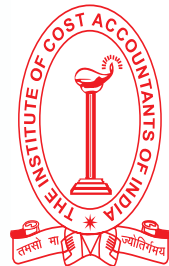


TAX Bulletin

March, 2018 Volume - 12



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100



MISSION STATEMENT

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



VISION STATEMENT

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

Objectives of Taxation Committee:

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

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FROM THE DESK OF THE CHAIRMAN

Dear Colleagues,

Namaskar and Best Wishes....!!!

It is my great pleasure & privilege to place 12th volume of fortnightly "Tax Bulletin" published by the Institute of Cost Accountants of India to provide general guidance in comprehensible language on various tax related topics for the interest of taxpayers, practitioners and stakeholders.

I am happy to inform you that the 2nd phase of the 1st Batch of "Certificate Course on GST" will commence on 18th March, 2018 in Ahmadabad, Surat, Nasik, Baroda, Chandigarh, Bhubaneswar, Faridabad. Total number of admission has already been crossed 500 all over India and we are receiving gratifying response from the Industry, Government and Members.

I would like to inform that Rourkela Chapter in collaboration with Tax Research Department had organized a Seminar on 11th March, 2018 on the topic of **GST-E way bill road ahead, skill development through certificate course on Accounting Technician for MSME sector.**

Beside this, I would like to share another information that Tax Research Department organized a two days **National Interactive Seminar-cum-Workshop on "Unfolding Goods and Services Tax** with Fakir Mohan University, Balasore on 9th & 10th March, 2018.

It is our great pleasure to share that Sreerampore Chapter, West Bengal organized a seminar on **"Preparing the Next for the Best - Vision Skill India"** to celebrate their Silver Jubilee on 11th March. They also dedicated another session in that Seminar for GST **"Impact of GST on MSME Sector - Issues and Challenges"**.

Simultaneously I would also like to inform that 58th National Cost Convention 2018 was organized on 16th & 17th March, 2018 at Vigyan Bhawan in New Delhi. The theme of this National Cost Convention was **New India 2022, Role of CMAs from Intent to Action.** I am expressing my gratitude to our Hon'ble Vice President Shri M Venkaiah Naidu, Hon'ble Union Minister of Commerce & Industry Shri Suresh Prabhu, Hon'ble Union Minister of Railways & Coal Shri Piyush Goyal, Hon'ble Union Minister of State for Law & Justice and Corporate Affairs Shri P. P Chaudhary, Minister of State for Finance Shri Shiv Pratap Shukla, Secretary of Ministry of Corporate Affairs Shri Injeti Srinivas for their presence in 58th National Cost Convention 2018.

I appreciate the passionate efforts of TRD members and look forward for incessant success.

CMA Niranjana Mishra
Chairman - Taxation Committee
19th March, 2018

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SERVICES TAKEN FROM GOVT. AUTHORITIES

CMA RAJENDRA RATHI

General Manager, Indirect Taxation, Reliance Industries

Reverse charge applicability on Govt Services

As per section 9 (3) of CGST Act 2017 Services provided by **Central Govt, State Govt, Union Territory or local Authority to business entity** excluding few services like renting of immovable property, Speed Post services, etc. are taxable on reverse charge basis in the hand of recipient of services.

Meaning of Govt & local Authority

As per section 2 (53) of CGST Act 2017, "**Government**" means the Central Government. As per clause (23) of section 3 of General Clauses Act 1897 The Government includes both the central government and any State Government. Central Govt means president and officers subordinate to him having executive powers of the union vested in the president.

As per section 2(69) of CGST Act 2017 "**Local Authority**" means a panchayat as defined in clause (d) of article 243 of constitution ,a Municipality as defined in clause (e) of article 243 of constitution, development board constituted under article 371 of the constitution etc.

Taxability (Reverse charge & forward charge) /Exemption on Services supplied by Government

Services provided by Central Govt, State Govt, Union Territory or local Authority to business entity excluding few services like renting of immovable property, Speed Post services, etc. are taxable on reverse charge basis in the hand of recipient of services. For clarity refer table below.

Sl. No	Type of Govt services	Taxable under reverse charge	Taxable under forward charge	Exemption	Remark
1	Services supplied by Central Govt, State Govt, Union Territory or local Authority to business entity excluding few services	Yes			
2	Renting of immovable property	No	yes		SI no 5 of notification no 13/2017 central tax (rate) dated 28-06-2017
3	Services by the department of post by way of speed post, express parcel post, life insurance		yes		Do
4	Services in relation to air craft or a vessel inside or outside the precincts of a port or an airport		Yes		Do
5	Transport of goods or passenger		Yes		Do
6	Services by Central Govt, State Govt, or local Authority for function entrusted to Municipality under article 243 W of constitution.			YES	SI no 4 of Notfn no 12/2017 central tax (rate) dated 28-06-2017 Functions under 243 W are (a) Urban planning including town planning (b) Regulation of land use (c) Roads & Bridge (d) Water supply (e) Public health sanitation and solid waste mgt

					(f) Fire, (g) Protection of environment and promotion of ecological (h) Park garden play grounds (i) Public amenities including street light parking etc.
7	Services by Central Govt, State Govt, or local Authority by way of (a) Registration required under any law for time being in force (b) Testing, calibration ,safety check or certification relating to protection or safety of workers or consumers or public at large			yes	SI no 47 of Notfn no 12/2017 central tax (rate) dated 28-06-2017
8	Services by Central Govt, State Govt, or local Authority where consideration for such service does not exceed five thousands rupees.			yes	SI no 9 of Notfn no 12/2017 central tax (rate) dated 28-06-2017

Further Services taken from Governmental Authorities are not under reverse charge but some services provided by governmental authorities are exempted which need to keep in mind.

Governmental Authority defined in Notification 31/2017 Central Tax Rate dated 13-10-2017.



INPUT SERVICE DISTRIBUTOR

CMA TANUJA MANTRAWADI
Practicing Cost Accountant

The concept of ISD under GST is a legacy carried over from service tax regime. It is common practice in trade that corporate or head office of the organization procures certain services which are common for all units of such organization located across the country.

Being purchase orders are raised from HO, supplier issued invoice in the name of head office. However, head office itself would not be able to utilize the Input Tax Credit on such services as Head office would not be providing any output supply. Apart from this, there are certain services which are acquired for the organization as a whole. For example, services of chartered accountant by way of statutory audit, services of marketing, insurance, telecommunication, software services etc. These services are used by all units of the organization, however, single bill issued to head office of the organization.

Since common expenditure is meant for the business of all units, it needs to be apportioned between all the consuming units.

In order to distribute input tax credit of such services among all the consuming units, ISD mechanism has been introduced.

Input Service Distributor means an office of the supplier of goods and / or services which receives tax invoices issued under Sec. 31 towards receipt of input services and issues a prescribed document for the purpose of distributing the credit of CGST (SGST in State Acts) and / or IGST paid on the said services to a supplier of taxable goods and/or services having same PAN as that of the office referred to above.

It is important to note that the ISD mechanism is meant only for distributing the credit of common input services and not goods.

Given below are salient features of facility of Input Service Distributor:

1. A separate registration is required even if he is otherwise registered under GST
2. An Invoice needs to be raised for transfer of input tax credit on input services to other registered premises.
3. Invoice shall contain following:-
 - ✓ Name and address of Input Service Distributor
 - ✓ GSTN of Input Service Distributor

- ✓ Invoice No. and Invoice Date
- ✓ Name and Address of Receiver of credit, name of state and state code
- ✓ GSTN of receiver
- ✓ Amount of credit (tax wise) distributed to respective recipient
- ✓ Signature or digital signature of Input Service Distributor or his authorized representative.

4. Input Tax Credit can be distributed to registered premises under uniform PAN.
5. There can be more than one Input Service Distributor.
6. Credit needs to be distributed monthly
7. Eligible Credit as well as ineligible credit needs to be distributed
8. Credit can be distributed as per following:

Where ISD & recipient in different states:

- CGST plus SGST as IGST
- IGST as IGST

Where ISD & recipient in same state

- CGST as CGST
- SGST as SGST
- IGST as IGST

9. Credit can be distributed to operational units only.
10. Credit distributed should not exceed credit available for distribution
11. If Credit on input services is attributable exclusively to specific registered premise then such credit shall be distributed only to that registered premise only.
12. If the credit of tax paid on input services is attributable to more than one registered premises then credit shall be distributed only amongst such registered premises to whom the input service is attributable on the basis of the turnover in a State of such registered premises, during the relevant period, to the aggregate of the turnover of all such recipients to whom such input service is attributable and which are operational in the current year, during the said relevant period;

For Example:-

There are four registered premises of a Company namely A, B, C & D having turnover of ₹500, 200,400 & 100 respectively. Credit of ₹100 with respect to services of consultancy is attributable only to A, B & C. Then, Credit of such consultancy services of ₹100 shall be distributed amongst AB&C only. No credit shall be distributed to 'D.' Thus,

Credit shall be distributed in following manner:

To $A = 100 * 500 / 1100 = ₹45.45$
 $B = 100 * 200 / 1100 = ₹18.19$
 $C = 100 * 400 / 1100 = ₹36.36$

13. The credit of tax paid on input services attributable to all recipients of credit shall be distributed amongst such recipients on the basis of the turnover in a State of such recipient, during the relevant period, to the aggregate of the turnover of all recipients and which are operational in the current year, during the said relevant period.
14. Monthly return is required to be filed on 13th of following month.
15. "relevant period" shall be

(a) if the recipients of the credit have turnover in their States in the financial year preceding the year during which credit is to be distributed, the said financial year; or

(b) if some or all recipients of the credit do not have any turnover in their States in the financial year preceding the year during which the credit is to be distributed, the last quarter for which details of such turnover of all the recipients are available, previous to the month during which credit is to be distributed.

In other words, if all the registered premises to whom credit is to be distributed have turnover in then turnover of previous year of such registered premises shall be considered.

If some or all registered premises do not have turnover in previous year than any previous quarter during which there is turnover in all registered premises shall be considered.

Explanation 3. – For the purposes of this section, 'turnover' means aggregate value of turnover, as defined under sub-section (6) of section 2.

16. Turnover means the aggregate value of all taxable supplies, exempt supplies, exports of goods and/or services and inter - State supplies of a person having the same PAN, to be computed on all India basis and excludes taxes, if any, charged under the CGST Act, SGST Act and the IGST Act, as the case may be;

Explanation - Aggregate turnover does not include the value of inward supplies on which tax is payable by a person on reverse charge basis under sub-section (3) of Section 8 and the value of inward supplies.

17. If Credit is distributed in contravention of provisions of Act resulting in excess distribution of credit, it will be recovered from the recipients with interest and penalty.

Conclusion:

The ISD mechanism is very useful to the organization having large share of common expenditure and having Centralized payment system.



JOB WORK

CMA Anuja Puranik
Practicing Cost & Management Accountant

➤ Introduction

Job work is an integral feature of the manufacturing industry. Manufacturers usually outsource a portion of their activities to a third person. This turns out to be cost-efficient and helps them to be more productive by focusing on their core activities.

A large number of industries find it difficult to complete the entire process of production or manufacturing activity on their own therefore, the industry depends on outside support for many things, like, testing, various intermediate processes on raw material etc., for completing/intermediating the manufacturing process. The concept of job-work already exists in erstwhile law of Central Excise, VAT and Service Tax. Under these regulations, concession was given to the job workers and the principal was made responsible for tax compliance on behalf of the job worker. Under GST as well, special provisions have been provided for removal of goods for job-work and receiving back the goods after processing from the job-worker without the payment of GST. The benefit of these provisions shall be available both to the principal and the job worker. However, responsibility of tax compliance lies with the 'principal'.

➤ Definition of Job Work

As per Section 2(68) of the CGST Act, 2017 job work means "Any treatment or process undertaken by a person on goods belonging to another registered person". Therefore, job-worker is the person (registered or unregistered) who is processing or treating the goods of another registered person and the owner of the goods is called the Principal in this respect.

Section 19 of the CGST act, 2017 explains the definition of the Principal as 'a person supplying goods to the job-worker.'

The definition of job work contemplates that the person i.e. principal should be a registered person. Thus, if some treatment or process is undertaken by a job worker on goods belonging to an unregistered person, it will not be considered as job work as per the above definition. Therefore, in a case where the principal is not a registered person the activity may not qualify as job work and may be classified as residual category of service which may attract higher rate of tax.

➤ Registration

Job worker would be required to obtain registration if his aggregate turnover exceeds the prescribed limit.

Note: - The goods of principal, directly supplied from job worker's premises will be included in the aggregate turnover of the principal.

However, the value of goods or services used by the job worker for carrying out the job work will be included in the value of services supplied by the job worker.

➤ Procedure for supplying goods to job worker

- Principal can send goods (inputs / Capital Goods) for job work purpose without payment of GST under the cover of delivery Challan.
- As per Sections 19(2) and 19(5) of CGST Act, 2017, the principal can also send goods directly to the place of job worker without receiving the said goods in his premises first and Input Tax Credit can also be availed in such cases though the principal has not received the goods.
- On the job work charges, GST will be charged by the job worker if the job worker is registered. Credit of the same can be availed by the principal.
- The inputs or capital goods sent to a job worker are required to be received back to the principal manufacturer within the particular period:

Input Goods	- 1 year
Capital Goods	- 3 years

Moulds and dies, jigs and fixtures or tools- no time limit

Effective dates of being goods sent out or acquired by the job worker, it totally depends on the place of business from where goods are sent out.

