

JULY, 2020

TAX Bulletin

★ ★ VOLUME - 68 ★ ★



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

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

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

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

Ph: 091-11-24666100

MISSION STATEMENT

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

VISION STATEMENT

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

Objectives of Taxation Committees:

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

JULY, 2020

TAX Bulletin



VOLUME - 68



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

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

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

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

Ph: 091-11-24666100

अनुराग सिंह ठाकुर
Anurag Singh Thakur



वित्त एवं कारपोरेट कार्य राज्य मंत्री
भारत सरकार
नई दिल्ली-110001
**MINISTER OF STATE FOR FINANCE
AND CORPORATE AFFAIRS
GOVERNMENT OF INDIA
NEW DELHI-110001**

Message

I am happy to note that the Institute of Cost Accountants of India is observing the "GST Day Celebration Week" from 1st July 2020 to 7th July 2020 on the theme "Growing Stronger with Times-Sum and Substance of Goods & Services Tax" through WEBINT where a large number of Professionals including Tax Practitioners, Students, Corporate Executives, Directors, CFOs and Advocates would deliberate and participate in the deliberations on various important topics related to GST. I am glad that the Institute has been celebrating "GST Day" since 2017.

GST is not just a tax reform, but a step towards economic reform. GST implementation has helped the government to formulate a robust taxation system to protect the rights of 1.35 billion Indians against the likely inflation due to the implementation of GST. GST has already promoted "Make in India" and has improved the "Ease of Doing Business" in India.

The Institute of Cost Accountants of India and its members have been constantly supporting the Government in implementing these national programs successfully and have been regularly submitting its suggestions/recommendations which can help the Government. The CMA fraternity is duty bound for capacity building of the nation.

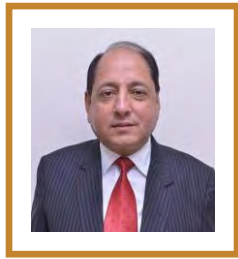
It is my hope that they will continue to reinvent themselves while developing the professional body of members and equip them fully to discharge their functions as well as fulfil the objectives of the Institute in the context of the developing economy, moreover keep abreast of the latest developments in the cost and management accounting principles and practices, incorporate essential changes for sustained vitality of the Industry and other economic activities in the years to come as well.

My best wishes to the future endeavours of the Institute.

(Anurag Singh Thakur)

**New Delhi
30.06.2020**

कार्यालय : कमरा नं० 138, नॉर्थ ब्लॉक, नई दिल्ली-110001 दूरभाष : 23092377, 23094108, फ़ैक्स : 23092680
Office : 138, North Block, New Delhi-110001 Phone : 23092377, 23094108, Fax : 23092680
निवास : 14-जनपथ, नई दिल्ली-110001 दूरभाष : 23782365, फ़ैक्स : 23782368 ई-मेल : mosfinance@nic.in
Residence : 14-Janpath, New Delhi-110001 Phone : 23782365, Fax : 23782368, E-mail : mosfinance@nic.in



CMA Rakesh Bhalla
Chairman, Direct Taxation Committee



CMA Niranjana Mishra
Chairman, Indirect Taxation Committee

FROM THE DESK OF CHAIRMAN

"To successfully work with other people, you have to trust each other. A big part of this is trusting people to get their work done wherever they are, without supervision."

Nickie Bellington

Dear Friends and Professional Colleagues

The World is facing socio economic crisis due to this pandemic situation. Still, life is like an ocean, it can be calm or still, rough or rigid, but in the end, it is always beautiful. Ultimately, the greatest lesson that pandemic COVID-19 can teach humanity is that we are all in this together.

During this tough time, we are also with our beloved members and stakeholders through giving constant endeavor with our activities. In last 15 days we have arranged 2 webinars on Indirect Tax i.e *ITC Impact under COVID 19 scenario and Latest Advance Rulings and Its' Implications* and 1 webinar on *Direct Tax(Recovery Proceedings and Stay of Demand)*.

Tax Research Department in association with the Regional Council and Chapters Coordination Committee observed **GST day Celebration week** from 1st July 2020 to 7th July 2020 through **WEBINT** on the occasion of 3rd Anniversary of GST implementation. The theme was **"Growing Stronger with Times-Sum and Substance of Goods & Services Tax"**. Shri Anurag Singh Thakur ,*Minister of State for Finance and Corporate Affairs* appreciated this webint through a message and the success of the webint sessions has been covered all over by press and media and the news has been published in many leading newspapers.

Smt. Aparajita Sarangi, *Hon'ble Member of Parliament , Bhubaneswar Constituency* graced the occasion as Chief Guest along with Shri M. Ajit Kumar, IRS, Chairman CBIC who was the Guest of Honour at the Inaugural session on the 1st day of the observance. On this day the first panel discussion session on "GST after 3 years" was chaired by Shri. B.V. Murli Krishna, Additional Commissioner of Commercial Taxes, Bengaluru. The second panel discussion session on "Annual Return & GST Audit u/s 35(5) for 2018-19 – Critical Issues" was chaired by CMA Anil Kumar Gupta, Principal Additional Director General, NACIN. The third panel discussion session on "Insight into GST" was chaired by Shri Kumar Vivek, V.P. GSTN. On the last day of the observance Shri Ajay Saxena, IRS, *Principal Commissioner (GST, central Excise and Customs), Bengaluru* was the Guest of Honour along with Shri R Manga Babu, IRS, *Chief Commissioner (GST, Central Excise and Customs) Odisha Zone*. The valedictory Session was enlightened by Ms. Neetu Kumari Prasad, IAS, *Commissioner, Commercial taxes, Telengana* as Guest of Honour and Shri Ashwini Vaishnav, Hon'ble Member of Parliament (Rajya Sabha) Odisha.

Eminent speakers like CMA CSV S Datey, *Author of Indirect Taxation*, CMA Anil Sharma, *Practicing Cost Accountant*, CMA Vishwanath Bhat, *GST Expert*, CMA Dr. Sanjay Bhargave , *Practicing Cost Accountant* , CMA Amit Sarker, *Sr. Director of Indirect Taxation –Deloitte Haskins & Sells LLP*, CMA B. Mallikarjuna Gupta, *Product Evangelist, Logo Infosoft*, CMA Shiba Prasad Padhi, *Practicing Cost Accountant, Bhubaneswar*,

CMA M. Acharjee, Sr. V.P (Accounts, Finance & Taxation) of Balmer Lawrie, CMA Waman Parkhi, Partner of KPMG, CMA Dr. Gopal Krishna Raju, Partner, Taxation and Restructuring and Assurance Practice, and many others have prettified this webint through sharing of their knowledge in panel discussions organized on different topics of GST throughout the week.

Apart from we are running Certificate Course on GST 6th Batch, 2nd Batch of Advanced Certificate Course on GST, Certificate Course on Filing & Filling of Return and Certificate Course on TDS . These courses have been highly appreciated among Corporates and Stakeholders. Hence registration of new batches of above mentioned courses has been started further and the intake is also encouraging.

In conclusion we would like to express our gratitude to our resource persons for their extensive support and congratulate Team TRD for their backbreaking effort.

Stay Safe, Stay Home, Stay Strong.....!!!!

Jai Hind



(Rakesh Bhalla)

CMA Rakesh Bhalla
17th July 2020



CMA Niranjana Mishra
17th July 2020

TAXATION COMMITTEES 2019 - 2020

Indirect Taxation Committee

Chairman

CMA Niranjan Mishra

Members

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

Permanent Invitees

CMA Balwinder Singh - President
CMA Biswarup Basu - Vice-President

Direct Taxation Committee

Chairman

CMA Rakesh Bhalla

Members

1. CMA P. Raju Iyer
2. CMA Niranjan Mishra
3. CMA V. Murali
4. CMA Paparao Sunkara
5. CMA (Dr.) Ashish P. Thatte
6. CMA Rakesh Sinha (Co-opted)
7. CMA Ajay Singh (Co-opted)
8. CMA Rajesh Goyal (Co-opted)

Permanent Invitees

CMA Balwinder Singh - President
CMA Biswarup Basu - Vice-President

Secretary

CMA Rajat Kumar Basu, Addl. Director

ACKNOWLEDGEMENTS

CMA Mrityunjay Acharjee	CMA Anil Sharma
CMA Amit Sarker	CMA Arindam Goswami
CMA Vishwanath Bhat	CMA Manmohan Daga
CMA Bhogavalli Mallikarjuna Gupta	CMA Khagendranath Mahato
CMA T K Jagannathan	CMA Rajesh Maddi
CMA Shiba Prasad Padhi	Shri Tapas Mazumdar
CMA Niranjan Swain	
CMA Navneet Kumar Jain	

