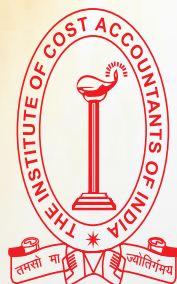


AUGUST, 2019

TAX Bulletin



VOLUME - 46



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

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:

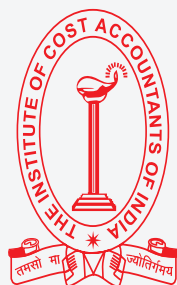
1. Preparation of Suggestions and Analysis of various Tax matters for best Management Practices and for the professional development of the members of the Institute in the field of Taxation.
2. Conducting webinars, seminars and conferences etc. on various taxation related matters as per relevance to the profession and use by various stakeholders.
3. Submit representations to the Ministry from time to time for the betterment and financial inclusion of the Economy.
4. Evaluating opportunities for CMAs to make way for further development and sustenance of the opportunities.
5. Conducting and monitoring of Certificate Courses on Direct and Indirect Tax for members, practitioners and stakeholders.

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FROM THE DESK OF CHAIRMAN – INDIRECT TAXATION COMMITTEE

My heartiest Congratulations and heartfelt regards to you on the occasion of 73rd Independence Day and Rakshabandhan.

The GST regime has completed two years in 2019. After the initial issues and problems in filing monthly GST Returns the same has now stabilized. However, the new return filing system which is being proposed to be introduced in phased manner should be implemented taking the trade, professionals and the departmental authorities in full confidence.

The process of refund has been fairly streamlined. Exporters of goods have been receiving refund directly from the customs and exporters of service are getting 90% of the refund immediately. The issue of working capital blockage due to refusal of GST refund in the initial period has now been fairly sorted.

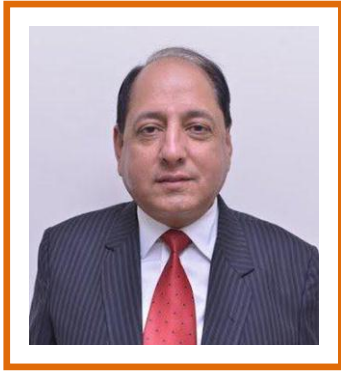
You would also be glad to know, that The Institute of Cost Accountants of India has been regularly in touch with the CBIC to assist the Taxpayers by conducting outreach program for the stakeholders in filling the GST-9, 9A & 9C before the due date of 31st August 2019. Even we, I and CMA P Raju Iyer, Central Council Member had a meeting on 14.08.2019 with Shri Yogendra Garg, Principal Commissioner – GST Policy, CBIC discussing on the avenues available and the contributions that may be made by CMA professionals and the Institute in the field of GST.

I would like to appraise here that myself along with CMA Rakesh Bhalla, Chairman – Direct Taxation Committee met with Mr. Anurag Thakur, Minister of State for Finance & Corporate Affairs 13th August 2019 and Mr. Akhilesh Ranjan, Chairman - Task Force DTC & Member (Legislation) MoF GOI on 14th August 2019 where we discussed at length on our representation on inclusion of “Cost Accountant” in the definition of “Accountant” under Income Tax Act, 1961. Details can be available from CMA Rakesh Bhalla’s message. I wish to say “Thanks” to CMA Uttam Kumar Nayak, secretary EIRC, for helping us in fixing up appointments with the minister and Chairman Task Force, DTC. We have been knocking the door of the Ministries since last couple of years for this recognition. We made four representations before the authority during last one year only in this regard apart from the ones made prior to that. I hope that with our concerted effort, we will succeed in this initiative and get the recognition under Income Tax Act which is well deserved by us.

Thank You.

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

CMA Niranjn Mishra
Chairman, Indirect Taxation Committee
16th August 2019



FROM THE DESK OF CHAIRMAN – DIRECT TAXATION COMMITTEE

On the occasion of 73rd Independence Day and Rakshshabandhan, I wish to convey my heartfelt regards to all the members and stakeholders.

The government is preparing a new direct tax code that will replace the Income Tax Act of 1961. In September 2017, Prime Minister Shri Narendra Modiji expressed that more than half a century old Income Tax Act needs to be re-drafted and a new Direct Tax Code (DTC) needs to be introduced in 'consonance with economic needs of the country'. One key consideration is to ensure that the economy becomes more tax-compliant to generate enough revenue.

In this context, I want to assure the members and stakeholders that The Institute is in the process of meeting and following up with the Ministries and CBDT to ensure that the name of the "Cost Accountant" comes under the definition of "Accountant" under the Income Tax Act, 1961. Four representations in this regard, were made before the authority during the year 2018-19 only with some more which were made prior to this period too.

On 13th August 2019, myself along with CMA Niranjan Mishra, Chairman – Indirect Taxation Committee and CMA Rajat Kumar Basu, Secretary - Direct & Indirect Taxation Committee, met Mr. Anurag Thakur, Minister of State for Finance & Corporate Affairs, at his residence and briefed him on our submission for inclusion of "Cost Accountant" under the definition of "Accountant" under Income Tax Act in the new DTC regime. During this half an hour meeting, he appreciated our viewpoint and assured that he will consider all the points when the matter comes up for discussion before him. He further advised to meet Shri Akhilesh Ranjan, Chairman - Task Force DTC & Member (Legislation) MoF GOI since the report is almost on the verge of finalization.

Another major development in this front was the meeting on 14th August 2019 with Mr. Akhilesh Ranjan, Chairman - Task Force DTC & Member (Legislation) MoF GOI and Mr. Rajesh Bhoot, Joint Secretary MoF where myself, CMA Niranjan Mishra and CMA Raju P Iyer had a discussion for more than an hour. During this discussion, we detailed each and every point of merit on why the Cost Accountants should be allowed to conduct Tax Audit under DTC along with other assignments. Though the report of the task force has almost been finalised, The Chairman of Task Force DTC assured us that he will definitely discuss these points with other members of the task force and surely consider and give us a fair chance to present our case at a next stage i.e. DTC bill etc.

We are optimistic and keeping our fingers crossed for the above recognition under DTC. We need your continuous support and we are sure that entire CMA Fraternity is with us for the above cause. We had hard work and toil and would even work further for betterment of the profession.

JAI HIND,

CMA Rakesh Bhalla
Chairman, Direct Taxation Committee
16th August 2019

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CMA Biswarup Basu - Vice-President

Indirect Taxation Committee

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Members

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3. CMA P. Raju Iyer
4. CMA V. Murali
5. CMA H. Padmanabhan
6. CMA (Dr.) Ashish P. Thatte
7. CMA B.M. Sharma (Co-Opted)
8. CMA (Dr.) Sanjay Bhargave (Co-Opted)
9. CMA V.S. Datey (Co-Opted)

Secretary

CMA Rajat Kumar Basu, Addl. Director

Direct Taxation Committee

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Members

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3. CMA Niranjan Mishra
4. CMA V. Murali
5. CMA Paparao Sunkara
6. CMA (Dr.) Ashish P. Thatte
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CMA Rajat Kumar Basu, Addl. Director

ACKNOWLEDGEMENTS

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CMA Amit Sarker	Director Indirect Taxation, Deloitte Haskins & Sells
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Articles on the Topics of Direct and Indirect Taxation are invited from readers and authors. Along with the article please share a recent passport-sized photograph, a brief profile and the contact details. The articles should be the author's own original. Please send the articles to

trd@icmai.in /trd.ad1@icmai.in



NEW RETURN FILING SYSTEM UNDER GST

CMA Vishwanath Bhat
Practicing Cost & Management Accountant

At the time of introduction of GST Government had introduced GSTR1, GSTR2 and GSTR3. The idea was to match the input and output tax from individual invoices and to generate GSTR3 from GSTR1 and GSTR2. This was to facilitate flow of information from GSTR1 to GSTR3 and linking the invoices. However, the Government was unable to get the result as desired. In view of the same the tax payers were advised to upload the information based on their books of accounts which was an adhoc method in GST 3b.

In order to revise the system in a suitable way, the GST Council has decided to introduce a new GST return system to facilitate the tax payers. According to them, from 1st October 2019, FORM GST ANX-1 shall be made compulsory and the old FORM GSTR-1 would be replaced by FORM GST ANX-1. The large tax payers (i.e. tax payers whose aggregate annual turnover in the previous financial year was more than Rs. 5 crores) would upload their monthly FORM GST ANX-1 from 1st October 2019 onwards. Whereas, in the case of small taxpayers (with aggregate annual turnover in the previous financial year up to Rs. 5 crores), the first compulsory quarterly FORM GST ANX-1 pertaining to the quarter October to December, 2019 to be uploaded only in January 2020. It may be noted that invoices etc. can be uploaded in FORM GST ANX-1 on a continuous basis both by large and small taxpayers from October 2019 onwards.

From July 2019, users will be able to upload invoices using the FORM GST ANX-1 Offline Tool on trial basis for familiarizing themselves. Further, users will also be able to view and download the inward supply of invoices using the FORM GST ANX-2 Offline Tool under the trial program. The summary of inward supply invoices will be available for view on the common portal online. They will also be able to import their purchase register in the Offline Tool and match it with the downloaded inward supply invoices to ascertain mismatches from August 2019.

In other words, between July to September 2019 (for three months), the new return system (ANX-1 & ANX-2 only) will be available for trial for taxpayers to make themselves familiar. However, this trial will have no impact at the back end on the tax liability or input tax credit of the taxpayer. During this period, taxpayers shall continue to fulfil their compliances by filing the existing FORM GSTR-1 and FORM GSTR-3B.

FORM GST ANX-2 can be viewed simultaneously during this period but no action will be allowed on such FORM GST ANX

For the months of October and November 2019, large taxpayers shall continue to file FORM GSTR-3B on monthly basis. They shall file their first FORM GST RET-01 for the month of December 2019 by 20th January 2020.

