

# TAX Bulletin

August, 2018 Volume - 21



## THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

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## MISSION STATEMENT

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



## VISION STATEMENT

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

## Objectives of Taxation Committee:

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

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**CMA AMIT A. APTE**  
PRESIDENT



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### President's Message

***"A journey of a thousand miles begins with a single step"***

- Lao Tzu

My dear Professional Colleagues,

I am honoured and humbled to be chosen by the Council as the new President of The Institute of Cost Accountants of India. On behalf of the entire Council, I would like to thank all of you for giving us the opportunity to serve you and we solicit your support and active participation in all the activities.

Moving ahead with the Tax structure in our country, we may say, India offers a well-structured tax system for its population. Taxes are the largest source of income for the Government. This money is deployed for various purposes and projects for the development of the nation. India's biggest indirect tax reform in the form of Goods and Services Tax (GST) has completed 1 year. GST has been envisaged as a more efficient tax system, neutral in its application and attractive in distribution along with other varied advantages.

We, at the Institute level focus on keeping in touch with our Government regularly and understand their requirements and extend our assistance, as and when it is required, for facilitating their service requirements. Tax Research Department has been trying their very best to put their best foot forward with many new initiatives, which they have undertaken. Publishing the Fortnightly Tax Bulletin would be one of them. The bulletin, either in e-form or physical form is circulated to all our members, CBEC and CBDT members, Trade associations, GST Council Members, Union and State Ministers and MCA for their kind reference.

I would like to take this opportunity to congratulate CMA Niranjana Mishra in visualising the Bulletin and ensuring timely publication through for the last 20 editions. I can confidently convey to our members and stake holders, that they can be rest assured that contributions of Tax Research Department will continue to make a difference and we will continue the work for the betterment of the professionals and society at large.

Thank You.

**CMA Amit Anand Apte**

2<sup>nd</sup> August, 2018

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**CMA Balwinder Singh**  
VICE PRESIDENT



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### **Vice -President's Message**

***"Do what you can, with what you have, where you are"***

- Theodore Roosevelt

Dear Friends and Colleagues,

Together with my colleagues at The Council of The Institute of Cost Accountants of India, I wish you a very happy, healthy and prosperous journey ahead! I am humbled, honoured and privileged to assume the role of Vice - President of this esteemed Institute, an institution increasingly recognized as one of the world's finest. I am deeply grateful to all for comments, suggestions and constructive criticism, which has motivated me to be an outstanding contributor at the work I am bestowed upon.

I have found the Taxation Structure of our country to be very intriguing. Last Year, the implementation of GST has been one of the major Tax reforms. It has a far-reaching impact on almost all the aspects of the business operations in India. With more than 140 countries now adopting some form of GST, India has long been a stand-out exception. I am inspired and committed, on behalf of the Institute to put in efforts to contribute positively in this field.

In this endeavour of mine, last year I was joined by my colleague CMA Niranjana Mishra, Chairman Taxation Committee. The Tax Research Department has undertaken many new ventures over the last few months, Tax bulletin being one of them. The bulletin, either in e-form or physical form is circulated to all our members, CBEC and CBDT members, Trade associations, GST Council Members, Union and State Ministers and MCA for their kind reference. It is a ready-reckoner for the latest tax updates.

I congratulate CMA Niranjana Mishra and his team, for all their commitments and achievements. I acknowledge, the growth in contributions of the Tax Research Department has been propelled collectively by the individuals working in the team, the Resource people and the professionals. I look forward to the department for continuing this important work towards fulfilling the vision of members and stakeholders. I wish them all the Luck!!

Thank You.

**CMA Balwinder Singh**

2<sup>nd</sup> August, 2018

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

[trd@icmai.in](mailto:trd@icmai.in) / [trd.ad1@icmai.in](mailto:trd.ad1@icmai.in)





## ADVANCE RULING

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Assistant Manager, Alankit Limited



**CA KAJAL JUNEJA**  
Senior Executive, Alankit Limited

### History of Advance Ruling

**Standard 9.9 of the Revised Kyoto Convention**, which is the International Convention on the Simplification and Harmonization of Customs procedures and was, adopted in **June, 1999** as a blueprint for modern and efficient Customs procedures in the 21st century, deals with Advance Rulings.

Further, the **WTO Agreement on Trade Facilitation signed on 6/12/2013 at Bali, Indonesia**, under Article 3, also make it obligatory for the member countries to have mechanism of Advance Ruling.

In his Budget **Speech of 1992-93**, the then Finance Minister had assured that, in the interest of avoiding needless litigation and promoting better taxpayers relation in a scheme for giving advance rulings in respect of transactions involving non-residents was being worked out. Though the system in 1993, the concept of Advance Rulings was conceptualized in the Direct Taxes Enquiry Committee, 1971 headed by Justice K. N. Wanchoo.

Advance rulings were conceived to furnish taxpayers with an avenue where interpretation of tax laws could be sought. The Authority for Advance rulings was instituted as a mechanism to prevent litigation, plan tax liability, and to generally foster a business-friendly environment where taxpayers may approach Revenue Authorities for ascertaining the proper legal position.

From the bygone era of laws dealing with Central Excise, Value Added Tax & Service Tax, the concept of issuing **Advance Rulings has been grandfathered into the GST regime as well.**

**'Advance Ruling' u/s 95** means a decision provided by the Authority for Advance Ruling (hereinafter referred to as '**Authority**') or the Appellate Authority for Advance Ruling (hereinafter referred to as '**Appellate Authority**') to an applicant in **written form** on matters or on questions specified in relation to the supply of goods and/or services proposed to be undertaken or being undertaken by the applicant.

The Authority/Appellate Authority is **State/Union Territory specific.**

### Objective of having a mechanism of Advance Ruling

- Provide **certainty for tax liability** in advance in relation to a future activity to be undertaken by the applicant.
- Attract Foreign Direct Investment (**FDI**)
- **Reduce litigation** and costly legal disputes
- Give decisions in a **timely, transparent and inexpensive** manner

## Questions on which Advance Ruling can be sought (Sec. 97(2))

Classification of goods and / or services or both	Applicability of notification issued under the Act	Determining the time and value of goods or services or both	Input credit admissibility of tax paid or deemed to be paid	Determination of liability to tax on goods or services or both	Registration requirement of an applicant	Whether any particular thing done by the applicant amounts to or results in supply of goods or services or both
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## Questions on which Advance Ruling cannot be sought (Sec. 98)

Application is already pending in any proceedings in the case of an applicant	Application is already decided in any proceedings in the case of an applicant	Application is related to provisions related to Place of Supply
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### Procedure for obtaining Advance Ruling (Sec. 97(1) read with Rule 104)

An applicant (who is registered or is desirous to be registered under GST) who seeks an advance ruling should make an application in the prescribed **FORM GST ARA-1** with a fee of **Rs.5000/-** for CGST & SGST each, and should state the question on which such a ruling is sought.

### Procedure on receipt of application (Sec. 98)

On receipt of an application in FORM GST ARA -1, the Authority shall forward a copy to the concerned officer and, if necessary, direct him to furnish the relevant records. The records so called for by the Authority should be returned as soon as possible to the concerned officer. The Authority, at its discretion, would examine the application and the records called for, and after hearing the applicant and concerned officer pass an order, **either admitting or rejecting** the application.

**Before rejecting** the application, the applicant ought to be given an opportunity of being heard. Where the application is finally rejected, the reasons for such rejection shall be stated in the order. A copy of every order made shall be sent to the applicant and to the concerned officer.

Where the application is **admitted**, the AAR shall proceed as follows:

- Examine such further material as may be placed before it by the applicant or obtained by the AAR.
- Provide opportunity of being heard to the applicant or his authorized representatives and concerned officer or this authorized representative.

- **Pronounce its advance ruling** on the question specified in the application in writing **within 90 days of the receipt of application.**

### Reference to Appellate Authority

Where the members of the Authority **differ on any question** on which the advance ruling is sought, they shall **state the point/s of difference** and **refer it to the Appellate Authority** for advance ruling for final decision.

The Appellate Authority to whom a reference is made due to difference of opinion is required to pronounce the ruling **within 90 days of such reference.**

### Submission of advance ruling pronounced (Rule 105 & 107)

A copy of the advance ruling pronounced by the concerned Authority/Appellate Authority, duly signed by the Members and certified, shall be **sent to the applicant and to the concerned officer** after pronouncement.

### Applicability of advance ruling (Sec. 103)

The advance ruling pronounced by the Authority shall be binding only on the **applicant** and on the **jurisdictional officer** in respect of the applicant.

The advance ruling shall be binding on the said persons/authorities **unless there is a change in law or facts or circumstances**, on the basis of which the advance ruling has been pronounced. When any change occurs in such laws, facts or circumstances, the advance ruling shall no longer remain binding on such person.

If the Authorities (i.e. Authority & Appellate Authority) find that the advance ruling order has been obtained by the applicant/appellant by **fraud** or **suppression** of material facts

or **misrepresentation** of facts, it may, by order, declare such ruling to be **void ab initio u/s 104**. Consequently, all the provisions of the Act shall apply to the applicant as if such advance ruling had never been made.

### **Rectification of advance ruling (Sec. 102)**

An advance ruling may be amended by the authority or appellant authority, as the case may be, within a period of **6 months from the date of order** with a view to rectify any mistake apparent from the record, which:

- is noticed by the Authority or Appellate Authority on its own, or
- is brought to the notice of the Authority or Appellate Authority by the concerned or the jurisdictional officer or;

- is brought to the notice of the Authority or Appellate Authority notice by the applicant

If such rectification has the effect of enhancing the tax liability or reducing the amount of admissible input tax credit, then, applicant or the appellant has to be given an opportunity of being heard.

### **Appeal to Appellate Authority (Sec. 100 read with Rule 106)**

An appeal can be filed by the applicant in **FORM GSTARA 02** with a fee of **Rs. 10,000/-** for CGST & SGST each, or the concerned or jurisdictional officer in **FORM GSTARA 03** with no fee, who is aggrieved by the ruling **within 30 days from the date of receipt of the ruling**, which may further be extended for another 30 days.

The Appellate Authority is required to pass an order within ninety days from the date of filing of the appeal **u/s 98**.

## **Constitution for Advance Ruling**

Authority (Sec. 96 of SGST Act)	Appellate Authority (Sec. 99 of SGST Act)
<ul style="list-style-type: none"> <li>• one member from amongst the officers of Central tax</li> <li>• one member from amongst the officers of State tax/ Union Territory</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Commissioner of central tax as designated by the Board</li> <li>• the Commissioner of State Tax</li> </ul>

### **Ruling on Supply of food and beverages in trains**

Till now many rulings have been given by the **AAR** under GST, one of the examples for the same is the recent ruling on **supply of food and beverages in trains**, where the issue was whether the supply of food and beverages in trains is 'supply of goods' or 'supply of service' and if it is a service, then what is the applicable rate?

### **LAW**

Supply of food by restaurants, hotels, food joints etc. will be classified as composite supply as there is supply of goods and supply of services based on the provisions of '**supply of service**' - Para 6(b) of schedule II of CGST Act. Supply, by way of or as part of any service or in any other manner, whatsoever, of goods, being food or any other article for human consumption or drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration is supply of service.

The applicable tax rate for such supplies is 5%, provided that credit of input tax charged on the goods and services used in supplying the service has not been taken.

From the above provisions in GST, it is clear that it is the supply of service but as per the provisions of the Constitution of India, it is supply of goods. The provisions of the CGST Act are contradicting with that of the provisions of the Constitution. As per Article 366(29A)(f) of constitution of India, a tax on the supply, by way of or as part of any service or in any other manner, whatsoever, of goods, being food or any other article for human consumption or any drink

(whether or not intoxicating), where such supply or service, is for cash, deferred payment or other valuable consideration, and such transfer, delivery or supply of any goods shall be **deemed to be a sale of those goods** by the person making the transfer, delivery or supply and a purchase of those goods by the person to whom such transfer, delivery or supply is made.

'**Outdoor catering**' means caterer engaged in providing services in connection with catering at a place provided by way of tenancy or otherwise by the person receiving such services.

The applicable tax rate for such supplies is 18%. Further, the credit of input tax charged on goods and services used in supplying the service are allowed to avail.

Mere supply of food at customer's place without serving it, there would not have come within the definition of outdoor catering.

### **CASE**

The AAR ruling came in response to an application by **Deepak & Co.** that entered into an agreement with the Indian Railways for supply of food and beverages (packaged, cooked or at MRP) on mail and express trains. It had also signed an agreement to open food stalls and food plazas at railway stations. The contention of applicant was supply of food to passengers or at food plaza/ food stall would be the supply of service and would attract tax rate of 5% without the benefit of ITC.

The **Jurisdictional officer** was of the opinion that the supply of service by applicant is outdoor catering as service is provided in a place other than applicant's premises, thus, the applicable tax rate is 18%. However, the contention related to supply of food at food stall/ food plaza seems correct and the applicable tax rate is 5%.

**Central Board of Indirect Taxes and Customs** vide Circular F. No. 354/03/2018-TRU dated 31 March, 2018, has clarified that the rate of GST applicable on supply of food and drinks made available in trains, platforms or stations by the Indian Railways or IRCTC or their licensees, whether in trains or at platforms (static units), will be 5% without input tax credit.

Further, the circular from Central Board of Indirect Taxes and Customs, announcing lower GST rate for food on trains, did not say whether such transactions shall be treated as supply of goods or services.

On the contrary to all above, the **Delhi bench of authority for advance ruling** has ruled that train is a medium of transport and cannot be termed as restaurant, eating joint, mess or canteen etc., hence, catering services provided on-board is not a supply of service. The supply of food and beverages on board to the passengers as per the menu/rates fixed by IRCTC/Railways does not have any element of service and shall be considered as pure supply of goods. Accordingly, GST shall be charged on individual items at the respective applicable rates.

Also, it has been held in the said ruling that the supply of food and beverages to passengers/general public at fixed rate (By IRCTC/Indian Railways) at Food Stalls on Railway Platform does not have any element of service and hence, the same shall be considered as pure supply of goods. Mere heating/cooling of beverages or similar other services are incidental and minimally required to supply such food items and such supply cannot be said to be a 'composite supply'.

### **Conclusion**

Hence, the ruling decided by the authority has held that the supply of food and beverages in trains will attract GST as applicable on such item, not the concessional rate of 5% as clarified by the Government itself in a Circular issued earlier in this regard.

Further, as the relevant documents pertaining to details of items supplied, pricing details, extent of services provided are not submitted, no ruling has been given in respect of supply from food plaza on the railway platform.

### **Impact**

The aforementioned contradiction by the advance ruling authority and the clarification provided by CBIC may have far reaching impact on railways. The ruling given by the authority may impact the prices of railway tickets as the rate for supply of food will differ from item to item, which may enhance the prices of ticket. Further, if contractor supplies food at platform, it will create a chaos at what rate it should be supplied at, as no ruling has been given by the authority on it.

Also, various questions arise like - Whether circulars are binding on the revenue?; Whether revenue can challenge circulars issued by its own board?; Whether revenue has the power to issue show cause notice taking a view contrary to a favorable circular?

Another challenge is the people selling the food stuff at stations and in the train will be the same as they are from the same contractor and as a result of it, they will get confused on charging the money from the passengers. Or there will be cases where the items are shifted from the food plaza at the station to the train to be sold to passengers or vice versa. This will create chaos in the accounting and tracking of the same. Same item is being sold at two different locations by the same taxpayer and it being taxed separately; this increases the complexity of the business and defeats the intent of simplification of taxation.

The same logic should be applicable in the case of airlines or in buses operated by various state road transporters, private operators etc.

**As per section 103 of the CGST Act, 2017**, the Advance Ruling is binding only on the applicant and the concerned officer or the jurisdictional officer in respect of the applicant. As per the GST Law, the board cannot quash the orders of the AAR. So, at least as far as the applicant and his jurisdictional officer are concerned, the AAR ruling is binding. The contrary views of AAR and CBIC lead to an absurd position under GST which is built on the premise of "One Nation One Tax".

### **Ruling on Construction of Solar Plant**

Advance ruling mechanism under GST is at the state level and here, we have a case where two different state advance ruling authority has given two different ruling. This has put the taxpayers in a fix. In case of **Construction of Solar Plant**, the issue was whether the Construction of Solar Plant is a 'Works Contract' and liable to 18% GST or 'Composite Supply' and liable to concessional rate of 5%.

### **LAW**

As per Section 2(30) of CGST Act, **Composite Supply** means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply.

As per Section 2(90), **Principal Supply** means the supply of goods or services, which constitutes the predominant element of a composite supply and to which any other supply forming part of that composite supply is ancillary.

As per Section 2(119) of CGST Act, **Works Contract** means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration, or commissioning of any immovable property wherein, the transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract "

Works contract has been deemed to be a service under GST - Schedule II of GST law specifies that composite supply of works contract would be deemed to be a service. The general rate of works contract service is 18%.