TEAM - TAX RESEARCH DEPARTMENT

CMA Rajat Kumar Basu	-	Additional Director - Tax Research
CA Neelesh Jain	-	Deputy Director - Tax Research
CMA Priyanka Roy	-	Assistant Director - Tax Research
Ms. Mukulika Poddar	-	Officer - Tax Research
CMA Debasmita Jana	-	Associate - Tax Research
CMA Amitesh Kumar Shaw	-	Research Associate
CMA Priyadarsan Sahu	-	Research Associate

SPECIAL ACKNOWLEDGEMENT

Mr. Dipayan Roy Chaudhuri - Graphics & Web Designer

CONTENTS

ARTICLES

INDIRECT TAX

01	STIMULUS MEASURES FOR COVID-19 IMPACTED MSMEs	
	CMA Khagendranath Mahato	Page - 1
02	CRITICAL ASPECTS OF GST – HOTEL INDUSTRY	
	CMA Rajesh Maddi	Page - 4

DIRECT TAX

03	REDUCTION OF TAX RATE MAY RESOLVE TO GENERATE ACCOUNTED MONEY WITH THE OPERATIONAL BREATH TO ALL THE ASSESSEES AS LIKE AS CORPORATE ASSESSEES	
	Shri Tapas Mazumdar	Page - 9

ADVISORY FOR FILING NIL FORM GSTR-1 THROUGH SMS ON GST PORTAL BY GSTN

	Team TRD	Page - 10
--	----------	-----------

DUE TO COVID-19 PANDEMIC AND CHALLENGES FACED BY TAXPAYERS, GOVERNMENT HAS FACILITATED THROUGH VARIOUS RELIEF MEASURES

	Team TRD	Page - 11
--	----------	-----------

RECENT UPDATES IN DIRECT AND INDIRECT TAX

	Team TRD	Page - 14
--	----------	-----------

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

Indirect Tax		Page - 15
Direct Tax		Page - 20

PRESS RELEASE

Direct Tax		Page - 23
------------	--	-----------

JUDGEMENTS

Indirect Tax		Page - 25
Direct Tax		Page - 27

TAX COMPLIANCE CALENDAR AT A GLANCE

Indirect Tax		Page - 30
Direct Tax		Page - 32

News Clippings of GST Day Observation		Page - 34
---------------------------------------	--	-----------

Courses - Tax Research Department		Page - 36
-----------------------------------	--	-----------

E-Publications of Tax Research Department		Page - 37
---	--	-----------

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

Please send the articles to

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



STIMULUS MEASURES FOR COVID-19 IMPACTED MSMEs

CMA Khagendranath Mahato
Practicing Cost Accountant

Micro, Small and Medium Enterprises (MSMEs) are classified and governed by the Micro, Small and Medium Enterprises Development Act, 2006 (No. 27 of 2006). The existing criteria (up to 30.06.2020) for classification of MSMEs based on investment in plant and machinery U/S 7(1) of the Act are as stated herein below:

- (a) In the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), as a:
- i) micro-enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees;
 - ii) small-enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or
 - iii) medium-enterprise, where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees;
- (b) In the case of the enterprises engaged in providing or rendering of services, as a-
- i) micro-enterprise, where the investment in equipment does not exceed ten lakh rupees;
 - ii) small-enterprise, where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees; or
 - iii) medium-enterprise, where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Vide S.O. 1702(E) dated 1st June, 2020, the Central Government, has notified the following revised criteria for classification of micro, small and medium enterprises, namely:-

- i) micro-enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees;
- ii) small-enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees;
- iii) medium-enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

This notification shall come into effect from 01.07.2020 subject to amendment to MSME Act, 2006.

The revised criteria are composite criteria of investment and turnover applicable both for manufacturing and service enterprises.

Contribution of MSMEs in 2018-19 GDP of India is 29%. As per the National Sample Survey (NSS) 73rd round conducted during 2015-16 (ref. Annual Report 2018-19 of the Ministry of Micro, Small and Medium Enterprises, GOI), estimated total number of MSME units are 633.88 lakhs comprising of 31% in Manufacturing, 36% in Trading and 33% in Other Services spread over 48.75% in Urban and 51.25% in Rural areas. Composition of Micro, Small and Medium enterprises are 99.47%, 0.52% and 0.01% respectively. Estimated jobs created by MSMEs are 11.10 crore, 32% in Manufacturing, 35% in Trade and 33% in Other Services; around 97% in Micro, 2.88% in Small and 0.16% in medium enterprises; in Rural areas 45% and in Urban areas 55%.

MSMEs are under the administrative control of the Ministry of Micro, Small and Medium Enterprises, Govt. of India. There are a number of schemes existing (more than 250 broad schemes) under 34 Ministries of the

Govt. of India for development of MSMEs, assisting various aspects of business including infrastructure, finance, marketing etc.

COVID-19 has got devastating impact on entire economy, severely destroying the back bone of the MSMEs. Govt. of India and Reserve Bank of India has announced over Rs. 20 lakhs crore worth of short/medium/long term measures for revival of the economy. This article deals with the special stimulus packages announced for revival of the MSMEs impacted by COVID-19 and consequent nation-wide lockdown for more than three months since 25th March, 2020. Such measures announced by Govt. of India on 13th May, 2020 are stated in brief as under:

1. Rs 3 lakh crore Collateral-free Automatic Loans for Businesses, including MSMEs.

- Businesses/MSME units of upto Rs.100 crore turnover affected by COVID-19 and consequent lockdown with outstanding loan up to Rs. 25 crore shall be eligible for Emergency Credit Line from Banks/Financial Institutions (FI) and NBFCs up to 20% of entire outstanding credit of up to Rs. 25 crores on 29.02.2020 that is maximum up to Rs. 5 crore of additional funding of term loan for working capital requirement to meet operational liabilities built up, buy raw material and restart business.

Non-default borrowers hit by COVID-19 with standard accounts of SMA-0 (overdue up to 30 days) and SMA-1(overdue up to 60 days) only shall be eligible for this loan.

- Tenure of loans shall be 4 years with a moratorium of 12 months on Principal repayment only and rate of interest shall be up to 9.25% p.a. for Banks/FI and 14% p.a. for NBFCs.
- This incremental lending shall be 100% guaranteed by Govt. of India to Banks/FI and NBFCs on principal and interest.
- Scheme can be availed till 31.10. 2020
- There shall be no guarantee fee, no fresh collateral for this loan.
- As per Govt. estimates 45 lakh units shall be benefited.

2. Rs. 20,000 crore Sub-ordinate Debt for Stressed MSMEs

- Sub-ordinate debt is an unsecured loan or bond which ranks below other securities or senior loans with respect to the claims on assets or earnings in case of liquidation or default of borrowers. These loans usually have higher yield and lower credit rating.
- Under this scheme Banks will provide the sub-ordinate debt facility to promoter(s) of stressed MSMEs equal to 15% of his existing stake in the unit subject to a maximum of Rs. 75 lakhs. This will then be infused by the promoter(s) as equity in the units there by enhancing liquidity and maintaining debt- equity ratio.
- MSMEs which are stressed or are non-performing assets will be eligible for this scheme. Govt. of India will facilitate provision of Rs. 20,000 crore as sub-ordinate debt.
- Govt. will provide a support of Rs. 4,000 Crore to Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE) which in turn will provide partial Credit Guarantee support of 85% of loans up to Rs. 5 lakhs and 75% of loans beyond Rs. 5 lakhs to Banks/Financial Institutions as per existing guidelines.
- As per Govt. estimates two lakh MSMEs are likely to be benefited.

3. Rs. 50,000 crore Equity infusion for MSMEs through Fund of Funds.

- Based on the recommendations of UK Sinha Committee, the Fund of Funds was first announced in the Union Budget of 2020-21 with a proposed investment of Rs. 10,000 crore.
- This scheme will provide equity funding for start-up MSMEs with growth potential and commercial viability but unable to mobilise funds through venture capitalists and professional corporations for expansion of size as well as capacity growth.
- Fund of Funds will be operated through a Mother Fund set up by Govt. with a corpus of Rs. 10,000 crore to invest in a few private (VC/PE) Daughter Funds which in turn shall buy up to 15 percent equity in MSMEs with high credit rating.
- Fund of Funds is expected to mobilise Rs. 50,000 crore of funds at a leverage of 1:4 at Daughter Funds level for equity infusion in MSMEs. Fund of funds is expected to attract a wide range of investors such as banks, financial institutions, corporate investors, HNW individual investors etc.

- This scheme of private funding shall support in growth of potential commercially viable MSMEs and encourage to get listed on main board of Stock Exchanges.
- 4. Global tenders to be disallowed up to Rs. 200 crore.**
- Rule 161(iv) of General Finance Rule for Global Tender Enquiry (GTE) has been amended by Central Govt. on 15th May 2020 to the effect that no GTE shall be invited for tenders up to Rs. 200 crore of Govt. procurement.
 - This will help MSMEs to increase their business.
- 5. Other interventions for MSMEs.**
- E-market linkage for MSMEs to be promoted to act as a replacement for trade fairs and exhibitions.
 - Fintech will be used to enhance transaction based lending using the data generated by the e-marketplace.
 - MSME receivables from Govt. and CPSEs to be released in 45 days.