In other words, they shall file their first FORM GST-RET-01 for the quarter October 2019 to December 2019 from 20th January, 2020.

The small taxpayers shall stop filing FORM GSTR-3B and start filing FORM GST PMT-08 (For composition) from the quarter of June 2019 onwards.

The table shows the requirements and applicability of all the three returns namely Sahaj, Sugam and Normal. The tax payer can opt to file ANY of the three returns. Each return has different features as presented here below.

SL No	Particulars	Normal	Sahaj	Sugam
1	Forms	GST Ret 1	GST Ret 2	GST Ret 3
2	Annexures	-GST Anx -1 Outward supplies	-GST Anx -1 Outward supplies	-GST Anx -1 Outward supplies

		-GST Anx -1 A Amendment to Outward supplies	-GST Anx -1 A Amendment to Outward supplies	-GST Anx 1 A Amendment to Outward supplies
		-GST Anx - 2 - Inward supplies	-GST Anx - 2 - Inward supplies	-GST Anx - 2 - Inward supplies
		-GST Anx - 2A Amendment to Inward supplies	-GST Anx - 2A Amendment to Inward supplies	-GST Anx- 2A Amendment to Inward supplies
3	Periodicity	Return: Quarterly or Monthly	Return: Quarterly	Return: Quarterly
		Payment : Monthly	Payment: Monthly	Payment: Monthly
4	Applicability	For Turnover less than 5 Cr. - Option quarterly	Turnover less than 5 Cr.	Turnover less than 5 Cr. -
		For Turnover more than 5 Cr. - Monthly		
5	Features	1. All outward supplies	1. Only B2C outward supplies can be shown.	The only difference from Sahaj return is that here B2B outward supplies can also be shown.
		2. Credit of all eligible Inward supplies including missing Invoices (Not uploaded by Supplier) can be taken.	2. Inward supplies attracting tax under RCM can be shown.	2. Inward supplies attracting tax under RCM can be shown.
			3. Cannot make supplies through e- commerce operators.	3. Cannot make supplies through e- commerce operators.
			4. Credit of Missing invoice (Not uploaded by Supplier) not allowed.	4. Credit of Missing invoice (Not uploaded by Supplier) not allowed.
			5. Not allowed to make any other type of inward or outward supplies	5. Not allowed to make any other type of inward or outward supplies
			6. Such taxpayers may make Nil rated, exempted or Non-GST supplies which need not be declared in said return.	6. Such taxpayers may make Nil rated, exempted or Non-GST supplies which need not be declared in said return.
6	When the data can be uploaded	At any time.	a. Any time during Quarter to which it pertains	a. Any time during Quarter to which it pertains
		For Monthly Returns no documents upload will be possible during 18th to 20th of the following month.	b. Up to September of the following year or date of filing of annual return whichever is earlier	b. Up to September of the following year or date of filing of annual return whichever is earlier
			c. No document upload will be possible during 23rd to 25th of the month following end of quarter	c. No document upload will be possible during 23rd to 25th of the month following end of quarter
7	Switch	Can be switched to Sugam or Sahaj only	Can be switched to Sugam or Quarterly	Can be switched to Sugam only ONCE

		ONCE during a year	Normal MULTIPLE Times during a year	Can be switched to Quarterly Normal MULTIPLE times.
8	Suitable for	a. Tax payer who is also importing and exporting goods/services (including SEZ Supplies)	a. Tax payer whose turnover is less than Rs. 5 Crores.	If tax payer is supplying goods/services to business.
		b. Tax payer who is supplying goods/ services through E-commerce supplier	b. Who is supplying goods/services only to consumer and not to business	Rest all features are same as Sahaj.
		c. Who wants to avail provisional credit of Invoices not uploaded by Supplier	c. Who is dealing in only domestic business	
			d. Who does not want to avail Provisional credit of invoices not uploaded by the supplier	

Based on their experience from the old system, the Government has made an effort to iron out the deficiencies prevalent therein and brought out a refined system as proposed above. As a result, the tax payers may expect a better system catering to their tax payments requirements. With such a proactive steps of the government and the cooperation of the tax payers community on a continuous basis, we can hope to evolve a robust system for Tax payments and filing of returns in a near future.



NATIONAL APPELLATE AUTHORITY FOR ADVANCE RULING

CMA Bhogavalli Mallikarjuna Gupta
Chief Taxologist & Head of Cloud Business
Logo Infosoft Business Technology Private Limited

Advance Ruling means a written opinion or decision given by the competent authority with respect to transactions proposed to be undertaken or being carried out on the taxability of the transactions under GST by a person registered under the GST Act or willing to register under the GST Act. As per the Revised Kyoto Convention in 1999 and it is obligatory for all the members of the World Trade Organization to have a mechanism on Advance Ruling as per the provisions of Article 3 of the Agreement on the Trade Facilitation. The following are the differences between the Advance Ruling in the GST compared to the Advance Ruling under the Central Excise, Customs and Service Tax.

- Advance Ruling is at State level – GST is a destination-based taxation, the transactions impacted by the GST will have a direct impact on the collections of the state.
- Appellate Authority – unlike the previous tax regimes, where the order is passed by the Advance Ruling Authority which was binding on the applicant and the jurisdictional officer as it was binding and could not be appealed, under GST an order passed by the Advance Ruling Authority could be appealed with the Appellate Authority for Advance Ruling at the State level.
- Representation from Judiciary – there is no representation from the Judiciary for the benches constituted at the State Level for the Authority for Advance Ruling and Appellate Authority for Advance Ruling.

As the benches are constituted at the State Level, there are conflicting orders passed by the benches of the Authority for Advance Ruling or Appellate Authority for Advance Ruling filed by the applicants having presence in multiple states. This was clearly visible in the case of by M/s Giriraj Renewables Private Ltd, where the Maharashtra Bench and Karnataka Bench has given conflicting views on the treatment for setting up of and operate solar photovoltaic plants for supply of generated power. Also as there is no representation from the Judiciary, it also ultra-virus and there are humpty judgements on the matter related to representation from Judiciary as mentioned in the Union of India v. R. Gandhi (2010) 11 SCC 1, or Columbia Sportswear Co. v. DIT (2012) 11 SCC 224 or Kesavananda Bharati v. State of Kerala.

The basic intent of setting up of the Advance Ruling Authority is being defeated and creating confusion for the taxpayers, representations have been made by various Trade and Industrial Bodies and the Professional bodies. To address the above challenges, amendment has been made to the Central Goods and Service Tax Act 2017 wide Finance Bill (No 2) 2019 through introduction of the National Appellate Authority for Advance Ruling. NAAAR)

Constitution of National Appellate Authority for Advance Ruling

The Government on the recommendations of the Goods and Service Tax will constitute the National Appellate Authority for Advance Ruling to address the challenges faced by the distinct person under GST. It will be notified from an effective date given in the notification.

Members of the National Appellate Authority for Advance Ruling

When ever the NAAAR is constituted it will consist of three members, one from the judiciary and other two are from the Central and State official of GST.

Sr. No	Member	Eligibility	Appointed by	Tenure
1	President	He / she should have been a) Judge of Supreme Court	By the Government in consultation with the Chief Justice of India or	Earliest of the following a) Three years

		<ul style="list-style-type: none"> b) Chief Justice of High Court c) Judge of High Court for a period not less than 5 years 	his Nominee	<ul style="list-style-type: none"> b) Seventy years Eligible for reappointment
2	Technical Member – Central	He / she should be <ul style="list-style-type: none"> a) IRS b) Group A officer with minimum 15 years of service 	By the Government basis on the recommendations of the Selection Committee (to be prescribed and notified)	Earliest of the following <ul style="list-style-type: none"> a) Five years b) Sixty-five years Eligible for reappointment
3	Technical Member – State	He / she should be <ul style="list-style-type: none"> a) Not below the rank of Additional Commissioner in VAT b) Additional Commissioner with minimum three years' experience in the areas of GST or Finance or Taxation 	By the Government basis on the recommendations of the Selection Committee (to be prescribed and notified)	Earliest of the following <ul style="list-style-type: none"> a) Five years b) Sixty-five years Eligible for reappointment

The senior most member of the NAAAR will become the President in event of death or resignation or for any other reason till the new President is appointed as per the provisions of the Act.

The President or the Technical Members salary, allowances and other conditions of service will be notified by the Government.

The President or the Technical Members may resign by addressing to the Government and they shall serve a notice period of three months or till the time a new President or Technical Member is appointed, whichever is earlier.

The President or the Technical Members may not be removed from office except by an order of the Government or on the grounds of proven misbehaviour or incapacity, after an inquiry made by a Judge of the Supreme Court nominated by the Chief Justice of India. The Government may suspend the President or the Technical Members after the inquiry and in consultation of the Chief Justice of India.

As per the provisions of the Article 220 of the Constitution of India, the President of the Technical Members after completing their tenure or submission of resignation before the completion of tenure cannot plead before the NAAAR and not eligible to appear before NAAAR.

Appeal to National Appellate Authority for Advance Ruling

An appeal can be filed with the NAAAR by the applicant or by the officer where they have received conflicting orders from the Appellate Authority for Advance Ruling

Sr. No	Description	Applicant	Department Officer
1	Who can file the appeal?	Applicant who have filed for a clarification as per provisions of Section 97(2) of CGST Act	Officer of the state who got a conflicting order for the same clarification raised by the applicant
2	In how many days the appeal can filed?	30 days from the date of ruling	30 days from the date of ruling If the officer is authorised by the Commissioner, then the time limit is 90 days.
3	Is there any extension of	Yes, 30 days extension can be	Yes, 90 days extension can

	time limit for filing of appeal?	provided if there is sufficient cause.	be provided if there is sufficient cause.
4	From what date is the due date computed?	The latter date of the conflicting order is issued.	The latter date of the conflicting order is issued.