- If in case capital and input goods are not received within 3 years and 1 year respectively. These goods will be considered as supply on the day when the said inputs were sent out and the tax will be applicable on such deemed supply.

- After processing of goods, the job worker may clear the goods to-
 - i) Another Job Worker for further processing
 - ii) Despatch the goods to any of the place of business of the principal without payment of tax
 - iii) Remove the goods on payment of tax within India or without payment of tax for export outside India on fulfilment of condition.

➤ **The Responsibilities of the Principal**

- Principal can send goods for job work purpose without payment of GST under the cover of delivery Challan.
- Maintaining the accounts of input and capital goods
- Intimate the jurisdictional officer for the detailing of the intended input goods and the nature of the processing being delivered by the job-worker
- Declare the premise of job-worker as additional place of his business in case of export the goods to the third party directly and the job-worker is not registered under GST.

➤ **Waste and Scrap**

Waste & Scrap generated during job work can be supplied as under:

- i) If the job worker is registered, then it can be supplied by the job worker directly from his place of business, on payment of appropriate tax applicable on the said waste / scrap
- ii) If he is not registered, then the waste / scrap generated should be returned to the principal along with the goods and such waste / scrap would be supplied by the principal on payment of tax. Alternatively, the principal may supply waste / scrap directly from premises of job worker under his invoice on payment of tax.

The principal should also maintain proper records of clearance of waste / scrap from the premises of the job worker.

As per Section 143(5) of the CGST Act, 2017, waste generated at the premises of the job worker may be supplied directly by the registered job worker from his place of business on payment of tax or such waste may be cleared by the principal, in case the job worker is not registered.

➤ **Input Tax Credit in case of Job-work**

- i) As per Section 19(1) of CGST Act, 2017, the principal is allowed to take credit on inputs / capital goods sent to the job worker.
- ii) As per Section 19(2) and Section 19(5) of CGST Act, 2017, ITC can be availed by the principal even if such inputs / capital goods are not being first received by the principal and are directly sent to job worker.

➤ **Documents**

(a) **Challan**

- All goods sent for job work must be accompanied by a challan.
- The challan will be issued by the principal.
- It will be issued even for the inputs or capital goods sent directly to the job-worker.
- The details of challans must be shown in FORM GSTR - 1.
- Details of challans must also be filed through Form GST ITC - 04.

The challan issued must include the following particulars:

1. Date and number of the delivery challan
2. Name, address and GSTIN of the consigner and consignee
3. HSN code, description and quantity of goods
4. Taxable value, tax rate, tax amount- CGST, SGST, IGST, UTGST separately
5. Place of supply and signature

(b) **E way Bill:**

Where goods are sent by a principal located in one State to a job worker located in any other State, the e-way bill shall be generated by the principal irrespective of the value of the consignment. In other words, for every inter-state supply of goods to job worker, generation of e-way bill is mandatory even if value of consignment is less than ₹50,000/-.

Transitional Provisions For Job-work Under CGST

This applies for items removed for job work before GST and returned on or after GST implementation.

No tax will be payable if the following conditions are satisfied:

- The goods are returned to the factory within 6 months from 1st July (i.e. by 31st Dec 2017) (extendable for a maximum period of 2 months).
- Goods held by job worker is declared in Form TRAN-1
- The principal manufacturer can sell off the items under job work only after paying required taxes (Excise & VAT if before GST. If he sells after 1st July 2017, then GST applies). This rule does not apply to goods exported out of India within 6 months from the appointed date (extendable by not more than 2 months).

If the goods are not returned within the time period then ITC will be recovered from the principal manufacturer.

Both the registered person who has dispatched the goods as well as the job worker are required to file details of stock with them as on 1.7.2017 within 90 days in form GST TRAN 1.

Conclusion:-

Implications under GST law on the aspects related to job-work transactions are very crucial having regard to the above analysis.

FREQUENTLY ASKED QUESTIONS ON PRACTICAL ISSUES OF GST

Q1. At the time of transition of GST from July we claimed less ITC in the GST Returns but now we came to know that we have to claim more ITC relating prior GST period, the time given by the govt for availing that benefit already over, is there any chance for adjusting that ITC, can govt may extend the period?

Ans. The period of claiming transition period credit is over. At this point, you cannot claim the transition credit.

Q2. I m providing valuation service of immovable property, i have to visit property before give valuation. What is place of supply of service?

Ans. The GST registered premises of your office to be considered as place of supply of service. As the report is submitted from your office address.

Q3. We have a sugar factory in Karnataka. we are selling sugar ex-factory to customers from other states. In this case, which tax is applicable IGST or CGST/SGST.

Ans. Fod.er sale of sugar to customers within Karnataka State, you have to charge CGST and SGST and for sale to customers outside Karnataka, IGST is to be charged.

Q4. We are purchasing PP Bags in Maharashtra and bring to Karnataka by our own transportation cost. For that we are paying SGST & CGST as place of supply is in Maharashtra.

Later, we use these pp bags in production of sugar in Karnataka and sale to Intra state as well as interstate.

In this case, can we take credit of SGST which is paid to pp bag supplier in Maharashtra?

Ans. SGST of Maharashtra cannot be utilised in the State of Karnataka. Suggested you to get the material on IGST basis and avail the benefit of ITC.

Q5. HOW TO MAINTAIN BOOKS OF ACCOUNTS UNDER GST?

Ans. Under GST you have to maintain the books in your manner but provide all the information being asked by the department.

On a broad level, you have to maintain the following:

- Sales
- Purchase
- RCM purchases
- RCM sales
- Qty Registers with HSN
- Cash / Bank
- Advances received from customers

And many others.

Q6. I have registered under GST Composition scheme. I have filed quarterly return GSTR-4 for July-Sept month but I wrongly put my Registered Purchase details Which are not

under reverse charge Mechanism (RCM), In GSTR-4 return in B2B (Reverse charge) tag. So tax liability has made Rs - 14220 i.e. 5% on Rs - 284400. My actual tax liability i.e 1% of 348000 = 3480. I have to pay Rs - 17700 to file Return. How can I adjust or refund Excess tax paid Rs-14220 in subsequent quarter? Please Guide me.

Ans. In next quarter you have to give details under table 5 of Amendments.

Q7. Goods sold before GST which are exempted before GST and know some of the goods are damaged and buyer wants to return and now goods are taxable under GST regime. Then how they sent goods (via invoice or voucher)?

Ans. As the movement of goods is happening post implementation of GST and also the period of 6 months from the rollout is over, the goods has to be shipped with the tax invoice only.

Q8. My bank is charging GST on EMI s Interest portion but as per definition of service "Money" is excluded from the same. Hence, please clarify whether GST levied by Bank is correct or not. If correct, then please specify with GST provision.

Ans. GST is not leviable on the interest component. It is charged on bank charges. If your bank is charging GST then it would be on bank charges. However, it is advisable to get clarity from the bank.

Q9. WHETHER GST IS APPLICABLE ON NOTICE PAY RECOVERED FROM EMPLOYEE FOR EARLY RELIEVING.IF YES, LET US KNOW THE PROVISION ALONG WITH RATE.

Ans. I am of the view that the recovery from employee does not attract GST.

Even if GST has to be paid it is the Employer who has to pay and consider the same as input tax credit. Employee should not be affected.

Q10. I am running readymade clothes showroom in January I registered under GST. My doubt is whether I file GSTR-1 or GSTR-3B or both. My turnover below 1.5 cr.

Ans. You need to file GSTR-1 and GSTR -3B both. FOR GSTR -1 you can go for quarterly return.

Q11. Currently I am running a proprietor firm and now i want to convert it into a partnership firm. In that scenario whether my GSTIN will change or not.

Ans. Yes the GSTIN will change as the PAN numbers are different.

Q12. WE ARE THE TRANSPORT CORPORATION HEAD OFFICE AT CHENNAI, OPERATE STAGE CARRIAGE IN AROUND TAMILNADU AS WELL AS KERALA BANGALORE PONDY TIRUPATHI. WE HAVE 22 DEPOTS OUT OF WHICH 2 DEPOT

AT TIRUVANATHAPURAM AND PONDICHERRY. PROBLEM IS MATERIAL SEND TO OUTSIDE STATE DEPOT. ALREADY WE HAVE PAID GST QUESTION IS WHETHER WE HAVE PAID IGST FOR STOCK TRANSFER TO OUTSIDE STATE (THE TRANSFER MATERIAL ALREADY PAID GST).

Ans. In case of stock transfer outside the state, then IGST is applicable.

Q13. Internal audit party has raised bill on 17/6/2015 for work done by charging 14% service tax. However due to dispute in quality of work, only part payment was released during 2016 reimbursing the proportionate service tax. Now the dispute has been resolved and the balance payment has to be made. The party has not preferred any fresh bill for the differential amount. My query is whether now GST @18% is leviable on the balance amount or not. Please advice.

Ans. In this case, you will be required to pay the service tax only which was not paid earlier due to receipt of lesser amount. No return will be filed in this case.

Q14. In our cement plant vehicle (transport vehicle for employee) are used in plant as well as colony .Can we take credit on repair charges on such vehicle?

Ans. If the vehicles used are registered under the Motor Vehicles Act, then not eligible to take input tax credit.

Q15. Mr. Gaurav has taken franchisee of Amul milk, his annual turnover is 1.5 crores, he sales milk and some milk made products like paneer, dahi, chhaj etc in loose as well as in packed form and also sale packed bread. Is GST applicable for Mr. Gaurav.

Ans. If the sale of taxable products is more than 20 lakhs then GST registration has to be obtained and GST levied only on taxable products. If sale of Taxable products is less than 20 lakhs no need of registration and charging GST.

Taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis).

Q16. A Transformer manufacturing sector, GST 18% claimable on sale of transformer. But for raw material used in manufacturing transformer is purchased with different GST rates. Then how this difference can be claimed?

Ans. Inverted duty structure: Where the credit has accumulated on account of rate of ton inputs being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies), except supplies of goods or services or both as may be notified by the Government on the recommendations of the Council.

In such cases also, refund can be applied under Section 54 of the CGST Act, 2017 read with Rule 89 of the CGST Rules, 2017.

Q17. I have selected quarterly return filing on GST for my client. They have started new business.

Turnover of last year ₹0.00. The sale in current year for the month of Nov & Dec is more than ₹ 1 Crore. Can I select the

monthly return on GST site? What can I do for monthly return?

Ans. The option cannot be changed in between of the financial year. You will be required to select the new monthly option in April, 2018.

Q18. MR. A files his GST form 3B for the month of November on 20.12.2017. On 22.12.2017 he receives a GST invoice dated on 30.11.2017. When He was filling His Form 3B for the month of November he did not take the credit of the amount mentioned in the Invoice which he received on 22.12.2017.

How will he get his credit for the invoice received in Dec dated November?

Ans. There is no restriction in claiming the input credit in the same month. The input credit can be claimed in the subsequent months.

Q19. If I purchase goods of Rs 100/- having 12% GST (Rs 112/-). However the supplier charges 18% GST (Rs 118/-). He does not agree to change the rate. The question is I eligible to take input credit of 18/- or Rs 12/-? Any specific provision in GST Act or any case law in earlier Acts?

Ans. Input tax credit is based on the tax invoice issued by supplier. Whatever tax charged by supplier is eligible for input tax credit.

Q20. My Client is registered in GST, having GSTIN and wants to export its merchandise.

But, it has no IEC (Import Export Code). May please advice:

- 1) Should it require to apply with DGFT to get its PAN validated as IEC? or
- 2) Is its PAN sufficient for the purpose and do not need to apply for IEC or for validation of PAN as IEC with DGFT?

Ans. It is not mandatory to have the IEC for exports.

Q21. One of my clients has sold his entire business including machinery and furniture by transferring all shares of all share holders. My questions are 1. Is there any GST liability in this transaction? 2. Can purchaser of business continue with old GST no.?

Ans. GST will be applicable on the sale of business including machinery. Since the ownership is changing, fresh registration will be required to be obtained in this case by the person who is purchasing the business.

Q22. If a register dealer (NOT MOTOR CAR DEALER) sales his motor car, is he required to pay GST on same? As Input tax credit was not allowed on same. If GST is payable, at what rate and Cess is also applicable?

Ans. As the taxpayer has not taken in the ITC on the car logically it is not applicable when the taxpayer is selling. Another one is if we see the definition of supply, it says supply includes, "sale" it may be interpreted as sales and asked to pay GST.

Q23. In case of Bill To Ship to , if the Bill to buyer is outside India and the ship to is in India and goods does not crossed the custom s frontier of India will it be a domestic supply ? Will the supplier needs to charge IGST or CGST + SGST to the foreign buyer? How the Invoice will be entered in GSTR 1? Whether ITC will be available to the Indian entity who receives the supply on behalf of foreign buyer?

Ans. The place of supply of goods in case of:

- a) imported into India shall be the location of the importer;
- b) exported from India shall be the location outside India.