### **CASE**

The AAR ruling came in response to an application by **M/s Giriraj Renewables Private Ltd.** who is an EPC contractor and has entered into agreement with various developers who desire to set up and operate solar photovoltaic plants for supply of generated power. The contracts are for supply of goods as well as services. The applicant has contended that:

- The agreement is construed as a composite supply; the principal supply would be the supply of PV Modules which again are liable to tax @ 5%.
- He is engaged in the business of supply of 'solar power generating system' and the same should be liable to tax at 5%.
- The proposed agreement with its customers should be taxable @5% GST, and the same should be applicable to sub-contractors as well.

### **Karnataka Authority of Advanced Ruling (AAR)**

- The major component (PV Module) said to have constituted 70% of the whole project procured by the owner himself. Therefore, the same cannot be construed as a principal supply by the applicant and hence, it cannot be construed to be a principal supply of the project and thereby cannot be a composite supply.
- EPC contract for the construction of solar power project in which both goods and services are supplied cannot be interpreted as a composite (a mix of components, which make up a solar project) supply contract. Therefore, the supply of each component in a 'Solar Power Generating System' cannot have a flat tax rate of 5 percent GST.
- Further, the authority clarified that the rate of GST will depend on the supply type as the sub-contractor is an individual supplier and cannot avail any GST at concessional rate.

### **Maharashtra State Authority of Advanced Ruling (AAR)**

Has, in response to an application by Giriraj Renewables Pvt. Ltd., clarified that irrespective of the fact that there are separate contracts for supply of goods and services for a solar power plant, the entire project of setting up and operation of a solar photovoltaic plant shall qualify as a works contract and shall be taxable at 18%.

### **Conclusion**

Two separate Authorities for Advance Rulings (AAR) on the GST rate applicable on installation of solar plants have thrown the solar industry into confusion. The industry has knocked at the doors of the government seeking clarity on the matter.

Two rulings, from the Maharashtra AAR, have favored a GST rate of 18%, treating installation as a whole works contract. The Karnataka AAR, however, has ruled to treat installation at the concessional rate of 5% applicable on equipment. The challenge for the applicant is as he has to maintain it differently in both the states as one has given it at 5% and another at 18%.

To avoid such confusion, it may be proposed to have a central body for advance ruling so that the trade and industry can really benefit from the same. The current mechanism does not have any representation from the Judiciary and for this a petition is already filed in the High Court of Gujarat and it posted for hearing on 2<sup>nd</sup> July 2018. Keeping in view of all the above, the advance ruling mechanism should be revisited in GST else it will defeat the objective of having such a mechanism.



## MAINTENANCE OF ACCOUNTS AND RECORDS UNDER GST REGIME

**CMA JASRAJ B KULERIYA**  
Practicing Cost Accountant

### Important Points:

- Every registered person under GST must maintain all records at his principal place of business as prescribed under Section 35 of the Central Goods and Service Tax Act, 2017 read with Rule 56 of the Central Goods and Service Tax Rule, 2017.
- Who must maintain accounts and records under GST?**  
It is the responsibility of the following persons to maintain specified records-
  - The owner i.e. Manufactures, Service Supplier and Trader.
  - Operator of Warehouse or Godown or any other place used for storage of goods.
  - Every Transporter
- Every registered person whose turnover during a financial year exceeds the prescribed limit i.e. Rs. 2 Crore will get his accounts audited by a Cost Accountant or a Chartered Accountant.
- Every registered person must maintain records of-
  - Production or manufacture of goods
  - Inward and outward supply of goods or services or both
  - Stock of goods
  - Input tax credit availed
  - Output tax payable and paid and
  - Other particulars as may be prescribed

As per Proviso to Sec. 35 (1) of the CGST Act, "The registered person may keep and maintain such accounts and other particulars in electronic form in such manner as may be prescribed".

- In addition to above, every registered person shall keep and maintain a true and correct account of the goods or services imported or exported or of supplies attracting payment of tax on reverse charge along with the relevant documents, including invoices, bills of supply, delivery challans, credit notes, debit notes, receipt vouchers, payment vouchers and refund vouchers as per Rule 56 of the CGST Rule, 2017.
- List of records to be maintained under GST

Account/ Records	Information Required	By Whom?
Register of Goods Produced	Account should contain detail of goods manufactured in a factory or production house HSN wise on daily basis and at any given point of time.	Every assessee carrying out manufacturing activity
Purchase Register	All the purchases made within a tax period for manufacturing of goods or provision of services having details of Name of Supplier, GSTIN, Invoice No./Date, Name of State, Category of purchases (Inputs, Input Service & Capital Goods), Tax Rate and Tax Amount with bifurcation of CGST, SGST and IGST.	All Assessee
Sales Register	Account of all the sales made within a tax period must be maintained having details of Name of Customer, GSTIN, Invoice No./Date, Place of Supplier, Name of State, Category of Sales (Domestic and Export), Tax Rate and Tax Amount with bifurcation of CGST, SGST and IGST.	All Assessee
Stock Register	This register should contain a correct stock of inventory available on daily	All Assessee

	basis or at any given point of time and such register shall contain particulars of the opening balance, receipt, supply, goods lost, stolen, destroyed, written off or disposed of by way of gift or free sample and the balance of stock including raw materials, finished goods, scrap and wastage thereof	
Input Tax Credit Availed	This register should maintain the details of Input Tax Credit availed for a given tax period having bifurcation of Tax Rate and Tax amount along with category of inward (Inputs, Input Service and Capital Goods)	All Assessee
Output Tax Liability	This register should maintain the details of GST liability outstanding to be adjusted against input tax credit or cash.	All Assessee
Output Tax Paid	This register should maintain the details of GST paid for a particular tax period	All Assessee
Advance Paid/Received Register	This register should maintain details of advances received, paid, adjustments made and tax paid/adjusted thereto.	All Assessee
Other Records Specified	Government can further specify by way of a notification, additional records and accounts to be maintained	Specific Businesses as notified by the government

#### 7. Records related to Tax paid/payable:

##### a. Record for Tax payable or paid

Every registered person shall keep and maintain an account, containing the details of tax payable including tax payable under reverse charge, tax collected and paid, input tax, input tax credit claimed, together with a register of Tax Invoice, Credit Notes, Debit Notes, Delivery Challan issued or received during any tax period.

##### b. Electronic Cash and Credit Ledger

Every registered person will have 3 ledgers under GST which will be generated automatically at the time of registration and will be maintained electronically.

- o **Electronic Cash Ledger-** This ledger will serve as an electronic wallet. The taxpayer will have to deposit money into his cash ledger (add money to the wallet). The money will be utilized to make the payment.
- o **Electronic Credit Ledger-** The input tax credit on purchases will be reflected here under three categories i.e. IGST, CGST & SGST. The taxpayer will be able to utilize the balance shown in this account **only for payment of tax (not for interest, penalty etc.)**
- o **Electronic Liability Ledger:** This ledger will show the total tax liability of a taxpayer after netting off for the particular month. This ledger will be auto-populated.

#### 8. As per Rule 56 (5) of CGST Rules, 2017, Every registered person shall keep particulars of-

- a. names and complete addresses of suppliers from whom he has received the goods or services chargeable to tax under the Act;
- b. names and complete addresses of the persons to whom he has supplied goods or services, where required under the provisions of this Chapter;
- c. the complete address of the premises where goods are stored by him, including goods stored during transit along with the particulars of the stock stored therein.

If any taxable goods are found to be stored at any place(s) other than those declared under sub-rule (5) without the cover of any valid documents, the proper officer shall determine the amount of tax payable on such goods as if such goods have been supplied by the registered person.

#### 9. Records to be maintained by owner or operator of godown or warehouse and transporters:

- a. Every person required to maintain records and accounts in accordance with the provisions of Section 35 (2) of CGST Act, 2017, if not already registered under the Act, shall submit the details regarding his business electronically on the common portal in FORM GST ENR-01, either directly or through a Facilitation Centre notified by the Commissioner and, upon validation of the details furnished, a unique enrolment number shall be generated and communicated to the said person.
- b. The person enrolled under sub-rule (1) as aforesaid in any other State or Union territory shall be deemed to be enrolled in the State or Union territory.
- c. Every person who is enrolled under sub-rule (1) shall, where required, amend the details furnished in FORM GST ENR-01 electronically on the common portal either directly or through a Facilitation Centre notified by the Commissioner.
- d. Subject to the provisions of rule 56,-



- i. any person engaged in the business of transporting goods shall maintain records of goods transported, delivered and goods stored in transit by him along with the Goods and Services Tax Identification Number of the registered consigner and consignee for each of his branches.
  - ii. every owner or operator of a warehouse or godown shall maintain books of accounts with respect to the period for which particular goods remain in the warehouse, including the particulars relating to dispatch, movement, receipt and disposal of such goods.
- e. The owner or the operator of the godown shall store the goods in such manner that they can be identified item-wise and owner-wise and shall facilitate any physical verification or inspection by the proper officer on demand.

#### **10. Period for Retention of Accounts under GST**

As per Section 36 of the CGST Act, 2017, every registered person must keep and maintain the accounts books and records for at least 72 months (**6 years**) from the due date of furnishing of annual return for the year pertaining to such accounts and records.

A registered person, who is party to an appeal or revision or any other proceedings before any Appellant Authority or Revisional Authority or Appellate Tribunal or court, whether filed by him or by the Commissioner, or is under investigation for an offence under Chapter XIX, shall retain the books of account and other records pertaining such proceedings for a period of one year after final disposal of such appeal or revision or proceedings or investigation, or for the period specified above, whichever is later.

#### **11. Consequences of Not Maintaining Proper Records**

If the taxpayer fails to maintain proper records in respect of goods/services, then the proper officer shall determine the amount of tax payable on the goods or services or both that are not accounted for, as if such goods or services or both had been supplied by such person and the provisions of Section 73 or Section 74, as the case may be, shall, mutatis mutandis, apply for determination of such tax.

#### **12. Other**

- Every registered person shall keep the books of account at the principal place of business and books of account relating to additional place of business mentioned in his certificate of registration and such books of account shall include any electronic form of data stored on any electronic device.
- Any entry in registers, accounts and documents shall not be erased, effaced or overwritten, and all incorrect entries, otherwise than those of clerical nature, shall be scored out under attestation and thereafter the correct entry shall be recorded and where the registers and other documents are maintained electronically, a log of every entry edited or deleted shall be maintained.
- Each volume of books of account maintained manually by the registered person shall be serially numbered.
- Unless proved otherwise, if any documents, registers, or any books of account belonging to a registered person are found at any premises other than those mentioned in the certificate of registration, they shall be presumed to be maintained by the said registered person.





## BENAMI TRANSACTIONS INFORMANTS REWARD SCHEME, 2018 - AN ATTEMPT TO UNEARTH BLACK MONEY AND TO REDUCE TAX EVASION

**CMA NIRANJANA SWAIN**

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### Background:

It was found in many cases that black money was invested in properties in the names of others, even though benefits were enjoyed by the investor concealing his beneficial ownership in his tax returns. As per the Prohibition of Benami Property Transactions Act, 1988, as amended by Benami Transactions (Prohibition) Amendment Act, 2016 effect from 1st November, 2016, any property acquired by a person in the name of a benamidar (other than his close family members or in fiduciary capacity), is liable to be attached and subsequently confiscated and all persons involved in such benami transactions are liable to be prosecuted which carries rigorous imprisonment for term up to seven years.

**With the objective of obtaining people's participation in the Income Tax Department's efforts to unearth black money and to reduce tax evasion, a new reward scheme titled "Benami Transactions Informants Reward Scheme, 2018", has been issued by the Income Tax Department.** This reward scheme is aimed at encouraging people to give information about benami transactions and properties as well as income earned on such properties by such hidden investors and beneficial owners.

Under the **Benami Transactions Informants Reward Scheme, 2018**, a person can get reward up to Rupees One crore for giving specific information in prescribed manner to the Joint or Additional Commissioners of Benami Prohibition Units (BPUs) in Investigation Directorates of Income Tax Department about benami transactions and properties as well as proceeds from such properties which are actionable under Benami Property Transactions Act, 1988, as amended by Benami Transactions (Prohibition) Amendment Act, 2016. Foreigners will also be eligible for such reward. Identity of the persons giving information will not be disclosed and strict confidentiality shall be maintained.

### Who can be 'Informant' for the purposes of this scheme:

An 'Informant' means a person, and will include an individual or a group of individuals, who has –

(i) at a time, given specific information about one or more movable or immovable benami property / properties of which the fair market value, as defined in the Act, of movable property, and circle rate, as defined in this Scheme, of immovable property is more than Rupees One crore in a **single Annexure – A form**;

***The fair market value of an immovable property shall be higher of***  
***(i) its cost of acquisition; and***  
***(ii) the price that the property shall ordinarily fetch if sold in the open market on the valuation date for which the assessee may obtain a valuation report from a valuer recognised by the Government of a country or specified territory outside India in which the property is located or any of its agencies for the purpose of valuation of immovable property under any regulation or law;***

(ii) furnished in prescribed form in Annexure – A to the scheme; and

(iii) received 'Informant Code' from the authority prescribed in the scheme Explanation:

A person shall not be entitled to any reward under the scheme if he is not an informant under the scheme, even if such person has furnished specific information of benami property in any other manner, e.g., through letter, e-mail, CD, Whats App, SMS, phone, posting in social networking site or publishing letter in newspaper or any other media.

### Secrecy of identity of informant & information:

Identity of the informant, information given by him (including all related documents/annexure) or the reward paid to him shall not be disclosed to any person/authority except when expressly required under any law for the time being in force or by order of any court of law. The documents/annexure relating to identity and information shall remain confidential and be dealt with accordingly.

### **'Specific information' under the scheme:**

The information given by the informant can be treated as specific information under the scheme only if it includes:

- verifiable particulars of the benami property;
- name and address of the person in whose name the property has been acquired (benamidar); and
- credible basis including supporting evidence for the information that the property was actually benami property.

### **Procedure of furnishing information:**

- A person who wants to give specific information in expectation of reward may contact the Joint Commissioner of Income Tax/Additional Commissioner of Income Tax (Benami Prohibition) [hereinafter referred to as 'JCIT/Addl. CIT (BP)'] having jurisdiction over the place where the benami property is situated. ( Ref Notification No. 40/2017/F.No.173/429/2016-ITA-I dated 18.5.2017 issued by the CBDT)
- If the JCIT/Addl. CIT (BP) feels that the person has given specific information of benami property, he will give one set of prescribed form as per Annexure-A to such person who shall fill, sign and submit it to the JCIT/Addl. CIT (BP).
- If there are more than one benami properties located at different places, the person may give information to any of the JCIT/Addl. CIT (BP) having jurisdiction over any of these properties.
- Where the person gives information about benami properties to any other Income Tax authority, such other authority shall forward such information and guide him to the jurisdictional JCIT/Addl. CIT (BP). Where there are more than one BP units at a place, such person may be directed to approach the jurisdictional DGIT (Investigation).
- If the information is furnished by a group of persons, the prescribed form, statements, etc. shall be filled and signed by all such persons, jointly and Informant code will be allotted to each of them separately. The reward payable in such cases, if any, shall be disbursed in equal proportion, unless specified otherwise by such persons at the time of furnishing information in the prescribed format (Annexure A).
- Where a foreign person wants to give information of benami property actionable under the Act, he may contact the Member (Investigation), CBDT, North Block, New Delhi-110001 either in person or by post or by a communication at email id member.inv@incometax.gov.in with a copy to citinv-cbdt@nic.in for further action. He may take assistance of Income Tax Overseas Units (ITOU) working in Indian missions in some foreign countries in this regard.
- A person may give information about more than one benami properties either on one or multiple occasions, but the prescribed form in Annexure-A shall be filled and signed separately on each occasion. One form may be used for multiple properties only if such properties pertain to either the same benamidar or same beneficial owner. However, he will be given only one Informant Code and his reward will be computed on the basis of entitlement individually for each benami property. Also, if a person desires to get reward for information under both this Scheme and Income Tax Informants Reward Scheme, 2018, on the basis of substantially same facts, he shall have to furnish the same separately in accordance with the two Schemes. In other words, even if information furnished under this Scheme is collaterally used by the Income Tax Department for any purpose including that under Income Tax Act, 1961, the informant's entitlement shall be restricted to reward under this Scheme only.
- The informant shall be liable to render assistance as may be required by the JCIT/Addl. CIT (BP) or any other investigating officer to whom the JCIT/Addl. CIT (BP) concerned may assign the investigation into the information given by the informant.
- From the time of allotment of Informant Code, the person shall be identified with such Informant Code only and his actual identity shall be known to the JCIT/Addl. CIT (BP) only.
- In case of any difficulty, the person desirous of giving specific information of benami property, may contact the PDIT (Inv)/DIT (Inv) of the area. The decision of PDIT (Inv)/DIT (Inv) will be final in the matter of allotment of Informant Code under this scheme.
- It should be noted that furnishing false information/evidence is an offence and a person giving false information/evidence/ statement will be liable to be prosecuted for such offence.

### **When reward may be granted:**

An informant under the scheme can be granted interim & final reward by the competent authority.