Process of issue of order by the National Appellate Authority for Advance Ruling

An opportunity is provided by the NAAAR to the applicant and the officer authorized by the Commissioner for the appeal being filed before passing the order.

In case if there is difference of opinion between the members, then majority opinion will be considered.

The order will be passed by the NAAAR as far as possible in ninety days.

The order passed by the NAAAR will be signed by all the members and certified as prescribed.

A copy of the order is passed a copy of the order is sent to the following persons

- a) Applicant
- b) Officer authorized by the Commissioner
- c) Chief Commissioner and Commissioner of State Tax
- d) Chief Commissioner and Commissioner of Union Territory
- e) Appellate Authority or Authority as required

Rectification of Orders Passed by National Appellate Authority for Advance Ruling

If an order passed by the NAAAR has any error apparent on the face of the record and is noticed by them or by the applicant can be rectified within a period of six months from the date of passing the order.

Applicability of the orders passed by National Appellate Authority for Advance Ruling

The order passed by the National Appellate Authority for Advance Ruling will be binding on the following

- a) Applicant, who has filed the applicant i.e. the PAN holder
- b) On the jurisdictional officer

The order passed shall be binding on both the parties unless there is change in the law or facts and circumstances supporting the order have changed.

Orders Passed by National Appellate Authority for Advance Ruling void in certain cases

The orders passed by National Appellate Authority for Advance Ruling will be void and Ab initio if it is found that the applicant or the appellant has obtained the order by misrepresentation of facts, fraud or suppression of facts.

Before making the order void, an opportunity will be proved to the applicant or the appellant.

Powers of the National Appellate Authority for Advance Ruling

The powers of the National Appellate Authority for Advance Ruling will be same as the Appellate Authority for Advance Ruling or Authority for Advance Ruling. NAAAR will have the powers of a civil court under the Code of Civil Procedure, 1908.

Author's views

Setting up of National Appellate Authority for Advance Ruling is a welcome move and will resolve the confusion which the taxpayers are having currently due to the contradicting orders passed by different state authorities. This will definitely reduce the litigation but the AAR and AAAR still do not have any representation from the judiciary, on this ground it can be challenged in the court of law and which can lead to some confusion on the orders passed by various benches of AAR or AAAR.

One of the best things in the GST Act is time limit is provided for each and every action but in the case of the orders to be passed by the National Appellate Authority for Advance ruling what is disturbing is the wording used "as far as possible within a period of ninety days" thereby meaning that it can be passed beyond ninety days also.

With the rollout of the NAAAR, the feasibility and the possibility of de notifying the AAAR should be explored so that the taxpayer does not spend much time and efforts on these matters. This would improve the ease of doing business.

As NAAAR is already enacted and passed in both the houses of Parliament, what is remaining is notifying the same and bringing it to so the aggrieved parties can take benefit of the NAAAR.

Disclaimer: Any views or opinions represented above are personal and belong solely to the author and do not represent those of people, institutions or organizations that the owner may or may not be associated with in professional or personal capacity, unless explicitly stated. Any views or opinions are not intended to malign any religion, ethnic group, club, organization, company, or individual.



COMMON MISTAKES IN GST

CA Saurabh Tibrewal
Practicing Chartered Accountant

Based on our interaction with companies, we are sharing certain common mistakes in GST compliance which are summarized below.

1. GST Returns

- a. Many suppliers file GSTR-3B but not GSTR-1 or vice versa
- b. Wrongly reporting outward supply liability under RCM or vice versa
- c. Non-reconciliation of GSTR-1 and GSTR-3B for the same month

2. Documentations and Records

- a. Non-issue of Tax Invoice (self-invoice) in case of RCM credit
- b. Non-fixing / display of GST registration Certificate / GSTIN at the entrance of the office / factory
- c. Non-issue of Receipt Voucher / Payment Voucher / Refund Voucher
- d. Non-filing of ITC-04 related to job work transactions
- e. Non-maintenance of ITC Register in a proper manner. Mainly not updating GSTIN of all suppliers which is essential at the time of reconciliation of ITC with GSTR-2A
- f. Raising of Debit Note first in case of purchase return rather than supplier raising Credit Note
- g. Issuing of separate delivery challan by job worker for returning of processed goods to the principal manufacturer

3. Outward Supply

- a. Non-payment of GST on recovery from employees
- b. Wrong selection of place of supply in case of "Bill To Ship To" transactions specially where Bill To is HO and Ship To is factory located in other State
- c. Non reporting of interest income under non-GST supply
- d. Non-payment of GST on commission received in foreign currency under Intermediary Service
- e. Non-payment of GST in case of free of cost service transactions with group companies
- f. Non-payment of GST on penalties charged by companies – such penalties are recovered by issuing Debit Note instead of Tax Invoice
- g. No knock off entries of advance received and its billing
- h. Non-payment of GST on advance received for supply of service

4. Reverse Charge Mechanism (RCM)

- a. Non-payment of GST under RCM specially in case of Govt. fees and ocean freight in case of import of goods
- b. Non-payment of GST under RCM on out of pocket expenses of advocate
- c. Non-payment of GST on import of services free of cost

5. Input Tax Credit (ITC)

- a. ITC availed without tracking date of payment – condition of payment within 180 days
- b. Availment of 100% credit on pre-paid expenses. 100% ITC will not be available in the same month since condition of receipt of service is not satisfied
- c. Non-reversal of ITC in case of free sample / write off / gift / personal consumption
- d. Non-availment of ITC on banking transactions due to non-receipt of invoices or ITC is availed on back statement but not on bank invoice.

- e. Non-payment of GST / non-reversal of ITC in case of receipt of insurance claim.
- f. Non-availment of ITC on air tickets since air travel agent provides his GSTIN instead of company. OR in other cases, air travel agent provides GSTIN of the company however, ITC is not availed due to non-availability of tax invoice of airline company.
- g. Non-availment of ITC on repairs / renovation of office or factory when such expenses are not capitalised
- h. Availment of ITC on canteen / employee transport service from September 2018 without issue of Notification to give effect. ITC on such services will be available w.e.f. 1st February 2019.
- i. ITC of CGST and SGST of one State is wrongly claimed in other State – e.g. hotel accommodation
- j. Availment of ITC on RCM in the subsequent month instead of in the same month
- k. Carry forward of credit in TRAN-1 which was not reported in returns filed under excise, service tax and VAT but availed in books

6. Refund related to Export Of Goods / Services

- a. Reporting of export under NIL or exempted supply
- b. Following points to be considered while exporting on payment of IGST:
 - Correct Shipping Bill number to be mentioned in GSTR-1 return;
 - Port code should be correctly mentioned in GSTR-1 return;
 - Invoice number mentioned in GSTR-1 and invoice number mentioned in Shipping Bill should be matched;
 - IGST paid amount indicated in GSTR-1 should match with IGST paid amount indicated in Shipping Bill;
 - Details reported in EGM should match with export details mentioned in Shipping Bill; and
 - Bank account details available with Customs should be correct.

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

CUSTOMS – NON TARIFF NOTIFICATION

Notification No. 56/2019 - Customs (N.T.)

Date – 5th August 2019

Exchange Rates Notification No.56/2019-Custom (NT) dated 05.08.2019

CBIC has made amendments in the Notification No.55/2019-CUSTOMS (N.T.), dated 01st August, 2019 with effect from 06th August, 2019-

Amendments - In the SCHEDULE-II of the said Notification, for serial No. 01 and the entries relating thereto, the following shall be substituted, namely: -

SCHEDULE-II

Sl. No	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	67.75	65.20

Notification No. 57/2019 - Customs (N.T.)

Date – 8th August 2019

Tariff Notification in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nut, Gold and Silver

CBIC has made amendments in the Notification No. 36/2001-Customs (N.T.), dated the 3rd August, 2001

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely:

“TABLE-1

Sl. No	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
1	1511 10 00	Crude Palm Oil	502 (i.e. no change)
2	1511 90 10	RBD Palm Oil	532 (i.e. no change)
3	1511 90 90	Others – Palm Oil	517 (i.e. no change)
4	1511 10 00	Crude Palmolein	537 (i.e. no change)
5	1511 90 20	RBD Palmolein	540 (i.e. no change)
6	1511 90 90	Others – Palmolein	539 (i.e. no change)
7	1507 10 00	Crude Soya bean Oil	705 (i.e. no change)
8	7404 00 22	Brass Scrap (all grades)	3524 (i.e. no change)
9	1207 91 00	Poppy seeds	3395 (i.e. no change)

For more details, please follow - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfn5-2019/cs-nt2019/csnt57-2019.pdf;jsessionid=28ACC1EFA95518D40F402453CA4127D6>

Notification No. 58/2019 - Customs (N.T.)

Date – 8th August 2019

Further amending Notification No. 12/97-CUSTOMS (N.T.), dated the 2nd April, 1997

CBIC has made amendments in the Notification No. 12/97-CUSTOMS (N.T.), dated the 2nd April, 1997.

Amendments - In the said notification, in the Table, against serial number 8 relating to the State of Madhya Pradesh, after item (viii) in column (3) and the entries relating thereto in columns (3) and (4) the following item and entries shall be inserted, namely:-

(3)	(4)
(ix) Village Tihi, Tehsil-Dr. Ambedkar Nagar (Mhow), District Indore	Unloading of imported goods and loading of export goods

**Notification No. 59/2019 - Customs (N.T.)
Date - 13th August 2019**

Exchange Rates Notification No.59/2019-Custom(NT) dated 13.08.2019.

CBDT has made amendments in the Notification No.55/2019-CUSTOMS (N.T.), dated 1st August, 2019 with effect from 14th August, 2019.