It does not talk about the actual delivery of the goods but if we see the definition of the export of goods as per sub-section 5 section 2 of the IGST act it says "export of goods with its grammatical variations and cognate expressions,

Means taking goods out of India to a place outside India;"

If we go by definition as per export of goods it is not exported. Please check with your jurisdiction officer also once.

Q24. One if my clients have input of Rated 12% and output Rated 5 %, so how to claim the balance and procedure?

Ans. Section 54(3) provides for refund of tax on account of difference in input tax and output tax (Output tax being lower than input tax).

Form GST-RFD-01 needs to be filed for claiming such refund.

Q25. When we have received discount with GST from our supplier how can we treat?

Ans. Generally GST is charged after considering the Discount, then account for the net of discount amount as mentioned in the invoice.

Q26. Which section we should refer to determine place of supply in case of over the counter sale 10(1) (a) or 10(1) (c)

Ans. Section 10 1(a) talks about specifically for movement of goods and section 10 1(c) talks about cases where there is no movement of goods.

When we sell over the counter, it normally falls in 10 1(c) as the customer picks up the goods and take it along with him. Say for **example** as an individual I am travelling to Delhi from Mumbai and walks into a electronics showroom and buys a mobile phone, in such cases even though i am from Mumbai, the taxes will be CGST and SGST of Delhi only.

Q27. GTA services are liable for GST under Reverse Charge Mechanism.

1. However in some cases where Registered GTA collects tax under forward charge basis @5% or @ 12% whether the same can be claimed as input by service receiver?
2. Whether in the above mentioned case the service receiver still needs to pay GST on Reverse Charge?(He has already paid GST to GTA)

Ans. If the GTA is charging GST in the bill, you can take credit of the same provided the relevant eligibility conditions are for Input Services are fulfilled.

If the GST is paid by the GTA, there is no necessity to pay the GST under RCM.

Q28. Have an query that if i mentioned wrong HSN Code in GST invoice but it won t give any impact on GST rate because it has same rate as correct HSN Code. So, what will be consequences?

Ans. Your customer may face problems in inwarding the material due to wrong code. The credit may be denied due to mismatch once the portal starts functioning fully.

Q29. I am unable to file GSTR 4 of my client. he was registered as composite dealer on 11th Sept 2017. Therefore oct-dec quarter return is to be submitted. but GST site pop out with message that " You cannot file return for this quarter and next quarter"

Ans. Since the registration is obtained on 11th Sep, you need to file the rerun for the Sep month from 11th Sep to end of Sep and the file for the Oct to Dec quarter.

Q30. The buttons in the main screen of GSTR3B are inactive (frozen). Status is submitted.

Unable to file GSTR 3B. Please suggest.

Ans. Apparently it seems that you have only generated and submitted the 3B return. It was not filed with Digital Signature. If the button is freezed, pl contact GST Portal by raising the query.

Q31. I have user id & password of client but I want to change his existing email id & phone no which was given at the time of registration. Please advice how it possible.

Ans. Based on information available to me without amendment you can change only Password Not user ID.

Q32. In case of hiring of manpower service the bill raised by the client is (Basic WAGES + EPF + ESI + SERICE CHARGE). Whether GST is calculated on the Basic wages or on the (Basic + EPF + ESI + SERIVE CHARGE). PLS CLARIFY.

Ans. GST is payable On Total Cost (Wages + PF + ESI + Service Charge).

Q33. While uploading ITC-04 data on portal , in respect of one challan number containing more than one description, but portal did not accepting this. Please advice how we should treat such kind of issues.

Ans. The information needs to be clubbed together in one line.

Q34. I have filed GSTR-1 for the month of July but i entered wrong invoice no. under tile documents issued. Can I able to rectify it in my August month s GSTR-1.

Ans. Presently there is no provision to revise GSTR-1. This can possibly be corrected when GSTR-2A will be auto populated. Presently the full system is not in force.

Q35. Is there any input tax credit available on premium payment of vehicle insurance for official purpose?

Ans. Input tax credit is not allowed for Car (Refer Section 17(5) CGST Act) even if used for official purpose. Accordingly, the credit on the insurance premium relating to the car will not be available.

Q36. A person is having restaurant cum bar. In this connection, whether he can be opted for composition scheme under GST?

Ans. Restaurant cum bar cannot opt for composition scheme.

Q37. WHAT IS MONTHWISE LAST DATE OF FILING GSTR2 AND GSTR 3?

Ans. As of now these two returns are on hold and the new dates are not yet announced.

Q38. A person is having a wine shop. Whether he can be opt the composition scheme under GST?

Ans. Wine sales is not covered GST, it still attracts VAT.

Q39. Under GST, What's the difference between Tax payer and Tax deductor. Please define.

Ans. Tax Deductor is the person who is deducting tax under TDS in GST.

Q40. I am working in Public limited Sugar, power & Alcohol manufacturing co. We are purchasing coal for our power plant and paid cess @ ₹400 PER mt. Whether we can claim refund for cess paid or can we adjust the cess only when at the time of cess applicable goods sales. Suppose if we purchase 4000 mts of coal from supplier, we sale the same to our sister concern in very small level. Hence we have to lose the cess paid amt. Please reply.

Ans. You are not allowed to claim refund of the Compensation Cess paid on the inputs. However, if you have a liability to pay Compensation Cess on the supplies made by you, you can avail the credit of cess paid on inputs. Your example is clear. You can take the credit to the extent of liability on supplies to sister concerns only. Balance will become cost to you.

Q41. A small Trader want to register under Composition Scheme of GST during the second week of January 2018. Whether the Trader can be opt the scheme. Is there any time period for obtaining the Composition scheme under GST?

Ans. There is no time limit, they can apply for registration under composition scheme.

Q42. What is the maximum cash amount of GST tax invoice in a single invoice?

Ans. Apparently there is no limit for tax invoice. It seems that this query is relating to exemption for paying GST on supply of goods and services from unregistered persons. The limit for such transactions was ₹5000/- per day. However, this provision has been kept in abeyance as on date.

Q43. What are the documents required for registration (acquire new GSTIN No.) of a Company.

Ans. PAN, Directors PAN, Photos, separate email for each director and phone nos, Other registration no like IEC, CIN etc., Registration certificate, lease document or ownership document etc. HSN codes and SAC for goods and services provided, authorized signatory details, bank details etc. Once you go to the GST Portal, all these will be available through format only.

Q44. Please provide clarification on this notification suppose if we had deposited tax under RCM on 20.10.2017. Can be eligible for refund?

Ans. Though deposit is made on 20th Oct, what is the time of supply for the transactions? The basis on that only it can be confirmed that if the amount deposited is eligible for refund or not.

Q45. Services were provided and invoices were raised prior to GST for which there is downward revision in price for services and credit note is to be issued. Please suggest whether to reverse GST or service tax in credit note.

Ans. During the Service tax regime there was no credit note adjustment and hence for the credit note for invoice raised prior to 1.7.2017 no GST/Service Tax credit can be adjusted.

Q46. Advance received in previous month, GST paid on advance, invoice raise in current month. In GSTR-1 table B2B has shown full invoice amt in current month and adjustment of advance shown in 11b, but tax liability ledger showing full liability. It should show adjustments of tax paid against advances.

Ans. It would have been correct if the GSTR - 2 and GSTR - 3 are in place, but now we do not have them, till such time you should adjust the same in GSTR - 3B and do the process you are doing currently.

Q47. GST payable on Advance Received from Customer on Provision of Supply in future?

Ans. GST is payable on advances received for supply of goods and services. However, the provision for paying advance for supply of goods has been kept in abeyance till 31st March, 2018. Hence, GST needs to be paid on advances received for supply of services.

Q48. Can GST applicable on LD? If yes, what is HSN/SAC code?

Ans. LD is financial in nature and no GST is applicable.

Q49. I have taken Cenvat Credit in TRAN 1 C/Forward from ST-3 (Service Tax + K. K. Cess) but Central Excise Dept said K.K. Cess credit to be reversed, Tran1 window closed, please guide how to reverse K.K. Cess.

Ans. Whatever excess credit is taken in TRAN-1, the same should be reversed through GSTR-3B for current month under Ineligible ITC - Others Column.

Q50. My query is related to GST on Rent of Immovable property, many cases we found people charged IGST; please clarify in which case we charge IGST on Rent of Immovable property.

Ans. In case of immovable property, place of supply of service is where the property is located. Hence, if the owner is located in another state than property, then he will charge IGST.

Q51. Please advise what is a tax rate for canteen service.

Ans. Vide Notification No. 46/2017 (Central Tax Rate) dt. 14.11.2017, for catering services, the GST rate is 5% and credit of inputs and input services is not allowed.

Q52. Unable to revise service tax return due to technical issue of website. There is a difference in amount of Service tax input carried forward. Please suggest me, what should I suppose to do in the current scenario to submit my Tran-1.

Ans. Please update the correct amount in Tran 1 and explain to the audit team during visit if any.

Q53. Please advise the SAC for being an Examiner of answer scripts of an Institution and the related expenses incurred?

Ans. Apparently it appears that this will be covered under residual category - 999799 - Other service nowhere else classified.

Q54. One of my client is exporting services of technical support without LUT/BOND/PAYMENT OF IGST TILL NOVEMBER. Now I want to know that should he need to pay tax and claim refund for that period or submit a back dated bond.

Ans. As of on date there is no clear provision on how to handle such things.

Q55. Please tell me that if a hotel is booking rooms on tariff but receiving the amount after deducting the commission amount of makes my trip or oyo. Then GST will be charged after deduction of commission or on the full amount.

Ans. GST on room tariff is computed on the declared room tariff and not on the transaction value.

Disclaimer

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AMENDMENTS TO FINANCE BILL 2018-19

1. Only resident non-individual entity is required to obtain PAN

The Finance Bill, 2018 proposed amendment to Section 139A to provide that every non-individual entity will have to obtain a PAN as its Unique Entity Number (UEN) if they enter into a financial transaction of an amount aggregating to ₹2.50 lakhs or more in a financial year.

The Finance Bill, 2018 as passed by Lok Sabha restricts the scope of this provision to only non-individual resident persons.

2. Insertion a new section 112A of the Income-tax Act relating to tax on long-term capital gains in certain cases

The proposed new section 112A provides that where the total income of an assessee, includes any income chargeable under the head "Capital gains", arising from the transfer of a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, subject to the conditions specified under the section, the tax payable by the assessee on the capital gains exceeding one lakh rupees shall be calculated at the rate of ten per cent.

It is further proposed to provide that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

It is also proposed to provide that capital gains arising from a transaction undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is received or receivable in foreign currency, shall be eligible under this section without payment of securities transaction tax.

It is also proposed to provide that the provisions of this section shall not apply to any income arising from the transfer of a longterm capital asset, being an equity share in a company, if the transaction of acquisition, other than the acquisition notified by the Central Government in this behalf, of such equity share is entered into on or after the 1st day of October, 2004 and such transaction is not chargeable to securities transaction tax under Chapter VII of the Finance (No. 2) Act, 2004.

It is also proposed to provide that capital gains under the said section shall be computed without giving effect to the first and second proviso to section 48.

It is also proposed to provide that the cost of acquisition for the purposes of computing capital gains under the section in respect of capital asset acquired by the assessee before the 1st day of February, 2018, shall be as provided in the said section.

It is also proposed to provide that where the gross total income of an assessee includes any long-term capital gains, deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains. It is also proposed to provide that where the total income of an assessee includes any long-term capital gains referred to in the said section, the rebate under section 87A shall be allowed from the income-tax on the total income as reduced by tax payable on such capital gains.

It is also proposed to define the expressions "equity oriented fund", "fair market value", "International Financial Services Centre" and "recognised stock exchange".

This amendment will take effect from 1st April, 2019 and will, accordingly, apply in relation to the assessment year 2019-2020 and subsequent years.

3. 'Significant Economic Presence' even if agreement is entered into outside India

The Finance Bill, 2018 proposed insertion of a new *Explanation 2A* to Section 9 to clarify that 'Significant Economic Presence' in India shall also constitute 'Business Connection' in India.

This would enable levy of tax on dot com companies who are doing business in India through digital means without any physical presence.

The term "Significant Economic Presence" shall mean:

- i) Any transaction in respect of any goods, services or property carried out by a non-resident in India, including provision of download of data or software in India if the aggregate of payments arising from such transaction or transactions during the previous year exceeds the amount as may be prescribed; or
- ii) Systematic and continuous soliciting of business activities or engaging in interaction with such number of users as may be prescribed in India through digital means.

The Finance Bill, 2018 proposed a Proviso to *Explanation 2A* to section 9 to provide that the transactions or activities shall constitute significant economic presence in India, whether or not the non-resident has a residence or place of business in India or renders services in India.

The Finance Bill, 2018 as passed by the Lok Sabha expands the scope of this proviso by adding a new clause that transactions or activities shall constitute significant economic presence in India whether or not the agreement for such transactions or activities is entered into in India.

4. Computation of actual cost of capital asset acquired on conversion of stock-in-trade

The Finance Bill, 2018 proposed that conversion of an inventory into capital asset shall be charged to tax as

business income under Section 28. For this purpose, the Fair Market Value (FMV) of the inventory, as on the date of conversion, shall be deemed to be the full value of the consideration of such inventory.