#### **(i) Interim reward can be granted on fulfillment of the following conditions:**

- the informant has given specific information of benami property in the prescribed format in Annexure-A and obtained informant code under the scheme;
- provided assistance required, if any, by the Addl./JCIT (BP) or any other investigating officer to whom the JCIT/Addl. CIT (BP) concerned may assign the investigation into the information given by the informant; and
- pursuant to such information, the benami property has actually been provisionally attached under Section 24(4) of the Act.

**(ii) Final reward can be granted on fulfilment of the following conditions:**

- the informant has given specific information of benami property in the prescribed format in Annexure-A and obtained informant code under the scheme;
- provided assistance required, if any, by the Addl./JCIT (BP) or any other investigating officer to whom the JCIT/Addl. CIT (BP) concerned may assign the investigation into the information given by the informant;
- the benami property has been confiscated under Section 27 of the Act; and
- Such confiscation has become final in judicial proceedings after confiscation order is passed. The confiscation shall be deemed to be final if two years have passed from the date of confiscation and there is no litigation pending against such confiscation.

**Amount and stage of granting interim and final reward:**

- Interim reward up to 1% (one per cent) of the fair market value, as defined in the Act, of movable property, and circle rate, as defined in this Scheme, of immovable property, provisionally attached under section 24(4) of the Act may be granted by the competent authority on fulfilment of eligibility conditions under the scheme subject to the maximum ceiling of an amount of interim reward of Rupees Ten lakh in respect of information of a single benami property.
- Final reward up to 5% (five per cent) of fair market value, as defined in the Act, of movable property, and circle rate, as defined in this Scheme, of immovable property, confiscated under the Act may be granted by the competent authority on fulfilment of eligibility conditions under the scheme. While granting the final reward, the amount of interim reward paid, if any, shall be reduced from the total final reward granted. However, maximum amount of total reward (interim and final) in respect of a single benami property shall be limited to Rupees One crore.
- If there are more than one benami properties informed in a single Annexure – A form, reward shall be computed on the basis of entitlement applying the above percentage rates and maximum limits individually for each benami property.
- If the informant has claimed reward under this Scheme as well as Income Tax Informants Reward Scheme, 2018, based upon substantially same facts (as was given for claiming reward under this scheme) and if the same is separately found eligible for grant of reward in accordance with this Scheme as well as the Income Tax Informants Reward Scheme, 2018, the total amount of reward under both the schemes taken together shall not exceed the maximum permissible amount under the Income Tax Informants Reward Scheme, 2018, or this Scheme, whichever is higher. In other words, if an informant is found eligible for reward under both the Schemes for information relating to the Act and the Income Tax Act, 1961, the total maximum reward under the two Schemes shall be restricted to ₹ 1 (one) crore as is the limit in this Scheme and if an informant is found eligible for reward under both the Schemes for information relating to the Act and the Black Money (Undisclosed Foreign Income and Assets) Act, 2015, the total maximum reward under the two Schemes shall be restricted to ₹ 5 (five) crore as is the limit in Income Tax Informants Reward Scheme, 2018.

**Timelines for grant of interim and final reward:**

Every endeavour shall be made to grant:

- interim reward within 4 months of actual provisional attachment of the benami property under section 24(4) of the Act; and
- final reward within 6 months of order of confiscation of the benami property becoming final. The confiscation shall be deemed to be final if two years from the date of confiscation have passed and there is no litigation pending against such confiscation.

**Modalities of payment of reward to an Informant who is a foreign person:**

The reward to an informant who is a foreign person may be paid by regular banking channel as per guidelines issued by Reserve Bank of India (otherwise than cash), to his bank account in India or abroad, as requested in writing by the Informant, in Indian Rupees or its equivalent US Dollar at the exchange rate prevailing at the time of actual payment of reward. Commission or charges for payment in US Dollar shall be deducted from the gross reward amount granted.

**Authority competent to grant interim and final reward:**

The authority competent to grant any reward under the Scheme shall be a committee consisting of:

- (i) DGIT (Inv.) holding jurisdiction over the JCIT/Addl. CIT (BP) concerned who has received the information;
  - (ii) PDIT (Inv)/DIT (Inv.) holding jurisdiction over the JCIT/Addl. CIT (BP) concerned who has received the information; and
  - (iii) a Principal Commissioner of Income Tax nominated by the Principal Chief Commissioner of Income Tax (CCA) of the area where provisional attachment order or, as the case may be, confiscation order, is passed by competent authority.
- (iv) The JCIT/Addl. CIT (BP) concerned shall be Secretary of the committee.

**Factors relevant for granting the reward and determining its quantum:**

The following factors, among others, may be considered by the competent authority in this regard:

- Fulfilment of conditions mentioned in this scheme.
- Specific nature, precision, accuracy, usefulness of information and quality of evidence furnished by the informant.
- Extent and nature of assistance rendered by the informant.
- Risk and trouble undertaken and the expenses incurred by the informant in securing and furnishing the information.

**Circumstances under which informant will not be eligible to get any reward:**

No reward under the scheme shall be granted-

- If information is not provided in accordance with the Scheme; or
- If terms and conditions of the scheme are not fulfilled, or
- Where information given is vague/non-specific and/or of general nature. For example, where informant says vague things like, "I believe X has many bank accounts in the name of his employees" or "X" has purchased many flats in Kolkata, Delhi and Mumbai in his own name and in the name of others", or
- Where information given was already available with the Income Tax Department, or
- Where the information was not received directly from the informant but through any organization other than Income Tax Department.
- On any incidental or collateral benefit that may arise to the Government in respect of any other property which is not mentioned in the information furnished by the informant in Annexure-A. In other words, the entitlement of the informant shall be restricted to only the property (ies) mentioned in the Annexure – A under this Scheme and shall not extend to any other property as the Department may find out by investigation into the information furnished by the informant.

**Not taking cognizance of information:**

In case it is found that the antecedents of the informant, nature of the information furnished by him and his conduct justify not taking cognizance of the information furnished by him, the JCIT/Addl. CIT (BP) may ignore the information furnished by the informant after recording detailed reasons for doing so.

**Non-disclosure of information to Informant:**

While maintaining secrecy of the information and informant, the information received from the informant can be used by the Income Tax Department for such purposes as are considered appropriate by the Department. The informant shall not have any right to receive any feedback regarding action taken or outcome achieved in any case. He may get feedback and/or update only about whether his information has been acted upon and, if yes, whether he is likely to get any reward. Accordingly, Directorates General of Income Tax (Investigation), who are exempt from providing information under Section 24 of the Right to Information Act, 2005 read with Second Schedule thereof, shall not be bound to provide any information about action taken or outcome achieved except as provided in the said Act.

**Grievance redressal:**

If the person giving such information is aggrieved in the matter of giving information and allotment of Informant Code, he may approach the PDIT/DIT(Inv) concerned, whose decision in the matter shall be final.

**Prohibition on Rewarding Government Servants:**

No reward shall be granted under this scheme to any Government Servant, who furnishes information or evidence obtained by him in the course of normal duties as a Government Servant. A person employed by the Central Government or State Government or Union Territory Government or a nationalized bank or local authority or public sector undertaking, corporation, body corporate or establishment, set up or owned by the Central Government or State Government or Union Territory Government shall be deemed to be a Government Servant for the purpose of this scheme.

**Nature of Reward and Prohibition on Litigation/ Representation:**

Reward under the scheme is ex-gratia payment which may be granted in the absolute discretion of the competent authority. The decision of the authority shall be final and it shall not be subject to any litigation, adjudication and arbitration except review as provided below in this Scheme.

**Review in exceptional situations of grave injustice in case of final reward due to not following provisions of Reward Scheme or factual incorrectness:**

In case an informant alleges grave injustice in the decision of the competent authority for final reward due to either non-adherence to the Reward Scheme issued by the Board or due to factual incorrectness, he may file a review petition within one month of receipt of the decision, before the DGIT(Inv). In such petition he has to clearly bring out the basis of the alleged grave injustice with specific reference to the provisions of the Reward Scheme which have not been followed by the reward committee or instances of factual incorrectness. No cognizance will be taken of a review petition if it is not mentioned as to which provision of Reward Scheme was not followed or instances of factual incorrectness and if the same is not explained clearly.

The DGIT (Inv) shall cause such a petition to be placed before a review committee consisting of

- (i) the Principal CCIT (CCA) of the region where the reward committee was located,
- (ii) a CCIT nominated by the Principal CCIT (CCA) and the
- (iii) the DGIT (Inv) concerned.

In case there is no CCIT in the region, the Principal CCIT may nominate a Principal CIT in the review committee. JCIT/Addl. CIT (BP) concerned shall be the Secretary of the committee. The review committee shall examine such grievance, take necessary action and communicate decision to the informant, preferably, within 3 months of the receipt.

**Assignment of Reward not to be recognized but legal heirs will be eligible:**

If reward is assigned by the informant in favor of some other person, the same will not be recognized. The authority competent to grant reward may, however, grant reward to the legal heirs or nominee(s) of an informant who has deceased before receiving reward. But the provisions of the Scheme shall apply to the heir as would have applied had the informant not died. For this purpose, the informant shall specify nominee(s) in Annexure A at the time of furnishing the information. If there are more than one legal heirs or nominees, the reward amount shall be distributed in equal share unless indicated otherwise in Annexure- A or the right is relinquished by any or more of the legal heirs.

**Control and Audit of Expenditure Relating to Reward:**

The control and audit of the expenditure incurred on payment of reward will be governed by the instructions specifically issued by the Government for the purpose from time to time.

**Meaning of Terms used in the scheme:**

- (i) For the purposes of this Scheme, subject to the context as may otherwise require, the terms that are used in this Scheme as also defined in the Act or Income Tax Act, 1961 or Black Money (Undisclosed Foreign Income and Assets) Act, 2015, shall have the same meaning as given in the Act or Income Tax Act, 1961 or Black Money (Undisclosed Foreign Income and Assets) Act, 2015, unless defined in this Scheme.
- (ii) "Circle Rate", in respect of an immovable property, means the value adopted or assessed or assessable by any authority of a State Government for the purpose of payment of stamp duty in respect of transfer of such immovable property on the date of transaction of acquisition of such property by or for the benamidar.

A Guidelines for Departmental officers for dealing with information under the Benami Transactions Informants Reward Scheme, 2018 has been issued by Income Tax Department for follow up

The time will speak about the benefit received by Govt based upon the information given by Informant and enforcement by the Dept.

**Note:** For relevant Annexures – A, B & C, pl refer to the Banami Transaction Informants Reward Scheme 2018 as notified vide F.No.299/31/2017-Dir (Inv. III)/22 Government of India Ministry of Finance Department of Revenue Central Board of Direct Taxes.

# KEY TAKEAWAYS FROM THE 28TH GST COUNCIL MEETING

In 28th Meeting of GST Council, the following decisions on GST Rate on Goods have been taken.-

## **GST rates reduction on 28% items:**

### 28% to 18%

- Paints and varnishes (including enamels and lacquers)
- Glaziers' putty, grafting putty, resin cements
- Refrigerators, freezers and other refrigerating or freezing equipment including water cooler, milk coolers, refrigerating equipment for leather industry, ice cream freezer etc.
- Washing machines.
- Lithium-ion batteries
- Vacuum cleaners
- Domestic electrical appliances such as food grinders and mixers & food or vegetable juice extractor, shaver, hair clippers etc
- Storage water heaters and immersion heaters, hair dryers, hand dryers, electric smoothing irons etc
- Televisions upto the size of 68 cm
- Special purpose motor vehicles. e.g., crane lorries, fire fighting vehicle, concrete mixer lorries, spraying lorries
- Works trucks [self-propelled, not fitted with lifting or handling equipment] of the type used in factories, warehouses, dock areas or airports for short transport of goods.
- Trailers and semi-trailers.
- Miscellaneous articles such as scent sprays and similar toilet sprays, powder-puffs and pads for the application of cosmetics or toilet preparations.

### 28% to 12%

- Fuel Cell Vehicle. Further, Compensation cess shall also be exempted on fuel cell vehicle.

## **II. Refund of accumulated credit on account of inverted duty structure to fabric manufacturers:**

Fabrics attract GST at the rate of 5% subject to the condition that refund of accumulated ITC on account of inversion will not be allowed. However, considering the difficulty faced by the Fabric sector on account of this condition, the GST Council has recommended for allowing refund to fabrics on account of inverted duty structure. The refund of accumulated ITC shall be allowed only with the prospective effect on the purchases made after the notification is issued.

## **III. GST rates have been recommended to be brought down from,-**

### 18%12%/5% to Nil:

- Stone/Marble/Wood Deities
- Rakhi [other than that of precious or semi-precious material of chapter 71]
- Sanitary Napkins,
- Coir pith compost
- Sal Leaves siali leaves and their products and Sabai Rope
- Phool Bhari Jhadoo [Raw material for Jhadoo]
- Khali dona.
- Circulation and commemorative coins, sold by Security Printing and Minting Corporation of India Ltd [SPMCL] to Ministry of Finance.

### 12% to 5%:

- Chenille fabrics and other fabrics under heading 5801
- Handloom dari
- Phosphoric acid (fertilizer grade only).
- Knitted cap/topi having retail sale value not exceeding Rs 1000

### 18% to 12%:

- Bamboo flooring
- Brass Kerosene Pressure Stove.
- Hand Operated Rubber Roller
- Zip and Slide Fasteners

18% to 5%:

- Ethanol for sale to Oil Marketing Companies for blending with fuel
- Solid bio fuel pellets

**IV. Rate change made in respect of footwear**

- 5% GST is being extended to footwear having a retail sale price up to Rs. 1000 per pair
- Footwear having a retail sale price exceeding Rs. 1000 per pair will continue to attract 18%

**V. GST rates have been recommended to be brought down for specified handicraft items [as per the definition of handicraft, as approved by the GST council] from-**

18% to 12%:

- Handbags including pouches and purses; jewellery box
- Wooden frames for painting, photographs, mirrors etc
- Art ware of cork [including articles of sholapith]
- Stone art ware, stone inlay work
- Ornamental framed mirrors
- Glass statues [other than those of crystal]
- Glass art ware [ incl. pots, jars, votive, cask, cake cover, tulip bottle, vase ]
- Art ware of iron
- Art ware of brass, copper/ copper alloys, electro plated with nickel/silver
- Aluminium art ware
- Handcrafted lamps (including panchloga lamp)
- Worked vegetable or mineral carving, articles thereof, articles of wax, of stearin, of natural gums or natural resins or of modelling pastes etc, (including articles of lac, shellac)
- Ganjifa card

12% to 5%:

- Handmade carpets and other handmade textile floor coverings (including namda/gabba)
- Handmade lace
- Hand-woven tapestries
- Hand-made braids and ornamental trimming in the piece
- Toran

**VI. Miscellaneous Change relating to valuation of a supply:**

- IGST @5% on Pool Issue Price (PIP) of Urea imported on Govt. account for direct agriculture use, instead of assessable value plus custom duty.
- Exemption from Compensation cess to Coal rejects from washery [arising out of cess paid coal on which ITC has not been taken].

**VII. Clarifications/amendments as regards applicability of GST rate in respect of certain goods recommended by GST Council which inter-alia includes:**

- Milk enriched with vitamins or minerals salt (fortified milk) is classifiable under HS code 0401 as milk and exempt from GST.
- 5% GST on both treated (modified) tamarind kernel powder and plain (unmodified) tamarind kernel powder.
- Beet and cane sugar, including refined beet and cane sugar, (falling under heading 1701) attracts 5% GST rate.
- Water supplied for public purposes (other than in sealed containers) does not attract GST.
- Marine engine (falling under sub-heading 8408 10 93) attracts 5% GST rate.
- Kota stone and similar stones [other than marble and granite] other than polished will attract 5% GST, while ready to use polished Kota stone and similar stones will attract 18%.
- Certain other miscellaneous clarification as regards classification/rate has been recommended.