Amendments - In the SCHEDULE-I of the said Notification, for serial No.17 and the entries relating thereto, the following shall be substituted, namely: -

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Exported Goods)
17.	Swiss Franc	74.60	71.70

**Notification No. 60/2019 - Customs (N.T.)
Date - 14th August 2019**

Exchange Rates Notification No.60/2019-Custom(NT) dated 14.08.2019

CBDT has determined the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa which has been effective from 15th August, 2019 relating to imported and export goods.

SCHEDULE-I

Sl. No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(For Imported Goods)	(For Exported Goods)
1	Australian Dollar	49.35	47.15
2	Bahraini Dinar	194.45	182.40
3	Canadian Dollar	54.65	52.70
4	Chinese Yuan	10.25	9.95

For more details . please follow - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2019/cs-nt2019/csnt60-2019.pdf>

**Notification No. 61/2019 - Customs (N.T.)
Date - 14th August 2019**

Tariff Notification in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nut, Gold and Silver- Reg

CBIC has made amendments in the Notification No. 36/2001-Customs (N.T.), dated the 3rd August, 2001

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely: -

TABLE-1

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$Per Metric Tonne)
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1	1511 10 00	Crude Palm Oil	527
2	1511 90 10	RBD Palm Oil	557
3	1511 90 90	Others – Palm Oil	542
4	1511 10 00	Crude Palmolein	567
5	1511 90 20	RBD Palmolein	570
6	1511 90 90	Others – Palmolein	569

For more details. Please follow - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2019/cs-nt2019/csnt61-2019.pdf>

CUSTOMS – ANTI DUMPING DUTY NOTIFICATION

Notification No. 31/2019 - Customs (ADD)

Date – 6th August 2019

Seeks to amend notification No.12/2019-Customs (ADD) dated the 26.02.2019 as per Corrigenda issued by Designated Authority vide notification F. No. 6/45/2017-DGAD 31.05.2019.

CBIC has made amendments in the Notification No. 12/2019-Customs (ADD), dated the 26th February, 2019. In the said notification, in the Table, -

- (i) against S. No. 1, for the entry in column (6), the entry “Xinyi Solar (Malaysia) Sdn. Bhd.” shall be substituted;
- (ii) against S. No. 2, for the entry in column (6), the entry “Any producer other than Xinyi Solar (Malaysia) Sdn. Bhd.” shall be substituted.

Notification No. 32/2019 - Customs (ADD)

Date – 10th August 2019

Seeks to impose anti-dumping duty on imports of "Homopolymer of vinyl chloride monomer (suspension grade)" originating in or exported from China PR and USA for 30 months with effect from 13th August, 2019, in pursuance of SSR investigation by DGTR.

Anti-dumping duty was imposed on imports of ‘Homopolymer of Vinyl Chloride Monomer (suspension grade)’ falling under the heading 3904 of the First Schedule to the Customs Tariff Act, originating in, or exported from originating in or exported from China PR, Thailand and United States of America, vide Notification No. 27/2014- Customs (ADD), dated the 13th June, 2014;

The Central Government had extended the period of imposition of anti-dumping duty on ‘Homopolymer of Vinyl Chloride Monomer upto and inclusive of the 12th day of August, 2019 vide Notification No. 23/2019- Customs (ADD), dated the 11th June, 2019.

In case of review of of anti-dumping duty on imports of ‘Homopolymer of Vinyl Chloride Monomer, the Designated Authority has come to the conclusion that-

- (i) the product under consideration has been exported into India from the subject countries during period of investigation at dumped prices;
- (ii) the Domestic Industry has not suffered material injury during the period of investigation in terms of either price or volume effect with anti-dumping duty measure being in force. There exists likelihood of injury due to imports from USA and China on cessation of AD duty and the likelihood of injury of imports from Thailand is quite low and insignificant;
- (iii) the likelihood analysis indicates that in event of cessation of Anti-dumping duty, the exports by USA and China to countries other than India are likely to get diverted to India and the landed value of significant volume of such diverted exports would cause injury to the domestic industry when compared with the Net Import Price during post period of investigation.

and has recommended continued imposition of the anti-dumping duty on Homopolymer of Vinyl Chloride Monomer, originating in or exported from China PR, Thailand and United States of America

CUSTOMS - CIRCULARS

Circular No. 24/2019
Date - 8th August 2019

Clarification regarding applicability of All Industry Rates of duty drawback while fixing Brand Rate of duty drawback in post GST era.

This circular has been issued to clarify the applicability of Circular Nos. 83/2003 dated 18.09.2003 and 97/2003 dated 14.11.2003 to cases of Brand Rate fixation in the post GST era.

Circular Nos. 83/2003- Customs dated 18.09.2003 and 97/2003- Customs dated 14.11.2003 were issued by the Board allowing the applicability of All Industry Rates (AIRs) of Duty Drawback in respect of certain specific items, namely, finished/lining leather, bicycles and their parts/accessories and bus bodies when used in the export product, while determining Brand Rate of Duty Drawback under Rules 6 and 7 of the then Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 (now Customs and Central Excise Duties Drawback Rules, 2017). These clarifications in the pre-GST era were issued based on the premise that the aforesaid items were exempt from levy of Central Excise duty and the duties on their inputs remained unrelieved.

Post GST, since Central Excise duty on inputs and Service Tax on input services used in the manufacture of export goods have been subsumed in GST for which input tax credit/refund is available thereunder, the basic premise for applicability of AIRs for calculation of Brand Rate of duty drawback no longer exists for exports made in GST regime. Accordingly, it is clarified that contents of para 3(a) and 3(b) of Circular No. 83/2003 dated 18.09.2003 and Circular No. 97/2003 dated 14.11.2003 are not applicable for exports made in post GST era.

As regard the duties to be rebated under Duty drawback scheme in post GST era, which are not refunded or neutralized in any other manner, the same can be claimed by the exporter on actual basis in terms of Rules 6 and 7 of aforesaid Rules, 2017.

DIRECT TAX NOTIFICATIONS

Notification No. 56/2019
Date - 2nd August 2019

Notification regarding Bangalore Water Supply and Sewerage Board'

The Central Government has notified, 'Bangalore Water Supply and Sewerage Board', Bengaluru (PAN AAALB0015G) a Board constituted by the Government of Karnataka, in respect of the following specified income arising to that Board, namely:-

- a) Water Charges;
- b) Sanitary and Borewell Charges;
- c) Special Sanitary Charges;
- d) Meter Charge;
- e) Bulk Water Charges;
- f) Rent; and
- g) Interest on surplus amount earned out of the above.

This notification shall be effective subject to the conditions that Bangalore Water Supply and Sewerage Board, Bengaluru,-

- a) shall not engage in any commercial activity;
- b) activities and the nature of the specified income shall remain unchanged throughout the financial years; and
- c) shall file return of income in accordance with the provision of clause (g) of sub-section (4C) of section 139 of the Income-tax Act, 1961.

This notification shall apply with respect to the assessment year 2020-2021, 2021-2022, 2022-2023, 2023-2024 and 2024-2025.

DIRECT TAX CIRCULARS

Circular No. – 18 of 2019

Date – 8th August 2019

Clarification in respect of filling-up of the ITR forms for the Assessment Year 2019-20

The Income-tax return (ITR) forms for the Assessment Year (AY) 2019-20 were notified vide notification bearing G.S.R. 279(E). dated the 1st day April, 2019. Subsequently, the instructions for filing ITR forms were issued and the software utility for e-filing of all the ITR forms were also released. After notification of the ITR forms various queries have been raised by the stakeholders in respect of filling-up of the ITR forms. In order to address such queries, following clarifications are issued.

Question.1: I am a non-resident. The Taxpayer Identification Number (TIN) is not allotted in my jurisdiction of residence. How do I report the same in the column on “residential status”?

Answer: In case TIN has not been allotted in the jurisdiction of residence, the passport number should be mentioned instead of TIN. Name of the country in which the passport was issued should be mentioned in the column “jurisdiction of residence”.

Question.2: I am a director in a foreign company which does not have PAN. How do I report the same against the column “Whether you were Director in a company at any time during the previous year?”

Answer: You should choose “foreign company” in the drop-down provided for “type of company”. In such case, PAN is not mandatory. However, PAN should be mentioned, if such foreign company has been allotted a PAN.

Question.3: Whether an individual who is a non-resident, or resident but not ordinary resident (RoNR) is also required to disclose details of his directorship in a foreign company which does not have any income accruing or arising in India?

Answer: Yes.

Question.4: I have held shares of a company during the previous year, which are listed in a recognized stock exchange outside India. Whether I am required to report the requisite details against the column “Whether you have held unlisted equity shares at any time during the previous year?”

Answer: No. 2

Question.5: I have held equity shares of a company which were previously listed in a recognised stock exchange, but delisted subsequently, and became unlisted. How do I report PAN of company in the column “whether you have held unlisted equity shares at any time during the previous year”?

Answer: In such cases, PAN of the company may be furnished if it is available. In case PAN of delisted company cannot be obtained, you may enter a default value in place of PAN, as “NNNNN0000N”.

Question.6: In case unlisted equity shares are acquired or transferred by way of gift, will, amalgamation, merger, demerger, or bonus issue etc., how to report the “cost of acquisition” and “sale consideration” in the relevant column?

Answer: You may enter zero or the appropriate value against “cost of acquisition” or “sale consideration” in such cases. Please note that the details of unlisted equity shares held during the year are required only for the purpose of reporting. The quantitative details entered in this column are not relevant for the purpose of computation of total income or tax liability.

Question.7: I hold shares in an unlisted foreign company which has been duly reported in the Schedule FA. Whether I am required to report the same again in the column “Whether you have held unlisted equity shares at any time during the previous year?”

