Court & contended that there was aforesaid reasonable causes for such failure of depositing TDS in time.
- 6) The petitioner argued that the delay in deposit of TDS did not exceed the prescribed period of twelve months and thus cannot be prosecuted for default.
- 7) The respondent submitted that the late deposit of TDS in gigantic proportions after the end of the financial year has huge ramifications and consequences not limited to non-payment of tax.

#### Decision of the Case

- 1) The Division Bench passed an order that it was not appropriate & proper for the writ court to give allegation against the criminal complaint lodged by the respondent.
- 2) Two Judge Bench of Delhi High Court passed the order stating that criminal proceedings initiated for late deposit of TDS cannot be challenged through writ petition when it is under consideration of trial court.

# TAX COMPLIANCE CALENDAR AT A GLANCE

## GST CALENDAR

Date	Return Type
18 <sup>th</sup> April, 2018	GSTR 4 for the month of January – March, 2018
20 <sup>th</sup> April, 2018	GSTR 3B for March, 2018
20 <sup>th</sup> April, 2018	GSTR 5, for the month of March, 2018 (for Non Resident taxable person)
20 <sup>th</sup> April, 2018	GSTR 5A, for the month of March, 2018 (for OIDAR)
30 <sup>th</sup> April, 2018	GSTR 1 for the month of Jan- March, 2017 (for persons with Turnover below 1.5 Crore)
10 <sup>th</sup> May, 2018	GSTR 1 for the month of March, 2018 (for persons with Turnover above 1.5 Crore)
20 <sup>th</sup> May, 2018	GSTR 3B for April, 2018
20 <sup>th</sup> May, 2018	GSTR 5, for the month of April, 2018 (for Non Resident taxable person)
20 <sup>th</sup> May, 2018	GSTR 5A, for the month of April, 2018 (for OIDAR)
31 <sup>st</sup> May, 2018	GSTR 1 for the month of April, 2018 (for persons with Turnover above 1.5 Crore)
31 <sup>st</sup> May, 2018	GSTR 6 (Input Service Distributor) for the months of July, 2017 to April, 2018
10 <sup>th</sup> June, 2018	GSTR 1 for the month of May, 2018 (for persons with Turnover above 1.5 Crore)
20 <sup>th</sup> June, 2018	GSTR 3B for May, 2018
20 <sup>th</sup> June, 2018	GSTR 5, for the month of May, 2018 (for Non Resident taxable person)
20 <sup>th</sup> June, 2018	GSTR 5A, for the month of May, 2018 (for OIDAR)
30 <sup>th</sup> June, 2018	GST TRAN-2

## DIRECT TAX CALENDAR - APRIL, 2018

### 07.04.2018:

- Due date for deposit of Tax deducted by an office of the government for the month of March, 2018. However, all sum deducted by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan

### 14.04.2018:

- Due date for issue of TDS Certificate for tax deducted under Section 194-IA and Section 194-IB in the month of February, 2018

### 15.04.2018:

- Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending March, 2018

### 30.04.2018:

- Due date for furnishing of Form 24G by an office of the Government where TDS for the month of March, 2018 has been paid without the production of a challan
- Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA and Section 194-IB in the month of March, 2018
- Due date for deposit of Tax deducted by an assessee other than an office of the Government for the month of March, 2018.



**30.04.2018:**

- Due date for e-filing of a declaration in Form No. 61 containing particulars of Form No. 60 received during the period October 1, 2017 to March 31, 2018.
- Due date for uploading declarations received from recipients in Form. 15G/15H during the quarter ending March, 2018.
- Due date for deposit of TDS for the period January 2018 to March 2018 when Assessing Officer has permitted quarterly deposit of TDS under section 192,194A, 194D or 194H.

**DIRECT TAX CALENDAR - MAY, 2018****07.05.2018:**

- Due date for deposit of Tax deducted/collected for the month of April, 2018. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan

**15.05.2018:**

- Due date for issue of TDS Certificate for tax deducted under Section 194-IA and Section 194-IB in the month of March, 2018
- Due date for furnishing of Form 24G by an office of the Government where TDS for the month of April, 2018 has been paid without the production of a challan
- Quarterly statement of TCS deposited for the quarter ending March 31, 2018 **15.04.2018:**

**30.05.2018:**

- Submission of a statement (in Form No. 49C) by non-resident having a liaison office in India for the financial year 2017-18
- Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA and Section 194-IB in the month of April, 2018

**31.05.2018:**

- Quarterly statement of TDS deposited for the quarter ending March 31, 2018.
- Return of tax deduction from contributions paid by the trustees of an approved superannuation fund.
- Due date for furnishing of statement of financial transaction (in Form No. 61A) as required to be furnished under sub-section (1) of section 285BA of the Act respect of a financial year 2017-18.
- Due date for e-filing of annual statement of reportable accounts as required to be furnished under section 285BA (1) (k) (in Form No. 61B) for calendar year 2017 by reporting financial institutions.