# IGST AND IGST RATE NOTIFICATIONS (01.07.2017 TO 30.06.2018)

COMPILED BY TEAM TRD

Notification No.	Date	Subject	Description
01/2017-Integrated Tax	19/06/2017	Seeks to bring certain sections of the IGST Act, 2017 into force w.e.f. 22.06.2017	Provisions regarding appointment of officers, payment of tax by OIDAR service suppliers and application of certain provisions of CGST Act are notified.
02/2017-Integrated Tax	19/06/2017	Seeks to empower the Principal Commissioner of Central Tax, Bengaluru West to grant registration in case of online information and database access or retrieval services provided or agreed to be provided by a person located in non-taxable territory and received by a non-taxable online recipient.	Principal Commissioner of Central Tax, Bengaluru West and all the officers subordinate to him are empowered to grant registration under OIDAR services.
03/2017-Integrated Tax	28/06/2017	Seeks to bring into force certain sections of the IGST Act, 2017 w.e.f 01.07.2017	Provisions related to levy and collection of tax, determination of nature of supply, place of supply, zero rated supply, apportionment of tax and import of services notified.
04/2017-Integrated Tax	28/06/2017	Seeks to notify IGST Rules, 2017	For carrying out the provisions specified in section 20 OF IGST Act, 2017, the CGST Rules shall apply mutatis mutandis.
05/2017-Integrated Tax	28/06/2017	Seeks to notify the number of HSN digits required on tax invoice	8 digit coding system for HSN is not required in any case. Only 4 digits for more than 5 crore turnover, 2 digits for turnover more than 1.5 crore to 5 crore & no HSN upto turnover of 1.5 crores is required.
06/2017-Integrated Tax	28/06/2017	Seeks to prescribe rate of interest under CGST Act, 2017	Rate of interest- 18% and 24% for tax, 6% and 9% for refunds.
07/2017-Integrated Tax	14/09/2017	Granting exemption from registration to job-workers making inter-State supply of services to a registered person from the requirement of obtaining registration	Granting exemption from registration to job-workers making inter-State supply of services to a registered person from the requirement of obtaining registration
08/2017-Integrated Tax	14/09/2017	Granting exemption to a person making inter-State taxable supplies of handicraft goods from the requirement to obtain registration	Granting exemption to a person making inter-State taxable supplies of handicraft goods from the requirement to obtain registration
09/2017-Integrated Tax	13/10/2017	Seeks to amend notification no. 8/2017-IT dated 14.09.2017 so as to add certain items to the list of "handicrafts goods"	Amended notification no. 8/2017-IT dated 14.09.2017 so as to add certain items to the list of "handicrafts goods"
10/2017-Integrated Tax	13/10/2017	Seeks to exempt persons making inter-State supplies of taxable services from registration under section 23(2)	Specifies the persons making inter-State supplies of taxable services and having an aggregate turnover, to be computed on all India basis, not exceeding an amount of twenty lakh rupees in a financial year as the category of persons exempted from obtaining registration under the said Act. Provided that the aggregate value of such supplies, to be computed on all India basis, should not exceed an amount of ten lakh rupees in case of special category States", other than the State of Jammu and Kashmir.
11/2017-Integrated Tax	13/10/2017	Seeks to cross-empower State Tax officers for processing and grant of refund	Cross-empowering State Tax officers for processing and grant of refund
12/2017-Integrated Tax	15/11/2017	Apportionment of IGST with respect to advertisement services	<b>Rule 3 (a):</b> Publication and newspaper services which are to be published in news papers of



		under section 12 (14) of the IGST Act, 2017.	<p>different states or union territories, the amount of such advertisement service shall be attributable to the respective state or union territory.</p> <p><b>Rule 3 (b):</b> <u>services regarding printed material</u> such as pamphlets, leaflets, diaries, calendars, t-shirts etc, the amount payable for distribution of specific number of such material in a particular state or a union territory is the value of the advertisement attributable to the respective state or union territory.</p> <p><b>Rule 3 (c)(i):</b> <u>Services regarding hoardings other than those on trains</u>, the amount payable for the hoardings located in each state or union territory, the amount of such advertisement service shall be attributable to the respective state or union territory.</p> <p><b>Rule 3 (c)(ii):</b> <u>Advertisement placed on a Train</u>, the breakups shall be calculated on the basis of the ratio of the length of the railway track in each state of that train, the amount of such advertisement service shall be attributable to the respective state or union territory.</p> <p><b>Rule 3 (d)(i):</b> <u>Services regarding advertisement on the back of the utility bills</u> of oil and gas companies etc, the amount payable for the advertisement on such bills pertaining to the consumers having billing address in such States or Union Territories, the amount of such advertisement service shall be attributable to the respective state or union territory.</p> <p><b>Rule 3 (d)(ii):</b> <u>In case of services regarding advertisement on railway tracks</u>, the breakup shall be calculated on the basis of the ratio of number of railway stations in each state or union territory, the amount payable for such advertisement shall constitute the value of advertisement services attributable to the respective state or union territory.</p>
01/2018-Integrated Tax	23/01/2018	Amendment of notification No. 11/2017-Integrated Tax dated 13.10.2017 for cross-empowerment of State tax officers for processing and grant of refund	This Notification is an amendment to the Notification No. 11/2017 – Integrated Tax, dated 13th October, 2017. According to this Notification the commissioner of the IGST Act shall act as proper officers for the purpose of sanction of refund except for sub rules (1) to (8) and sub rule (10) Rule 96 (Refund of integrated tax paid on goods or services exported out of India).

Notification No.	Date	Subject	Description
01/2017-Integrated Tax (Rate)	28/06/2017	Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, on the recommendations of the Council, hereby notifies the rate of the integrated tax.	IGST Rates for Schedule I notified.
02/2017-Integrated Tax (Rate)	28/06/2017	Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central	IGST Rates for Schedule I notified.

		Government, on the recommendations of the Council, hereby notifies the rate of the integrated tax.	
03/2017-Integrated Tax (Rate)	28/06/2017	Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, on the recommendations of the Council, hereby notifies the rate of the integrated tax.	5% rate notified related to petroleum products.
04/2017-Integrated Tax (Rate)	28/06/2017	Reverse charge on certain specified supplies of goods under section 5 (3)	Cashew nuts, not shelled or peeled, Bidi wrapper leaves (tendu), Tobacco leaves, Silk yarn and Supply of lottery are notified supply of goods under reverse charge.
05/2017-Integrated Tax (Rate)	28/06/2017	Supplies of goods in respect of which no refund of unutilised input tax credit shall be allowed	Woven fabrics and Railways are supply of goods on which no refund of unutilised input tax credit shall be allowed.
06/2017-Integrated Tax (Rate)	28/06/2017	Notification prescribing refund of 50% of IGST on supplies to CSD under section 20	Refund of 50% of integrated tax paid by it on all inward supplies of goods received by it for the purposes of subsequent supply of such goods to the Unit Run Canteens of the CSD or to the authorized customers of the CSD.
07/2017-Integrated Tax (Rate)	28/06/2017	Exemption from IGST supplies by CSD to Unit Run Canteens and supplies by CSD / Unit Run Canteens to authorised customers under section 6 (1)	Exemption from IGST supplies by CSD to Unit Run Canteens and supplies by CSD / Unit Run Canteens to authorised customers under section 6 (1)
08/2017-Integrated Tax (Rate)	28/06/2017	To notify the rates for supply of services under IGST Act	To notify the rates for supply of services under IGST Act
09/2017-Integrated Tax (Rate)	28/06/2017	To notify the exemptions on supply of services under IGST Act	To notify the exemptions on supply of services under IGST Act
10/2017-Integrated Tax (Rate)	28/06/2017	To notify the categories of services on which integrated tax will be payable under reverse charge mechanism under IGST Act	Notifies the categories of services on which integrated tax will be payable under reverse charge mechanism under IGST Act
11/2017-Integrated Tax (Rate)	28/06/2017	To notify the supplies which shall be treated neither as a supply of goods nor a supply of service under the IGST Act	Notifies the supplies which shall be treated neither as a supply of goods nor a supply of service under the IGST Act
12/2017-Integrated Tax (Rate)	28/06/2017	To notify the supplies not eligible for refund of unutilized ITC under IGST Act	Notifies that in case of the supply of services specified in sub-item(b) of Item 5 of Schedule II of CGST Act no refund of unutilized ITC shall be allowed under IGST Act
13/2017-Integrated Tax (Rate)	28/06/2017	To notify specialised agencies entitled to claim a refund of taxes paid on the notified supplies of goods or services or both received by them under IGST Act	Notifies specialised agencies entitled to claim a refund of taxes paid on the notified supplies of goods or services or both received by them under IGST Act
14/2017-Integrated Tax	28/06/2017	To notify the categories of services the tax on	Notifies the categories of services the tax on inter-State supplies of which shall be paid by the electronic commerce

(Rate)		inter-State supplies of which shall be paid by the electronic commerce operator	operator
15/2017-Integrated Tax (Rate)	28/06/2017	Notification for Exemption from Integrated Tax to SEZ	Exemption on all goods or services or both imported by a unit or a developer in the Special Economic Zone, from the whole of the integrated tax.
16/2017-Integrated Tax (Rate)	30/06/2017	Seek to reduce the rate of Central Tax, Union Territory Tax, on fertilisers from 6% to 2.5% and Integrated Tax rate on fertilisers from 12% to 5%	Seek to reduce the rate of Central Tax, Union Territory Tax, on fertilisers from 6% to 2.5% and Integrated Tax rate on fertilisers from 12% to 5%
17/2017-Integrated Tax (Rate)	05/07/2017	Rescinding Notification No. 15/2017-Integrated Tax (Rate) dated 30.06.2017	Rescinding Notification No. 15/2017-Integrated Tax (Rate) dated 30.06.2017
18/2017-Integrated Tax (Rate)	05/07/2017	IGST exemption to SEZs on import of Services by a unit/developer in an SEZ	Exemption on services imported by a unit or a developer in the Special Economic Zone for authorised operations, from the whole of the integrated tax
19/2017-Integrated Tax (Rate)	18/08/2017	Seeks to reduce IGST rate on specified parts of tractors from 28% to 18 %	Notifies reduction in IGST rate on specified parts of tractors from 28% to 18 %
20/2017-Integrated Tax (Rate)	22/08/2017	Seeks to amend notification No. 08/2017-IT(R) to reduce IGST rate on specified supplies of Works Contract Services, job work for textile & textile products, printing service of books, newspapers etc , admission to planetarium, and, also to provide option to GTA & transport of passengers by motor cab service providers to avail full ITC & discharge IGST @ 12%	Amended notification No. 08/2017-IT(R) to reduce IGST rate on specified supplies of Works Contract Services, job work for textile & textile products, printing service of books, newspapers etc., admission to planetarium, and, also to provide option to GTA & transport of passengers by motor cab service providers to avail full ITC & discharge IGST @ 12%
21/2017-Integrated Tax (Rate)	22/08/2017	Seeks to amend notification No. 09/2017-IT(R) to exempt services provided by Fair Price Shops to Government and those provided by and to FIFA for FIFA U-17. Also to substitute RWCIS & PMFBY for MNAIS & NAIS, and insert explanation for LLP.	Exemption to services provided by Fair Price Shops to Government and those provided by and to FIFA for FIFA U-17 World Cup 2017 to be hosted in India. Also to substitute "Restructured Weather Based Crop Insurance Scheme (RWCIS)" & Pradhan Mantri Fasal Bima Yojana (PMFBY)" for "Modified National Agricultural Insurance Scheme (MNAIS)" & "National Agricultural Insurance Scheme (NAIS)" and inserted explanation for LLP.
22/2017-Integrated Tax (Rate)	22/08/2017	Seeks to amend notification No. 10/2017-IT(R) to amend RCM provisions for GTA and to insert explanation for LLP.	Amended notification No. 10/2017-IT(R) to amend RCM provisions for GTA and to insert explanation for LLP.
23/2017-Integrated Tax (Rate)	22/08/2017	Seeks to amend notification No. 14/2017-IT(R) to make ECO responsible for payment	Amended Notification No. 14/2017-IT(R) to make Electronic Commerce Operator responsible for payment of GST on services provided by way of house-keeping such as plumbing, carpentering etc.

		of GST on services provided by way of house-keeping such as plumbing, carpentering etc.	
24/2017-Integrated Tax (Rate)	21/09/2017	Seeks to amend notification No. 08/2017-IT(R) to reduce CGST rate on specified supplies of Works Contract Services.	Services provided to the Central Government, State Government, Union Territory, a local authority or a governmental authority by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of - (a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession; (b) a structure meant predominantly for use as (i) an educational, (ii) a clinical, or (iii) an art or cultural establishment; or (c) a residential complex predominantly meant for self-use or the use of their employees or other persons specified in paragraph 3 of the Schedule III of the Central Goods and Services Tax Act, 2017 shall be taxable at 12%.
25/2017-Integrated Tax (Rate)	21/09/2017	Seeks to amend notification No. 09/2017-IT(R) to exempt right to admission to the events organised under FIFA U-17 World Cup 2017.	Exemption on Services by way of right to admission to the events organised under FIFA U-17 World Cup 2017.
26/2017-Integrated Tax (Rate)	21/09/2017	Exempt certain supplies to NPCIL	Exemption to inter-state supply of heavy water and nuclear fuels falling in Chapter 28 of the First Schedule to the Customs Tariff Act, 1975 from whole of tax.
27/2017-Integrated Tax (Rate)	22/09/2017	Seeks to amend notification no. 1/2017-integrated tax (rate) dated 28.06.2017 to give effect to GST council decisions regarding GST rates.	Seeks to amend notification no. 1/2017-integrated tax (rate) dated 28.06.2017 to give effect to GST council decisions regarding GST rates.
28/2017-Integrated Tax (Rate)	22/09/2017	Seeks to amend notification no. 2/2017-integrated tax (rate) dated 28.06.2017 to give effect to GST council decisions regarding GST exemptions.	Amendment to exemptions on supply of goods under CGST Act
29/2017-Integrated Tax (Rate)	22/09/2017	Seeks to amend notification no. 5/2017-integrated tax(rate) dated 28.06.2017 to give effect to GST council decisions regarding restriction of refund on corduroy fabrics.	Supplies relating to Corduroy Fabrics will not be allowed refund of excess ITC, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods (other than nil rated or fully exempt supplies).
30/2017-Integrated Tax (Rate)	22/09/2017	seeks to exempt Skimmed milk powder, or concentrated milk	Exempted Skimmed milk powder, or concentrated milk When supplied to a distinct person as per sub - section (4) of section 25 of the Central Goods and Services Tax Act, 2017 (12 of 2017), for use in production of milk [for distribution through dairy cooperatives] and not for further supply of skimmed milk powder, or concentrated milk as such.
31/2017-Integrated Tax (Rate)	29/09/2017	Exempting supply of services associated with transit cargo to Nepal and Bhutan.	Exempting supply of services associated with transit cargo to Nepal and Bhutan.
32/2017-Integrated Tax	13/10/2017	Seeks to exempt payment of tax under	Exemption from payment of tax under section 5(4) of the IGST Act, 2017 till 31.03.2018.

(Rate)		section 5(4) of the IGST Act, 2017 till 31.03.2018.	
33/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 9/2017-IT(R).	Amended the exemptions on supply of services under IGST Act
34/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 10/2017-IT(R) regarding services provided by Overseeing Committee members to RBI under RCM.	Supply of services by the members of Overseeing Committee to Reserve Bank of India is under reverse charge mechanism.
35/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 1/2017-Integrated Tax (Rate).	Amended the IGST Rates for Schedule I.
36/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 2/2017-Integrated Tax (Rate).	Amended the IGST Rates for Schedule I.
37/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 4/2017-Integrated Tax (Rate).	Supply of Used vehicles, seized and confiscated goods, old and used goods, waste and scrap by Central Government, State Government, Union territory or a local authority to Any registered person is under reverse charge mechanism.
38/2017-Integrated Tax (Rate)	13/10/2017	Seeks to prescribe Integrated Tax rate on the leasing of motor vehicles	Prescribes Integrated Tax rate on the leasing of motor vehicles
39/2017-Integrated Tax (Rate)	13/10/2017	Seeks to amend notification No. 8/2017-Integrated Tax (Rate).	Amended the rates for supply of services under IGST Act
40/2017-Integrated Tax (Rate)	18/10/2017	Seeks to reduce GST rate on Food preparations put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government.	Notifies the rate of the integrated tax of 5 per cent on inter-State supplies of goods of Food preparations put up in unit containers and intended for free distribution to economically weaker sections of the society under a programme duly approved by the Central Government or any State Government subject to specified condition.
41/2017-Integrated Tax (Rate)	23/10/2017	Seeks to prescribe Integrated Tax rate of 0.1% on inter-State supply of taxable goods by a registered supplier to a registered recipient for export subject to specified conditions.	Notifies Tax rate of 0.1% on inter-State supply of taxable goods by a registered supplier to a registered recipient for export subject to specified conditions
42/2017-Integrated Tax (Rate)	27/10/2017	Seeks to amend notification No. 9/2017-Integrated Tax (Rate) so as to exempt IGST on inter-state supply of services to Nepal and Bhutan against payment in INR	Supply of services having place of supply in Nepal or Bhutan, against payment in Indian Rupees is exempt.
43/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification no. 1/2017-Integrated tax(rate) dated 28.06.2017 to give effect to GST council decisions regarding GST rates.	This Notification is related to amendment in IGST Rates in the following schedules: <ul style="list-style-type: none"> <li>• Schedule I - 5% [All goods (other than fresh or chilled) and put up in unit container]</li> <li>• Schedule II-12% [Condensed milk]</li> <li>• Schedule III-18% [Sugar confectionery [other than mishri, batasha, bura, sakar, khadi sakar]</li> <li>• Schedule-IV-28% [Rear tractor tyres and of a kind used on aircraft]</li> </ul>