Though the Finance Bill, 2018 proposed the treatment of inventory into capital assets, yet no corresponding provisions were introduced for computation of actual cost of acquisition of the capital asset so obtained on conversion of inventory. The Finance Bill, 2018 as passed by the Lok Sabha, has now inserted a new *Explanation 1A* to Section 43 to provide that the FMV of the inventory as on the date of conversion shall be deemed to be the actual cost of capital asset in hands of business entity.

5. Streamlining the provisions of section 48 and section 55 in case of taxation of long-term capital gains

A new Section 112A is proposed in the Finance Bill, 2018 to levy tax on long-term capital gains arising from listed equity shares, units of equity oriented mutual funds and units of business trusts. The mechanism to compute long-term capital gains was provided for in the provisions of new Section 112A itself, instead of in other specific provisions, i.e., Sections 48 and 55. To rectify the fallacy, the Finance Bill, 2018 as passed by the Lok Sabha, streamlines the provisions by shifting a few provisions from Section 112A to Section 48 and Section 55.

Sub-section (5) of Section 112A provides that the long-term capital gains for this provision shall be computed without giving effect to First proviso (asset acquired in foreign currency) and Second Proviso (indexation benefit) to Section 48. The provision of this sub-section is now shifted to Section 48 by inserting a new proviso. Similarly, the method of computation of cost of acquisition of listed equity shares or units as explained in sub-section (6) of Section 112A is now shifted to Section 55.

The meaning of 'fair market value' is further elaborated in the Finance Bill, 2018 as passed by Lok Sabha to deal with the situation where shares were unlisted as on January 31, 2018 but are listed on the date of transfer which happens on or after April 1, 2018.

In the above scenario, the taxpayer is allowed to take the benefit of indexation of cost of acquisition of such unlisted equity shares which is otherwise not available for purpose of capital gains tax under Section 112A.

6. Withdrawal of Sec. 54EC exemption if bonds issued on or after 01-04-2018 are redeemed within 5 years

Section 54EC provides exemptions up to ₹50 lakhs if any long-term capital gain is invested in the specified bonds of NHAI and RECL within a period of six months after the date of such transfer. Such investments in these bonds have a lock-in period of 3 years.

The Finance Bill, 2018 proposes to restrict the scope of exemption under Section 54EC only in respect of long-term capital gains arising from land or building or both. Further, the lock-in period of these bonds, i.e., NHAI and RECL, has been proposed to be increased to 5 years.

Though the Finance Bill, 2018 proposed to increase the lock-in period of investments in bonds to 5 years, yet it didn't propose any amendment for reversal of exemption if these bonds are transferred or redeemed within 5 years.

The Finance Bill, 2018 as passed by Lok Sabha inserts a new proviso in section 54EC(2) that exemption shall be withdrawn if bonds issued on or after 01-04-2018 are transferred or redeemed within 5 years.

7. Amendment of Section 55 in relation to Long Term Capital Asset (Equity Share)

In section 55 of the income Tax Act, in sub-section (2), after clause (ab), the following clause shall be inserted, namely:-

In relation to long term capital asset, being an equity share in a company or a unit of an unit oriented fund or a unit of business trust, acquired before the 1st Feb 2018, shall be higher of:

- i. The cost of acquisition of such asset
- ii. Lower of -
 - a) The fair market value of such asset; and
 - b) The full value of consideration received or accruing as a result of the transfer of the capital asset

8. Amendment to section 80-IAC for requirement of threshold limit of turnover for Start-ups

Deductions under Section 80-IAC are available to an eligible start-up for 3 consecutive assessment years out of 7 years at the option of such start-up.

These deductions are allowed subject to certain conditions as given below:

- a) The start-up company is incorporated between April 1, 2016 and March 31, 2021;
- b) The total turnover from start-up business does not exceed ₹25 crores in any of the previous year 2016-17 to 2020-21; and
- c) It is engaged in an eligible business which involves innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.

The Finance Bill, 2018 proposes that the condition of 'turnover does not exceed ₹25 crores' shall be checked in 7 previous years commencing from the date of incorporation. The Finance Bill, 2018 as passed by Lok Sabha now provides that condition of 'turnover does not exceed ₹25 crores' shall be checked in 7 previous years commencing from the previous year in which deduction under section 80-IAC is first claimed.

9. Amendment of Section 139A-I

Sub-section (1) of the said section, inter alia, provides that every person specified therein and who has not been allotted a permanent account number shall apply to the Assessing Officer for allotment of a permanent account number.

10. Amendment of Section 139A-II

It is proposed to insert a new clause (v) in the said sub-section so as to provide that every person, not being an individual, which enters into a financial transaction of an amount aggregating to two lakh fifty thousand rupees or more in a financial year shall apply to the Assessing Officer for allotment of a permanent account number. It is further proposed to insert a new clause (vi) so as to provide that the managing director, director, partner, trustee, author, founder, karta, chief executive officer, principal officer or office bearer of the person referred to in clause (v), or any person competent to act on behalf of the person referred to in clause (v), shall also apply to the Assessing Officer for the allotment of permanent account number. These amendments will take effect from 1st April, 2018.

11. Amendment of Section 139A-III

In Explanation occurring after sub-section (8), in clause (c) the word "and issued in the form of a laminated card" shall be omitted.

12. Valuation of securities held by bank or financial institution

The Finance Bill, 2018 proposed to amend Section 145A to provide that the inventory, being unlisted securities or securities listed but not quoted on a recognised stock exchange, shall be valued at actual cost initially recognised in accordance with the Income Computation and Disclosure Standards (ICDS). The inventories of other securities shall be valued at lower of actual cost or net realizable value in accordance with ICDS.

The Finance Bill, 2018 as passed by Lok Sabha has inserted a new proviso in section 145A to provide that the securities held by a scheduled bank or public financial institution shall be valued in accordance with ICDS after taking into account the extant guidelines issued by the RBI in this regard.

13. Amendment of Section 145

Explanation 2 – For the purpose of the Section-

- (a) "Public Financial Institution" shall have the meaning assigned to it in clause (72) of section 2 of the Companies Act, 2013
- (b) "recognised stock exchange" shall have the meaning assigned to it in clause (ii) of explanation 1 to clause (5) of section 43.
- (c) "scheduled bank" shall have the meaning assigned to it in clause (ii) of explanation to clause (viiia) of sub section 1 of section 36

14 & 15. Amendment of section 286 of the Income-tax Act relating to furnishing of report in respect of international group

Clause 53 of the Bill seeks to amend section 286 of the Income-tax Act relating to furnishing of report in respect of international group.

The said section, inter alia, provides for specific reporting regime containing revised standards for transfer pricing

documentation and a template for country-by-country reporting.

Sub-section (2) of the said section provides that the parent entity or the alternate reporting entity of an international group which is resident in India shall furnish a report in respect of the international group on or before the due date specified under sub-section (1) of section 139 for furnishing of return of income of the relevant accounting year.

It is proposed to amend the said sub-section so as to provide that the said report for every reporting accounting year shall be furnished within a period of twelve months from the end of said reporting accounting year.

It is further proposed to amend sub-section (3) to give reference therein of the report to be furnished under sub-section (4).

It is also proposed to amend sub-section (4) so as to provide in case of a constituent entity, resident in India, whose parent entity is outside India that –

- a) report of the nature referred to in sub-section (2) shall be furnished within the period specified in sub-section (2); and
- b) an additional condition for filing of report by said entity in a case where a country or territory, of which the parent entity is resident, is not obligated to file the report of the nature referred to in sub-section (2).

It is also proposed to amend sub-section (5) so as to provide that the due date for furnishing of the report of the nature referred to in sub-section (2) by said entity with the tax authority of the country or territory of which such entity is resident, would be the due date specified by that country or territory.

It is also proposed to consequentially substitute clause (b) of sub-section (9) so as to provide that the term "agreement" would mean a combination of, -

- i) an agreement referred to in sub-section (1) of section 90 or sub-section (1) of section 90A; and
- ii) an agreement as may be notified by the Central Government for exchange of the report referred to in sub-section (2) and subsection (4).

It is also proposed to consequentially amend clause (j) of sub-section (9) so as to also make reference to the report referred to in sub-section (4).

These amendments are clarificatory in nature. These amendments will take effect retrospectively from 1st April, 2017 and will, accordingly, apply in relation to the assessment year 2017-2018 and subsequent years.

16. Insertion of New Section 14A, protection against attachment

The amount standing to the credit of any depositor in Public Provident Fund scheme shall not be liable to attachment under any decree or order of a any court in respect of any debt or liability incurred by the depositor

17. Insertion of New Clause to Section 36 of Income Tax Act

Clause 10 of the Bill seeks to amend section 36 of the Income-tax Act relating to other deductions. Sub-section (1) of the said section provides for allowing certain deductions in computing income under the head "Profits and gains of business or profession". It is proposed to insert a new clause (xviii) in the said sub-section so as to provide that deduction in respect of any marked to market loss or other expected loss shall be allowed, if computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145. This amendment will take effect retrospectively from 1st April, 2017 and will, accordingly, apply in relation to the assessment year 2017-2018 and subsequent years.

18. Amendments to the Government Savings Banks Act, 1873

A new Section 14A has been proposed to be inserted in the said Act, whereby immunity has been provided from attachment of any amount standing credit to the account of any depositor in the Public Provident Fund Scheme from any decree or order of any court in respect of any debt or liability incurred by the depositor.

19. Amendment of section 80DDB

The limit of ₹60,000/ 80,000 for Senior/ Super Citizens has been increased to ₹1,00,000 for both senior and super senior citizens. The deduction of ₹40,000/ ₹60,000/ ₹80,000/ ₹1,00,000 allowed under section 80 DDB is allowed over and above limit of ₹1,50,000 under Section 80C.

20. Imposition of New Section 43AA of the Income Tax Act relating to taxation of foreign exchange fluctuation.

The proposed new section provides that, subject to the provisions of section 43A, any gain or loss arising on account of any change in foreign exchange rates shall be treated as income or loss, as the case may be, and such gain or loss shall be computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145. It is further proposed to provide that gain or loss arising on account of the change in foreign exchange rates shall be in respect of all foreign currency transactions including those relating to monetary items and non-monetary items or translation of financial statements of foreign operations or forward exchange contracts or foreign currency translation reserves. This amendment will take effect retrospectively from 1st April, 2017 and will, accordingly, apply in relation to the assessment year 2017-2018 and subsequent years.

21. Amendment to section 44AE of the Income-tax Act relating to special provision for computing profits and gains of business of plying, hiring or leasing goods carriages.

Sub-section (2) of the said section, inter alia, provides that for the purpose of computing profits and gains of business of plying, hiring or leasing goods carriages an amount equal to seven thousand five hundred rupees for every month or part of a month or an amount claimed to be actually earned by the assessee, whichever is higher, shall be deemed to be the aggregate income.

It is proposed to substitute the said sub-section so as to provide that for a heavy goods vehicle, the profits and gains shall be an amount equal to one thousand rupees per ton of gross vehicle weight or unladen weight, as the case may be, for every month or part of a month during which the heavy goods vehicle is owned by the assessee in the previous year or an amount claimed to have been actually earned from such vehicle, whichever is higher.

It is further proposed to provide that in the case of a goods carriage other than heavy vehicle, the profits and gains shall be an amount equal to seven thousand five hundred rupees for every month or part of a month during which the goods carriage is owned by the assessee in the previous year or an amount claimed to have been actually earned from such goods carriage, whichever is higher.

It is also proposed to define the expressions "goods carriage", "gross vehicle weight", "heavy goods vehicle" and "unladen weight" in the said section.

These amendments will take effect from 1st April, 2019 and will, accordingly, apply in relation to the assessment year 2019-2020 and subsequent years.

SIGNIFICANT POINTS RAISED BY CBEC

CBEC enumerates Customs Initiatives for Reduction in Transaction Cost

- 1) The Central Board of Excise and Customs (CBEC) have issued an advisory on initiatives taken by the Customs department for the reduction in transaction cost. Firstly, the department has given a relaxation to the Cargo service providers to take insurance cover for goods stored in Customs area for 10 days instead of 30 days. Further, merchant overtime charges waived for 24*7 locations.
- 2) The last one in the list is, the introduction of e-Seal for cargo in place of officer supervised sealing. With a view to bringing uniformity and ease of doing business, the Board decided to implement the e-Seal and issued a circular on July, laying down the procedures relating to factory stuffing hitherto carried out under the supervision of the Central Excise officers.

More Late Fee payable for Delay in Filing GSTR-3B due to System Error

- 1) The Goods and Services Tax Network (GSTN) portal recently clarified the liability to pay the late fee for filing GSTR-3B with delay.
- 2) The question was that “The taxpayer has paid all liability along with late fees and interest but is unable to file Form GSTR 3B due to the system error. Will he/she have to pay more late fees?”
- 3) “If after submit, the return is filed late, then, in that case, the late fee is payable from the date of submission to date of filing. Such late fee is auto-populated to next month’s return as current month’s liability has already been finalized,” a monthly newsletter issued by the GSTN portal said.