Answer: Yes.

Question. 8: I have held unlisted equity shares as stock-in-trade of business during the previous year. Whether I have to report the same in the column “Whether you have held unlisted equity shares at any time during the previous year?”

Answer: Yes.

Question. 9: Please clarify whether holding of equity shares of a Co-operative Bank or Credit Societies, which are unlisted, are required to be reported?

Answer: The details of equity shareholding in any entity which is registered under the Companies Act, and is not listed on any recognised stock exchange, is only required to be reported.

Question. 10: I have sold land and building to a non-resident. Whether I need to report the PAN of buyer in the table A1/B1 in Schedule CG?

Answer: As mentioned in ITR form, quoting of PAN of buyer is mandatory only if tax is deducted under section 194-IA or is mentioned in the documents.

Question.11: I am resident and have sold land and building situated outside India. Whether I need to report the details of property and identity of buyer in Schedule CG?

Answer: The details of property and name of buyer should invariably be mentioned. However, quoting of PAN of buyer is mandatory only if tax is deducted under section 194-IA or is mentioned in the documents

Question. 12: Whether it is mandatory to provide ISIN details and scrip-wise computation of Long Term Capital Gains (LTCG) arising on sale of Shares/Mutual Funds units on which STT has been paid?

Answer: The tools for computation of LTCG under sections 112A and 115AD have been provided in the departmental utility for the convenience of taxpayers. These are optional tools designed for computation of the final figures of LTCG, which is then populated in the respective items in Schedule CG. Alternatively, the taxpayers can themselves compute the aggregate long term gain or loss manually, and input the same directly in the respective items in Schedule CG.

Question.13: An unlisted company is required to furnish details of assets and liabilities in the Schedule AL-1 of ITR-6? Please clarify whether details of assets held as stock-in-trade of business are also required to be reported therein.

Answer: In case jewellery/motor vehicle etc. is held as stock-in-trade of business, the drop-down value “stock-in-trade” should be selected against the field “purpose for which used”, while filling up details in the relevant table (table „I” or table „H”). In such cases, only the aggregate values are required to be filled up, and the particular details of each asset held as stock-in-trade is not required to be reported.

Question.14: I hold foreign assets during the previous year which have been duly reported in the Schedule FA. Whether I am required to report such foreign asset again in the Schedule AL (if applicable)?

Answer: Yes.

Question.15: An unlisted company is required to furnish details of shareholding as at the end of previous year in the Schedule SH-1 of ITR-6. Please clarify whether these details are required to be furnished in case of an unlisted foreign company.

Answer: Not required.

Question.16: An unlisted company is required to furnish details of assets and liabilities in the Schedule AL-1 of ITR-6. Please clarify whether these details are required to be furnished in case of an unlisted foreign company.

Answer: Not required.

Question.17: Please clarify whether a farmer producer company as defined in section 581A of Companies Act, 1956 is required to furnish details of shareholding in the Schedule SH-1 of ITR6?

Answer: No. However, please ensure to tick the option „Yes“ against the item “whether the company is a producer company as defined in section 581A of Companies Act, 1956?” in Part-A General.

Question.18: A company is required to disclose break-up of all payments and receipts during the year, in foreign currency, as per Schedule FD of ITR-6 (if it is not required to get the accounts audited u/s 44AB). Please clarify whether only the receipts/payments related to business operations in India are required to be reported in Schedule FD?

Answer: Yes. In Schedule FD, the break-up of receipts and payments in foreign currency is required to be reported only in respect of business operations in India.

Question.19: In schedule TDS, one is required to enter the head under which corresponding receipt has been offered. In some cases, TDS is deducted by the payer in current year, but corresponding income is to be offered in future years. How to fill up Schedule TDS in such cases?

Answer: In such cases, no TDS credit should be claimed under the column “in own hands” for the current year. If this is done, the column “Corresponding receipt offered” is greyed-off and is not required to be filled up.

**Circular No. – 17 of 2019
Date – 8th August 2019**

Further Enhancement of Monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court - Amendment to Circular 3 of 2018 - Measures for reducing litigation.

Circular No. 3/2018 dated 11th July 2018 has been replaced by Circular No. 17/2019 dated 8th August 2019 to enhance Monetary limits for filing of appeals by the Department before Income Tax Appellate Tribunal, High Courts and SLPs/appeals before Supreme Court for reducing litigation.

Appeals/SLPs in Income-tax matters	Monetary Limit (Rs.) (Previous Limit)	Monetary Limit (Rs.) (Revised Limit)
Before Appellate Tribunal	20,00,000	50,00,000
Before High Court	50,00,000	1,00.00.000
Before Supreme Court	1,00,00,000	2.00.00,000

- The Assessing Officer shall calculate the tax effect separately for every assessment year in respect of the disputed issues in the case of every assessee. If, in the case of an assessee, the disputed issues arise in more than one assessment year, appeal can be filed in respect of such assessment year or years in which the tax effect in respect of the disputed issues exceeds the monetary limit. No appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit
- Further, even in the case of composite order of any High Court or appellate authority which involves more than one assessment year and common issues in more than one assessment year, no appeal shall be filed in respect of an assessment year or years in which the tax effect is less than the monetary limit
- In case where a composite order/ judgement involves more than one assessee. Each assessee shall be dealt with separately.

Circular No. – 19 of 2019

Date – 14th August 2019

Generation/Allotment/Quoting of Document Identification Number in Notice/Order/Summons/letter/correspondence issued by the Income-tax Department reg.

With the launch of various e-governance initiatives, Income-tax Department is moving toward total computerization of its work. This has led to a significant improvement in delivery of services and has also brought greater transparency in the functioning of the tax administration. Presently, almost all notices and orders are being generated electronically on the Income Tax Business Application (ITBA) platform. However, it has been brought to the notice of the Central Board of Direct Taxes (the Board) that there have been some instances in which the notice, order, summons; letter and any correspondence (hereinafter referred to as "communication") were found to have been issued manually, without maintaining a proper audit trail of such communication.

In order to prevent such instances and to maintain proper audit trail of all communication, the Board in exercise of power under section 119 of the Income-tax Act, 1961 (here in after referred to as "the Act"), has decided that no communication shall be issued by any income tax authority relating to assessment, appeals, orders, statutory or otherwise, exemptions, enquiry, investigation, verification of information, penalty, prosecution, rectification, approval etc. to the assessee or any other person, on or after the 15th day of October, 2019 unless a computer-generated Document Identification Number (DIN) has been allotted and is duly quoted in the body of such communication.

In exceptional circumstances such as, -

- (i) when there are technical difficulties in generating/allotting/quoting the DIN and issuance of communication electronically; or
- (ii) when communication regarding enquiry, verification etc. is required to be issued by an income-tax authority, who is outside the office, for discharging his official duties; or
- (iii) when due to delay in PAN migration, PAN is lying with non-jurisdictional Assessing Officer; or
- (iv) when PAN of assessee is not available and where a proceeding under the Act (other than verification under section 131 or section 133 of the Act) is sought to be initiated; or
- (v) When the functionality to issue communication is not available in the system,

the communication may be issued manually but only after recording reasons in writing in the file and with prior written approval of the Chief Commissioner / Director General of income tax. In cases where manual communication is required to be issued due to delay in PAN migration, the proposal seeking approval for issuance of manual communication shall include the reason for delay in PAN migration. The communication issued under aforesaid circumstances shall state the fact that the communication is issued manually without a DIN and the date of obtaining of the written approval of the Chief Commissioner / Director General of Income-Tax for issue of manual communication in the following format-

For more details , please follow -

https://www.incometaxindia.gov.in/communications/circular/circular_19_2019.pdf

PRESS RELEASE

DIRECT TAX

Press Release

Date - 2nd August 2019

Search on a prominent Real Estate Group in Mumbai

The Income Tax Department conducted Search and Seizure operation on 29.07.2019 on a prominent group involved in Real Estate Development, covering more than 40 premises across Mumbai and Pune. During the course of search operations, the Department unearthed evidences related to receipt of 'On Money' on sale of commercial and residential blocks, bogus unsecured loans taken, bogus Long Term Capital Gains and various other sham transactions to evade income aggregating to about Rs.700 crore.

The search action has unravelled peculiar transactions wherein by way of accounting jugglery, income on transactions worth about Rs.525 crore has been evaded. 'On Money' receipt on sale of Residential / Commercial Blocks amounting to Rs.100 crore has been corroborated during the search. During the search, incriminating evidence was unearthed pertaining to modus operandi establishing the introduction of accommodation loans by the group, which have been found to be bogus. Moreover, use of entry providers / hawala operators for entries of Long Term Capital Gains by the promoters of this real estate group have been affirmed during the search action. The action has also resulted into detection of jewellery worth approximately Rs.14 crore, which is under verification.

The investigation and search action is still in progress.

Press Release

Date - 8th August 2019

FAQs in respect of filling-up of the Income-tax return forms for Assessment Year 2019-20 issued

The Income-tax return (ITR) forms for the Assessment Year 2019-20 have been notified on 01.04.2019. Subsequently, queries have been raised by the stakeholders in respect of filling-up of the ITR forms. These queries are primarily in respect of the reporting of certain details in the ITR forms, such as reporting of directorship in a foreign company, reporting of equity shares listed outside India, unlisted shares which were previously listed, reporting of unlisted shares received by way of gift, will, amalgamation etc. and reporting of certain assets held as stock-in-trade.

The queries have been examined by CBDT and have been clarified vide Circular No. 18 /2019 dated 08th August, 2019. A copy of the Circular has been placed on www.incometaxindia.gov.in.

Press Release

Date - 8th August 2019

Monetary limits for filing of appeals by Income Tax Department further enhanced by CBDT

There is a substantial pendency of appeals of the Income Tax Department before various appellate fora. The CBDT is aware of the importance of litigation management and has been continuously working towards achieving the same.