CRITICAL ASPECTS OF GST – HOTEL INDUSTRY

CMA Rajesh Maddi
Partner
Hiregange & Associates

Hotel industry is one of the major impacted industries due to Corona virus (Covid 19) Pandemic. It is high time for the industry to reduce their costs and ensure that they are not hit with GST non-compliance notices. Since, the substantial business of the industry would be B2C (business to customer), any future demands by GST authorities would become cost.

Considering the vast experience in the hotel industry, the author wishes to explain the GST related burning issues faced by the hotel industry as on date along with possible solutions.

Advances adjustment and time of supply:

With respect to advances received for provision of services, GST needs to be discharged at the time of receipt of advances and to be adjusted at the time of raising of invoices. Possible issues could be:

- Discharging GST at one rate at the time of advance receipt and different rate applicable at the provision of service. Typical example could be at the time receipt of advance, hotel might have paid GST @ 18% but the room provided having a tariff between Rs. 1,000/- to Rs. 7,500/- where the rate of GST is 12%.
- Not adjusting the advances on which already GST discharged. This results in double payment of taxes.
- Income accrued in the books of accounts but the invoice not raised. Typical example could be guest who was not checked out at the month end but income recognized in the books of accounts for the stay up to month end.
- Restaurant bill generated and posted to guest's ledger but the check-out is pending.

Maintaining proper track of advances received and adjustment of the same would solve this issue. Considering 30 days' time available for raising the invoice after completion of service, in case of restaurant and other ancillary services, time of supply can be postponed to the date of invoice. On completion of services, it is suggested to raise the charge slips instead of tax invoice for the In-house guests. Final invoice can be raised at the time of checkout. Few hotels following the process of complete checkout at the month/day end and fresh check-in at the next month/day start.

Most of the hotels would be using separate software for operational purpose. The balances in such software and the books of accounts needs to be reconciled regularly to avoid huge differences at the year end.

Composite supply and mixed supply:

It is normal in the industry to provide few complimentary services or few services as a bundle. For example, in the FAQ's issued by the Government, it was clarified that complimentary breakfast is an industry practice and would be treated as main service of accommodation service. Care should be taken while examining the different treatment for composite and mixed supplies. Typical examples could be:

- Complimentary rooms provided for a banquet event.
- Destination weddings where the rooms and banquet services provided as single price package
- For a Valentine's Day event, accommodation and restaurant services provided at a single price.

With respect to Composite supplies, the services should be naturally bundled. Much care should be taken when the principle supply would be of lower rate and the ancillary services would be of higher rate. Wrong classification of mixed supply as composite supply would lead to differential tax demand in future.

Supplies to SEZ unit and place of supply:

With respect to services provided to SEZ unit, still few doubts exist whether CGST + SGST or IGST should be discharged. Supplies to SEZ units would be specific in nature and IGST should be charged.

With respect to any banquet or any renting services provided, if the entity receives a certificate from the SEZ unit stating that it is for authorised operation, the entity can raise the invoice without GST after obtaining LUT or charge IGST.

Most of the services provided by hotel would be intra-State and liable to CGST + SGST. With respect to ancillary services provided which are not relating to immovable property, IGST could be leviable where the transaction is an inter-State supply.

Booking Cancellation Charges (No show charges):

This is the most common phenomena observed in the industry. Cancellation charges generally depends on the time of cancellation i.e. where the time is less, cancellation charges are more.

Most of the hotels discharging GST @ 18% on such cancellation charges collected considering it as tolerating an act even though there is no actual service provided. The author is of the view that there is no liability of GST on such cancellation charges collected as there is no supply involved. CGST Amendment Act, 2018 made it clear that conditions specified in section 7(1) (a) of CGST Act should be satisfied to treat the transaction as supply and Schedule-II activities are merely for classification of activities as supply of goods or services.

TDS or TCS compliance:

TDS provisions would be applicable for the services provided to Govt. departments, PSU, etc. Certain amount of GST would be deducted by such Govt. entities and file TDS returns.

With effect from 1st October 2018, TCS provisions applicable for the bookings done through E-commerce Operators. The E-Commerce Operators shall collect one percent of the net value of taxable supplies made through it where the consideration with respect to such supplies is to be collected by the operator and file TCS Returns.

Presently, most of the hotels are not aware of such provision. The hotel should check and accept the entries in the TDS and TCS returns filed by customer/e-commerce operators so that the amount would be credited to Electronic cash ledger of the entity.

Reversal of credit for exempted supplies (Rule- 42 and 43 of CGST Rules):

Most of the hotels would be accompanied with a restaurant. If the declared tariff of unit of accommodation is above Rs. 7,500/- per unit per day or equivalent, the restaurant should adopt GST @ 18% with input tax credit benefit otherwise for the services provided through restaurant the rate of GST would be 5% without input tax credit.

With effect from 01st October, 2019, the same treatment provided for restaurant services needs to be followed for banquet services and outdoor catering services also.

Typically following would be exempted services by an hotel:

- Restaurant services, banquet services, outdoor catering services by a hotel where the declared tariff of a unit of accommodation do not exceed Rs. 7,500/- per day or equivalent.
- Liquor sales (even though it is non GST sales, it is also considered as exempted sales)
- Rent a cab services where the entity opts to discharge at 5% GST
- Accommodation services where the value of supply for an unit of accommodation is below or equal to Rs. 1,000/- per day or equivalent.

Even though the few of the above services chargeable at 5% GST without ITC, the same needs to be treated as exempted services and proportionate credit to be reversed. In simple terms, with respect to goods or services used exclusively for exempted supplies, no input tax credit can be availed. With respect to goods or services used exclusively for taxable supplies, 100% input tax credit can be availed. With respect to inputs and input services commonly used for both taxable and exempted supplies, credit proportionate to the value of taxable supplies can be availed.

GST liability on the ancillary services provided:

Different treatments followed by different entities with respect to following services:

- Sale of Cigarettes and other tobacco products
- Sale of Hukkah
- In room dining
- Sale of cool drinks / aerated water
- Mini bar sales (sale of snacks, beverages, etc. which are already provided in the room)

In the author's opinion, the said services could be treated as restaurant services. Different treatment would be needed based on the facts and circumstances and on considering cost benefit analysis while staying within the four corners of the law.

With respect to rent a cab services provided, the rate of GST would be 12% with ITC and 5% without ITC. If the entity opts for 5% without ITC, the compliance specified under Rule-42 and 43 needs to be complied considering such turnover as exempted turnover.

With respect to other services like laundry, internet, spa services, gym services, etc. general rate of 18% needs to be followed subject to exception. In case of sale or purchase of foreign currency, separate valuation procedure prescribed can be followed. In case of renting of premises for an event, 18% GST needs to be discharged.

Input tax credit related:

Still many hotels are under the impression that input tax credit can't be availed with respect to repairs and maintenance of immovable property. It is clear that ITC can be availed on repairs and maintenance of building or plant and machinery, when such expenses are not capitalised.

It is also clear that ITC can be availed on the furniture, Chillers, DG sets, HVAC, passenger lift, decorative items and interiors which are not in the nature of immovable property. With respect to restaurant, ITC can be availed on crockery and cutlery, kitchen equipment, etc. if the restaurant discharging output GST @ 18%.

ITC can be availed on general business expenses like bank charges, insurances expenses other than health and life, stationery purchase, etc.

ITC can be availed on the perquisites (like food and travel) provided to employees when the same is provided in terms of the contract between the employer and employee and is part and parcel of the cost-to-company. With respect to few expenses like health and life insurance of employees, rent a cab, etc. ITC can be availed if it is a statutory requirement.

In case of hotels under construction, availing input tax credit on Cement, Steel, other construction material and construction services can be examined considering the Orissa High Court Judgement in the case of Safari Retreats Pvt Ltd wherein it was held that input tax credit (ITC) on inputs and input services used for construction of a shopping mall, to be availed against GST payable on rent income receivable from tenants of such constructed shopping mall.

Reverse charge and import of services:

With respect to multi chain branded hotel, there would be lot of payments like royalty, management fees, operational fees, training fees, etc in foreign currency. Each transaction should be examined with respect to reverse charge applicability and discharge the tax accordingly. One should not miss that with respect to

associated enterprises, the time of supply would be date of entry in the books or date of payment whichever is earlier.

In general, the liability under reverse charge for GTA Services, legal services, security services, sponsorship services, rent a motor vehicles services, etc. needs to be examined. With respect to liquor licence fees paid to State Govt., there is no liability under reverse charge. If already paid, refund can be claimed.

With respect to reverse charge liability on the ocean freight portion for import of goods on CIF basis, the hotel can examine the law laid down by Gujarat HC in the case of Mohit Minerals wherein it was held that entry 10 of notification is ultra vires the IGST Act.