Trouble Shooting Tips

Query	Resolution
Taxpayer has paid all liability along with late fees and interest, but is unable to file Form GSTR-3B due to system error. Will he/she have to pay more late fees?	If after submit, return is filed late, then in that case late fee is payable from date of submit to date of filing. Such late fee is auto populated to next month’s return as current month’s liability has already been finalized.
Supply to SEZ with payment of IGST shown under taxable supply column instead of Zero-Rated column in GSTR-3B. While applying refund of IGST paid, system displays error that you cannot claim more than what you mentioned in Zero-Rated column in 3B. What is the solution?	All Zero-Rated supplies are to be reported in 3.1(b) of GSTR-3B.
For GSTR-1 ,new version of offline utility is downloaded. At the time of uploading of JSON file , system is prompting “File could not be uploaded download the latest version”.	Taxpayer should ensure JSON payload is from the latest JSON template or generated from new version of utility. Taxpayer can also download JSON schema of latest version from the link: - http://developer.gstsystem.co.in/apiportal/taxpayer/returns If you face any other issue, kindly log a new ticket along with the screenshot of the error visible to you. Also, please mention date & time – when this issue occurred.
Migrated taxpayers were unable login on their GSTN Account & “system error” occurred. But they were able to login earlier & also filed returns previously.	Taxpayer has changed primary Authorized Signatory email that’s the reason his user id has got deleted. Taxpayer needs to create new user id with the token sent on updated email id & mobile number. Taxpayer will be able to login once new user id is created.
Taxpayers are unable to file GSTR-3B for the month of January; they are receiving error - “Please file previous return first.” Though they have filed already.	Taxpayer has already filed for January month yesterday & his previous months were also filed earlier. Please log ticket & share GSTIN in case still generating same error.

- 4) A taxpayer asked, “Supply to SEZ with payment of IGST shown under taxable supply column instead of the zero-rated column in GSTR 3B. While applying the refund of IGST paid, the system displays error that you can’t claim more than what you mentioned in the zero-rated column in 3B. What is the solution?”. To this, it was replied that all zero-rated supplies are to be reported in 3.1(b) of GSTR-3B.
- 5) It further said that the migrated taxpayers who are unable to access their GSTN account should ensure JSON payload is from the latest JSON template or generated from the new version of the utility. The taxpayer can also download JSON schema of the latest version from the link:

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

GOODS AND SERVICES TAX

CENTRAL TAX

Notification No. 12/2018 – Central Tax

Dated: 07.03.2018

Central Goods & Service tax (Second Amendment) Rules, 2018

The central Government with Notification No. 12/2018 dated 7th March, 2018 has notified following rules further to amend the Central Goods and Service tax rules, 2017

Particulars	Existing provision	Revised provision
Submission of statement in FORM GST TRAN 2 (FORM for furnishing the details of stock held by registered person availing scheme (60%/40% ITC)	Submits a statement in Form GST TRAN 2 at the end of each of 6 tax periods during which the scheme is in operation.	Submits a statement in Form GST TRAN 2 by 31st march, 2018 or within such period as extended by the commissioner

Substitution in Rule 138 E-way Rules

Existing Provision	Revised Provision	Remarks
Sub rule (1) of Rule 138 provides that every registered person who causes movement of goods furnish information relating to the said goods as specified in Part A of FORM GST EWB-01, electronically, on the common portal	Sub rule (1) of Rule 138 provides that every registered person who causes movement of goods furnish information relating to the said goods as specified in Part A of FORM GST EWB-01, electronically, on the common portal along with such other information as may be required on the common portal and a unique number will be generated on the said portal	Now, the registered person is also required to furnish additional information relating to goods as may be required on the common portal and a unique number will be generated on the said portal
Proviso to sub rule (3) of Rule 138 provides that where the goods are transported for a distance of less than 10 kilometers within the State or Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the recipient, or as the case may be, the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.	Proviso to sub rule (3) of Rule 138 provides that that where the goods are transported for a distance of upto fifty kilometers within the State or Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the recipient, or as the case may be, the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.	Earlier, the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01 where the goods are transported for a distance of less than 10 kilometers. Now, the distance limit has been extended upto fifty kilometers within the State.
Proviso to sub-rule (5) of Rule 138 provides that where any transporter transferring goods from one conveyance to another and the goods are transported for a distance of less than 10 kilometers within the State or Union territory from the place of business of the transporter finally to the place of business of the consignee, the details of the conveyance may not be updated in the away bill.	Proviso to sub-rule (5) of Rule 138 provides that where any transporter transferring goods from one conveyance to another and the goods are transported for a distance of upto fifty kilometers within the State or Union territory from the place of business of the transporter finally to the place of business of the consignee, the details of the conveyance may not be updated in the away bill.	Earlier in case of transferring goods from one conveyance to another the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01 where the goods are transported for a distance of less than 10 kilometers. Now, the distance limit has been extended upto fifty kilometers within the State.
Sub-rule (7) of Rule 138 provides that where the consignor or the consignee has not generated Form GST EW-01 in accordance with the provision of sub rule (1) and value of goods carried in	Sub-rule (7) of Rule 138 provides that where the consignor or the consignee has not generated the e-way bill in FORM GST EWB-01 and the aggregate of the consignment value of goods carried	Through this substitution it has been provided that inspite of identifying value of goods carrying in the conveyance, aggregate of the consignment value of goods carried

<p>the conveyance is more than fifty thousand rupees, the transporter shall generate the e-way bill in FORM GST EWB-01 on the basis of invoice or bill of supply or delivery challan, as the case may be, and may also generate a consolidated e-way bill in FORM GST EWB-02 on the common portal prior to the movement of goods.</p>	<p>in the conveyance is more than fifty thousand rupees, the transporter, except in case of transportation of goods by railways, air and vessel, shall, in respect of inter-State supply, generate the e-way bill in FORM GST EWB-01 on the basis of invoice or bill of supply or delivery challan , as the case may be, and may also generate a consolidated e-way bill in FORM GST EWB-02 on the common portal prior to the movement of goods.</p>	<p>in the conveyance need to be identified</p> <p>Further, the transporter is not more required to generate E-way bill in case of transportation of goods by railways, air and vessel.</p>																								
<p>Sub rule (10) of Rule 138 provides that an e-way bill or a consolidated e-way bill generated under this rule shall be valid for the period as mentioned in the table below for the distance the goods have to be transported</p> <table border="1" data-bbox="205 674 566 898"> <thead> <tr> <th>Sl. No</th> <th>Distance</th> <th>Validity period</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Upto 100 km.</td> <td>One day</td> </tr> <tr> <td>2.</td> <td>For every 100 km. or part thereof thereafter</td> <td>One additional day</td> </tr> </tbody> </table>	Sl. No	Distance	Validity period	1.	Upto 100 km.	One day	2.	For every 100 km. or part thereof thereafter	One additional day	<p>Sub rule (10) of Rule 138 provides that an e-way bill or a consolidated e-way bill generated under this rule shall be valid for the period as mentioned in the table below for the distance the goods have to be transported</p> <table border="1" data-bbox="597 674 973 1230"> <thead> <tr> <th>Sl. No</th> <th>Distance</th> <th>Validity period</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Upto 100 km.</td> <td>One day in cases other than Over Dimensional Cargo</td> </tr> <tr> <td>2.</td> <td>For every 100 km. or part thereof thereafter</td> <td>One additional day in cases other than Over Dimensional Cargo</td> </tr> <tr> <td>3.</td> <td>Upto 20 km</td> <td>One day in case of Over Dimensional Cargo</td> </tr> <tr> <td>4.</td> <td>For every 20 km. or part thereof thereafter</td> <td>One additional day in case of Over Dimensional Cargo</td> </tr> </tbody> </table>	Sl. No	Distance	Validity period	1.	Upto 100 km.	One day in cases other than Over Dimensional Cargo	2.	For every 100 km. or part thereof thereafter	One additional day in cases other than Over Dimensional Cargo	3.	Upto 20 km	One day in case of Over Dimensional Cargo	4.	For every 20 km. or part thereof thereafter	One additional day in case of Over Dimensional Cargo	<p>Through this substitution validity criteria of e-way bill has been amended.</p>
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Insertions in Rule 138:

Proviso to sub rule (1) of Rule 138 has been inserted to provide that the transporter, on an authorization received from the registered person, may furnish information in Part A of FORM GST EWB-01, electronically, on the common portal along with such other information as may be required on the common portal and a unique number will be generated on the said portal.

Proviso to sub rule (1) of Rule 138 has been inserted to provide that where the goods to be transported are supplied through an ecommerce operator or a courier agency, on an authorization received from the consignor, the information in Part A of FORM GST EWB-01 may be furnished by such e-commerce operator or courier agency and a unique number will be generated on the said portal.

Explanation 2 has been inserted in sub-rule (1) of Rule 138 to provide that for the purposes of this rule, the consignment value of goods shall be the value, determined in accordance with the provisions of section 15, declared in an invoice, a bill of supply or a delivery challan, as the case may be, issued in respect of the said consignment and also includes the

central tax, State or Union territory tax, integrated tax and cess charged, if any, in the document and shall exclude the value of exempt supply of goods where the invoice is issued in respect of both exempt and taxable supply of goods.

Sub-rule 2A has been inserted to provide that Where the goods are transported by railways or by air or vessel, the e-way bill shall be generated by the registered person, being the supplier or the recipient, who shall, either before or after the commencement of movement, furnish, on the common portal, the information in Part B of FORM GST EWB-01.

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

Explanation 2 has been inserted in sub-rule (3) of Rule 138 to provide that the e-way bill shall not be valid for movement of goods by road unless the information in Part-B of FORM GST EWB-01 has been furnished except in the case of movements covered under the third proviso to sub-rule (3) and the proviso to sub-rule (5).

Sub-rule 5A has been inserted to provide that the consignor or the recipient, who has furnished the information in Part A of FORM GST EWB-01, or the transporter, may assign the e-way bill number to another registered or enrolled transporter for updating the information in Part B of FORM GST EWB-01 for further movement of the consignment.

Provided that after the details of the conveyance have been updated by the transporter in Part B of FORM GST EWB-01, the consignor or recipient, as the case may be, who has furnished the information in Part A of FORM GST EWB-01 shall not be allowed to assign the e-way bill number to another transporter.

Proviso to sub-rule (9) of Rule 138 has been inserted to provide that the unique number generated under sub-rule (1) shall be valid for a period of fifteen days for updation of Part B of FORM GST EWB-01.

Further, clauses (e) to (n) have been inserted to provide various situations where no e-way bill is required to be generated for e.g. where goods being transported are non-taxable goods, goods being transported is treated as no supply under Schedule III of the Act etc.

*This Notification will come into effect from a date to be notified in the official gazette

Notification No. 13/2018 – Central Tax
Dated: 07.03.2018

As per this Notification, the Notification No. 6/2018 – Central Tax, Dated: 23rd Jan, 2018 regarding waiving off the late fee for non filing or late filing of GSTR 5A in excess of an amount of twenty-five rupees for every day during which such failure continues shall be rescinded.

CIRCULARS & ORDERS

Circular No. 35/9/2018-GST
Dated: 05.03.2018

This circular clarifies that provisions of the law that implies supply of services by an unincorporated association or body of persons (AOP) to a member thereof for cash, deferred payment or other valuable consideration shall be treated as supply of services. Therefore, the law with regard to levy of GST on service supplied by member of an unincorporated joint venture (JV) to the JV or to other members of the JV, or by JV to the members, essentially remains the same as it was under service tax law.

Illustration A:

There are 4 members in the JV including the operating member and each one contributes Rs 100 as part of their share. A total amount of Rs 400 is collected. The operating member purchases machinery for Rs 400 for the JV to be used in oil production

Illustration A will not be the subject matter of 'ST/GST' for the reason that the operating member is not carrying out an activity for another for consideration. In Illustration A, the money paid for purchase of machinery is merely in the

nature of capital contribution and is therefore a transaction in money.

Illustration B:

There are 4 members in the JV including the operating member and each one contributes Rs 100 as part of their share. A total amount of Rs 400 is collected. The operating member thereafter uses its own machine and performs exploration and production activities on behalf of the JV.

In Illustration B, the operating member uses its own machinery and is therefore providing 'service' within the scope of supply of CGST Act, 2017. This is because in this scenario, the operating member is recovering the cost appropriated towards machinery and services from the other JV members in their participating interest ratio.

Circular No. 36/10/2018-GST
Dated: 13.03.2018

This circular is regarding Processing of refund applications for UIN entities. CBEC clarifies the following issues relating to the entities having Unique Identity Number (UIN):

- 1) Status of registration for UINs.
- 2) Filing of return by UIN agencies.
- 3) Applying for refund by UIN agencies.
- 4) Passing of refund order and settlement of funds.

To get the circular in detailed for, kindly visit <http://www.cbec.gov.in/resources/htdocs-cbec/gst/circularno-36-cgst.pdf>

CUSTOMS

ANTI-DUMPING DUTY

Notification No. 6/2018-Customs (ADD)
Dated: 12.03.2018

This Notification is regarding imposing of Anti Dumping Duty on the import of 'O-Acid' into India. The anti-dumping duty imposed under this notification shall be effective for a period of 3 years (unless revoked, amended or superseded earlier) from the date of imposition of the provisional anti-dumping duty, that is, the 13th July, 2017 and shall be payable in Indian currency.