To effectively reduce taxpayer grievances/litigation and help the Department focus on litigation involving complex legal issues and high tax effect, the monetary limits for filing of appeals by the Department were last revised on 11th July,2018 vide CBDT Circular No.3 of 2018. As a step towards further management of litigation by the Government, the monetary limits for filing Departmental appeals before various appellate fora including ITAT, High Court & Supreme Court have been revised as under:

Appellate Forum	Existing Monetary Limit(Rs.)	Revised Monetary Limit(Rs.)
Before Income Tax Appellate Tribunal	20,00,000	50,00,000
Before High Court	50,00,000	1,00,00,000
Before Supreme Court	1,00,00,000	2,00,00,000

This will further reduce time, effort and resources presently deployed in litigation to focus on issues involving litigation of substantial value.

Press Release
Date – 10th August 2019

CBDT simplifies the process of assessment in respect of Startups

The Finance Ministry has simplified the process of assessment in the case of Startup entities.

In cases where scrutiny assessments of Startup entities are pending, the CBDT has decided that:

- i. In case of Startup Companies recognized by DPIIT which have filed Form No. 2 and whose cases are under “limited scrutiny” on the single issue of applicability of section 56(2)(viib), the contention of the assessee will be summarily accepted.
- ii. In case of Startup Companies recognized by DPIIT which have filed Form No. 2 and whose cases have been selected under scrutiny to examine multiple issues including the issue of section 56(2)(viib), this issue will not be pursued during the assessment proceedings and inquiry on other issues will be carried out by the Assessing Officer only after obtaining approval of the supervisory authority.
- iii. In case of Startup Companies recognized by the DPIIT, which have not filed Form No. 2, but have been selected for scrutiny, the inquiry in such cases also will be carried out by the Assessing Officer only after obtaining approval of the supervisory authorities.

In addition to the above, the Central Government has further decided to relax Para-6 of the DPIIT notification No.127 (E) dated 19.02.2019 and make it clear that this notification will also be applicable to Startup Companies where addition under section 56(2)(viib) has been made and the assessee has been recognized by DPIIT and subsequently filed Form No. 2. The Circular to this effect in F.No 173/149/2019-ITA-1 of CBDT dated 8th August, 2019, has been placed on www.incometaxindia.gov.in.

Press Release
Date – 10th August 2019

Income Tax Department detects Benami business of running of petrol outlets in Meghalaya

In a swift and coordinated action on Friday, 2nd August 2019, the Investigation Wing of Income Tax Department. NER carried out searches on certain businessmen in Meghalaya, found to be involved in running a web of petrol pumps managed and controlled as benami properties. These persons were depriving the State Government of legitimate revenue by suppressing sales and non-deposit of local taxes collected, while also indulging in massive evasion of income tax by misusing exemption under Section 10(26) of the Income Tax Act, 1961 meant for tribal persons.

In the enforcement operation that commenced in the early hours and went on till wee hours of the next day, more than Rs 2 crore of unaccounted cash alongwith incriminating documents have been seized by officials of the Department. The cash found was hidden in unexpected places like water tanks.

This search by the Department was a much needed action on a long existing racket run by some unscrupulous elements exploiting local citizens of Meghalaya and avoiding paying income tax using tribal persons who are exempted from income tax, as a front. The pre-search investigation involved extensive surveillance and covert enquiries which were continuing for over a year.

Following the searches exposing these benami petrol pumps, the Executive Committee (EC) member of Khasi Hills Autonomous District Council (KHADC) in-charge of trade, announced to the media on the 8th of August, 2019 that urgent steps will be taken to prevent benami transactions in the State. He noted that despite the law, benami transactions are thriving due to collusion between some local people and their non-tribal

business partners. The KHADC is a statutory autonomous body which regulates various aspects of trade and commerce in Meghalaya.

The action taken by the Department has been widely appreciated by the public and also local authorities as a timely and positive step that will help to control the menace of benami commercial activities, as well as augment Government revenues.

Press Release

Date – 10th August 2019

Income Tax Searches in Tamil Nadu net more than Rs 700 crore

The Income Tax Department conducted a search and seizure operation on 06.08.2019 in the case of one of the major producers of beer and IMFL in Tamil Nadu. The search action was launched in the early hours of Tuesday at 55 premises in various places in Tamil Nadu including Chennai, Coimbatore, Thanjavur, etc and also in Kerala, Andhra Pradesh and Goa. The premises included residences of the promoters, key employees and some of the suppliers of materials.

The search action was based on intelligence gathered over several months that the business group was indulging in large scale tax evasion by inflating its expenditure on materials used in its production processes. During the search action, the search teams found telltale evidence of the modus operandi of the group. The modus operandi involved over-invoicing of purchase of raw materials and bottles which constituted a major portion of the cost of production. The suppliers received payment at the inflated value by cheque or RTGS, but paid back the excess value in cash to key confidante employees of the group. The search teams gathered evidence of such over-invoicing and return of cash by suppliers. Such inflation by over invoicing amounted to suppression of taxable income of almost Rs 400 crore over a period of six years.

The search also resulted in unearthing of evidence of similar tax evasion by another leading business group in the same liquor industry. Consequently, the Department launched search operation in the case of the second group also on 09.08.2019. About seven premises of this group at Chennai and Karaikal were covered in the second phase of the search operation. The search is still in progress and the suppression of taxable income detected in this group has been estimated to be about Rs 300 crore.

Based on a tip off during the search action, the tax officers tracked down employees moving with unaccounted cash and intercepted them and recovered Rs 4.5 crore cash from the car in which they had concealed it. The search action has thus far resulted in detection of undisclosed income of Rs 700 crore which had not been disclosed for taxation.

Press Release

Date – 13th August 2019

CBDT rebuts incorrect reports about Income Tax notices to Durga Puja Committees

There have been reports in the media about Income Tax notices being issued to Durga Puja Committees in Kolkata recently. The reports also mention that Income Tax notices were sent to the Durga Puja Committee Forum in the last few weeks. It is unequivocally stated that the said reports are factually incorrect and are strongly denied. It is a fact that no notice was issued to the Durga Puja Committee Forum by the Department during this year.

However, as the Department had been getting information that several contractors who were doing work for the Puja committees were not paying due taxes, therefore notices under section 133(6) of the Income Tax Act, 1961 were issued in December, 2018 to about 30 committees, calling for details of tax deducted at source on payments made to contractors and event managers etc. engaged by the committees for the Puja events, including the TDS statement. This was part of an exercise carried out by the TDS wing of the Department to ensure that the contractors and event managers pay their due taxes in time. Many of the committees complied and furnished evidence of tax deducted at source as well as deposit of the same into the Government account.

It is also pertinent to state that several committees requested the Department to organise educative sessions to explain the provisions of TDS to the committees. Taking a cue from the same, one such outreach programme was organised on the 16th of July, 2019 for the Durga Puja Committees at their own request. Nearly eight (8) members of the Forum attended the outreach programme voluntarily and were educated about the provisions of TDS. Their doubts pertaining to TDS provisions were also clarified.

It is reiterated that the aforesaid exercise is in no manner whatsoever against the Puja Committees, but has been undertaken to ensure that the contractors and event managers pay their due taxes correctly within the stipulated time.

Press Release
Date - 14th August 2019

CBDT takes further steps to ensure transparency in Tax Administration by bringing in concept of DIN

With a view to bringing greater transparency in the functioning of the tax administration and improvement in service delivery, almost all notices and orders of Income Tax Department are being generated electronically on the Income Tax Business Application (ITBA) platform. However, it has been brought to the notice of the Central Board of Direct Taxes (CBDT) that there have been some instances in which the notice, order, summons, letter and any correspondence (hereinafter referred to as "communication") were found to have been issued manually, without maintaining a proper audit trail of such communication.

In order to prevent such instances and to maintain proper audit trail of all communication, the CBDT has, vide Circular No.19/2019 dated 14.08.2019 laid down parameters specifying the manner in which any communication issued by any incometax authority relating to assessment, appeals, orders, statutory or otherwise, exemptions, enquiry, investigation, verification of information, penalty, prosecution, rectification, approval etc. to the assessee or any other person will be dealt with. All such communication issued on or after the 1st of October, 2019 shall carry a computergenerated Document Identification Number (DIN) duly quoted in the body of such communication.

CBDT has also specified exceptional circumstances where the communication may be issued manually but only after recording reasons in writing and with the prior written approval of the Chief Commissioner / Director General of Income-Tax concerned. In cases where manual communication is required to be issued, the reason for issue of manual communication without DIN has to be specified alongwith the date of obtaining written approval of the Chief Commissioner / Director General of Income-Tax in a particular format. Any communication which is not in conformity with the prescribed guidelines shall be treated as invalid and shall be deemed to have never been issued. Further, CBDT has also laid down the timelines and procedure by which such communication issued manually will have to be regularised and intimated to the Principal Director General of Income-tax (Systems).

In addition to the above, in all pending assessment proceedings, where notices were issued manually, prior to issuance of the above referred Circular, all such cases would be identified and the notices so sent would be uploaded on ITBA by 31st October, 2019.

This is another step taken by CBDT towards better delivery of taxpayer services while ensuring accountability in official dealings.