Reverse charge liability with respect to goods or services procured from un-registered persons (Section 9(4) of CGST & Section 5(4) of IGST Act) deferred with effect from 13.10.2017.

Cross Charge and ISD:

There would be temporary shifting/transferring of human resources from one entity to other entity/other branch of same entity in different State. The reason could be for staff shortage or for providing training, etc. GST needs to be discharged for the said services provided. If the resources are sent outside, it can be considered as export of service subject to fulfilment of conditions specified for export of services.

With respect to common services received at the head office of the entity, the option of ISD needs to be examined for transferring the common credits to the respective units.

FTP benefits to be availed:

With respect to services provided where the entity has received money in convertible foreign currency from a foreign national, the entity can be eligible to get a transferable duty credit scrip as a benefit under Foreign Trade Policy (FTP). The benefit ranges from 3% to 5% of net foreign currency earned.

Hotels can also examine the option of importing capital goods under EPCG option without payment of import duties. Export obligation specified needs to be fulfilled within the time limit specified to avoid interest and other penal consequences.

COVID related:

i. Insurance claims received:

Most of the hotels would have insured towards Contingent Business interruption which covers the losses beyond business's control. Insurance company would compensate the loss of business for such period. Situations like **Covid-19** could be covered in that. There is no GST liability for the compensation received as there is no supply of goods or services involved. However, with respect to goods lost, stolen, destroyed, written off, the provisions relating to ITC restriction needs to be examined.

ii. Impact of hotels taken over by Govt for developing isolation wards:

Few States like Madhya Pradesh, Rajasthan, etc. ordered to convert few hotels and resorts as isolation wards. This is done under Disaster Management Act. Few hotels are offering free stay to health workers. Few hotels done this as a part of Corporate Social Responsibility. There is no consideration paid in all these cases. In the author's opinion, the said transaction would not fall under Schedule-I and there is no liability under GST.

Other Compliances:

- ITC needs to be reversed (along with requisite interest) with respect to such instances where the payment not made within 180 days from the date of invoice. ITC can be re-availed in making payment to the vendor/s.

- Self-invoice to be raised for the reverse charge liability discharged transactions where the supplier is not registered.
- Input tax credit needs to be reverse for the credit notes issued by the vendors when the credit note issued with GST.
- Anti-profiteering compliance, as GST rate is reduced during the FY 2019-20
- Luxury tax abolished after implementation of GST. If any such tax discharged, it is suggested to claim refund of such tax.
- Splitting the total bills towards accommodation, food and beverages, etc. would help the customer for deciding eligible ITC. There is no restriction for availing ITC by the customer if the accommodation service is related to business and not for vacation of employees of the customer.

Many more.....

Conclusion:

GST is in the initial years of implementation and many grey areas needs to be clarified by the Government. The author tried to cover few aspects where presently many non-compliances are there.



REDUCTION OF TAX RATE MAY RESOLVE TO GENERATE ACCOUNTED MONEY WITH THE OPERATIONAL BREATH TO ALL THE ASSESSEES AS LIKE AS CORPORATE ASSESSEES

Shri Tapas Mazumdar
Tax Consultant

Indian taxation system is divided into two folds: One is Direct Taxes and other is Indirect Taxes. In consideration of the direct taxes, it is levied on the income of the different assessee having different types of business entities earning in the same financial year.

The different types of taxpayers under the Indian context are paying taxes at different rates. However, an individual, Firm and a company being the taxpayers are not taxed at the same rate where digesting the intentional curb of the Central Government the corporate assessee are measured by the concessional rate where the non-corporate assessee are paying under the old structure without any revision except the minor changes thereon. By virtue of such intention it can be categorically segregated into two folds. Therefore, Direct Taxes are again subdivided as Corporate Tax and Non Corporate Tax.

Under the Corporate Tax Structure the Domestic as well as Foreign companies are liable to pay corporate tax under the Income-tax Act. While a domestic companies are taxed on its universal income, where a foreign companies are only taxed on the income earned within India i.e. is being accrued or received in India. For the purpose of calculation of taxes under Income Tax Act, 1961.

The Finance Ministry has recently announced a reduction in the base corporate tax rate to 22% from 30% as part of stimulus measures to reverse slowing economic growth. The effective tax rate for domestic corporate, inclusive of surcharges, will fall from **34.94% to 25.17%** if they stop availing any other tax sops. For new manufacturing firms set up after October 1, 2019 and commencing operations by March 31, 2023, the effective tax rate will fall from **29.1% to 17%**. The corporate tax cut is part of a series of steps taken by the government to tackle the slowdown in economic growth, which has dropped for five consecutive quarters initiating from the Financial Year 2017-18 to 2019-20. The most immediate reason behind the tax cut may be the displeasure that various corporate houses have shown against the government's policies. Many investors, for instance, were spooked by the additional taxes on them that were announced by the government during the budget in July and began pulling money out of the country. It is also considered by the Central Govt. that the new revised lower tax rates will attract more investments into the country in order to revive the domestic manufacturing sector which has seen lackluster growth. Behind the rate cut it is also considered that the corporate tax rate is a major determinant of how investors allocate capital across various economies.

So there is constant pressure on governments across the world to offer the lowest tax rates in order to attract investors. Tax cuts, by putting more money in the hands of the private sector, can offer people more incentive to produce and contribute to the economy.

But Indian economy is substantially driven and influenced by the MSMEs sector where the mostly constituted by the assessee of Non corporate Sector as a result the present tax cut is equally important in taxes which can make India more competitive on the global stage by making Indian corporate as well as Non Corporate tax rates comparable to that of rates in East Asia. The tax cut, however, is expected to cause a yearly revenue loss of Rs.1.45 lakh crore to the government which is struggling to meet its fiscal deficit target. At the same time, if it manages to sufficiently revive the economy, the present tax cut can help boost tax collections and compensate for the loss of revenue.

However under the situation with post COVID-19 effect it is highly changeableness to sustain with the utter competitiveness global effect where the competitive tax rate much influence to the lower and middle class sector of assessee for the true discloser of revenue having minimum payment of direct tax results the multiple transactions are within the jurisdiction of the tax bracket. Further in comparison to the tax rate of nearby developed countries it reveals that Singapore with 17 per cent tax rate, and Vietnam, Thailand, Cambodia and Taiwan with 20 per cent base tax rates are the countries offering lower rates than India. And reduction of corporate rate not only serve the purpose unless the large untouchable non corporate segments are considered for logical reduction which only surfs the purpose and also for the satisfaction of the parliament where after this cut, on the base rate both on corporate and Non Corporate tax structure in India become enables competitive and should help boost investment. This reduction was a long-pending demand of Indian firms where India is likely to attract investors looking to move out of China and other developing countries in Asia.

ADVISORY FOR FILING NIL FORM GSTR-1 THROUGH SMS ON GST PORTAL BY GSTN

Team TRD

1. A taxpayer may now file NIL Form GSTR-1, through an SMS, apart from filing it through online mode, on GST Portal.
2. To file NIL Form GSTR-1 through SMS, the taxpayer must fulfil following conditions:
 - They must be registered as Normal taxpayer/ Casual taxpayer/ SEZ Unit / SEZ Developer.
 - They have valid GSTIN.
 - Phone number of Authorized signatory is registered on the GST Portal.
 - No data should be in saved or submitted stage for Form GSTR-1 on the GST Portal, related to that respective month.
 - NIL Form GSTR-1 can be filed anytime on or after the 1st of the subsequent month for which the return is to be filed.
 - Taxpayer should have opted for the filing frequency as either monthly or quarterly.
3. NIL Form GSTR-1 for a tax period must be filed by the taxpayer if:
 - There are no Outward Supplies (including supplies on which tax is to be charged on reverse charge basis, zero rated supplies and deemed exports) during the month or quarter for which the return is being filed.
 - No Amendments is to be made to any of the supplies declared in an earlier return.
 - No Credit or Debit Notes to be declared/amended.
 - No details of advances received for services to be declared or adjusted.
4. **Steps to File Nil Form GSTR 1 through SMS is as below:**
 - Send SMS to **14409** number to file Nil Form GSTR-1 –

SMS Body

NIL <space> R1<space> GSTIN <space> Return Period

Example

FOR Filling NIL GSTR 1 for April 2020

NIL <space> R1 <space> 19BVHSR0184D1ZH <space> 042020

FOR Filling NIL GSTR 1 for January-March 2020

NIL <space> R1 <space> 19BVHSR0184D1ZH <space> 032020

Confirmation SMS Body (it will remain valid for 30 minutes)

CNF <space> R1<space> Code

Example

CNF <space> R1<space> 56789

- After successful validation of "Verification Code", return will be filed and Taxpayer will receive ARN to same mobile number and on registered e-mail ID of the taxpayer
5. All the authorized representatives, for a particular GSTIN can file NIL Form GSTR-1 through SMS.