44/2017-Integrated Tax (Rate)	14/11/2017	seeks to amend notification no. 2/2017-Integrated tax(rate) dated 28.06.2017 to give effect to GST council decisions regarding GST exemptions	<p>As per this Notification the interstate supply of some of the goods was <b>exempted</b> from IGST.</p> <p>Such as,</p> <ul style="list-style-type: none"> <li>All goods, fresh or chilled.</li> <li>Vegetables (uncooked or cooked by steaming or boiling in water), frozen, other than those put up in unit container.</li> <li>Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, frozen, whether or not sliced or in the form of pellets other than those put up in unit container.</li> <li>Dried makhana, whether or not shelled or peeled other than those put up in unit container.</li> </ul> <p>and,-</p> <p>(a) bearing a registered brand name; or</p> <p>(b) bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any actionable claim or enforceable right in respect of such brand name has been foregone voluntarily], subject to the conditions as in the ANNEXURE I;</p> <ul style="list-style-type: none"> <li>Guar meal</li> <li>Hop cones, neither ground nor powdered nor in the form of pellets</li> <li>coconut shell, unworked</li> <li>Jaggery of all types including Cane Jaggery (gur), Palmyra Jaggery; Khandsari Sugar</li> <li>Salt and pure sodium chloride, whether or not in aqueous solutions or containing added anti-caking or free flowing agents; sea water"</li> <li>Uranium Ore Concentrate.</li> </ul> <p>Flour, powder, flakes, granules or pellets of potatoes</p>								
45/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification no. 4/2017-Integrated tax (rate) dated 28.06.2017 to give effect to GST council decision regarding reverse charge on raw cotton.	<p>Goods on which the integrated tax shall be paid on reverse charge basis by the recipient of the intra-state supply of such goods. The following Tariff item shall be added to the list.</p> <table border="1" data-bbox="791 1213 1345 1493"> <thead> <tr> <th>Tariff item, sub-heading, heading or Chapter</th> <th>Description of supply of Goods</th> <th>Supplier of goods</th> <th>Recipient of supply</th> </tr> </thead> <tbody> <tr> <td>5201</td> <td>Raw cotton</td> <td>Agriculturist</td> <td>Any registered person</td> </tr> </tbody> </table>	Tariff item, sub-heading, heading or Chapter	Description of supply of Goods	Supplier of goods	Recipient of supply	5201	Raw cotton	Agriculturist	Any registered person
Tariff item, sub-heading, heading or Chapter	Description of supply of Goods	Supplier of goods	Recipient of supply								
5201	Raw cotton	Agriculturist	Any registered person								
46/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification no. 5/2017-Integrated tax(rate) dated 28.06.2017 to give effect to GST council decisions regarding restriction of ITC on certain fabrics.	<p>Disallowance of refund of unutilized input tax credit, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods (other than nil rated or fully exempt supplies).</p> <table border="1" data-bbox="791 1650 1345 1929"> <thead> <tr> <th>Tariff item, heading, subheading or Chapter</th> <th>Description of Goods</th> </tr> </thead> <tbody> <tr> <td>5608</td> <td>Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials</td> </tr> <tr> <td>5801</td> <td>Corduroy fabrics</td> </tr> <tr> <td>5806</td> <td>Narrow woven fabrics, other than goods of heading 5807; narrow fabrics</td> </tr> </tbody> </table>	Tariff item, heading, subheading or Chapter	Description of Goods	5608	Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials	5801	Corduroy fabrics	5806	Narrow woven fabrics, other than goods of heading 5807; narrow fabrics
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			consisting of warp without weft assembled by means of an adhesive (bolducs)”
47/2017-Integrated Tax (Rate)	14/11/2017	Seeks to provide concessional GST rate of 5% on scientific and technical equipments supplied to public funded research institutions	Exemption of goods such as Scientific and technical instruments, apparatus, equipment (including computers), accessories, parts, consumables and live animals (experimental purpose) etc, from so much of the integrated tax leviable thereon under section 9 of the said Act, as in excess of the amount calculated at the rate of 5 per cent, when supplied to the institutions i.e. Public funded research institution other than a hospital or a University or an Indian Institute of Technology or Indian Institute of Science, Bangalore or a National Institute Technology/ Regional Engineering College.
48/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification No. 8/2017-IT(R) so as to specify rate @5% for standalone restaurants and @18% for other restaurants, reduce rate of job work on “handicraft goods” @ 5% and to substitute “Services provided” in item (vi) against SI No. 3 in table.	Amendment in the Notification No.8/2017- Integrated Tax (Rate), dated the 28th June, 2017 in relation to Integrated Tax Rate on the inter State supply of services of description as specified in the table.
49/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification No. 9/2017-IT(R) so as to extend exemption to admission to “protected monument” and to consolidate entry at SI. No. 12A & 12B	Exemption of services from Integrated Tax leviable on the inter State supply. Following are the services: <ul style="list-style-type: none"> <li>• Service provided by Fair Price Shops to Central Government, State Government or Union territory by way of sale of food grains, kerosene, sugar, edible oil, etc. under Public Distribution System against consideration in the form of commission or margin.</li> <li>• Services by way of admission to a protected monument so declared under the Ancient Monuments and Archaeological Sites and Remains Act 1958 (24 of 1958) or any of the State Acts, for the time being in force.</li> </ul>
50/2017-Integrated Tax (Rate)	14/11/2017	Seeks to amend notification No. 30/2017 Integrated Tax (Rate) dated 22.09.2017, so as to extend the benefit of IGST exemption, applicable in relation to supply of Skimmed milk powder, or concentrated milk for use in the production of milk distributed through dairy co-operatives to the companies that are registered under the Companies Act, 2013 also.	Exempting the inter-State supplies of Skimmed milk powder, or concentrated milk when distribution is done through dairy cooperatives or companies registered under the Companies Act, 2013 (18 of 2013), from the whole of the integrated tax leviable thereon under section 5 of the Integrated Good and Services Tax Act
01/2018 – Integrated Tax	25/01/2018	Seeks to amend notification No. 8/2017-Integrated Tax (Rate) so as to notify IGST rates of various services as recommended by Goods and Services Tax Council in its 25th meeting held	This Notification was an amendment to the Notification No. Notification No. 11/2017 – Integrated Tax, dated 13th October, 2017. According to this Notification the commissioner of the IGST Act shall act as proper officers for the purpose of sanction of refund except for sub rules (1) to (8) and sub rule (10) Rule 96 (Refund of integrated tax paid on goods or services exported out of India).

		on 18.01.2018.																						
01/2018 – Integrated Tax	25/01/2018	Seeks to amend notification No. 9/2017-Integrated Tax (Rate) so as to exempt certain services as recommended by Goods and Services Tax Council in its 25th meeting held on 18.01.2018.	<p>This Notification is in relation to clarification regarding GST Rates of certain Services.</p> <p><b>Clarification on GST Rates.</b></p> <table border="1"> <thead> <tr> <th>SL No</th> <th>Particulars</th> <th>GST Rate</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Housekeeping services provided through electronic commerce operator</td> <td>5%</td> </tr> <tr> <td>2.</td> <td>Tailoring Services</td> <td>5%</td> </tr> <tr> <td>3.</td> <td>Services by way of treatment of effluents by a Common Effluent Treatment Plant</td> <td>12%</td> </tr> <tr> <td>4.</td> <td>Time charter of vessels for transport of goods.</td> <td>5%</td> </tr> <tr> <td>5.</td> <td>Service of exploration, mining or drilling of petroleum crude or natural gas or both.</td> <td>12%</td> </tr> <tr> <td>6.</td> <td>Services by way of admission to amusement parks including theme parks, water parks, joy rides, merry-go rounds, go-carting and ballet.</td> <td>18%</td> </tr> </tbody> </table>	SL No	Particulars	GST Rate	1.	Housekeeping services provided through electronic commerce operator	5%	2.	Tailoring Services	5%	3.	Services by way of treatment of effluents by a Common Effluent Treatment Plant	12%	4.	Time charter of vessels for transport of goods.	5%	5.	Service of exploration, mining or drilling of petroleum crude or natural gas or both.	12%	6.	Services by way of admission to amusement parks including theme parks, water parks, joy rides, merry-go rounds, go-carting and ballet.	18%
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03/2018 – Integrated Tax	25/01/2018	Seeks to amend notification No. 10/2017-Central Tax (Rate) so as to specify services supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a registered person under CGST Act, 2017 to be taxed under Reverse Charge Mechanism (RCM).	<p>In relation to category of supply of services on which Central Goods and Services Tax Act, shall be paid on reverse charge basis by the recipient of the such services. This notification is an amendment to Notification No. 10/2017. Dated: 28th June, 2018.</p> <p>According to the above Notification, the services “supplied by the Central Government, State Government, Union territory or local authority by way of renting of immovable property to a person registered under the CGST Act, 2017” shall be inserted in the list of Reverse Charge services.</p>																					
04/2018 – Integrated Tax	25/01/2018	Seeks to provide special procedure with respect to payment of tax by registered person supplying service by way of construction against transfer of development right and vice versa.	<p>Related to following class of registered persons, namely:</p> <ul style="list-style-type: none"> <li>Registered persons who supply development rights to a developer, builder, construction company or any other registered person against consideration, wholly or partly, in the form of construction service of complex, building or civil structure;</li> <li>Registered persons who supply construction service of complex, building or civil structure to supplier of development rights against consideration, wholly or partly, in the form of transfer of development rights</li> </ul> <p>as the registered persons in whose case the liability to pay integrated tax on supply of the said services, on the consideration received in the form of construction service shall arise at the time when the said developer, builder, construction company or any other registered person, as the case may be, transfers possession or the right in the constructed complex, building or civil structure, to the person supplying the development rights by entering into a conveyance deed or similar instrument</p>																					
05/2018 – Integrated Tax	25/01/2018	Seeks to exempt Central Government’s share of Profit Petroleum from Integrated tax	Central Govt. has exempted GST on interstate supply of services by way of by way of grant of license or lease to explore or mine petroleum crude or natural gas or both, from so much of the integrated tax as is leviable on the consideration paid to the Central Government in the form																					



			of Central Government's share of profit petroleum as defined in the contract entered into by the Central Government in this behalf.																												
06/2018 – Integrated Tax	25/01/2018	Seeks to exempt royalty and license fee from Integrated tax to the extent it is paid on the consideration attributable to royalty and license fee included in transaction value under Rule 10(1)(c) of Customs Valuation (Determination of value of imported Goods) Rules, 2007	According to this Notification, integrated tax leviable under section 5 of the IGST Act on the supply of services, imported into the territory of India shall be exempted to the extent of the aggregate of the duties of Customs leviable towards royalties and license fees which are included in the transaction value on which the appropriate duties of Customs have been paid.																												
07/2018 – Integrated Tax	25/01/2018	Seeks to amend Notification No.1/2017-IGST (Rate).	<p>This Notification is related to changes in GST Rate of goods.</p> <table border="1"> <thead> <tr> <th>Chapter / Heading / Sub-heading / Tariff item</th> <th>Description of Goods</th> <th>GST RATE</th> <th>Schedule</th> </tr> </thead> <tbody> <tr> <td>Inserted</td> <td>Tamarind kernel powder-shall be inserted</td> <td>5</td> <td>I</td> </tr> <tr> <td>Inserted</td> <td>Mehendi paste in cones-shall be inserted</td> <td>5</td> <td>I</td> </tr> <tr> <td>Substituted</td> <td>"Corduroy fabrics, velvet fabrics", shall be substituted;</td> <td>5</td> <td>I</td> </tr> <tr> <td>Inserted</td> <td>Bamboo wood building joinery</td> <td>12</td> <td>II</td> </tr> <tr> <td>Added</td> <td>Ghamella</td> <td>18</td> <td>III</td> </tr> <tr> <td>Inserted</td> <td>Actionable claim in the form of chance to win in betting, gambling, or horse racing in race club";</td> <td>28</td> <td>IV</td> </tr> </tbody> </table>	Chapter / Heading / Sub-heading / Tariff item	Description of Goods	GST RATE	Schedule	Inserted	Tamarind kernel powder-shall be inserted	5	I	Inserted	Mehendi paste in cones-shall be inserted	5	I	Substituted	"Corduroy fabrics, velvet fabrics", shall be substituted;	5	I	Inserted	Bamboo wood building joinery	12	II	Added	Ghamella	18	III	Inserted	Actionable claim in the form of chance to win in betting, gambling, or horse racing in race club";	28	IV
Chapter / Heading / Sub-heading / Tariff item	Description of Goods	GST RATE	Schedule																												
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08/2018 – Integrated Tax	25/01/2018	Seeks to amend Notification No.2/2017-IGST (Rate)	Related to insertions, substitutions of certain goods under Section 11 of CGST Act 2017, Schedule I.																												
09/2018 – Integrated Tax	25/01/2018	Seeks to amend Notification No.1/2017-IGST (Rate)	<p>Relation to fixation of rate of central tax on certain goods of Schedule IV of Notification No. 1/2017- Integrated Tax (Rate).</p> <table border="1"> <thead> <tr> <th>Chapter Heading</th> <th>Description of Goods</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>8703</td> <td>Old and used, petrol Liquefied petroleum gases (LPG) or compressed natural gas (CNG) driven motor vehicles of engine capacity of 1200 cc or more and of length of 4000 mm or more.</td> <td>18%</td> </tr> <tr> <td>8703</td> <td>Old and used, diesel driven motor vehicles of engine capacity of 1500 cc or more and of length of 4000 mm</td> <td>18%</td> </tr> <tr> <td>8703</td> <td>Old and used motor vehicles of engine capacity exceeding 1500 cc, popularly known as Sports Utility Vehicles (SUVs) including utility vehicles.</td> <td>18%</td> </tr> <tr> <td>87</td> <td>All Old and used Vehicles other than those mentioned above</td> <td>12%</td> </tr> </tbody> </table>	Chapter Heading	Description of Goods	Rate	8703	Old and used, petrol Liquefied petroleum gases (LPG) or compressed natural gas (CNG) driven motor vehicles of engine capacity of 1200 cc or more and of length of 4000 mm or more.	18%	8703	Old and used, diesel driven motor vehicles of engine capacity of 1500 cc or more and of length of 4000 mm	18%	8703	Old and used motor vehicles of engine capacity exceeding 1500 cc, popularly known as Sports Utility Vehicles (SUVs) including utility vehicles.	18%	87	All Old and used Vehicles other than those mentioned above	12%													
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87	All Old and used Vehicles other than those mentioned above	12%																													

10/2018 – Integrated Tax	25/01/2018	Seeks to amend Notification No.47/2017-IGST (Rate)	This Notification is amendment to Notification No. 47/2017 (Integrated Tax Rate) Dated: 14 <sup>th</sup> November, 2017. It is about substitution in the name of the Institutions & Conditions who seeks to provide concessional GST rate of 5% on scientific and technical equipments supplied to public funded research institutions.								
11/2018 – Integrated Tax	23/03/2018	Seeks to exempt payment of tax under section 5(4) of the IGST Act, 2017 till 30.06.2018.	Central Govt. exempts the inter-State supply of goods or services or both received by a registered person from any unregistered supplier, from the whole of the integrated tax leviable thereon. This exemption will continue till 30th June, 2018.								
12/2018 – Integrated Tax	28/05/2018	Seeks to amend notification No. 04/2017-Integrated Tax (Rate) dated 28.06.2017 so as to notify levy of Priority Sector Lending Certificate (PSLC) under Reverse Charge Mechanism (RCM).	This notification is regarding applicability of reverse charge mechanism on integrated tax for interstate transaction: <table border="1" data-bbox="791 535 1345 760"> <thead> <tr> <th>Tariff item, sub-heading, heading or Chapter</th> <th>Description of Goods</th> <th>Supplier of goods</th> <th>Recipient of supply</th> </tr> </thead> <tbody> <tr> <td>Any Chapter</td> <td>Priority Sector Lending Certificate</td> <td>Any registered person</td> <td>Any registered person</td> </tr> </tbody> </table>	Tariff item, sub-heading, heading or Chapter	Description of Goods	Supplier of goods	Recipient of supply	Any Chapter	Priority Sector Lending Certificate	Any registered person	Any registered person
Tariff item, sub-heading, heading or Chapter	Description of Goods	Supplier of goods	Recipient of supply								
Any Chapter	Priority Sector Lending Certificate	Any registered person	Any registered person								
13/2018 – Integrated Tax	29/06/2018	Seeks to exempt payment of tax under section 5(4) of the IGST Act, 2017 till 30.09.2018.	Amendment to Notification No. 11/2018 – Integrated Tax. The Central Govt. has extended the date for continuation of exemption the inter-State supply of goods or services or both received by a registered person from any unregistered supplier, from the whole of the integrated tax from 30 <sup>th</sup> June, 2018 to 30 <sup>th</sup> Sept 2018.								

# TAX UPDATES, NOTIFICATIONS AND CIRCULARS

## INDIRECT TAX NOTIFICATIONS

### GOODS AND SERVICES TAX

#### CENTRAL TAX

**Notification No. 30/2018 – Central Tax  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs**

**Date – 30.07.2018**

The Commissioner extends the time limit for furnishing the return by an Input Service Distributor in FORM GSTR-6 for the months of July, 2017 to August, 2018 till the 30th day of September, 2018.