JUDGEMENTS

INDIRECT TAX

Gujarat HC strikes down CBIC Notification lapsing Unutilized Input Tax Credit

Shabnam Petrofils Pvt. Ltd. vs. Union of India & Others

Civil Application no. 1 of 2019
Date - 17.07.2019

Fact of the Case

- Shabnam Petrofils Pvt. Ltd. is the petitioner in the present case
- The petitioner have challenged notification no, 20/2018 central tax dated 26.07.2018 issued by Govt. of India that if there is any balance of ITC payment up to 31st July 2018, will be lapsed.
- It is contended by the learned counsel for the petitioners that the assessee are losing huge amount of money paid towards the input tax credit. It is contended that a registered person's right to claim input tax credit arises from section 16 of the CGST Act.
- It is also contended by the learned counsel for the petitioners that there is no statutory provision under the CGST Act empowering the respondents to issue notifications providing for lapsing of the input tax credit.
- It is contended that rule can be made or notification can be issued under the guise of section 164 for lapsing input tax credit.

Decision of the Case

- The division bench also observed that, as section 54(3)(ii) of the CGST Act does not empower to issue such notifications.
- The division bench observed that, "The impugned Notification dated 26.07.2018 bearing No.20/2018 and Circular dated 24.08.2018 bearing Circular No. 56/30/2018-GST that the unutilized ITC will be lapsed after a certain period are hereby quashed and set aside and are hereby declared as ultra vires and beyond the scope of section 54(3)(ii) of the CGST Act,

No GST for Supply of Maritime Products from Bonded Warehouses to Vessels: AAR

M/s. Wilhelmsen Maritime Services Pvt Ltd vs. Maharashtra AAR

Application No. 136
Date - 16.03.2019

Fact of the Case

- In the present case the applicant is M/s. Wilhelmsen Maritime Services Pvt
- The applicant has the largest maritime services network in the world supplying a wide portfolio of maritime goods and Services worldwide to every conceivable vessel type, in every market and region.
- WMSPL imports the goods from foreign countries and keeps them either in Bonded Warehouse or Non-Bonded Warehouse and supplies the same to ships proceeding to a foreign port from the Indian Sea-ports.

Decision of the Case

- The activity carried out by WMSPL is export of goods as the goods will move out of India when the next port call is not within the territorial waters of India.
- The Authority also said that, supply from bonded warehouse will fall under schedule III of the CGST Act "and exempted from GST and supply from Non-Bonded warehouse will not fall under Schedule III of CGST Act "and therefore not exempted from GST.
- The Authority has observed that, WMSPL has w.e.f 1.7.2017 levied and paid GST on all its "Maritime Products" supplies. However, in WMSPL view the said supply should be considered an "Export of goods" as defined under Section of the IGST, 2017 and thus be considered as a zero-rated supply as per Section 16 of IGST Act, 2017.

Waste Management Service to Municipality exempted from GST, No TDS: AAR

Time Tech Waste Solutions Private Limited vs. W.B AAR

Application No. - 20 of 2019
Date - 06.05.2019

Fact of the Case

- In the present situation the applicant is Time Tech Waste Solutions Private Limited
- It sought for a clarification regarding whether the TDS notifications under GST is applicable to supply of waste management service to a municipality and whether the applicant needs to be registered even if he makes exempted supplies only.
- Municipal waste is classifiable under HSN 3825. Supplies of both of them are exempt under Sl Nos. 108 and 110 of the Exemption Notifications (Goods), respectively.
- If the Applicant's turnover consists entirely of exempt supplies, he is not liable to registration in terms of section 23(1)(a) of the GST Act.

Decision of the Case

- The Applicant may build a suitable Processing and Composting Plant.
- The Applicant shall bear the expenditure for maintenance of the collection equipment and pay rental on the equipment taken on lease from the BMC.
- The consideration to be paid measures the work done in terms of the quantity of the garbage lifted and removed. Based on the above document, it may, therefore, be concluded that the Applicant's supply to BMC is pure service.
- The Advance Ruling Authority (AAR), West Bengal has held that the waste management service provided the municipality is exempted from the Goods and Services Tax (GST) and therefore, no TDS.

Companies need to give Details of 'complained product' only before Anti-profiteering authorities: Delhi HC

Reckitt Benckiser India Pvt Ltd. vs. Union of India & others

WPC -7743/2019
Date - 09.07.2019

Fact of the Case

- In the present case Reckitt Benckiser India Pvt Ltd. is the petitioner
- The petitioner complained against Dettol HW Liquid Original 900ml.

- On receiving the complaint, the National Anti-profiteering Authority (NAA) ordered an enquiry of profiteering against the said product.
- However, the company moved to Delhi High Court contending that as per the provisions under the GST Rules, without a report of the DGAP on the Complained Product followed by an order of NAA, the DGAP cannot suo motu issue a notice requiring the Petitioner to submit information on all its products.

Decision of the Case

- Finding a prima facie case in the contentions of the petitioner, it is observed that "The Court is of the view that the Petitioner has made out a prima facie case for granted of limited interim relief.
- It is directed that, till the next date, it will not be required to furnish information to the DGAP pursuant to the impugned notice other than information pertaining to the Complained Product.
- It is, however, clarified that the NAPA's inquiry as far as the Complained Product is concerned will proceed in accordance with law."
- The matter has been listed for hearing on August 22. A company is required to give information to the Director-General of Anti-profiteering (DGAP) only about the 'complained product' and not about every product it produces.

Delhi High Court orders to Pay Rs. 50,000 as Compensation for Delayed DVAT Refund / Interest

Corsan Corviam Construction Engeeniring Pvt Ltd. vs. Commissioner of Trade & Taxes

W.P(C) 12876/2018
Date - 22.07.2019

Fact of the Case

- The Petitioner is a registered dealer under the Delhi Value Added Tax Act, 2004 (DVAT Act)
- It filed a return claiming a refund on 10th July, 2015. The tax period for which refund was claimed was the fourth quarter of 2014.
- The refund claimed was Rs. 2, 56, 57,120/- and refund allowed was Rs. 1, 30, 96,335/- After set off/adjustments.

- The petitioners request to grant refund along with interest was rejected by the department.

Decision of the Case

- In that view of the matter, it is held that the Petitioner is entitled to interest on the refund amount issued by the order dated 25th August, 2017 for the period from 11th September, 2015 till 14th September, 2017.
- The said interest amount calculated in terms of Section 42 read with Rule 34 and 36 of the DVAT Rules will be credited to the Petitioner's account not later than 16th August, 2019.
- A two-judge bench of the Delhi High Court has ordered the Delhi VAT department to pay Rs. 50,000 as compensation if the department delayed the DVAT refund amount with interest within the due date prescribed by the Court.

DIRECT TAX

Contention that No Consideration was received from Transaction can't be a Reason to waive Pre-Deposit: Bombay HC

SMT. Kalpana Ashwin Shah vs. Assistant Commissioner of Income Tax

Writ Petition 1887 of 2019
Date - 15.07.2019

Fact of the Case

- Here the petitioner is the transferor of the tenancy of Immovable Commercial Property
- Re-assessment proceedings were initiated against the assessee.
- Since there was no response to the re-assessment notice issued to the Petitioner and non-production of the documents during pendency of such proceedings, the Assessing Officer passed an ex-parte order where he has imposed the tax of Rs.42 Lacs (round off), 20% of which, would come to close to Rs.8 Lacs.
- The contention of the Petitioner that he had received no consideration at the time of transfer of the tenancy of immovable commercial property of which he is the owner and that therefore no tax could have been demanded from

him, would be the subject matter of the appeal proceedings.

Decision of the Case

- The bench comprising Justice Akil Kureshi and Justice S.J Kathawalla held that the decision of the authorities to demand payment of 20% of the disputed demand is in consonance with the department's circulars.
- There are no extraordinary reasons for imposing condition lighter than one imposed by the authorities, the bench said.
- The Bombay High Court has held that the assessee's contention that he received no consideration and no tax could have been demanded from him is a subject matter of the Appeal proceedings and cannot be a ground for lifting the rigour of the requirement of deposit of 20% of the disputed tax pending appeal.

Disallowance of Expenditure is not Concealment of Income: ITAT deletes Penalty

Alfa Bhoj Ltd. VS. ACIT Delhi

Case No. 265 & 266/DEL/2012
Date 12.07.2019

Fact of the Case

- Here the applicant is a businessman.
- During the assessment proceedings, the assessee claimed deduction of deferred revenue expenditure of Rs. 2950195/- and said that the above expenditure has been incurred by the assessee for exploring the future business opportunities.
- However, the Assessing Officer found that the assessee failed to prove that the expenditure is wholly and exclusively laid out or expended for the purposes of the business and therefore, imposed penalty.
- On appeal, the first appellate authority confirmed the addition by holding that the assessee is merely exploring to start new business in South Africa.
- Therefore, these expenditure cannot be allowed as a deduction as incurred exclusively for the purposes of the business.
- The assessee appeal to the Tribunal against the order of the 1st appellate authority

Decision of the Case

- The Tribunal held that “on the basis of the above facts it is apparent that the expenditure incurred by the assessee could not be established by the assessee before the learned lower authorities that those expenditure have been incurred by the assessee wholly and exclusively for the purposes of the business.
- However, the lower authorities have not reached to a conclusion that assessee has furnished any inaccurate particulars of the income or has concealed any income on that score.
- The Delhi bench of the Income Tax Appellate Tribunal (ITAT) has held that mere disallowance of expenditure claimed in the return would not amount to ‘concealment of income’ for the purpose of imposing penalty under section 271(1)(C) of the income tax act.
- In view of this, we reverse the finding of the lower authorities and direct the learned assessing officer to delete the penalty levied on this sum.

Vagueness and Ambiguity in recording of Satisfaction would nullify Penalty Proceedings: ITAT

Chandu Laxman Chavan vs. DY Commissioner of Income Tax

ITA NO. 1171/PUN/2019
Date - 12.07.2019

Fact of the Case

- In the present situation the petitioner is a businessman who claimed the exempted sales tax as capital receipts.
- During the course of re-assessment proceedings, the Assessing Officer made addition of Rs.46, 66,665/- on account of amount received by the assessee by way of Sales Tax Exemption claimed as capital receipts.
- The assessing officer held that the same would amount to revenue receipt and imposed penalty under section 271(1)(c) of the Act.
- Being unsuccessful in contesting the appeal before the First Appellate Authority, the assessee approached the Tribunal.