For the complete list of rate of Anti Dumping Duty, Please visit <http://www.cbec.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-add2018/csadd06-2018.pdf;jsessionid=C5EFDFD354CB2EC5EFADBC584968B50>

PRESS RELEASE

New Delhi, Dated: 10.03.2018

GST Council decided to extent tax exemptions for exporters for six months

- Sending a strong positive signal to the exporting community, the GST Council in its 26th meeting decided to extend the available tax exemptions on imported goods for a further 6 months beyond 31.03.2018. Thus, exporters presently availing various export promotion schemes can now continue to avail such exemptions on their imports upto 01.10.2018, by which time an e-Wallet scheme is expected to be in place to continue the benefits in future.
- In a related development which would benefit the exporters, the Council reviewed the progress in grant of refunds to exports of both IGST and Input Tax Credit. The Council appreciated that the pace of grant of IGST refund has picked up. Thereafter, the Council directed GSTN to expeditiously forward the balance refund claims to the Customs/Central GST/State GST authorities, as the case may be, for their immediate sanction and disbursal.
- It may be recalled that in its meeting held on 06.10.2017 the Council had noted that exporters are experiencing difficulties of cash blockage on account of having to upfront pay GST / IGST on the inputs, raw materials etc. / finished goods imported / procured for purposes of exports. An interim solution was found by re-introducing the pre-GST tax exemptions on such imports. Additionally, for merchant exporters a special scheme of payment of GST @ 0.1% on their procured goods was introduced. Also, domestic procurement made under Advance Authorization, EPCG and EOU schemes were recognized as "deemed exports" with flexibility for either the suppliers or the exporters being able to claim a refund of GST / IGST paid thereon. All these avenues were made available upto 31.03.2018.
- The permanent solution agreed to by the Council was to introduce an e-Wallet scheme w.e.f.01.04.2018. The e-Wallet scheme is basically the creation of electronic e-Wallets, which would be credited with notional or virtual currency by the DGFT. This notional / virtual currency would be used by the exporters to make the payment of GST / IGST on the goods imported / procured by them so their funds are not blocked.
- On 16.12.2017, Finance Secretary constituted a Working Group with representatives of Central and State Governments to operationalize the e-Wallet scheme. After reviewing the progress, the Council noted that whereas some preparatory work had been done, more needs to be done to address a large number of technical, legal and administrative issues that have been identified. The Council appreciated that this would require more time. The Council was also unanimous that

there should be no disruption that may affect the exports. Accordingly, the Council agreed to:

- a. Defer the implementation of the e-Wallet scheme by 6 months i.e., upto 01.10.2018; and
- b. Extend the present dispensation in terms of exemptions etc. which is available up to 31.03.2018, for a further 6 months i.e., upto 01.10.2018.

Recommendations made during the 26th meeting of the GST Council

I. Return filing System

The present system of filing of GSTR 3B and GSTR 1 is extended for another three months i.e., April 1 to June, 2018 till the new return system is finalized. A new model was discussed extensively and Group of Ministers on IT has been tasked to finalize the same.

II. Reverse charge mechanism

The liability to pay tax on reverse charge basis has been deferred **till 30.06.2018**. In the meantime, a Group of Ministers will look into the modalities of its implementation to ensure that no inconvenience is caused to the trade and industry.

III. TDS/TCS

The provisions for deduction of tax at source (TDS) under section 51 of the CGST Act and collection of tax at source (TCS) under section 52 of the CGST Act shall remain suspended **till 30.06.2018**. In the meantime, the modalities of linking State and Central Governments accounting system with GSTN will be worked out so that seamless credit is available to the registered traders whose tax is deducted or collected at source.

IV. Grievance Redressal Mechanism

GST implementation Committee (GIC) has been tasked with the work of redressing the grievances caused to the taxpayers arising out of IT glitches.

Recommendations regarding E-way Bill made during meeting of the GST Council

The GST Council has recommended the introduction of e-way bill for inter-State movement of goods across the country from 01st April 2018. For intra-State movement of goods, e-way bill system will be introduced w.e.f. a date to be announced in a phased manner but not later than 01st June, 2018.

Major improvements over the last set of rules, as approved by the Council now, are as follows:

- E-way bill is required to be generated only where the value of the consignment exceeds ₹50000/-. For smaller value consignments, no e-way bill is required.

- The provisions of sub-rule (7) of Rule 138 will be notified from a later date. Therefore, at present there is no requirement to generate e-way bill where an individual consignment value is less than ₹50,000/-, even if the transporter is carrying goods of more than ₹50,000/- in a single conveyance.
- Value of exempted goods has been excluded from value of the consignment, for the purpose of e-way bill generation.
- Public conveyance has also been included as a mode of transport and the responsibility of generating e-way bill in case of movement of goods by public transport would be that of the consignor or consignee.
- Railways have been exempted from generation and carrying of e-way bill with the condition that without the production of e-way bill, railways will not deliver the goods to the recipient. But railways are required to carry invoice or delivery challan etc.
- Time period for the recipient to communicate his acceptance or rejection of the consignment would be the validity period of the concerned e-way bill or 72 hours, *whichever is earlier*.
- In case of movement of goods on account of job-work, the registered job worker can also generate e-way bill.
- Consignor can authorize the transporter, courier agency and e-commerce operator to fill PART-A of e-way bill on his behalf.
- Movement of goods from the place of consignor to the place of transporter up to a distance of 50 Km [increased from 10 km] does not require filling of PART-B of e-way bill. They have to generate PART-A of e-way bill.
- Extra validity period has been provided for Over Dimensional Cargo (ODC).
- If the goods cannot be transported within the validity period of the e-way bill, the transporter may extend the validity period in case of transshipment or in case of circumstances of an exceptional nature.
- Validity of one day will expire at midnight of the day immediately following the date of generation of e-way bill.
- Once verified by any tax officer, the same conveyance will not be subject to a second check in any State or Union territory, unless and until, specific information for the same is received.
- In case of movement of goods by railways, airways and waterways, the e-way bill can be generated even after commencement of movement of goods.
- Movement of goods on account of Bill-To-Ship-To supply will be handled through the capturing of place of despatch in PART-A of e-way bill.

Comment: Further clarity awaited particularly where there is complete change in these resolutions compared to the FAQs released earlier. For e.g. 'Bill-to and Ship-to' transactions, whether one EWB is required now or two EWBs.

Recommendations regarding Data Analytics made during the 26th meeting of the GST Council

The GST Council has been apprised of the fact that CBEC and GSTN have started detailed data analytics across a number of data sets available with them. The outcome of preliminary data analysis has revealed interesting insights:

- It has emerged that there is variance between the amounts of IGST & Compensation Cess paid by importers at Customs ports and input tax credit of the same claimed in GSTR-3B.
- There are major data gaps between self-declared liability in FORM GSTR-1 and FORM GSTR-3B.

It was deliberated that this information may be further analysed and adequate action may be initiated accordingly.

JUDGEMENTS

INDIRECT TAX

PRESS RELEASE, PRESS CONFERENCE, INTERVIEW FOR CLIENTS NO RELATED TO EVENT MANAGEMENT SERVICE

CST Delhi vs. Perfect Relations Ltd
Final Order No.50820/2018
Date of decision: 26.02.2018

Fact of the Case

- 1) M/s Perfect Relations Ltd is the Assessee in this case, engaged in the activity of arranging press conferences, press release, interviews etc. for its commercial clients.
- 2) At the time of assessment the excise authority stated that the assessee was liable to pay service tax for providing services to its commercial clients.
- 3) On appeal, the Commissioner dropped the demand of service tax & treated the Assessee under the category 'Public Relation Services'.
- 4) Then the revenue further approached the tribunal against the order passed by Commissioner (Appeal).

Decision of the Case

- 1) After analyzing the arguments of both sides, The Tribunal observed that the activity of respondent does not fall under the category of "Event Management Service" as well as "Business Auxiliary Service". So there is no justification in the argument of Revenue.
- 2) Appeal filed by the revenue is dismissed.

PACKAGING OF GOODS CLOSELY RELATED TO MANUFACTURING PROCESS, NOT LIABLE TO SERVICE TAX (CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL, NEW DELHI)

M/s. Narain Packaging vs. Commissioner of Service Tax, Delhi
Final Order No.50632/2018
Date of Decision: 15.02.2018

Fact of the Case

- 1) In the present case, assessee is engaged in the business of manufacturing of paper & packaging activity performed in the premises of the clients.
- 2) The A.O & CIT (A) observed that the packaging activity of the assessee during the course of manufacturing would be liable to service tax.
- 3) The Learned Counsel of the assessee advocated that such activity is incidental to manufacture & not liable to service tax.
- 4) The revenue refused to accept the contention of the learned counsel of the assessee & passed an order against the assessee.

- 5) The assessee further approached to the tribunal.

Decision of the Case

- 1) After analyzing the above narrated fact, the tribunal held that statutory definition of packaging activity for service tax levy means packaging of goods including pouch filling bottling, labeling or imprinting of the package, but does not include any packaging activity amounting to manufacture.
- 2) The Tribunal further observed that operations were inside the manufacturing premises of the client & such activity was directly incidental to manufacture.
- 3) Finally the Tribunal ordered in favour of the assessee.

DIRECT TAX

TECHNICAL SERVICES WOULD NOT INCLUDE SERVICES PROVIDED BY MACHINES FOR THE PURPOSE OF TDS (INCOME-TAX APPELLATE TRIBUNAL, MUMBAI)

M/s. Coimbatore Integrated Waste Management Company Pvt. Ltd. vs. DCIT
Case No. - I.T.A./2710/Mum/2015
Date of Pronouncement: 01.03.2018

Fact of the Case

- 1) Assessee in the instant case is a private limited company has filed its return of income for the relevant assessment year and also filed an application under Section 197 of the Income Tax Act 1961, seeking a certificate for nil deduction of tax at source.
- 2) The Assessing Officer (AO) noticed that the Assessee Company had made certain payments to M/s.UPL Environmental Engineers Ltd. (UEEL) in the nature of technical services on which tax had been deducted. The AO issued notice to the assessee for collection of the shortfall in deduction and for treating the payment as payment for technical services.
- 3) Further the AO held that the nature of contract was technical-service –contract and there was no human element and the work was carried out by machines. The services availed by UEEL from sub-contractors might involve services of professionals and technicians, that the nature of contract was of technical service contract.
- 4) On appeal CIT (A) upheld the action of the AO. Thereafter the Assessee approached the Tribunal on further appeal.
- 5) Before the bench counsel for the Assessee submitted that the assessee was not supplying any of the services of technical nature, that the services provided by it fell under works-contract.

Decision of the Case

- 1) After considering the rival submissions of both the parties, the Tribunal bench observed that “mere use of machinery or human intervention by the sub-contractor are the decisive factors to decide the issue against the AO.
- 2) Counsel for the Assessee has rightly argued that technical services would not include services provided by the machines. While upholding the contention of the Assessee the Tribunal bench held that the payment made by the assessee to UEEL for exhibiting the work contract would fall within the provisions of section 194C of the Act and not under the section 194 J of the Income Tax Act”.

.....

PENALTY NOTICE ISSUED WITHOUT STATING REASONS FOR FURNISHING INACCURATE PARTICULARS, CONCEALMENT OF WEALTH IS INVALID (ITAT, VISAKHAPATNAM BENCH)

T. S. Kalyana Chakravarthy & T. S.Kanaka Rajesh vs. Dy. Director of Wealth Tax
Case No. - W.T.A. Nos. 26-29/Viz/2017
Date of Pronouncement: 23.02.2018

Fact of the Case

- 1) Assessee, in the instant case, is a non-resident individual and his wealth tax assessments were completed and declared net wealth at ₹3,49,73,040.
- 2) The Assessing Officer (AO) noticed that the Assessee has taken a loan of ₹5,09,00,000 for the purchase of the asset from his wife and claimed deduction from the value of the asset. The A.O re-computed the net wealth by including the consideration paid for stamp duty, registration charges to the extent of ₹1,65,50,915 and declared the net wealth at ₹19,07,69,135 as against ₹13,06,80,000 which was declared by the Assessee earlier.
- 3) On appeal, the CIT (A) uphold the action of the AO and imposed a penalty of ₹2,05,000 under section 18(1)(c) of Wealth Tax Act.
- 4) The Assessee approached the Tribunal on further appeal against the order passed by the authority.
- 5) The counsel for the Assessee submitted that as per the provisions of the Wealth Tax Act, the market value of the asset as on the date of valuation required to be admitted but not the cost of the asset. Therefore, he further contended that the assessee had admitted the value of the asset correctly, hence argued that the enhancement is uncalled for and the consequent penalty is also unjustifiable.
- 6) The counsel for the assessee stated that as per the provisions of the Wealth Tax Act, the market value of the assets, but not the cost of assets as on the date of valuation is required to be taken. The learned counsel contended that

the assessee submitted the value of assets correctly .So the penalty imposed is unjustified.