#### CENTRAL TAX RATE

**Notification No. 13/2018-Central Tax (Rate)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes the amendments in the Notification No.11/2017- Central Tax (Rate), dated the 28th June, 2017- In the said notification, in the Table, -

(i) against serial number 7, in column (3),-

(a) for item (i) and the entries relating thereto in columns (3), (4) and (5), the following shall be substituted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-2018-cgst-rate-english.pdf>

**Notification No. 14/2018-Central Tax (Rate)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.12/2017- Central Tax (Rate), dated the 28th June, 2017. In the said notification, -

(i) in the Table, -

- a) against serial number 4, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- b) against serial number 5, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- c) after serial number 9C and the entries relating thereto, the following serial number and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-14-2018-cgst-rate-english.pdf;jsessionid=8CBA18110738F5ECDEF8509E4E86AF52>

**Notification No. 15/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.13/2017- Central Tax (Rate), dated the 28th June, 2017.

In the said notification, -

- (i) in the Table, after serial number 10 and the entries relating thereto, the following serial number and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-15-2018-cgst-rate-english.pdf;jsessionid=669E71DA817AF56B80893D82700AA09C>

**Notification No. 16/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.14/2017- Central Tax (Rate), dated the 28th June, 2017.

In the said notification, in the first paragraph,-

- (i) after the words “State Government”, the words “or Union territory” shall be inserted;  
(ii) after the word “Constitution”, the words “or to a Municipality under article 243W of the Constitution” shall be inserted.

**Notification No. 17/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government inserts following Explanation in Notification No.11/2017- Central Tax (Rate), dated the 28th June, 2017.

“Explanation. - For the purposes of this item, the term ‘business’ shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities.”

**Notification No. 18/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.1/2017-Central Tax (Rate), dated the 28th June, 2017.

In the said notification, -

(A) in Schedule I - 2.5%,

- (i) after S. No. 102 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

"102 A	2207	Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)"
--------	------	--

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-18-2018-cgst-rate-english.pdf>

**Notification No. 19/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.2/2017-Central Tax (Rate), dated the 28th June, 2017.

In the said notification, in the Schedule, -

- (i) after S. No. 92 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:

"92 A	1401	Sal leaves, siali leaves, sisal leaves, sabai grass"
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For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-19-2018-cgst-rate-english.pdf>

**Notification No. 20/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.5/2017-Central Tax (Rate), dated the 28th June, 2017.

In the said notification, in the opening paragraph the following proviso shall be inserted, namely:-

“Provided that,-

- (i) nothing contained in this notification shall apply to the input tax credit accumulated on supplies received on or after the 1st day of August, 2018, in respect of goods mentioned at serial numbers 1, 2, 3, 4, 5, 6, 6A, 6B, 6C and 7 of the Table below; and
- (ii) in respect of said goods, the accumulated input tax credit lying unutilised in balance, after payment of tax for and upto the month of July, 2018, on the inward supplies received up to the 31st day of July 2018, shall lapse.”

**Notification No. 21/2018-Central Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government exempts the intra-state supplies of handicraft goods.

“**handicraft goods**” means – Goods predominantly made by hand even though some tools or machinery may also have been used in the process; such goods are graced with visual appeal in the nature of ornamentation or in-lay work or some similar work of a substantial nature; possess distinctive features, which can be aesthetic, artistic, ethnic or culturally attached and are amply different from mechanically produced goods of similar utility.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-21-2018-cgst-rate-english.pdf;jsessionid=959B59E16CC14F1BAEA21D7DC4FCC740>

**INTEGRATED TAX RATE**

**Notification No. 14/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No. 8/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, in the Table, -

(i) against serial number 7, in column (3),-

- a) for item (i) and the entries relating thereto in columns (3), (4) and (5), the following shall be substituted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-14-2018-igst-rate-english.pdf;jsessionid=2CF7B4A29EE409600FDD6D4FCE63F66>

**Notification No. 15/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.9/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, -

(i) in the Table, -

- a) against serial number 4, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- b) against serial number 5, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- c) after serial number 10D and the entries relating thereto, the following serial numbers and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-15-2018-igst-rate-english.pdf;jsessionid=3F31A5F32BDD38A60B2895599EB875F>

**Notification No. 16/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.10/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, -

(i) in the Table, after serial number 12 and the entries relating thereto, the following serial number and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-16-2018-igst-rate-english.pdf;jsessionid=32F474EDE49FCACF9EBB2EEFDD434886>

**Notification No. 17/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.11/2017- Integrated Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 686(E), dated the 28th June, 2017, namely:-

In the said notification, in the first paragraph,-

- (i) after the words "State Government", the words "or Union territory" shall be inserted;
- (ii) after the word "Constitution", the words "or to a Municipality under article 243W of the Constitution" shall be inserted.

**Notification No. 18/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government inserts following Explanation in Notification No. 8/2017- Integrated Tax (Rate), dated the 28th June, 2017.

"Explanation. - For the purposes of this item, the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities."

**Notification No. 19/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No. 1/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, -

(A) in Schedule I - 5%,

- (i) after S. No. 102 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

"102 A	2207	Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)"
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For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-19-2018-igst-rate-english.pdf;jsessionid=CD6018C04744F79A2FF5F1F0A3F6EDD5>

**Notification No. 20/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.2/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, in the Schedule, -

- (i) after S. No. 92 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:

"92 A	1401	Sal leaves, siali leaves, sisal leaves, sabai grass";
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For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-20-2018-igst-rate-english.pdf;jsessionid=09945E70F0ACC9C2DE812217BC6BFA71>

**Notification No. 21/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.5/2017- Integrated Tax (Rate), dated the 28th June, 2017.

In the said notification, in the opening paragraph the following proviso shall be inserted, namely:-

“Provided that,-

- (i) nothing contained in this notification shall apply to the input tax credit accumulated on supplies received on or after the 1st day of August, 2018, in respect of goods mentioned at serial numbers 1, 2, 3, 4, 5, 6, 6A, 6B, 6C and 7 of the Table below; and
- (ii) in respect of said goods, the accumulated input tax credit lying unutilised in balance, after payment of tax for and upto the month of July, 2018, on the inward supplies received up to the 31st day of July 2018, shall lapse.”.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-21-2018-igst-rate-english.pdf;jsessionid=85C84C9EC5704BB065B1AF85B76BAADE>

**Notification No. 22/2018-Integrated Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government exempts the inter-state supplies of handicraft goods.

Explanation - For the purpose of this notification, the expression “handicraft goods” means “Goods predominantly made by hand even though some tools or machinery may also have been used in the process; such goods are graced with visual appeal in the nature of ornamentation or in-lay work or some similar work of a substantial nature; possess distinctive features, which can be aesthetic, artistic, ethnic or culturally attached and are amply different from mechanically produced goods of similar utility.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-22-2018-igst-rate-english.pdf;jsessionid=1695AC1F8BE73B369CC156AE553275B1>

**UNION TERRITORY TAX RATE**

**Notification No. 13/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.11/2017- Union Territory Tax (Rate), dated the 28th June, 2017.

In the said notification, in the Table, -

(i) against serial number 7, in column (3)-

- (a) for item (i), and the entries relating thereto in columns (3), (4) and (5), the following shall be substituted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-13-2018-utgst-rate-english.pdf;jsessionid=9A17A70E7420E49A985EE5C245CC8ECF>

**Notification No. 14/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.12/2017- Union Territory Tax (Rate), dated the 28th June, 2017.

In the said notification, -

(i) in the Table, -

- a) against serial number 4, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- b) against serial number 5, in the entry in column (3), the words “Central Government, State Government, Union territory, local authority or” shall be omitted;
- c) after serial number 9C and the entries relating thereto, the following serial number and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-14-2018-utgst-rate-english.pdf;jsessionid=3BB62F31AE78D2DF4B5E0921FEAB5E23>

**Notification No. 15/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.13/2017- Union Territory Tax (Rate), dated the 28th June, 2017.  
In the said notification, -

- (i) in the Table, after serial number 10 and the entries relating thereto, the following serial number and entries shall be inserted.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-15-2018-utgst-rate-english.pdf;jsessionid=52CB5C23C92AD0D32097A8EC01402FBD>

**Notification No. 16/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.14/2017- Union Territory Tax (Rate), dated the 28th June, 2017.  
In the said notification, in the first paragraph,-

- (i) after the words "State Government" the words "or Union territory" shall be inserted;  
(ii) after the words "Constitution" the words "or to a Municipality under article 243W of the Constitution" shall be inserted.

**Notification No. 17/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government inserts following Explanation in Notification No. 11/2017- Union Territory Tax (Rate), dated the 28th June, 2017.  
**"Explanation.** - For the purposes of this item, the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities."

**Notification No. 18/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.1/2017-Union Territory Tax (Rate), dated the 28th June, 2017.  
In the said notification, -

(A) in Schedule I - 2.5%,

- (i) after S. No. 102 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

"102 A	2207	Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)"
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For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-18-2018-utgst-rate-english.pdf;jsessionid=96F988112E829B5D2727CD2DCF120DE9>

**Notification No. 19/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No.2/2017- Union Territory Tax (Rate), dated the 28th June, 2017.  
In the said notification, -

- (i) after S. No. 92 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:

"92 A	1401	Sal leaves, siali leaves, sisal leaves, sabai grass"
-------	------	--

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-19-2018-utgst-rate-english.pdf>



**Notification No. 20/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government makes amendments in the No.5/2017-Union Territory Tax (Rate), dated the 28th June, 2017.

In the said notification, in the opening paragraph the following proviso shall be inserted, namely:-

“Provided that,-

- (i) nothing contained in this notification shall apply to the input tax credit accumulated on supplies received on or after the 1st day of August, 2018, in respect of goods mentioned at serial numbers 1, 2, 3, 4, 5, 6, 6A, 6B, 6C and 7 of the Table below; and
- (ii) in respect of said goods, the accumulated input tax credit lying unutilised in balance, after payment of tax for and upto the month of July, 2018, on the inward supplies received up to the 31st day of July 2018, shall lapse.”.

**Notification No. 21/2018-Union Territory Tax (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Indirect Taxes and Customs**

**Date – 26.07.2018**

The Central Government exempts the intra-state supplies of handicraft goods.

**Explanation** - For the purpose of this notification, the expression “handicraft goods” means “Goods predominantly made by hand even though some tools or machinery may also have been used in the process; such goods are graced with visual appeal in the nature of ornamentation or in-lay work or some similar work of a substantial nature; possess distinctive features, which can be aesthetic, artistic, ethnic or culturally attached and are amply different from mechanically produced goods of similar utility”

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-21-2018-utgst-rate-english.pdf;jsessionid=8E28672B6083873E950226D799B94B6E>

## COMPENSATION CESS RATE

**Notification No. 2/2018-Compensation Cess (Rate)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 26.07.2018**

The Central Government makes amendments in the Notification No. 1/2017-Compensation Cess (Rate), dated the 28th June, 2017.

In the said notification, in the Schedule, -

- (i) after S. No. 41 and the entries relating thereto, the following serial numbers and the entries shall be inserted, namely:-

“41 A	27	Coal rejects supplied by a coal washery, arising out of coal on which compensation cess has been paid and no input tax credit thereof has not been availed by any person.	Nil”
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- (ii) after S. No. 42 A and the entries relating thereto, the following serial numbers and the entries shall be inserted, namely:-

“42 B	87	Fuel Cell Motor Vehicles	Nil”
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## CIRCULARS

**Circular No. 50/25/2018-GST**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Tax research Unit**

**Date – 31.07.2018**

**Subject:** Withdrawal of Circular No. 28/02/2018-GST dated 08.01.2018 as amended vide Corrigendum dated 18.01.2018 and Order No 02/2018-Central Tax dated 31.03.2018 – req.

Circular No. 28/02/2018-GST, dated 08.01.2018 as amended vide Corrigendum dated 18.01.2018 was issued to clarify GST rate applicable on catering services, i.e., supply of food or drink in a mess or canteen in an educational institute.

Order No 02/2018-Central Tax dated 31.03.2018 was issued to clarify GST rate on supply of food and/or drinks by the Indian Railways or Indian Railways Catering and Tourism Corporation Ltd. or their licensees, in trains or at platforms (static units).

According to 28th GST Council Meeting , Circular No. 28/02/2018-GST, dated 08.01.2018 as amended vide Corrigendum dated 18.01.2018 and Order No 02/2018-Central Tax dated 31.03.2018 is withdrawn w.e.f 27.07.2018.

**Circular No. 51/25/2018-GST**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Tax research Unit**

**Date – 31.07.2018**

**Subject: Applicability of GST on ambulance services provided to Government by private service providers under the National Health Mission (NHM) - Reg.**

According to Circular No. 210/2/2018 Service Tax dt. 30.05.2018, Service of Transportation in ambulance provided by State Governments & Private Service Providers (PSPs) to patients are exempt. Ambulance Service provided by PSPs to State Governments under National Health Mission is a service provided to Govt. by way of public health and hence exempted.

As regards the Service provided by PSPs to the State Governments by way of transportation of patients on behalf of the State Governments against consideration in the form of Fee or otherwise charged from the State Government, it is clarified that the same would be exempt under -

- SL. No. 3 of Notification No. 12/2017-Central Tax (Rate) dt. 28.06.2017 if it is a pure service and not a composite supply involving supply of any goods, and
- SL. No. 3A of Notification No. 12/2017-Central Tax (Rate) dt. 28.06.2017 if it is a composite supply of goods and services in which the value of supply of goods constitutes not more than 25% of the value of the said composite supply.

## CUSTOMS

### TARIFF

**Notification No. 53/2018 - Customs**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 16.07.2018**

The Central Government, makes amendments in the Notification No. 82/2017, dated the 27th of October, 2017.

In the said notification, in the Table, -

- (i) against serial number 23, in column (2), for the figures “5310”, the figures, brackets and words “5310 (except sub-heading 531010)” shall be substituted;
- (ii) after serial number 23 and entries relating thereto, the following serial number and entries shall be inserted, namely:

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfn-2018/cs-tarr2018/cs53-2018.pdf;jsessionid=AA8D89EC0535EB5A7D2FF7FF6E7D5559>

**Notification No. 54/2018 - Customs**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 20.07.2018**

The Central Government, makes amendment in the Notification No. 50/2017, dated the 30th of June.

In the said notification, in the Table, the S. No. 330 and the entries relating thereto shall be omitted.

**Notification No. 55/2018 - Customs**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 26.07.2018**

The Central Government exempts IGST leviable under subsection (7) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), as in excess of the amount calculated over and above the value at which Ministry of Chemical and Fertilizers/Department of Fertilizers sells urea, falling under tariff item 3102 10 00 of the First Schedule of the Customs Tariff Act, 1975 (51 of 1975), to Fertilizer Marketing Entities (FMEs) on high sea sale basis (commonly known as “Pool Issue Price”).

## NON TARIFF

**Notification No. 63/2018 – Customs(N.T)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

Date – 19.07.2018

The Central Board of Indirect Taxes and Customs determines the rate of exchange of conversion of each of the foreign currencies into Indian currency or vice versa for the purpose of section 14 of the Customs Act, 1962 (52 of 1962), relating to imported and export goods.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt63-2018.pdf;jsessionid=3536D670BB6CDD87B709CEA0B5E8D8C1>

**Notification No. 64/2018 – Customs(N.T)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

Date – 27.07.2018

The Central Board of Indirect Taxes and Customs makes amendments in section 157, read with section 158, of the Customs Act regarding the Levy of Fees (Customs Documents) Regulations, 1970, namely: -

1. (1) These regulations may be called the Levy of Fees (Customs Documents) Amendment Regulations, 2018.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the said regulations, after regulation 4, the following regulation shall be added namely:- “Regulation 5. Amendment of

Export manifest in certain case- No fees shall be levied under these regulations in respect of an export manifest when the manifest is amended or supplemented with entries relating to the Shipping bills filed from 1st July, 2017 to 30th June, 2018 in Inland Container Depots.”

**Notification No. 10/2018-Customs (N.T./CAA/DRI)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Directorate of Revenue Intelligence**

Date – 24.07.2018

The Director General, Revenue Intelligence appoints officers to act as a common adjudicating authority to exercise the powers and discharge the duties conferred or imposed on officers.

TABLE

No. Name of Noticee (s) and Address	Show Cause Notice Number and Date	Name of Adjudicating Authorities	Common Adjudicating Authority appointed
M/s Sumitomo Chemicals India Pvt. Ltd., 6 th & 7th Floor, Moti Mahal, 195, J. Tata Road, Churchgate, Mumbai and 11 others.	F. No. DRI/HQ-CI/ 50D/Int-5/ 2018-CI dated 29.06.2018.	Commissioner of Customs (Port), Custom House, Kolkata	Principal Commissioner/ Commissioner of Customs (Import), Nhava Sheva-II, Jawaharlal Nehru Custom House, Raigad.
		Commissioner of Customs (Import), Nhava Sheva-II, Jawaharlal Nehru Custom House, Raigad	

For More Details, please follow the link - [http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt\\_caa\\_dri\\_10.pdf;jsessionid=03C138CFD51365F6A297E84C5B5D4CDA](http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt_caa_dri_10.pdf;jsessionid=03C138CFD51365F6A297E84C5B5D4CDA)

**Notification No. 65/2018 – Customs(N.T)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

Date – 30.07.2018

The Central Board of Indirect Taxes and Customs makes amendments in Sea Cargo Manifest & Transhipment Regulations 2018 namely :-

1. Short Title Commencement – These regulations may be called the Sea Cargo Manifest & Transhipment Regulations 2018.
2. In Sea Cargo Manifest & Transhipment Regulations 2018 in regulation 1, in Sub Regulation (2), for the figures ,letters and word “1<sup>st</sup> August 2018”, the words figures and letters “the 1<sup>st</sup> November ,2018” shall be substituted.