Decision of the Case

- The manner in which the Assessing Officer has initiated penalty in the instant case clearly shows vagueness in the mind of Assessing Officer with regard to the charge to be invoked for levy of penalty u/s. 271(1)(c) of the Act.
- Thus, the satisfaction recorded by the Assessing Officer falls short of legal requirement as envisaged by the Hon'ble High Court.
- The Tribunal in various decisions has held such recording of satisfaction as unsustainable in the eye of law.
- Thus, in the opinion of the learned judges of the Tribunal is that the penalty proceedings in this case are liable to be set aside on account of vagueness and ambiguity in recording of satisfaction.

No Deduction since Sale was made in Cash under Unregistered Deed: ITAT

Sri Ram Narayan vs. Income Tax Officer

ITA No. 428/JP/2018
Date 28.06.2019

Fact of the Case

- The assessee have purchased land on 23rd September, 2009 through an agreement to sale. The alleged agreement to sale is unregistered and the payment is also claimed to have been made in cash.
- The assessee has not produced any other document to show that the assessee has acquired the ownership title in land in question.
- In the absence of subsequent sale deed the claim of deduction u/s 54B & 54F cannot be allowed based on such unregistered agreement to sale, the A.O said.
- The assessee then appealed to the ITAT against the decision of A.O

Decision of the Case

- The Tribunal noted that despite the expiry of about 10 years from the alleged agreement to sale the assessee has admitted that no sale deed has been executed till date.
- Though the agreement to sale which has finally culminated in sale deed is relevant only for the purpose of the date of investment, but the alleged agreement

to sale itself is not a title document transferring the ownership of land.

- There is no dispute that the alleged agreement to sale is unregistered and the payment is also claimed to have been made in cash. The assessee has not produced any other document to show that the assessee has acquired the ownership title in land in question.
- We find that if an agricultural land is purchased by the assessee from the sale proceeds of the existing land, then even if the said land is purchased in the name of the wife, the claim of deduction under section 54B is allowable.
- The Tribunal said that in the absence of subsequent sale deed, the claim of deduction under section 54B and 54F cannot be allowed based on such unregistered agreement to sale.

Law does not Prohibit Share Purchase in Cash:
ITAT

Asha Luthra vs. Income Tax Officer

ITA No. 6480/DEL/2017
Date - 28.06.2019

Fact of the Case

- The assessee, in her return for the relevant assessment year, claimed exempt income u/s 10 (38) of the Act in respect of long term capital gain derived from the sale of listed company's shares.
- The sales of shares were affected in the stock exchange through a registered share broker after paying STT.
- Accordingly, the assessee had claimed long term capital gain as exempt under section 10 (38) in the return of income to the tune of Rs. 20,55,146- and Rs. 23,00,616/-.
- The Assessing Officer also raised an objection regarding the cash purchase of shares and that shares were dematerialized a few days back only from the date of sale.
- The assessee during the course of assessment proceedings had submitted all the relevant evidence for purchase of shares made in cash by the assessee, along with sale contract notes together with bank statements and Demat statements before the AO evidencing the entire transaction of sale of shares being routed through regular disclosed bank statement of the assessee.

- The assessee appealed to the Tribunal against the objection raised by the Assessing Officer

Decision of the Case

- The Tribunal held that "it is the option of the buyer of shares to keep the shares either in Demat form or in paper form. Merely because the shares were dematted at a later stage, no adverse inference could be drawn.
- The Learned Counsel for the Assessee has taken us through various documents filed in the paper book as referred to above which specifically prove the purchase of shares made by assessee genuinely which were also sold genuinely.
- The transactions were carried through Demat account and banking channel on which STT has been paid by the assessee.
- The report of the SEBI was not adverse in nature against the assessee because the name of the assessee did not appear therein for conducting the dubious transaction.
- While concluding the case in favour of the assessee, the Tribunal noted that "there is no law which prohibits the purchase of shares in cash, however in the present case, assessee had filed copies of bills of purchase, copy of share certificates and transfer forms etc. before Ld. AO and no adverse inference could be drawn only because the shares were purchased in cash."

TAX COMPLIANCE CALENDAR AT A GLANCE

GST CALENDAR

Date	Return Type
20-08-2019	GSTR 3B - for the month of July 2019.
20-08-2019	GSTR 5 & 5A - to be filed by the Non-Resident taxable person & OIDAR for the month of July 2019.
31-08-2019	ITC 04 - for July 2017 to March 2019 for filing the details of goods or capital goods sent to job worker and received back
31-08-2019	GSTR 9 - to be filed by all registered persons for FY 2017-2018.
31-08-2019	GSTR 9A - Annual Return for Composition Tax Payer for FY 2017-2018
31-08-2019	GSTR 9C - Annual Return for FY 2017-2018 by registered person whose Annual Turnover for FY 2017-2018 is above Rs. 2 Cores
31-08-2019	GSTR 7 - to be filed by the person who is required to deduct TDS under GST for the month of June 2019
31-08-2019	CMP 08 - The last date for furnishing statement containing the details of the self-assessed tax in for the quarter April, 2019 to June, 2019 by taxpayers under composition scheme.

DIRECT TAX CALENDAR - AUGUST, 2019

07.08.2019

- Due date for deposit of Tax deducted/collected for the month of July, 2019. 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
- Due date for issue of TDS Certificate for tax deducted under section 194-IA and section 194-IB in the month of June, 2019

15.08.2019

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of July, 2019 has been paid without the production of a challan
- Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of July, 2019
- Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending June 30, 2019

30.08.2019

- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA and section 194-IB for the month of July, 2019

DIRECT TAX CALENDAR - SEPTEMBER, 2019

07.09.2019

- Due date for deposit of Tax deducted/collected for the month of August, 2019. 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

14.09.2019

- Due date for issue of TDS Certificate for tax deducted under section 194-IA and section 194-IB in the month of July, 2019

15.09.2019

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of August, 2019 has been paid without the production of a challan
- Second instalment of advance tax for the assessment year 2020-21
- Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of August, 2019

30.09.2019

- Audit report under section 44AB for the assessment year 2019-20 in the case of a corporate-assessee or non-corporate assessee (who is required to submit his/its return of income on September 30, 2019).
- 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 August, 2019
- Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is September 30, 2019)
- Annual return of income for the assessment year 2019-20 if the assessee (not having any international or specified domestic transaction) is (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) working partner of a firm whose accounts are required to be audited).
- Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on September 30, 2019)
- Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or 11(1) (if the assessee is required to submit return of income on September 30, 2019)
- Submit copy of audit of accounts to the Secretary, Department of Scientific and Industrial Research in case company is eligible for weighted deduction under section 35(2AB) [if company does not have any international/specified domestic transaction]
- Due date for claiming foreign tax credit, upload statement of foreign income offered for tax for the previous year 2018-19 and of foreign tax deducted or paid on such income in Form no. 67. (if due date of submission of return of income is September 30, 2019).

SNAPSHOTS



CMA Niranjan Mishra, Chairman, Indirect Taxation Committee and CMA Rakesh Bhalla, Chairman, Direct Taxation Committee extending greetings to Shri Anurag Thakur, Hon'ble Union Minister of State for Finance and Corporate Affairs during the meeting on 13th August 2019 to discuss Institute's representation submitted to the Ministry of Finance for Inclusion of Cost Accountant in the definition of "Accountant" u/s 288 of Income Tax Act, 1961



CMA Niranjan Mishra, Chairman, Indirect Taxation Committee CMA P Raju Iyer, Central Council Member, CMA Rakesh Bhalla Chairman, Direct Taxation Committee meeting and discussion with Shri Akhilesh Ranjan, Member (Legislation), Ministry of Finance

SNAPSHOTS



CMA Niranjan Mishra, Chairman, Indirect Taxation Committee and CMA P Raju Iyer, Central Council Member, meeting with Shri Yogendra Garg, Principal Commissioner - GST Policy, CBIC



CMA Niranjan Mishra, Chairman, Indirect Taxation Committee CMA P Raju Iyer, Central Council Member, CMA Rakesh Bhalla Chairman, Direct Taxation Committee meeting and discussion with Shri Rajesh Kumar Bhoot, Joint Secretary, Ministry of Finance

TAXATION COMMITTEE - PLAN OF ACTION

Proposed Action Plan:

1. Successful conduct of Certificate Course on GST.
2. Publication and Circulation of Tax bulletin (both in electronic and printed formats) for the awareness and knowledge updation of stakeholders, members, traders, Chambers of Commerce, Universities.
3. Publication of Handbooks on Taxation related topics helping stakeholders in their job deliberations.
4. Carry out webinars for the Capacity building of Members - Trainers in the locality to facilitate the traders/ registered dealers.
5. Conducting Seminars and workshops on industry specific issues, in association with the Trade associations/ Traders/ Chamber of commerce in different location on practical issues/aspects associated with GST.
6. Tendering representation to the Government on practical difficulties faced by the stakeholders in Taxation related matters.
7. Updating Government about the steps taken by the Institute in removing the practical difficulties in implementing various Tax Laws including GST.
8. Facilitating general public other than members through GST Help-Desk opened at Head quarter of the Institute and other places of country.
9. Introducing advance level courses for the professionals on GST and Income Tax.
10. Extending Crash Courses on Taxation to Corporates, Universities, Trade Associations etc.

Disclaimer:

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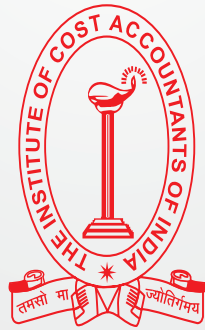
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