FAQ: https://tutorial.gst.gov.in/userguide/returns/index.htm#t=faq_nilreturngstr1.htm

DUE TO COVID-19 PANDEMIC AND CHALLENGES FACED BY TAXPAYERS, GOVERNMENT HAS FACILITATED THROUGH VARIOUS RELIEF MEASURES

Team TRD

Relief in opting for Composition by Taxpayers, filing other Returns & EWB

Opt in for Composition in FY 2020-21

Normal Taxpayers wanting to opt for Composition should not file GSTR3B and GSTR 1 for any tax period of FY 2020-21 from any of the GSTIN on the associated PAN.

Form	Tax period (FY)	Extended Date
GST CMP-02	2020-21	30.06.2020
GST ITC-03	2019-20 (As on 31-3-2020)	31.07.2020

Compliances for Composition taxpayers:

Form	Tax period	Extended Date
GST CMP-08	Jan to March 2020	07.07.2020

NRTP, ISD, TDS & TCS taxpayers:

Return Type, Form	To be filed by	Tax Period	Due Date	Extended Date
GSTR-5	Non Resident Taxpayers	March, April, May, June & July 2020	20th of succeeding month	31st Aug., 2020
GSTR-6	Input Service Distributors	-do-	13th of succeeding month	31st Aug., 2020
GSTR-7	Tax Deductors at Source (TDS deductors)	-do-	10th of succeeding month	31st Aug., 2020
GSTR-8	Tax Collectors at Source (TCS collectors)	-do-	10th of succeeding month	31st Aug., 2020

Extension of validity period of EWB:

The validity of E-way bills (EWBs), generated on or before 24th March, 2020, and whose validity expiry date lies on or after 20th March, 2020, is deemed to have been extended till 31st August, 2020.

Relief in late fee to Taxpayers filing Form GSTR-3B

Government has extended dates for GST filings as notified vide Not. No. 52/2020 dt 24.06.2020 and No. No 57/2020-CT dated 30.06.2020.

a. Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY

Tax period	Late fees waived if return filed on or before
February	24th June
March	24th June
April	24th June

b. Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY

Tax period	Late fees waived if return filed on or before (For Group A States)*	Late fees waived if return filed on or before (For Group B States)*
February	30th June	30th June
March	03rd July	05th July
April	06th July	09th July
May	12th Sept	15th Sept
June	23rd Sept	25th Sept
July	27th Sept	29th Sept

- Note 1:** If the registered persons fail to furnish Form GSTR-3B returns for the tax periods according to the condition mentioned in the Table 1(a) and (b) above, but furnish the returns till the 30th day of September, 2020, the total amount of late fee payable shall be completely waived if the tax payable is NIL and shall be capped at Rs 500 per return, in case of any tax liability.
- Note 2:** For the taxpayers having an aggregate turnover of more than Rs 5 Cr. in the preceding financial year, who fail to furnish the return in FORM GSTR-3B for the months of May, 2020 to July, 2020, by the due date but furnish the said return till the 30th day of September, 2020, the total amount of late fee shall be capped at Rs 500 per return and shall stand fully waived for those taxpayers where the total amount of tax payable in the said return is Nil.
- Note 3:** Taxpayers who are yet to file Form any month(s) from July, 2017 till Jan., 2020, can now file Form GSTR-3B from 1st July, 2020 till 30th Sept., 2020, without any late fee, for those months in which they did not have any tax liability. However, for the months they had a tax liability, their late fee would be capped at Rs 500 per return.

*** Group A States-** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep

*** Group B States-** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

Relief in payment of interest to Taxpayers filing Form GSTR-3B

Taxpayers having aggregate turnover > Rs. 5 Cr. in preceding FY

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	20th March, 2020	4th April, 2020	5th April to 24th June, 2020	25th June, 2020
March, 2020	20th April, 2020	5th May, 2020	6th May to 24th June, 2020	25th June, 2020
April, 2020	20th May, 2020	4th June, 2020	5th June to 24th June, 2020	25th June, 2020
May, 2020	27th June, 2020 (extended date for filing)	27th June, 2020	--	28th June, 2020

Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group A States)

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	22nd March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	22nd April, 2020	3rd July, 2020	4th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	22nd May, 2020	6th July, 2020	7th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	12th July, 2020 (extended date for filing)	12th Sept., 2020	13th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	22nd July, 2020	23rd Sept., 2020	24th Sept to 30th Sept., 2020	1st Oct., 2020

Taxpayers having aggregate turnover upto Rs. 5 crores in preceding FY (Group B States)

Tax period	Due Date	No interest payable till	Interest payable @ 9% from & till	Interest payable @ 18% from
Feb, 2020	24th March, 2020	30th June, 2020	1st July to 30th Sept., 2020	1st Oct., 2020
March, 2020	24th April, 2020	5th July, 2020	6th July to 30th Sept., 2020	1st Oct., 2020
April, 2020	24th May, 2020	9th July, 2020	10th July to 30th Sept., 2020	1st Oct., 2020
May, 2020	14th July, 2020 (extended date for filing)	15th Sept., 2020	16th Sept to 30th Sept., 2020	1st Oct., 2020
June, 2020	24th July, 2020	25th Sept., 2020	26th Sept to 30th Sept., 2020	1st Oct., 2020

* **Group A States-** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep

* **Group B States-** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

Relief in late fee to Taxpayers filing Form GSTR-1

Government has extended dates for GST filings as notified vide Notification No. 53/2020 dt 24.06.2020. A Circular No. 141/1/2020-GST dated 24th June, 2020 has also been issued in this regard.

Late Fee Relief to Normal Taxpayers filing Form GSTR-1:

Tax period	Due Date	Waiver of late fee if return filed on or before
March, 2020	11.04.2020	10.07.2020
April, 2020	11.05.2020	24.07.2020
May, 2020	11.06.2020	28.07.2020
June, 2020	11.07.2020	05.08.2020
Quarterly taxpayers January to March 2020	30.04.2020	17.07.2020
Quarterly taxpayers April to June 2020	31.07.2020	03.08.2020

Note: If Form GSTR-1 for the period mentioned in Table above is not filed by the notified dates, late fee will become payable from the due dates for these returns.

RECENT UPDATES IN DIRECT AND INDIRECT TAX

Team TRD

Direct Tax

One Time Relaxation declared by CBDT for Verification of IT Return for A.Y 2015-16, 2016-17, 2017-18, 2018-19 & 2019-20 which are pending due to non-filing of ITR-V form and processing of such returns

CBDT has provided utility to ascertain TDS applicability rates on cash withdrawals. The Income Tax Department has facilitated a new functionality for Banks and Post offices through which they can ascertain the TDS applicability rates on cash withdrawal of above Rs.20 lakh in case of a non-filer of Income Tax Return(ITR) and that of above Rs. 1 crore in case of a filer of the ITR.

Indirect Tax

Union Territory Dadra & Nagar Haveli and Daman & Diu has been merged w.e.f 26th January 2020 . Hence requirement of single state code arised for registered persons in GST in Dadra & Nagar Haveli and Daman & Diu . In view of the above , New GSTIN with UT code **26** has been allotted to the merged Union Territory of Dadra & Nagar Haveli and Daman & Diu which would be effective from 1st August 2020

For more details, please follow - https://icmai.in/upload/Taxation/Trade_Notice.pdf

Due Date for Annual Return of Composition Dealers (GSTR-4) for FY. 2019-2020 has been extended further till 31.08.2020 vide Notification No. 59/2020 – Central Tax dt. 13th July 2020. Previously the date was 15th July 2020

GSTN has declared Statistical Report on 3 years of GST

For more details, please follow - <https://tutorial.gst.gov.in/downloads/news/3YearReport.pdf>

GST Department has facilitated filing of NIL GSTR 1 through SMS Facility

For more details, please follow - <https://www.gst.gov.in/newsandupdates/read/388>

TAX UPDATES, NOTIFICATIONS AND CIRCULARS

INDIRECT TAX

GST Notifications & Circulars

Central Tax

Notification No. 58/2020 – Central Tax Dated – 1st July, 2020

Seeks to make eighth amendment (2020) to CGST Rules

“67A. Manner of furnishing of return or details of outward supplies by short messaging service facility.- A registered person who is required to furnish a Nil return under section 39 in FORM GSTR-3B or a Nil details of outward supplies under section 37 in FORM GSTR-1 for a tax period, any reference to electronic furnishing shall include furnishing of the said return or the details of outward supplies through a short messaging service using the registered mobile number and the said return or the details of outward supplies shall be verified by a registered mobile number based One Time Password facility (OTP).