**Notification No. 11/2018-Customs (N.T./CAA/DRI)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Directorate of Revenue Intelligence**

**Date – 30.07.2018**

The Director General, Revenue Intelligence appoints officers to act as a common adjudicating authority to exercise the powers and discharge the duties conferred or imposed on officers.

**TABLE**

<b>No. Name of Noticee (s) and Address</b>	<b>Show Cause Notice Number and Date</b>	<b>Name of Adjudicating Authorities</b>	<b>Common Adjudicating Authority appointed</b>
M/s Phoenix Apparels Sourcing, No. 18, East Street, Rayapuram, Near Pollution Control Board, Tirupur-641601 and Shri Amit Thapar, Proprietor, M/s Dev International, 223, 1st Street, Mahalakshmi Garden, 15, Velampalayam, Tirupur-641652.	C. No. VIII/48/60/ 2018 Export Assmt dated 24.01.2018 read with corrigendum C. No. VIII/48/60/ 2018 Exp Ass dated 18.06.2018	Joint/Additional Commissioner of Customs, Bangalore International Airport, Air Cargo Complex, Devanhalli, Bangalore.	Joint/Additional Commissioner of Customs, New Harbour Estate, Beach Road, Tuticorin. (For Sl. No. 1 to 6 of the table)
	C. No. VIII/10/45/ 2017- Adjn. Dated 05.02.2018 read with corrigendum dated 04.05.2018. (Show Cause Notice No. 01/2018)	Additional Commissioner of Customs, New Harbour Estate, Beach Road, Tuticorin.	

For More Details, please follow the link - [http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt\\_cca\\_dri\\_11.pdf](http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt_cca_dri_11.pdf)

**Notification No. 66/2018 – Customs(N.T)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 31.07.2018**

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

**TABLE-1**

<b>Chapter/ Heading/Sub-Heading/Tariff Item</b>	<b>Description of Goods</b>	<b>Tariff Value (US \$ Per Metric Tonne)</b>
15111000	Crude Palm Oil	578
15119010	RBD Palm Oil	599
15119090	Others - Palm Oil	589
15111000	Crude Palmolein	610
15119020	RBD Palmolein	613
15119090	Others - Palmolein	612

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2018/cs-nt2018/csnt66-2018.pdf;jsessionid=F4AF0D5214A8074A4A3FD15F5D55C7F7>

**SAFEGUARDS**

**Notification No. 1/2018-Customs (SG)**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**

**Date – 30.07.2018**

The Directorate General of Trade Remedies F.No.22/1/2018-DGTR, dated the 16 th July, 2018, has recommended the imposition of safeguard duty on import of "Solar Cells whether or not assembled in modules or panels" goods falling under heading 8541 or tariff item 8541 40 11 of the First Schedule to the Customs Tariff Act for a period of two years at the rate specified here in below.

- a) twenty five per cent. ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th July, 2018 to 29th July, 2019 (both days inclusive);

- b) twenty per cent. ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th July, 2019 to 29th January, 2020 (both days inclusive); and
- c) fifteen per cent. ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th January, 2020 to 29th July, 2020 (both days inclusive).

2. Nothing contained in this notification shall apply to imports of subject goods from countries notified as developing countries vide notification No. 19/2016-Customs (N.T.) dated 5th February, 2016, except China PR, and Malaysia.

## CIRCULARS

**Circular 21/2018-Customs  
Government of India  
Ministry of Finance  
Department of Revenue**

**Date – 18.07.2018**

**Subject:** Refund of IGST on export of Goods on payment of duty-Setting up of Help Desks -reg.

Micro, Small and Medium enterprise exporters have informed that their IGST refunds are held up and that they are unable to approach Customs port of exports due to factors like distance, lack of information/knowledge etc. As part of the ongoing Refund Fortnight, it has been decided to set up Help Desks at the offices of FIEO and AEPC for expeditious resolution of IGST refund related issues.

The Help Desks would be located at the locations mentioned in Annexure A, and would function for a period of 2 weeks till 1st August, 2018. They will be manned by officers of Customs, who shall be nominated by the jurisdictional Customs zone. The necessary infrastructure like Computer, Scanner/Printer, Internet, Cabin Space etc. would be made available to the officers by FIEO/AEPC.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/circ21-2018cs.pdf;jsessionid=BCA10930A65D55B8298DB8B4AEAC47D8>

**Circular 22/2018-Customs  
Government of India  
Ministry of Finance  
Department of Revenue**

**Date – 18.07.2018**

**Subject:** Refund of IGST on export of goods on payment of duty-Clarification in case of SB003 errors and extension of date in SB005 & other cases using officer Interface for rectification of errors-reg.

It may be recalled that in circular 15/2018-Customs dated 06.6.2018, CBIC has provided for the resolution of SB003 error in certain cases through the utility developed by the Directorate of Systems in a similar manner as SB005 error. It has been brought to the knowledge of the Board that in several cases, the exporters have mentioned PAN instead of GSTIN in the Shipping Bills, even though GSTIN has been correctly mentioned while filing the GST returns. Due to this mismatch, the IGST refund claims are not getting processed.

The matter has been examined. As PAN is embedded in the GSTIN, CBIC has decided to accord similar treatment to such cases also as are already covered under Para 2 of Circular 15/2018-Customs. The conditions prescribed in para 2 of the said circular shall apply mutatis mutandis.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/circ22-2018cs.pdf;jsessionid=653843D1CC581B31B7DB8A16BCBDA727>

**Circular 23/2018-Customs  
Government of India  
Ministry of Finance  
Department of Revenue**

**Date – 23.07.2018**

**Subject:** Procedure to be followed by nominated agencies importing gold/ silver/ platinum under the scheme for 'Export Against Supply by Nominated Agencies'-reg.

Circular no. 27/2016-Customs dated 10.06.2016 was issued providing for a simplified procedure in view of non-applicability of warehousing provisions to duty free gold/ silver/ platinum obtained by the nominated agencies by virtue of an exemption notification issued in this regard. This procedure was prescribed after reviewing the procedure laid down for duty free import of gold/ silver/ platinum by nominated agencies for supply to exporters vide Circular No. 28/2009-Customs dated 14.10.2009 so as to avoid divergent practices and to streamline the supply of precious metals for exports.

For More Details, please follow the link - <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2018/circ23-2018cs.pdf;jsessionid=2F869A8854EFB6362C7E5A8726E3FD91>

**Circular 24/2018-Customs  
Government of India  
Ministry of Finance  
Department of Revenue**

**Date – 31.07.2018**

**Sub :** Electronic Sealing – Deposit in and removal of goods from Customs bonded Warehouse

References have been received regarding ,Circular 19/2018-Customs dt. 18<sup>th</sup> June 2018, seeking a postponement in the date for mandatory RFID sealing in case of movement of goods under warehousing bond. The Board has decided to extend the date to 1<sup>st</sup> October 2018 in order to enable establishment of infrastructure and procurement of seals by warehouse owners.

## **DIRECT TAX NOTIFICATIONS**

**NOTIFICATION 31/2018  
Government of India  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)**

**Date – 13. 07. 2018**

Central Board of Direct Taxes makes the following amendments in section 295 read with sub-section (1) of section 245Q of the Income-tax Act, 1961-

**1. Short title and commencement.-**

1. These rules may be called the Income-tax (7th Amendment) Rules, 2018.
2. They shall come into force from the date of their publication in the Official Gazette.

**2. In the Income-tax Rules, 1962,—**

**(A) in rule 44E, in sub-rule (1),—**

- I. in clause (c), for the words, brackets and letters “sub-clause (iia) of clause (b)”, the words, brackets and letters “item (III) of sub-clause (A) of clause (b)” shall be substituted;
- II. in clause (d), for the words, brackets and letter “sub-clause (iii) of clause (b)”, the words, brackets and letters “item (IV) of sub-clause (A) of clause (b)” shall be substituted;
- III. in clause (e), for the words, brackets and letters “sub-clause (iiia) of clause (b)”, the words, brackets and letters “item (V) of sub-clause (A) of clause (b)” shall be substituted;

For More Details, please follow the link -

[https://www.incometaxindia.gov.in/communications/notification/notification31\\_2018.pdf](https://www.incometaxindia.gov.in/communications/notification/notification31_2018.pdf)

**NOTIFICATION 32/2018  
Government of India  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)**

**Date – 17. 07. 2018**

An Agreement between the Government of the Republic of India and the Government of the State of Qatar for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income (hereinafter referred to as the “DTAA”) was signed on the 7th April, 1999.

Also an mutual agreement for granting exemption from tax on interest derived and beneficially owned by governmental financial institutions/agencies was signed under clause (ii) of para 3 of Article 11 of DTTA.

Now, therefore the Central Government notifies the provisions of said Mutual Agreement through exchange of letters and it will be effective from 29th April, 2018 in Union of India with effect.

For More Details, please follow the link -

[https://www.incometaxindia.gov.in/communications/notification/notification32\\_2018.pdf](https://www.incometaxindia.gov.in/communications/notification/notification32_2018.pdf)

**NOTIFICATION 33/2018**  
**Government of India**  
**MINISTRY OF FINANCE**  
**(DEPARTMENT OF REVENUE)**

**Date – 20. 07. 2018**

In exercise of the powers conferred by section 44AB read with section 295 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. (1) These rules may be called the Income-tax (8th Amendment) Rules, 2018.  
 (2) They shall come into force from the 20th day of August, 2018.
2. In the Income-tax Rules, 1962, in Appendix II, in Form No. 3CD,-
  - (i) in serial number 4,-
    - (a) after the words “sales tax,” the words “goods and services tax,” shall be inserted;
    - (b) after the words “registration number or”, the words “GST number or” shall be inserted;
  - (ii) in serial number 19, in the table, after the row with entry “32AC”, the row with entry “32AD” shall be inserted;

For More Details, please follow the link - <https://www.incometaxindia.gov.in/communications/notification/notification-33-2018.pdf>

**NOTIFICATION 34/2018**  
**Government of India**  
**MINISTRY OF FINANCE**  
**(DEPARTMENT OF REVENUE)**

**Date – 25. 07. 2018**

The Central Board of Direct taxes, directs that income-tax authorities shall furnish the information to the Director General, Central Economic Intelligence Bureau, Department of Revenue-

<b>Information to be furnished</b>	<b>Specified Income-tax Authority</b>
Preliminary Search Report, Summary of Survey Report, Summary of Appraisal Report	DGIT(Investigation)
Summary of assessment order(s) in cases searched/surveyed by DGIT(Investigation)	Pr. CCIT, DGIT(Investigation), Pr. CCIT (International-tax), CCIT (Exemption), CCIT (Central)
Summary of appellate order(s) of Commissioner (Appeals) in cases searched/surveyed by DGIT (Investigation)	Pr. CCIT, DGIT(Investigation), Pr. CCIT (International-tax),CCIT (Exemption),CCIT (Central)
Details of Prosecutions filed/convictions/acquittals	Pr. CCIT, DGIT(Investigation), Pr. CCIT (International-tax),CCIT(Exemption),CCIT(Central), DGIT (I&CI)

While furnishing the above mentioned details, the specified income-tax authority has to form an opinion that furnishing of such information is necessary for the purpose of enabling the specified authority in CEIB to perform its functions.

The protocol of furnishing information to CEIB by various specified income-tax authorities shall be dealt with by the Investigation division of CBDT.

# PRESS RELEASE

## INDIRECT TAX

Date - July 21, 2018

Date - 18th July, 2018

**Subject: Nodal officers nominated for implementation of e-way bill system**

1. As per the decision of the GST Council, e-way bill system has been rolled out in a staggered manner across the country. E-way bills are getting generated successfully and till 17th July, 2018, more than thirteen crore and fifty lakh e-way bills have been generated which includes six crore and fifty lakh e-way bills for intra-State movement of goods.
2. Grievance Redressal Officers have been appointed by both Central and State Governments under the provisions of e-way bill rules for processing the complaints/information uploaded by taxpayers/transporters regarding detention of their vehicle. List of these Grievance Redressal Officers is available at - <http://www.cbic.gov.in/resources//htdocs-cbec/gst/GRO%20Officers%20-%20180718.pdf>
3. Any difficulties or issues being faced by the trade and industry may be brought to the notice of Grievance Redressal Officers in your jurisdiction. Trade is also advised to make themselves conversant with e-way bill rules and be aware of mechanisms available for redressal of all their concerns.

Date - July 21, 2018

**Recommendations on opening of migration window made during the 28th meeting of the GST Council held at New Delhi on 21st July, 2018**

1. The GST Council in its 28th meeting held today at New Delhi has approved the proposal to open the migration window for taxpayers, who received provisional IDs but could not complete the migration process.
2. The taxpayers who filed Part A of FORM GST REG-26, but not Part B of the said FORM are requested to approach the jurisdictional Central Tax/State Tax nodal officers with the necessary details on or before 31st August, 2018.
3. The nodal officer would then forward the details to GSTN for enabling migration of such taxpayers.
4. It has also been decided to waive the late fee payable for delayed filing of return in such cases. Such taxpayers are required to first file the returns on payment of late fees, and the waiver will be effected by way of reversal of the amount paid as late fees in the cash ledger under the tax head.
5. Taxpayers who intend to complete the migration process are requested to approach their jurisdictional Central Tax/State Tax nodal officers in this regard.

**Recommendations made during the 28th meeting of the GST Council held in New Delhi on 21st July, 2018**

**Amendments to the CGST Act, 2017, IGST Act, 2017, UTGST Act 2017, and GST (Compensation to States) Act, 2017**

1. The GST Council in its 28th meeting held today at New Delhi has recommended certain amendments in the CGST Act, IGST Act, UTGST Act and the GST (Compensation to States) Act.

2. The major recommendations are as detailed below:

1. Upper limit of turnover for opting for composition scheme to be raised from Rs. 1 crore to Rs. 1.5 crore. Present limit of turnover can now be raised on the recommendations of the Council.

2. Composition dealers to be allowed to supply services (other than restaurant services), for upto a value not exceeding 10% of turnover in the preceding financial year, or Rs. 5 lakhs, whichever is higher.

3. Levy of GST on reverse charge mechanism on receipt of supplies from unregistered suppliers, to be applicable to only specified goods in case of certain notified classes of registered persons, on the recommendations of the GST Council.

4. The threshold exemption limit for registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand to be increased to Rs. 20 Lakhs from Rs. 10 Lakhs.

5. Taxpayers may opt for multiple registrations within a State/Union territory in respect of multiple places of business located within the same State/Union territory.

6. Mandatory registration is required for only those e-commerce operators who are required to collect tax at source.

7. Registration to remain temporarily suspended while cancellation of registration is under process, so that the taxpayer is relieved of continued compliance under the law.

8. The following transactions to be treated as no supply (no tax payable) under Schedule III:

a. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India;

b. Supply of warehoused goods to any person before clearance for home consumption; and

c. Supply of goods in case of high sea sales.

9. Scope of input tax credit is being widened, and it would now be made available in respect of the following:

a. Most of the activities or transactions specified in Schedule III;

b. Motor vehicles for transportation of persons having seating capacity of more than thirteen (including driver), vessels and aircraft;

c. Motor vehicles for transportation of money for or by a banking company or financial institution;

d. Services of general insurance, repair and maintenance in respect of motor vehicles, vessels and aircraft on which credit is available; and



e. Goods or services which are obligatory for an employer to provide to its employees, under any law for the time being in force.

10. In case the recipient fails to pay the due amount to the supplier within 180 days from the date of issue of invoice, the input tax credit availed by the recipient will be reversed, but liability to pay interest is being done away with.

11. Registered persons may issue consolidated credit/debit notes in respect of multiple invoices issued in a Financial Year.

12. Amount of pre-deposit payable for filing of appeal before the Appellate Authority and the Appellate Tribunal to be capped at Rs. 25 Crores and Rs. 50 Crores, respectively.

13. Commissioner to be empowered to extend the time limit for return of inputs and capital sent on job work, upto a period of one year and two years, respectively.

14. Supply of services to qualify as exports, even if payment is received in Indian Rupees, where permitted by the RBI.

15. Place of supply in case of job work of any treatment or process done on goods temporarily imported into India and then exported without putting them to any other use in India, to be outside India.

16. Recovery can be made from distinct persons, even if present in different State/Union territories.

17. The order of cross-utilisation of input tax credit is being rationalised.

3. These amendments will now be placed before the Parliament and the legislature of State and Union territories with legislatures for carrying out the amendments in the respective GST Acts.