Decision of the Case

- 1) After considering the rival submissions of both parties the Tribunal Bench observed that though the penalty order has initiated under section 18(1) (C) for non furnishing of accurate particulars of net wealth & show cause notice has been served. But it does not indicate for which offence of penalty was initiated.
- 2) The Division Bench also observed that the lower authorities is failed to state any proper reason regarding furnishing inaccurate particulars or concealment of income. Under such situation no penalty notice can be issued under Wealth Tax Act. So the notice served under section 18(1) (C) is invalid & penalty required is cancelled.

.....

CAPITAL GAIN EXEMPTION ALLOWED BY A.O ON THE BASIS OF CERTIFICATION FROM TAHASILDAR CAN NOT BE TREATED AS “ERRONEOUS” (INCOME TAX APPELLATE TRIBUNAL, KOLKATA BENCH, NEW DELHI)

Smt. Sangeeta Jain vs. The Pr. C.I.T-II
ITA No. 3888/DEL/2017
Date of Pronouncement: 15.02.2018

Fact of the Case

- 1) In the present case the assessee is an individual who duly filed her return of income for the relevant assessment year.
- 2) After completion of the assessment proceedings, the Commissioner of Income Tax noticed that the assessee earned the capital gain of ₹10,72,76,180 on the sale of Agricultural Land.
- 3) The learned Counsel of the assessee filed a letter stating that the agricultural land was situated beyond the prescribed limits of concerned municipal limit. So, the capital gain arised from sale of such agricultural land to be exempted & in this connection the certificate of Tahasildar is placed before the Commissioner.
- 4) But the CIT refused to accept the contention of the assessee & passed the order that capital gain would be taxable Income Tax Act, 1963.

Decision of the Case

- 1) Considering the above narrated fact, the Tribunal Bench observed that there was no finding recorded by the CIT (A) that the assessment order was erroneous & prejudicial to the interest of the revenue.
- 2) The division bench further observed that the certificate issued by Tahasildar in the instant case could not be disbelieved by the A.O as Tahasildar is also a public officer.
- 3) Therefore there is no merit in the order passed by CIT under the said section (under section 263 of Income Tax Act) that Tahasildar’s certificate

should have been corroborated with other evidence . So, the capital exemption allowed by the A.O on the basis of above certificate is justified.

ANY EXPENDITURE FOR THE GROWTH & ACHIEVEMENT OF BUSINESS IS ALLOWABLE AS EXPENDITURE (INCOME TAX APPELLATE TRIBUNAL, KOLKATA BENCH)

**M/s MKJ Tradex Ltd. vs. DCIT
ITA No. 1044/Kol/2016
Date of Pronouncement: 14-02-2018**

Fact of the Case

- 1) Assessee is a private limited company engaged in the business of trading in stainless steel and allied products.
- 2) The assessee incurred ₹6,09,402 for celebrating French National Day for the honor of its M.D's excellent performance & claimed it as deductible expenditure.
- 3) The A.O disallowed such expenditure since it is not directly related to business & CIT(A) also upheld the action of A.O
- 4) Being aggrieved, the assessee further made appeal to the Tribunal stating that such type of award & celebration are a great honor for the assessee (company) which will accelerate the influential position & achievement of the M.D of the company. so such expenditure is allowable under section 37(1) of the Income Tax Act,1961.

Decision of the Case

- 1) After having gone through the argument of appellant & respondent, the judicial members observed that the role of managing director is very crucial for the success of the company (assessee)
- 2) Beside this, such award conferred to the M.D is going to increase the image of the assessee (company) at national or international level.
- 3) Simultaneously, the allowability of expenditure does not depend upon the outcome of the expenditure. Rather the expenditure incurred by the business enterprise for the survival & growth of the business should to be given importance.
- 4) Therefore, the same expenditure is allowable for deduction under section 37(1) of the Income Tax Act, 1961 & directing the A.O to delete the addition made by him.

ILLEGAL IMPOSITION OF PENALTY BY A.O IN QUANTUM PROCEEDINGS (BOMBAY HIGH COURT)

**Principal Commissioner of Income Tax vs. M/s. Shree Gopal Housing & Plantation Corporation
Income Tax Appeal No.701 of 2015
Date of Pronouncement: 6.02.2018**

Fact of the Case

- 1) Assessing Officer imposed penalty under section 271(1)(C) due to assessee's undisclosed income of ₹1Crore ,unaccounted cash receipts on sale of plots & telescoping benefit of unexplained investment in jewellery & undisclosed cash against the said unaccounted income.
- 2) The Tribunal has deleted the penalty levied by the A.O under section 271(1)(C).
- 3) The Revenue has urged whether the Tribunal was justified or not.

Decision of the Case

- 1) The Learned Counsel appearing for the respondent revenue points out that the quantum proceedings of the Tribunal has been admitted by the court. So no appeal against the order deleting penalty will lie to this court.
- 2) Further the Tribunal held that the disallowance of claim of deduction which has been made bonafide would not be itself lead to penalty. So the penalty order gets vitiated. Decision to be taken on a case to case basis. There can be no universal rule to the effect that no penalty, if quantum appeal is admitted on a substantial question of law.
- 3) The admission of appeal in the quantum proceedings would suggest no penalty can be imposed as if it is a debatable issue.
- 4) Therefore, in the penalty appeal, it would not be appropriate to widen the scope of controversy in the quantum appeal.
- 5) Thus the question or raising penalty by the Revenue is dismissed since the above question was not admitted by the Tribunal.

NON - MONETARY PERQUISITES TO EMPLOYEES & CALCULATION OF BOOK PROFITS (ITAT, MUMBAI)

**Rashtriya Chemicals & Fertilizers Limited vs. Commissioner of Income Tax
Case No. - I.T.A. No.3625/Mum/2017
Date of pronouncement: 14.02.2018**

Fact of the Case

- 1) The assessee is resident corporate assessee, engaged as manufacturer of fertilizers and chemical products was assessed u/s 143(3) on 18/02/2015 by Ld. Deputy Commissioner of Income Tax LTU-1, Mumbai.
- 2) Subsequently, the said assessment order was subjected to exercise of revisional jurisdiction u/s 263 by Ld. CIT vide show cause notice dated

- 09/11/2016 on the premises that corresponding adjustment of certain employee benefits expenses of ₹11.91 crores being tax borne by the assessee on deemed perquisites on the value of accommodation provided to employees and which were not admissible.
- 3) The Learned Counsel of the assessee pointed out that interference of CIT was not justified particularly when there is no omission on the part of A.O to complete the assessment as per law.
 - 4) Ld. DR drew our attention to the fact that the impugned item was not allowable to the assessee in terms of express provisions as contained in Section 40(a)(v) and Ld. AO was required to add back the same to arrive at book profits u/s 115JB. The failure to do so has caused the loss of revenue.
 - 5) Taxes borne by the assessee on deemed perquisites on the value of accommodation provided to the employees was not allowable to assessee while arriving at income under normal provisions in terms of provisions of Section 40(a) (v).
 - 6) The Learned Counsel find that computation of 'Book Profits' was neither provided by the assessee during hearing before Ld. AO nor discussed in any manner. The quantum order reveals that Ld. AO has picked up the figures of 'Book Profits' as per 'Return of Income' without applying any mind thereupon and adopted the same as such without any iota of discussion in the quantum assessment order.
 - 7) The Learned Counsel of the appellant pointed out that Section 115JB of the Income-tax Act provides for levy of minimum alternate tax (MAT) on the basis of book profits of a company. As per the Explanation after subsection (2), the expression "book profit" means net profit as shown in the profit and loss account prepared in accordance with the provisions of Part II and III of Schedule VI to the Companies Act, 1956.
 - 8) It was further observed that taxes borne by the assessee on non-monetary perquisites provided to employees forms part of Employee Benefit cost and akin to Fringe Benefit Tax since they are certainly not below the line items. Fringe Benefit Tax was not required to be added back while arriving at Book Profits u/s 115JB. Therefore, we are of the opinion that the adjustment of impugned item as suggested by Ld. CIT was not legally tenable in law.

Decision of the Case

- 1) The Appellant submits that considering the facts and circumstances of its case and the law prevailing on the subject the taxes paid on non-monetary perquisites to employees amounting to ₹11.91 crores is allowable while computing its "book profits" for the year and the stand taken by the Commissioner of income-tax in this regard is erroneous and not in accordance with law.

- 2) As a result, the assessee's appeal stands allowed in terms of our above order.

.....

CIT HAS NO POWER TO CANCEL OR WITHDRAW 12A REGISTRATION UNTIL IT IS EXPRESSLY GRANTED U/S. 12AA (3) (SUPREME COURT)

Industrial Infrastructure Development Corporation (Gwalior) M.P. Ltd. vs. Commissioner of Income Tax, Gwalior
Civil Appeal No.6262 of 2010

Fact of the Case

- 1) In this case the assessee is a limited company and engaged in the business of developing and assisting the State for industrial growth in Madhya Pradesh.
- 2) In 1999 the assessee filed an application before the Commissioner of Income Tax (CIT) for granting registration under section 12A of the Income Tax Act 1961 as a charity Trust & the officer granted certificate of registration mentioning that the certificate is granted without prejudice to the examination on merits of the claim of exemption after the return is filed.
- 3) In 2000, the CIT issued a show cause to the Assessee to cancel or withdraw the registration certificate granted to the Assessee under section 12A of the Act and finally cancelled the registration certificate.
- 4) Being disagreed the assessee filed a rectification application under section 154 of the Act showing the reason that once CIT grants the registration certificate under section 12A of the Act, then there is no power to recall or cancel the same. But the Officer rejected the same and confirmed his action.

Decision of the Case

- 1) After considering the facts and circumstances the Supreme Court observed that "the CIT has no express power of cancellation of the registration certificate once granted by him to the Assessee under section 12A till 01.10.2004. because there was no express provision in the Act vesting the CIT with power to cancel the registration certificate granted under section 12A of the Act and the order passed by the CIT under the section is a quasi-judicial order and being quasi-judicial in nature, it could be withdrawn or cancel by the CIT only when there was express power vested in him under the Act to do so, but in the present case there was no such express power".
- 2) The Court further observed that "section 21 of General Clause Act has no application to the order passed by the CIT under section 12A because the order is quasi-judicial in nature and the CIT had no jurisdiction to cancel the registration certificate once granted by him under section 12A till the power was expressly conferred on the CIT by section 12AA (3) of the Act".

TAX COMPLIANCE CALENDAR AT A GLANCE

GST CALENDAR

Date	Return Type
20 th March, 2018	GSTR 5 for the month of February, 2018
20 th March, 2018	GSTR 5A for the month of February, 2018
20 th March, 2018	GSTR 3B for February, 2018
31 st March, 2018	GSTR 6 for July to February, 2018
31 st March, 2018	Due Date from TRAN-02 Form
10 th April, 2018	GSTR 1 for the month of Feb, 2018 (for persons with Turnover above 1.5 Crore)
18 th April, 2018	GSTR 4 for the month of January – March, 2018
20 th April, 2018	GSTR 3B for March, 2018
30 th April, 2018	GSTR 1 for the month of Jan- March, 2017 (for persons with Turnover below 1.5 Crore)

DIRECT TAX CALENDAR - MARCH, 2018

01.03.2018:

- Intimation by a designated constituent entity, resident in India, of an international group in Form no. 3CEAB for the accounting year 2016-17.

02.03.2018:

- Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA and 194-IB in the month of January, 2018.

07.03.2018:

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

15.03.2018:

- Due date for issue of TDS Certificate for tax deducted under Section 194-IA and 194-IB in the month of January, 2018
- Due date for furnishing of Form 24G by an office of the Government where TDS for the month of February, 2018 has been paid without the production of a challan.
- Fourth instalment of advance tax for the assessment year 2018-19.
- Due date for payment of whole amount of advance tax in respect of assessment year 2018-19 for assessee covered under presumptive scheme of section 44AD/ 44ADA.

30.03.2018:

- Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA and 194-IB in the month of February, 2018.

31.03.2018:

- Report in Form No. 3CEAA by a constituent entity of an international group for the accounting year 2016-17.
- Country-By-Country Report in Form No. 3CEAD by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the accounting year 2016-17.