This rule, Central Goods and Services Tax (Eighth Amendment) Rules, 2020 has been in force from 1st July, 2020.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-58-central-tax-english-2020.pdf>

Notification No. 59/2020 – Central Tax Dated – 13th July, 2020

Seeks to extend the due date for filing FORM GSTR-4 for financial year 2019-2020

The registered persons under composite scheme can furnish GSTR 4 for F.Y 2019-20 till 31st August 2020. Previously the due date was 15th July 2020

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-59-central-tax-english-2020.pdf>

Customs Notifications & Circulars

Tariff Notifications

Notification No. 29/2020-Customs Dated – 6th July, 2020

Seeks to further amend notification no. 152/2009 dated 31.12.2009, to increase the rate of duty of customs on imports

In case of “Phthalic Anhydride” falling under tariff item 2917 35 00 of the First Schedule to the Customs Tariff Act, 1975, the Director General of Trade Remedies initiated an investigation in terms of the India-Korea Comprehensive Economic Partnership Agreement Rules, 2017, vide initiation notification under F.No.22/8/2019-DGTR, dated the 1st October, 2019 in order to determine whether the imports of the subject goods from Korea RP constitute increased imports and whether the increased imports have caused or are

threatening to cause serious injury to the domestic industry and whereas, in the preliminary findings of the Bilateral Safeguard investigation issued.

The Authority has provisionally concluded that

- i. the domestic industry has suffered serious injury as a result of duty concessions granted to Korean imports leading to increased imports of the subject goods from Korea at low prices;
- ii. the domestic industry is faced with continued threat of serious injury from imports from Korea;
- iii. that injury to the domestic industry has been caused by the increased imports and there is a causal link between increased imports of subject goods from Korea and serious injury and threat of serious injury to the domestic industry as a result of duty concessions granted to Korean imports;
- iv. the factors present constitute critical circumstances and are affecting the overall performance of the domestic industry, justifying imposition of provisional bilateral safeguard measure,

and has recommended imposition of the provisional bilateral safeguard measure of increasing the rate of customs duty on subject goods originating in Korea RP imported under the Comprehensive Economic Partnership Agreement between the Republic of India and the Republic of Korea (hereinafter referred to as the Trade Agreement), to the level of Most Favoured Nation duty on the subject goods as on the date of application of the bilateral safeguard measure or Most Favoured Nation duty on the subject goods on the day immediately preceding the date of entry into force of the Trade Agreement, whichever is less, for a period of 200 days.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs29-2020.pdf>

Notification No. 30/2020-Customs

Dated – 10th July, 2020

Seeks to amend notification No. 09/2012-Customs dated 09.03.2012, providing for extension of last date of re-import by three months, for those cases where the last date of such re-import falls between 01.2.2020 and 31.7.2020 due to the outbreak of COVID-19 pandemic.

The Central Government has made the further amendments in the notification No. 9/2012- Customs, dated the 9th March, 2012, Part II, Section 3, Sub-section (i), namely:

In the said notification, in condition no. (iii), the following proviso shall be inserted, namely:

“Provided that for the cases where the last date of re-import falls between the 1st February, 2020 and the 31st July, 2020, the last date stands extended by 3 months”.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs30-2020.pdf>

Notification No. 31/2020-Customs

Dated – 13th July, 2020

Seeks to further amend notification no. 152/2009 dated 31.12.2009, to increase the rate of duty of customs on imports of "Polybutadiene Rubber"

In case of “Polybutadiene Rubber” falling under tariff item 4002 20 00 of the First Schedule to the Customs Tariff Act, 1975, the Director General of Trade Remedies initiated an investigation in terms of the India-Korea Comprehensive Economic Partnership Agreement (Bilateral Safeguard Measures) Rules, 2017 vide initiation notification under F.No.22/7/2019-DGTR, dated the 7th November, 2019 in order to determine whether the imports of the subject goods from Korea RP constitute increased imports and whether the increased imports have caused or are threatening to cause serious injury to the domestic industry and whereas, in the preliminary findings of the Bilateral Safeguard investigation issued vide F.No.22/7/2019-DGTR, dated the 12th May, 2020, the Authority has provisionally concluded that-

- i. the domestic industry has suffered serious injury as a result of duty concessions granted to Korean imports leading to increased imports of the subject goods from Korea at low prices;
- ii. that injury to the domestic industry has been caused by the increased Korean imports and there is a causal link between increased imports of subject goods from Korea and serious injury to the domestic industry;
- iii. the factors present constitute critical circumstances and are affecting the overall performance of the domestic industry, justifying imposition of provisional bilateral safeguard measure,

and has recommended imposition of the provisional bilateral safeguard measure of increasing the rate of customs duty on subject goods originating in Korea RP imported under the Comprehensive Economic Partnership Agreement between the Republic of India and the Republic of Korea (hereinafter referred to as the Trade Agreement), to the level of Most Favoured Nation duty on the subject goods as on the date of application of the bilateral safeguard measure or Most Favoured Nation duty on the subject goods on the day immediately preceding the date of entry into force of the Trade Agreement, whichever is less, for a period of 200 days.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs31-2020.pdf>

Non-Tariff Notifications

Notification No. 55/2020-Customs (NT) **Dated – 2nd July, 2020**

Exchange Rates Notification No.55/2020-Custom (NT) dated 02.07.2020.

CBIC has determined that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or vice versa, shall, with effect from 3rd July, 2020, relating to import and export goods.

SCHEDULE-I

Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
	For Imported Goods	For Exported Goods
Australian Dollar	553.45	51.15
Bahraini Dinar	206.70	193.70
Canadian Dollar	56.50	54.60
Chinese Yuan	10.85	10.55
Danish Kroner	11.60	11.20
EURO	86.60	83.55
US Dollar	76.40	74.70

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt55-2020.pdf>

Notification No. 56/2020-Customs (NT) **Dated – 13th July, 2020**

Regarding amendment in notification No. 07/2020-Cus. (N.T.) dated 28.01.2020 relating to AIRs of Duty Drawback.

The Central Government has made the following amendments in the notification No. 07/2020- Customs (N.T.), dated the 28th January 2020.

In Chapter - 29, 64, 71, 87 of the schedule

This notification has been forced from 15th July 2020.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt56-2020.pdf>

Notification No. 57/2020-Customs (NT)

Dated – 15th July, 2020

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

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

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted are as follows

TABLE-1

Sl. No	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	622
2	1511 90 10	RBD Palm Oil	641
3	1511 90 90	Others – Palm Oil	632
4	1511 10 00	Crude Palmolein	647
5	1511 90 20	RBD Palmolein	650
6	1511 90 90	Others – Palmolein	649
7	1507 10 00	Crude Soya bean Oil	747
8	7404 00 22	Brass Scrap (all grades)	3561
9	1207 91 00	Poppy seeds	3623

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt57-2020.pdf>

Anti-Dumping Duty Notifications

Notification No. 17/2020-Customs (ADD)

Dated – 8th July, 2020

Seeks to levy definitive anti-dumping duty on imports of ' Steel and Fibre Glass Measuring tapes and their parts and components ', originating in, or exported from, People's Republic of China for a period of five years, in pursuance of final findings of sunset review investigations issued by DGTR

The designated authority has reviewed anti dumping duty on “Steel and Fibre Glass Measuring tapes and their parts and components” falling under heading 9017 of the First Schedule to the Customs Tariff Act, 1975, originating in or exported from the People's Republic of China, and has come to the conclusion that:

- there is continued dumping of the subject goods from subject country and the imports are likely to enter the Indian market at dumped prices in the event of expiry of duty;
- the domestic industry’s performance has improved but remains vulnerable to dumping and consequent injury;
- the information on record shows likelihood of continuation/ recurrence of dumping and injury in case the anti-dumping duty in force is allowed to cease at this stage;
- there is sufficient evidence to indicate that the cessation of anti-dumping duty at this stage will lead to continuation of dumping and recurrence of injury to the Domestic Industry,

and has recommended continued imposition of the anti-dumping duty on imports of the subject goods, originating in or exported from the subject country;

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd17-2020.pdf>

Notification No. 18/2020-Customs (ADD)
Dated – 9th July, 2020

Seeks to extend anti-dumping duty on import of Phenol originating in or exported from South Africa, imposed vide Notification No. 32/2015-Customs(ADD) dated 10.07.2015, up to and inclusive of 9th January, 2021.

The designated authority has initiated review in the matter of continuation of anti-dumping duty on imports of ‘Phenol’ originating in or exported from South Africa, and has requested for extension of the said anti-dumping duty for a period of 6 months in terms of sub-section (5) of section 9A of the Customs Tariff Act.

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (5) of section 9A of the Customs Tariff Act, read with rules 18 and 23 of the said rules, the Central Government has made the following amendment on above notification namely

In the said notification, after paragraph 2 and before the Explanation, the following paragraph shall be inserted:

“3. Notwithstanding anything contained in paragraph 2, the anti-dumping duty imposed under this notification shall remain in force up to and inclusive of the 9th January, 2021, unless revoked, superseded or amended earlier.”