**WEBINAR CALENDAR FROM 15<sup>th</sup> – 30<sup>th</sup> APRIL, 2018**

Sl. No	Date	Time	Topic of the Webinar	Name of the Faculty
1.	20.04.2018 (Friday)	11:00 - 12:00 PM	Transfer Pricing – Rules and Procedures	CMA Mrityunjay Acharjee
2.	24.04.2018 (Tuesday)	4:00 - 5:00 PM	Impact of GST on Financial Services	CMA B Mallikarjuna Gupta

**Please note:** One CEP hour awarded for attending each webinar

# GST CERTIFICATE COURSE

## Course Eligibility

- Qualified Cost & Management Accountants
- Other Professionals ( CS,CA, MBA, M.Com, Engineers, Lawyers, etc)
- Executives from Industries
- GST Practitioners
- Students who are either CMA qualified or pursuing

## Course Duration, Fees, Examination and other Modalities

Details	Classroom Learning/Offline Mode	Online Classes
<b>Course Duration</b>	72 hours (to be conducted on Quarterly basis)	72 Hours
<b>Classes</b>	Class room sessions on Saturday - 2 Hrs & Sunday - 4Hrs	Internet Connection is required and classes can be attended from your place.
<b>Assessment:</b>	Online mode (Assessment to be conducted in the last week of the following month of every quarter)	Online mode (Assessment to be conducted in the last week of the following month of every quarter)
<b>Course Fee:</b>	Rs. 10,000 + GST *	Rs. 10,000 + GST *
<b>Examination Fee</b>	Rs. 1,000 + GST	Rs. 1,000 + GST
<b>Award of Certificate</b>	Candidates with at least 70% attendance in the classes and also passing the online examination with at least 50% Marks will be awarded a Certificate by the Institute	Candidates with at least 70% attendance in the classes and also passing the online examination with at least 50% Marks will be awarded a Certificate by the Institute
<b>Date of Registration</b>	16.04.2018 – 15.05.2018	16.04.2018 – 15.05.2018
Study Materials & Model Question Bank to be provided to all participants Experienced faculties from Industry and practice		

## Places

Locations	Classroom Learning	Online Classes
<b>North</b>	<ul style="list-style-type: none"> <li>✓ Delhi</li> <li>✓ Faridabad</li> <li>✓ Chandigarh</li> </ul>	<b>From anywhere in India</b>
<b>South</b>	<ul style="list-style-type: none"> <li>✓ Chennai</li> <li>✓ Cochin</li> <li>✓ Mysore</li> <li>✓ Bangalore</li> <li>✓ Thiruvananthapuram</li> <li>✓ Hyderabad</li> </ul>	<b>From anywhere in India</b>
<b>East</b>	<ul style="list-style-type: none"> <li>✓ Kolkata</li> <li>✓ Bhubaneswar</li> </ul>	<b>From anywhere in India</b>
<b>West</b>	<ul style="list-style-type: none"> <li>✓ Mumbai</li> <li>✓ Pune</li> <li>✓ Surat</li> <li>✓ Nasik</li> <li>✓ Ahmedabad</li> <li>✓ Baroda</li> </ul>	<b>From anywhere in India</b>

### \* Other Criteria

- Minimum batch size: 20; Maximum 40; - Per Location for Classroom Session
- Classroom Batches will be started subject to fulfilling the minimum batch size
- **20% discount for the Members and Students of the Institute**
- Special Discount for Corporates:-
  - **If Number of employees are between 5 to 10 - 15%**
  - **If Number of employees are more than 10 - 20%**

### Course Contents

1. Constitutional Background of GST, Concepts of GST & Definitions in GST.
2. Taxable Event, Time of Supply and Place of Supply, Composite & Mixed Supply, Non Taxable Supply, Exempt Supply, Works Contract, Exempted Supply.
3. Classification, HSN, SAC
4. Valuation under GST, Valuation rule
5. Input Tax Credit
6. Basic Procedures - Registration, Invoice, Bill of supply, E way Bills etc.
7. Records and Returns
8. Zero Rated Supplies, Imports and Exports
9. Payment and Refunds
10. Assessment
11. Audit
12. Demands
13. Adjudication and appeal
14. Penalties and Prosecutions
15. Advance Ruling
16. Job Work
17. Anti profiteering
18. Miscellaneous Provisions
19. Case studies on specific Chapters involving real life scenarios

**Online Assessment for 1<sup>st</sup> Batch: June, 2018**

**Mock Test Module: Mock Test paper will be uploaded in the website for 1<sup>st</sup> Batch within May, 2018**

**Special Crash Course for the Corporates - For details contact: [trd@icmai.in](mailto:trd@icmai.in);**

## TAXATION COMMITTEE - PLAN OF ACTION

### Proposed Action Plan:

1. Train the trainers' program - capacity building of the practicing members of the Institute and others on PAN India basis to equip them on Registration, record maintenance, Filing of different returns and other matters.
2. Carry out webinars for the Capacity Building of Members of the Institute - Trainers in the locality to facilitate the traders/ registered dealers on various practical aspects.
3. Conducting Seminars in association with the Trade associations/ Traders/ Chambers of Commerce at different locations on practical issues/aspects associated with GST.
4. Conducting workshop on industry specific issues with Chambers of Commerce, CREDAI, Jewellers Association, Hotel and Restaurant Association, Bankers' Association and other agencies to resolve their issues instantly.
5. Forwarding suggestions and issues on GST to the Government after getting feedback from various stake holders.
6. Extending Certificate Course on GST for corporate and Trade Bodies.

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