DIRECT TAX CALENDAR - APRIL, 2018

07.04.2018:

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

14.04.2018:

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

15.04.2018:

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

30.04.2018:

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

30.04.2018:

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

WEBINAR CALENDAR UPTO 31st MARCH, 2018

Sl. No	Date	Time	Topic of the Webinar	Name of the Faculty
1.	21.03.2018 (Wednesday)	4:00 - 5:00 PM	Valuation in GST	CMA B Mallikarjuna Gupta
2.	27.03.2018 (Tuesday)	4:00 - 5:00 PM	GST for E-commerce with live cases.	CMA Vivek Laddha

Please note: One CEP hour awarded for attending each webinar

GST CERTIFICATE COURSE

Course Eligibility

- **Qualified Cost & Management Accountants**
- **Other Professionals**
- **Executives from Industries**
- **GST Practitioners**

Course Duration, Fees, Examination and other Modalities

- **Course Duration:** 12 weeks (to be conducted on Quarterly basis)
- Live classes on Saturday - 2 Hrs & Sunday - 4 Hrs
- **Assessment:** Online mode (Assessment to be conducted in the last week of the following month of every quarter)
- **Course Fee:** ₹10,000 + GST (20% Discount for CMAs) and Examination Fee ₹1000 + GST
- **Award of Certificate:** Candidates with at least 70% attendance in the classes and also passing the online examination with at least 50% Marks will be awarded a Certificate by the Institute
- Study Materials & Model Question Bank to be provided to all participants
- Experienced faculties from Industry and practice

Places

NORTH	SOUTH	EAST	WEST
✓ Delhi	✓ Chennai	✓ Kolkata	✓ Mumbai
✓ Faridabad	✓ Cochin	✓ Durgapur	✓ Pune
✓ Gurgaon	✓ Visakhapatnam	✓ Asansol	✓ Surat
✓ Udaipur	✓ Vijayawada	✓ Berhampur	✓ Nagpur
✓ Noida	✓ Mysore	✓ Rourkela	✓ Nasik
✓ Chandigarh	✓ Bangalore	✓ Patna	✓ Raipur
✓ Jammu	✓ Thiruvananthapuram	✓ Ranchi	✓ Bhopal
✓ Jaipur	✓ Hyderabad	✓ Bhubaneswar	✓ Ahmedabad
✓ Lucknow	✓ Madurai	✓ Agartala	✓ Panaji
✓ Dehradun	✓ Coimbatore	✓ Guwahati	✓ Baroda
✓ Jodhpur			

Course Contents

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

LOCATIONS WHERE OFFLINE CLASSES FOR THE 1ST BATCH HAS STARTED

1 st phase of 1 st Batch	2 nd Phase of 1 st Batch
Bangalore	Ahmadabad
Chennai	Baroda
Cochin	Bhubaneswar
Hyderabad	Chandigarh
Kolkata	Faridabad
Mumbai	Nasik
New Delhi	Surat
Trivandrum	
Pune	

Admission link:

<https://cmaicmai.in/advsc/DelegatesApplicationForm.aspx>

GLIMPSES OF SEMINAR ORGANISED BY ROURKELA CHAPTER



Lighting the Lamp to the Guest CMA B A Masoudi, Chairman, Rourkela Chapter of Cost Accountants



Felicitation to CMA B. C. Mohapatra GM (F&A) ISP, SAIL by CMA B A Masoudi, Chairman, Rourkela Chapter of Cost Accountants



Felicitation to CMA S. C. Agarwalla Past chairman of the Rourkela Chapter, by CMA Pravakar Mohanty, Director Finance OHPL & Past president of the Institute of Cost Accountants



CMA Shiba Prasad Padhi, Past Chairman EIRC addressing on the topic



Group Photo of Members & Students

GLIMPSES OF SEMINAR ORGANISED AT BALASORE BY TAX RESEARCH DEPARTMENT WITH FM UNIVERSITY



Prof. Shri Bhagwan Das - Head, Department of Business Management and Director of the workshop lighting the lamp



CMA Niranjn Mishra, Chairman - Taxation Committee with Prof. Madhumita Das, Vice Chancellor, FM University



CMA Niranjn Mishra, Chairman - Taxation Committee, addressing the session



Cross section of the Audience



CMA Mrityunjay Acharjee, Resource Person of the seminar with Prof. Shri Bhagwan Das - Head, Department of Business Management and Director of the workshop



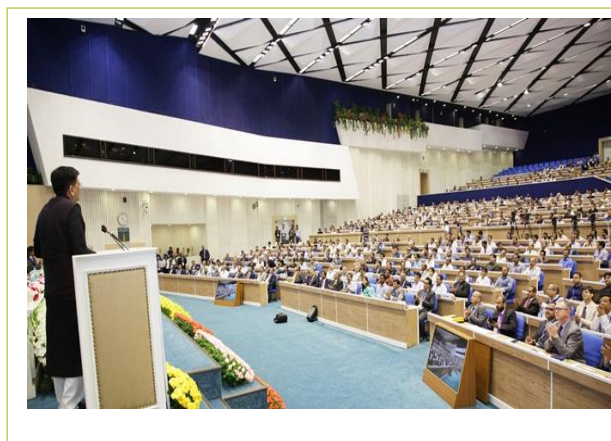
On the Dias, starting from the extreme left- Prof. Shri Bhagwan Das - Head, Department of Business Management and Director of the workshop, Shri R.P Banerjee Prof. IIM Kolkata, Prof. Madhumita Das, Vice Chancellor, FM University, CMA Niranjn Mishra, Chairman Taxation Committee & Shri S K Dey, Chairman PG Council – Releasing of Souvenir

GLIMPSES OF 58th NATIONAL COST CONVENTION

Chief Guest - **Shri M Venkaiah Naidu** (Hon'ble Vice President of India)
Guest of Honour - **Shri Suresh Prabhu** (Hon'ble Union Minister of Commerce & Industry)
Shri Piyus Goyal (Hon'ble Union Minister of Railways & Coal)
Shri P.P. Chaudhary (Hon'ble Union Minister of State for Law & Justice and Corporate Affairs)
Shri Injeti Srinivas, IAS (Secretary, Ministry of Corporate Affairs Govt. of India)

CMA Sanjay Gupta (President, The Institute of Cost Accountants of India)

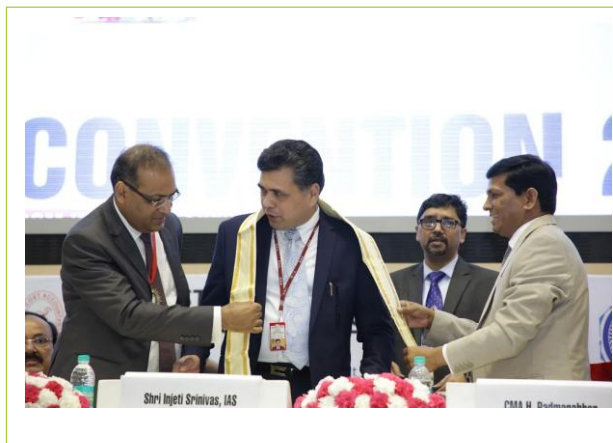
CMA H Padmanabhan (Vice-President, The Institute of Cost Accountants of India)



GLIMPSES OF 58th NATIONAL COST CONVENTION



GLIMPSES OF 58th NATIONAL COST CONVENTION



GLIMPSES OF 2nd PHASE FOR 1st BATCH OF CERTIFICATE COURSE ON GST

BHUBANESWAR CHAPTER



Bhubaneswar chapter of Cost Accountants inaugurating Certificate Course on GST on Sunday 18th March, 2018 at Chapter premises. Shri Anand Satpathy, Addl Commissioner of Commercial Taxes, lighting the lamp



BARODA CHAPTER



Baroda chapter of Cost Accountants inaugurating Certificate Course on GST on Sunday 18th March, 2018 at Chapter premises




SURAT CHAPTER



Tax Research Department of The Institute of Cost Accountants of India has started first GST certification course on Sunday, at Surat South Gujarat chapter, for accountants, corporate employees, lawyers and professionals, which was inaugurated by Shri Pravin Shah, President Surat South Gujarat Chamber of Commerce.

Treasurer Surat chapter and local coordinator of course CMA Nanty Shah informed that the experts from Surat and outside will explain GST in detail, the course will be conducted on weekends and after completion of course exams will be conducted at national level, and delegates certified.

The Institute is conducting this course as part of converting its intent in action and mission to contribute in vision of Shri Narendra Modijee and to prepare GST savvy accountants throughout nation.



The Institute of Cost Accountants of India
(Statutory body under an act of Parliament)
Surat South Gujarat Chapter
CMA Bhawan

103, Ritz Square, Above Ajay Vijay Jewellers, Nr. Indoor Stadium, Ghod - dod Road, Surat - 395 00 7.
Phone : (0261) 2667057 Office Time : 11:00 a.m. TO 06:30 p.m.
E-mail Id:surat@icmai.in, Website : www.icmai.in

સુરત સાઉથ ગુજરાત ચેપ્ટર દ્વારા GST સર્ટિફિકેટ કોર્સનું શુભ ઉદ્ઘાટન

Press Note

ઇન્સ્ટિટ્યૂટ ઓફ કોસ્ટ એકાઉન્ટન્ટ્સ ઓફ ઇન્ડિયા ના ટેક્સ રિસર્ચ ડીપાર્ટમેન્ટ દ્વારા સુરત સાઉથ ગુજરાત ચેપ્ટર ખાતે 18 માર્ચ 2018 થી એકાઉન્ટન્ટ, કંપની ના કર્મચારીઓ, વકીલો અને પ્રોફેશનલ માટે GST સર્ટિફિકેશન કોર્સ શરૂ કરવા માં આવ્યો છે, જેના પહેલાં બેચ નું ઉદ્ઘાટન સુરત સાઉથ ગુજરાત ચેપ્ટર ઓફ કોમર્સ ના પ્રેસિડેન્ટ શ્રી પ્રવીણ શાહ અને CMA ડૉ. હીના સુનિલ ઓઝા દ્વારા કરવા માં આવ્યું છે.


સુરત ચેપ્ટર ના પ્રજાનચી અને આ કોર્સ ના લોકલ કોઓર્ડિનેટર CMA નેહી શાહ ના જણાવ્યા પ્રમાણે આ કોર્સ માં સુરત અને બહાર ના જાણીતા તજજ્ઞો દ્વારા ઊંડાણ પૂર્વક GST ની સમજ આપવા માં આવશે અને રાષ્ટ્રીય કક્ષા એ online પરીક્ષા લઇ ને સર્ટિફિકેટ આપવા માં આવશે.

ઇન્સ્ટિટ્યૂટ દ્વારા વડાપ્રધાન શ્રી નરેન્દ્ર મોદી ના ચીફલ માર્ગ પત્રે પોતાની એક જવાબદારી માની સમગ્ર દેશ માં GST માટે નિષ્ણાંતો તૈયાર કરવાના મિશન માટે ના પ્રયાસ નો આ એક ભાગ છે.

ગુજરાત માં સુરત, વડોદરા, અમદાવાદ અને ઇન્સ્ટિટ્યૂટ ના દેશબર ના ઘણા ચેપ્ટર માં આ કોર્સ ચાલુ કરવા માં આવી રહ્યો છે.

CMA Nanty Shah
Treasurer

CMA Amish Parmar
Secretary



Head Office : The Institute of Cost Accountants of India
CMA Bhawan, 12-Sudder Street, Kolkata-700016
Ph : 033-00521301/1034/1035/1492/1602/1619

CHANDIGARH-PANCHKULA CHAPTER



Chandigarh-Panchkula chapter of Cost Accountants inaugurating Certificate Course on GST on Sunday 18th March, 2018 at 3 PM at Chapter premises New Public School Sec-18 Chandigarh



AHMEDABAD CHAPTER



Ahmedabad chapter of Cost Accountants inaugurating Certificate Course on GST on Sunday 18th March, 2018 at Chapter premises



KNOW YOUR RESOURCE PERSON



CMA Vivek Laddha
(CMA, CA, CS, LL.B., NISM-MF)

CMA Vivek Laddha, a young author and a charming speaker. Mr Laddha possesses all 3 pillars of profession of business solutions as he is a qualified **Cost Accountant, Chartered Accountant and Company Secretary along with Bachelor of Law.**

- 1) Mr Laddha is presently a **Secretary (Gen.) of Federation of Makers and Traders and Ajmer-Bhilwara Chapter of Institute of Cost Accountants of India.**
- 2) Currently Mr Laddha is engaged in **Practice of Cost Accountancy in Bhilwara and Mumbai** covering wide area of business solutions. He is also visiting faculty member of Western India Regional Council of CA Institute.
- 3) He had delivered the **sessions on GST** for Multinational companies, various trade associations and forums of ICAI and ICMAI.
- 4) He has authored the books on **'GST for Traders'** from leading publisher **'Taxmann'**, book on GST for **'Composition Scheme'** and **'Reverse charge Mechanism'** with same publisher.
- 5) Mr Laddha has **conducted trainings for** Life Insurance Corporation, Baroda Pioneer Mutual Fund, UIT Mutual Fund, HDFC Mutual Fund and other reputed Private organisations. He is also affiliated with Ministry of Corporate Affairs and ICAI for Investor Awareness Programme.
- 6) He is the **founder member** of Students' Forum of Bombay Chartered Accountants Society (BCAS), and Past President of Rajasthan Vidyarthi Griha (RVG), Students' Committee, Mumbai.
- 7) He is closely related to students and having **teaching exposure** of 6+years and has written the commentary on Auditing.
- 8) He has completed his **article ship** from a veteran firm i.e. **M. P. Chitale & Co., Mumbai** and acquired the post qualification exposure at **BDO Haribhakti, Mumbai.**

TAXATION COMMITTEE - PLAN OF ACTION

Proposed Action Plan:

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

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Contact Details:

Tax Research Department
12, Sudder Street, Kolkata - 700016

Phone: +91 33 40364875/ +91 33 40364782/ +91 33 40364721/ +91 33 40364711

E-mail: trd@icmai.in



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

Headquarters: CMA Bhawan, 12 Sudder Street, Kolkata - 700016

Ph: 091-33-2252 1031/34/35/1602/1492

Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003

Ph: 091-11-24666100

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