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd18-2020.pdf>

Circulars - Customs

Circular No. 32/2020-Customs
Dated – 6th July, 2020

Turant Suvidha Kendra and Other Initiatives for Contactless Customs

Board has Introduced ‘Turant Customs’ programme and its aimed at providing a ‘Faceless, Contactless and Paperless’ Customs administration and recently introduced a number of initiatives that leverage technology in order to enhance the efficiency in the Customs clearance processes thereby leading to speedy clearances, transparency in decision making, ease of doing business and very importantly, reduce physical contact in the prevailing pandemic situation. These initiatives include, amongst others, automated clearances of Bills of Entry, digitisation of Customs documents, paperless clearance, Faceless Assessment and establishment of Turant Suvidha Kendra at Bengaluru and Chennai.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-32-2020.pdf>

Circular No. 33/2020-Customs
Dated – 15th July, 2020

Amendments to the All Industry Rates of Duty Drawback

Government has made some certain amendments in the All Industry Rate of Duty Drawback. These changes have been effected from 15.07.2020.

For more details, please follow: <https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-33-2020.pdf>

DIRECT TAX

Notifications

Notification No. 43/2020

Dated – 3rd July, 2020

Amendment of rule 31A, Form 26O & 27Q

CBDT has amended the Income-tax Rules, 1962.

1. These rules may be called the Income-tax (16th Amendment) Rules, 2020 and it shall come into force from the date of their publication in the Official Gazette.

2. In the Income-tax Rules, in rule 31A, in sub-rule (4)-

(a) in clause (viii), after the words “not deducted”, the words “or deducted at lower rate” shall be inserted;

(b) for clause (ix) the following has been substitute from 1st July, 2020

“(ix) furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under second proviso to section 194N or in view of the exemption provided in third proviso to section 194N or in view of the notification issued under fourth proviso to section 194N”

(c) after clause (ix), the following clauses shall be inserted, namely:

“(x) furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under sub-section (5) of section 194A.

(xi) furnish particulars of amount paid or credited on which tax was not deducted under sub-section (2A) of section 194LBA.

(xii) furnish particulars of amount paid or credited on which tax was not deducted in view of clause (a) or clause (b) of sub-section (1D) of section 197A.

(xiii) furnish particulars of amount paid or credited on which tax was not deducted in view of the exemption provided to persons referred to in Board Circular No. 3 of 2002 dated 28th June 2002 or Board Circular No. 11 of 2002 dated 22nd November 2002 or Board Circular No. 18 of 2017 dated 29th May 2017.”

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_43_2020.pdf

Notification No. 44/2020

Dated – 6th July, 2020

Notification of Harmonised Master List of Infrastructure Sub-sectors for the purposes of section 10(23FE) of the Income-tax Act, 1961

The Central Government has specified business, for the purposes of said item (b), which is engaged in the infrastructure sub-sectors mentioned in Updated Harmonised Master List of Infrastructure Sub-sectors in the notification number, F.No.13/3/2017-INF dated 13th August, 2018.

The reference to the infrastructure sub-sectors in the said Harmonised Master List of Infrastructure Sub-sectors shall not include the business already provided in the said item (b).

This notification shall be effective from 1st April, 2021 and shall be applicable for assessment year 2021-22 and subsequent assessment years.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_44_2020.pdf

Notification No. 45/2020

Dated – 7th July, 2020

National Pension Scheme Tier II- Tax Saver Scheme, 2020

This scheme known as the **National Pension Scheme Tier II- Tax Saver Scheme, 2020**.

Investment - The assessee, who is the Central Government employee, can contribute to the specified account which has activated by the authority in accordance with the provisions of this scheme.

The minimum amount of contribution to activate the specified account - One thousand rupees and

The minimum amount of subsequent contribution - Two hundred and fifty rupees.

Lock-in-period - The Lock-in- period of contribution under this scheme shall have **three years** from the date of credit of amount to the specified account.

Transferability - During the lock-in-period contribution **cannot be** permitted to be **assigned, pledged or hypothecated**.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_45_2020.pdf

Notification No. 46/2020

Dated – 13th July, 2020

Notification for the purposes of ‘National Aviation Security Fee Trust’

The Central Government has notified for the purposes of the said clause, ‘National Aviation Security Fee Trust’, in respect of the following specified income arising to that trust.

- (a) Grant or subsidy or any receipt in the nature of grant as approved by/under directions of Ministry of Civil Aviation, Government of India;
- (b) Aviation Security Fee collected at the prevailing rates as per orders of Ministry of Civil Aviation, Government of India;
- (c) Amount transferred from escrow accounts for deposits of the passenger service fee (security component) maintained by airport operators with the scheduled banks for Ministry of Civil Aviation, Government of India as beneficiary and
- (d) Interest/Dividend earned on investment of amount collected it is utilized to meet expenditure to realize objectives of the trust.

This notification will be applicable with subject to the conditions that National Aviation Security Fee Trust.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_46_2020.pdf

Notification No. 47/2020

Dated – 13th July, 2020

Notification for the purposes of ‘Real Estate Regulatory Authority’

The Central Government has notified for the purposes of the said clause, ‘Real Estate Regulatory Authority’, in respect of the following specified income arising to that Authority,

- (a) Amount received as Grants-in-aid or loan/advance from Government;
- (b) Fee/penalty received from builders/developers, agents or any other stakeholders as per the provisions of the Real Estate (Regulation and Development) Act, 2016;
- (c) Interest earned on (a) and (b) above.

This notification will be applicable with subject to the conditions that each of the Real Estate Regulatory Authority.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/notification/notification_47_2020.pdf

Circular

Circular No. 13/2020
Dated – 13th July, 2020

One-time relaxation for Verification of tax-returns for the Assessment years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 which are pending due to non-filing of ITR-V form and processing of such returns

CBDT has got that a large number of electronically filed ITRs still remain pending with the Income tax Department for want of receipt of a valid ITR-V Form at Bengaluru from the taxpayers concerned. CBDT, to resolve the grievances of the taxpayers associated with **non-filing of ITR-V for earlier Assessment Years** and to regularize such returns which have either become Non-est or have remained pending due to non-filing/non-receipt of respective ITR-V Form.

Returns for Assessment Years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 which were uploaded electronically by the taxpayer within the time allowed under section 139 of the Act and which have remained incomplete due to non-submission of ITR-V Form for verification, it has been permitted for verification of such returns either by **sending a duly signed physical copy of ITR-V to CPC, Bengaluru** through speed post or **through EVC/OTP** modes as listed in below. **Such verification process must be completed by 30.09.2020.**

- i. Through Aadhaar OTP
- ii. By logging into e-filing account through net banking
- iii. EVC through Bank Account Number
- iv. EVC through Demat Account Number
- v. EVC through Bank ATM
- vi. By sending a duly signed physical copy of ITR-V through post to the CPC, Bengaluru.

For more details, please follow:

https://www.incometaxindia.gov.in/communications/circular/circular_13_2020.pdf

PRESS RELEASE

DIRECT TAX

Press Release

Date 3rd July, 2020

Income Tax Department Refunded Rs. 62,361 crore to more than 20 lakh taxpayers during Covid days

In pursuance to the Government's decision vide Press Note dated April 8th, 2020 to issue pending income tax refunds in order to help taxpayers in a Covid-19 pandemic situation, the Income Tax Department has issued tax refunds at a speed of 76 cases per minute from 8th April to 30th June, 2020. During this period of just 56 weekdays, the Central Board of Direct taxes (CBDT) has issued refunds in more than 20.44 lakh cases amounting to more than Rs. 62,361 crore.

It is stated that taxpayers are experiencing this facet of the I-T Department which is not only taxpayer-friendly, but also that of a facilitator providing liquidity in this hard time of Covid-19 pandemic. Income tax refunds amounting to Rs. 23,453.57 crore have been issued in 19,07,853 cases to taxpayers and corporate tax refunds amounting to Rs. 38,908.37 crore have been issued in 1,36,744 cases to taxpayers during this period. Refunds of this magnitude and numbers have been issued completely electronically and have been directly deposited into the bank accounts of the taxpayers. Unlike what used to happen some years ago, in these refund cases, no taxpayer had to approach the Department to request for release of refund. They got refunds directly into their bank accounts.

CBDT reiterated that taxpayers should provide immediate response to emails of the Department so that refunds in their cases too could be processed and issued right away. Such emails of I-T Department seek taxpayers to confirm their outstanding demand, their bank account number and reconciliation of defect/mismatch prior to issue of refund. In all such cases, quick responses from the taxpayers would enable the I-T Department to process their refunds expeditiously.

Press Release

Date 8th July, 2020

Memorandum of Understanding (MoU) between CBDT and SEBI signed today

A formal Memorandum of Understanding (MOU) was signed today between the Central Board of Direct Taxes (CBDT) and the Securities and Exchange Board of India (SEBI) for data exchange between the two organizations. The MoU was signed by Smt. Anu J Singh, Pr. DGIT (Systems), CBDT and Smt. Madhabi Puri Buch, Whole Time Member, SEBI in the presence of senior officers from both the organizations via video conference.