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## **DIRECT TAX**

**PRESS RELEASE**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Direct Taxes**

**Date - July 26, 2018**

### **Extension of date for filing of Income Tax Returns**

The due date for filing of Income Tax Returns for Assessment Year 2018- 19 is 31.07.2018 for certain categories of taxpayers. Upon consideration of the matter, the Central Board of Direct Taxes(CBDT) extends the 'due date' for filing of Income Tax Returns from 31st July, 2018 to 31st August, 2018 in respect of the said categories of taxpayers.

# JUDGEMENTS

## INDIRECT TAX

### No Service Tax on Corporate Bodies for Construction of Residential Complex for Employees: Karnataka HC

**The Principal Commissioner of Service Tax vs. Nithesh Estates Ltd.**  
Case No. - C.E.A.No.15/2016

#### Fact of the Case

1. In the instant case M/S Nitesh Estates Limited is the assessee.
2. The department levied service tax on the "Residential Complex" constructed by the respondent assessee.
3. The assessee contended that they are not liable to pay any service tax on the said construction activity since it is residential complex & it is excluded under section 65(91a) of the Finance Act 1994.
4. The Tribunal concluded the matter in favour of the assessee.
5. As per clarification of the circular, the main contract of NBCC is not liable to pay service tax. But the sub-contractor would be liable to pay service tax.

#### Decision of the Case

1. The Division Bench explained that the service tax cannot be changed in the present case.
2. Upholding the Tribunal Order, the bench held that the Tribunal was perfectly justified.
3. But in the present case, since the construction work is done for residential purpose only and the said complex is occupied by its managerial staff, so no service tax is levied.

### Withdrawal of Discount by supplier doesn't amount to Pay: NAA dismisses Profiteering Charges against Flipkart

**Mr. Rishi Gupta vs. M/s Flipkart Internet Pvt Ltd.**  
Case No. – 5/2018  
Date - 18.07.2018

#### Fact of the Case

1. Mr. Rishi Gupta, a purchaser of Metal Almirah, is the petitioner in the present case.
2. As per order placed by the petitioner, an invoice was issued by the respondent as on 7.11.2017 of Rs. 14,852. But at the time of delivery, another invoice dt. 29.11.2017 was issued of Rs. 14,152.
3. The applicant had alleged that he had paid Rs. 14,852 & the excess amount should have been responded to him. The applicant had further alleged that the respondent was resorting to profiteering by not refunding the excess amount which was contravention to section 171 of CGST Act 2017.
4. The authority observed that the supplier did not change base price. So the supplier did not resort to profiteering by increasing his base price. It was

also found that the supplier had refunded the excess amount of Rs. 700 (Rs. 14,852-Rs. 14,152) to the applicant.

#### Decision of the Case

The issue of denial of discount of Rs. 500/- which was offered by the Supplier to the Applicant at the time of placing of the order on 4.11.2017 and which was withdrawn by him at the time of supply of the Almirah on 29.11.2017 and it is revealed that the withdrawal of discount does not amount to profiteering as the same was offered from his profit margin by the Supplier and does not form part of the base price and therefore, also the Supplier cannot be held guilty under Section 171 of the Act. 10".

### Classification of "Rakhi" - whether exemption under N/N. 2/2017-Central Tax (Rate) dated 28/06/2017 (1126-FT dated 28/06/2017 of State Tax), is applicable for such manufacture, and if not, the taxability of the same?

**AUTHORITY FOR ADVANCE RULINGS, WEST BENGAL**  
Case No. - 1126/FT

#### Fact of the Case

1. In the present case the applicant states that As Manufacturer the intention is to supply "Rakhi", including but not limited to, Decorative "Rakhi", Designer "Rakhi", & Fancy "Rakhi" (hereinafter referred to, collectively, as "Rakhi") and these "Rakhi"s consist of, inter alia, Cotton thread, Zari thread, Silk Thread, Nylon Thread, Glass Beads, Plastic Beads, Coloured Stones, Metal Pendants and Rudraksha;
2. The "Rakhi"s shall be manufactured in-house as well on job-work basis. Most of the people employed in the "Rakhi" industry belong to economically weaker sections and inter alia include housewives and widows who manufacture "Rakhi"s to earn a livelihood. Traditionally "Rakhi" has been considered a handicraft item and the manufacture or making of "Rakhi" invariably involves skilful pasting or attaching decorative items to threads.
3. "Rakhi" is an ancient festival.
4. Traditionally "Rakhi" used to be made up only of Kalava (i.e. cotton threads of red/orange colour).
5. "Rakhi" was exempt from payment of VAT under several States, as well as from Central Excise duty under the earlier Tax Structure since it was considered as "handicraft".
6. The Exemption Notification exempts Kalava (raksha sutra) from payment of GST since it is listed as "puja samagri".
7. If "Rakhi" is not considered to be exempt then it may be classifiable under and taxability determined in accordance to Serial No 224 or Schedule I and Serial No 171 of Schedule II of Notification No 1/2017-CT(Rate) dated 28.06.2017 (1125 – FT dated 28/06/2017 of State Tax).

### **Decision of the Case**

1. The above points of the Applicant are being taken up for careful consideration and discussion, though not in the same order as listed above.
2. The Applicant has to classify the goods “Rakhi” as per its constituent materials in accordance with Rule 3(c) of Rules for Interpretation of the Customs Tariff Act, 1975, as laid down in Explanatory Notes (iv) of Notification No 1/2017-CT(Rate) dated 28.06.2017 (Note (v) of 1125 – FT dated 28/06/2017 of State Tax).
3. From various ruling it can be concluded that Rakhi will attract GST in accordance to its classification as stated above.
4. Exemption under Notification No. 2/2017-Central Tax (Rate) dated 28/06/2017 (1126-FT dated 28/06/2017 of State Tax) is not applicable for “Rakhi”.

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### **GST on Free Tickets: Madhya Pradesh HC dismisses PIL based on News Reports**

**Digvijay Singh Bhandari Vs. Shri Nishant Warwade & Others**  
**Case No. - W.P.No.15994/2018**  
**Date – 27.07.2018**

### **Fact of the Case**

1. The petitioner, in the instant case, approached the High Court seeking a direction to the respondents to pay GST @ 18% on complimentary tickets given for the four IPL matches held in Usha Raje Holkar Stadium, Indore.
2. According to the petitioner, Kings XI Punjab took the Usha Raje Holkar Stadium from the Madhya Pradesh Cricket Association for the IPL matches held on 04, 06, 12 & 14th of May, 2018 @ Rs.3.00 crore per match on the basis of sitting capacity of the stadium. They distributed free passes of the matches worth of Rs.80.00 lac to the respondents.
3. They contended that since the tickets were distributed to the respondents on complimentary bases without payment of GST, the enquiry is liable to be conducted through CBI & GST is also liable to be recovered from them.
4. The bench noted that the entire petition is based on the newspaper published in the local newspaper about distribution of free passes worth of Rs.60.00 lac to Collector. No other material has been produced in the present petition in support of the allegations.

### **Decision of the Case**

1. Dismissing the petition, the bench observed that “The present petition is also based on the newspapers report, hence, same is not liable to be entertained and accordingly dismissed.
2. However, liberty is granted to the petitioner that he can approach this Court if he collects some credible material in respect of the allegations made in the petition.

## **DIRECT TAX**

### **Financial Crisis is a ‘Reasonable Cause’ for Delayed Deposit of TDS: (ITAT, Delhi)**

**JCL Infra Ltd. vs. Addl. CIT**  
**Case No. - ITA No.784-85/Del/2015**  
**Date - 28.06.2018**

### **Fact of the Case**

1. The assessee is a company and the tax deducted at source by the assessee was not paid to the credit of the Central Government within the prescribed period.
2. The department treated the assessee as an ‘Assessee-in-default’ on the ground that there was a delay of 543 days in depositing the TDS amount to the Government Exchequer.
3. On appeal, the assessee contended that they were in severe financial crisis and, therefore, the TDS could not be deposited in time.
4. The CIT (A) dismissed the appeal and noted that the assessee had not only delayed the filing of the quarterly returns but also did not deposit the tax deducted by it.
5. The CIT (A) also noted that had the assessee committed the default of only late filing, it could have been held to be a mere technical breach but since the tax was not also deposited within the prescribed period, the penalty was imposable.

### **Decision of the Case**

1. Allowing the contentions of the Assessee, the Delhi bench allowed the appeal.
2. The bench observed that “However, it is our considered opinion severe financial crisis is a reasonable cause which would have prevented the assessee from depositing the TDS within the prescribed time period.
3. In such a circumstance, we hold that the explanation offered by the assessee would constitute ‘reasonable cause’ within the meaning of section 273B of the Act and hence the assessee would be entitled to immunity from the levy of penalty u/s 272A(2)(k).”

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### **IT Deduction not available to Payment to ROC for Enhancement of Authorized Share Capital: (ITAT, Hyderabad)**

**Dy. Commissioner of Income Tax vs. M/s. Mercury Projects Private Limited**  
**Case No. - ITA No.450/Hyd/2017**  
**Date - 18.07.2018**

### **Fact of the Case**

1. M/s. Mercury Projects is the assessee.
2. Assessee- company engaged in the business of supply and trading of construction material, construction machinery and other goods for infrastructure, real estate and power sector, paid a sum of Rs.1,11,02,000 to the Registrar of Companies towards increase in authorized capital and has debited the same to the P&L A/c.
3. The assessee has amortized the said expenditure and has claimed 1/5th of the same as the deduction under Section 35D of the Income Tax Act.

4. However, the revenue department rejected the claim and held that the expenditure is capital in nature.
5. On appeal, the Commissioner of Income Tax (Appeals) granted relief to the assessee. Against the first appellate order, the Revenue approached the Tribunal.
6. The revenue department relied on the decision of the Supreme Court in various cases.

#### **Decision of the Case**

1. Allowing the department's contentions, the bench noted that the Supreme Court in the cases cited by the DR has held that the expenditure incurred for the increase in the authorized share capital, is capital in nature.
2. The Hon'ble Supreme Court was considering the nature of such expenditure in the cases of Brooke Bond India Ltd as well as Punjab State Industrial Development Corporation (Supra) and their allowability under Section 37(1) of the Income Tax Act.
3. So, IT Deduction is not available to payment to ROC for enhancement of Authorized Share Capital.

#### **Professional Fee paid for Product Development is Business Expenditure (ITAT, Delhi)**

**M/s. Nov Sara India Pvt. Ltd. vs. Addl. Commissioner of Income Tax**

**Case No. - 6920 (Del) of 2014**

**Date - 12.07.2018**

#### **Fact of the Case**

1. The assessee, M/s. Nov Sara India Pvt. Ltd, contended that they have incurred expenditure of Rs.18,86,648/- on account of software development expenditure.
2. The A.O contended that the same amount to be treated as capital expenditure since it has given a benefit of enduring nature to the assessee.
3. The assessee claimed that it is a license fee and, therefore, it cannot be giving any benefit of enduring nature.
4. The CIT (Appeals), on first appeal, held that it was for the development of new products and, therefore, same is a capital expenditure.

#### **Decision of the Case**

1. The bench, after hearing the rival contentions, held that the above expenditure is product development expenditure and not software development expenditure.
2. It was not a new line of business, but was merely expenditure in development of the existing line of the business. The assessee is engaged in the business of manufacturing of machineries and equipments and development is for the same product.
3. In view of this such expenditure cannot be held to be capital expenditure, but it is a revenue expenditure."

#### **Depreciation allowable on Genuine Goodwill (ITAT, Delhi)**

**M/s CLC & Sons Pvt. Ltd. vs. ACIT**

**Case No. - ITA No.1976/Del/2006**

**Date - 19.07.2018**

#### **Fact of the Case**

1. In this case, the assessee- Company took over all the assets and liabilities of a partnership Firm along with its goodwill.

2. While completing the assessment, the Assessing Officer felt that if the past performance of the firm and the declining profits were to be taken into account, there would be Nil value of goodwill of the partnership firm.
3. So no goodwill should be taken into consideration in the real sense in the present case.
4. Under such situation, valuation of Goodwill is nothing but to give benefit to the partners by issuing shares of equal amount of Goodwill and on the other hand to increase their capital without investing anything. Further it also claims depreciation on such Goodwill.

#### **Decision of the Case**

1. The learned Honorable Judges of the bench noticed the following in connection with the issue of depreciation on Goodwill is as follows :-
  - a. no depreciation can be legally allowed on the amount of genuine goodwill in terms of section 32 of the Act
  - b. when a firm is succeeded by a company and all its net assets vest in the company, there is no transfer of goodwill in real sense and further the valuation of goodwill done by the assessee in the instant case is fallacious.
2. A Special Bench of the Income Tax Appellate Tribunal (ITAT), Delhi has held that the goodwill is an intangible asset which falls under the expression "any other business or commercial rights of similar nature" and is eligible for depreciation under Section 32(1)(ii) of the Income Tax Act if the same is genuine.

#### **Madras HC allows petitioners to file IT Returns without quoting Aadhaar**

#### **Fact of the Case**

1. In the present case, 9 petitioners are assessee. Their prayer to allow them to file I.T Return manually without quoting Aadhaar or an Aadhaar Enrollment No. for A.Y 2018-19.
2. As per Section 139AA of the Income Tax Act, assessee are required to quote their Aadhaar Card number or the Aadhaar enrolment number when filing Income Tax Returns (ITRs).
3. It was their case that, following the interim orders passed by the Supreme Court in the main Aadhaar case, Aadhaar is purely voluntary until the question of its Constitutionality is settled.
4. With regard to the instant case, it was also highlighted that apart from the Supreme Court, the Central Board of Direct Taxes (CBDT) itself has extended the last date for Aadhaar linkage to March 2019, pending the decision in the Constitutional challenge.
5. It was argued that when the Aadhaar scheme is being treated as voluntary in the interim, it cannot be made mandatory in this manner.

#### **Decision of the Case**

1. The Court ultimately allowed the petitioners' plea to allow the manual filing of ITR without quoting Aadhaar, after noting that similar reliefs were granted by several other High Courts as well.
2. Allowing a prayer made by nine petitioners, the Madras High court today allowed the manual filing of Income Tax Returns (ITRs) without quoting Aadhaar or an Aadhaar enrolment number for the Assessment Year 2018-2019.

# TAX COMPLIANCE CALENDAR AT A GLANCE

## GST CALENDAR

Date	Return Type
10 <sup>th</sup> August, 2018	GSTR 1 for July, 2018 (For turnover of more than 1.5 crore/ For turnover of less than 1.5 crore but opted Monthly)
10 <sup>th</sup> August, 2018	GSTR 7, TDS Returns for July, 2018
10 <sup>th</sup> August, 2018	GSTR 8, Return for E-Commerce operators for July, 2018
20 <sup>th</sup> August, 2018	GSTR 3B for July, 2018
20 <sup>th</sup> August, 2018	GSTR 5, for the month of July, 2018 (for Non Resident taxable person)
20 <sup>th</sup> August, 2018	GSTR 5A, for the month of July, 2018 (for OIDAR)
30 <sup>th</sup> September, 2018	GSTR-6 (by ISD) for July 2017 to August 2018

## DIRECT TAX CALENDAR - AUGUST, 2018

### 07.08.2018

- Due date for deposit of Tax deducted/collected for the month of July, 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

### 14.08.2018

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

### 15.08.2018

- Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending June 30, 2018
- Due date for furnishing of Form 24G by an office of the Government where TDS for the month of July, 2018 has been paid without the production of a challan

### 30.08.2018

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

## DIRECT TAX CALENDAR - SEPTEMBER, 2018

**07.09.2018**

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

**14.09.2018**

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

**15.09.2018**

- Due date for furnishing of Form 24G by an office of the Government where TDS for the month of August, 2018 has been paid without the production of a challan
- Second instalment of advance tax for the assessment year 2019-20

**30.09.2018**

- Audit report under section 44AB for the assessment year 2018-19 in the case of a corporate-assessee or non-corporate assessee (who is required to submit his/its return of income on September 30, 2018).
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA or under section 194-IB in the month of August, 2018
- Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is September 30, 2018)
- Annual return of income for the assessment year 2018-19 if the assessee (not having any international or specified domestic transaction) is (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) working partner of a firm whose accounts are required to be audited).
- Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on September 30, 2018)
- Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or 11(2) (if the assessee is required to submit return of income on September 30, 2018)
- Submit copy of audit of accounts to the Secretary, Department of Scientific and Industrial Research in case company is eligible for weighted deduction under section 35(2AB) [if company does not have any international/specified domestic transaction]
- Due date for claiming foreign tax credit, upload statement of foreign income offered for tax for the previous year 2017-18 and of foreign tax deducted or paid on such income in Form no. 67. (if due date of submission of return of income is September 30, 2018).
- Due date of intimation under section 286(1) by a resident constituent entity of an international group whose parent is non-resident.

## WEBINAR CALENDAR 1<sup>st</sup> To 15<sup>th</sup> AUGUST, 2018

Sl. No	Date	Time	Topic of the Webinar	Name of the Faculty
1.	10.08.2018 (Thursday)	4:00 - 5:00 PM	GST on Jewellery vis a vis GST Audit by CMAs	CMA S K Bhat

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

## 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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