The MoU will facilitate the sharing of data and information between SEBI and CBDT on an automatic and regular basis. In addition to regular exchange of data, SEBI and CBDT will also exchange with each other, on request and suo moto basis, any information available in their respective databases, for the purpose of carrying out their functions under various laws.

The MoU comes into force from the date it was signed and is an ongoing initiative of CBDT and SEBI, who are already collaborating through various existing mechanisms. A Data Exchange Steering Group has also been constituted for the initiative, which will meet periodically to review the data exchange status and take steps to further improve the effectiveness of the data sharing mechanism.

The MoU marks the beginning of a new era of cooperation and synergy between SEBI and CBDT.

Press Release

Date 12th July, 2020

CBDT provides Utility to ascertain TDS applicability rates on cash withdrawals

The Income Tax Department has facilitated a new functionality for Banks and Post offices through which they can ascertain the TDS applicability rates on cash withdrawal of above Rs.20 lakh in case of a non-filer of Income Tax Return(ITR) and that of above Rs. 1 crore in case of a filer of the ITR. So far, more than 53,000 verification requests have been executed successfully on this facility.

This functionality has been available as “Verification of applicability u/s 194N” on www.incometaxindiaefiling.gov.in since 1st July, 2020 and has also been made available to the Banks through web-services, so that the entire process can be automated and be linked to the Bank’s internal core banking solution.

It is stated that now the Bank/Post Office has to only enter the PAN of the person who is withdrawing cash for ascertaining the applicable rate of TDS. On entering PAN, a message will be instantly displayed on the departmental utility: “TDS is deductible at the rate of 2% if cash withdrawal exceeds Rs. 1 crore” [if the person withdrawing cash is a filer of ITR] and “TDS is deductible at the rate 2% if cash withdrawal exceeds Rs. 20 lakh and at the rate of 5% if it exceeds Rs. 1 crore” [if the person withdrawing cash is a non-filer of ITR].

It is further stated that the data on cash withdrawal indicated that huge amount of cash is being withdrawn by the persons who have never filed Income Tax Returns. To ensure filing of return by these persons and to keep track on cash withdrawals by the non-filers, and to curb black money, the Finance Act, 2020 w.e.f. 1st July, 2020 further amended Income-tax Act, 1961 to lower the threshold of cash withdrawal to Rs. 20 lakh for the applicability of this TDS for non-filers and also mandated TDS at a higher rate of 5% on cash withdrawal exceeding Rs. 1 crore by the non-filers.

It may be noted, that, in order to discourage cash transactions and move towards less-cash economy, the Finance (No.2) Act, 2019 had inserted section 194N in the Income-tax Act, 1961 w.e.f. 1st September, 2019 to provide for levy of TDS @ 2% on cash withdrawal exceeding Rs. 1 crore from a Bank/Post Office account/s subject to certain exceptions.

Press Release

Date 13th July, 2020

Income Tax Department carries out search and survey operations in Rajasthan, Delhi and Mumbai

The Income Tax Department carried out search and survey operations on three groups on 13.07.2020. These operations are being carried out at 20 premises in Jaipur, 6 in Kota, 8 in Delhi and 9 in Mumbai.

One of the groups covered is involved in several business activities like hotel, hydro power projects, metal and auto sectors. It is suspected to have invested unaccounted income generated from these activities into real estate.

The second group is engaged in the business of trading of silver/gold jewellery and antique silver articles and has associate enterprises in various other countries like UK, USA etc., as well as properties and bank accounts in these countries. The main allegation against the group is that a substantial part of its silver jewellery business is carried out outside the regular books of accounts.

The third group is involved in hotel business. The source of investment in the same remains to be verified.

Several incriminating evidences in the form of loose papers/diaries/digital data have been found indicating trading in bullion in cash, investment of cash in properties etc. Further investigations are in process.

JUDGEMENTS

INDIRECT TAX

No GST on Services provided under Vocational Training Courses recognised by NCVT

Applicant – M/S Leprosy Mission Trust India

Case No. – 14/AP/GST/2020

Date – 05.05.2020

Fact of the Case

- In the present case Leprosy Mission is the applicant which was founded in 1874 as ‘the Missions to Lepers’ by an Irishman named Wellesley Cosby Bailey in Ambala, India.
- In 1973 the Leprosy Mission Trust India was registered as a society under the Societies Registration Act of 1860. It is the largest leprosy focussed non-governmental organization in India with its headquarters at Delhi Training.
- The applicant has sought advance ruling on the issue whether services provided under vocational training courses recognized by National Council for Vocational Training (NCVT) is exempted either under Entry No.64 of exemptions list of Goods and Services Tax Act, 2017 or under Educational Institution defined under Notification 12/Central Tax (Rate).

Decision of the Case

- The vocational training provided by the applicant in respect of which their query raised is mentioned in their submissions in the form of a table which mentioned both Formal Trades and Informal Trades
- They also offer Informal Trade courses both Institutional and Community Based. These vocational courses are attracting the Nil rate of tax under GST Act, 2017
- The Authority consisting of members D. Ramesh and M. Shreekanth ruled that no GST is applicable to the services provided under vocational training courses recognized by National Council for Vocational Training (NCVT).

18% GST is applicable on Alcohol based Hand Sanitizers: Goa

Applicant –Springfields (India) Distilleries

Case No. – GOA/GAAR/1of 2020-21

Date – 17.06.2020

Fact of the Case

- The applicant, Springfields (India) Distilleries is a registered partnership firm manufacturing Hand Sanitizers vide License issued by Directorate of Food and Drug Administration.
- The applicant has asked for Advance ruling on the issue as to the classification of the Goods namely “Hand Sanitizer” and rate of GST to be applied.
- The applicant sought the opinion of AAR on whether Hand Sanitizers supplied by them are classifiable as essential commodities and to be exempt from GST.
- The applicant is of the opinion that Hand Sanitizers are covered under HSN 30049087 and to be taxed at the rate of 12% under GST.

Decision of the Case

- As far as exempting hand sanitizers as an essential commodity since it is classified as such by Ministry of Consumer Affairs, Food, and Public Distribution, this Authority is of the view that Exempted goods are covered by Notification no.2 /2017/- Central Tax (Rate) dated 28/06/2017.
- Merely classifying any goods as essential commodities will not be the criteria for exempting such Goods from GST
- The Authority ruled that Alcohol-Based Hand Sanitizers manufactured by the applicant are covered by HSN 3808 and are accordingly taxable at the rate of 18%.

18% GST on Renting of Dwelling for Commercial Purpose

Applicant – M/s Lakshmi Tulasi Quality fuel

Case No. – 12/AP/GST/2020

Date – 05.05.2020

Fact of the Case

- The applicant, M/s Lakshmi Tulasi Quality fuel is engaged in the business of running, managing, and operating the day to day affairs of the residential premises and sub-lease of such residential premises to individuals for the purpose of long-stay accommodation.
- The applicant has sought advance ruling on the issue whether the applicant is eligible for the exemption from payment of GST on the

monthly rentals received by her on the lease of her residential building at to D-Twelve Spaces Private Limited, as per Sl.No. 13 of the Notification No.9/2017 dated June 28, 2017.

Decision of the Case

- The Authority stated that the entry No.13 of Notification No.9/2017 (Integrated Tax) (Rate) dated June 28, 2017 is not applicable for providing services by way of renting of residential dwelling for use as a residence
- Though the applicant claims that she has rented out a residential dwelling for use as a residence, it appears that the premise is a non-residential property. Considering the number of rooms and amenities provided in it, boarding and hospitality services extended to the inmates, and all the clauses of the agreements discussed- above, it appears that the building was constructed for the purpose of running a lodging house
- It is clear that the lessee is engaged in the commercial activity of renting rooms in the dwelling and providing boarding and hospitality services to the inmates
- The Andhra Pradesh Authority of Advance Ruling (AAR) ruled that 18% of GST is applicable on renting of dwelling for commercial purposes, as it is covered under 'Rental or leasing services involving own or leased non-residential property.

.....

NAA finds Neeva Food guilty of Profiteering for Non-Passing of GST Rate Reduction
Director General of Anti Profiteering vs. M/S Neeva food private limited
Case No. – 36/2020
Date – 06.07.2020

Fact of the Case

- In the present case M/S Neeva food private limited is the applicant
- The complaint against the respondent-restaurant, M/s Neva Food Private Limited, was that after the GST rate reduction in November 2017 where the rates were decreased to 5% from 18%, they did not pass the benefit to the consumers. Also, it increased the base prices of different items.
- The issue, in this case, was whether the rate of GST on the service supplied by the respondent was reduced from 18% to 5% with effect from November 15, 2017, and if so whether the benefit of such reduction had

been passed on by the respondent to his recipient in terms of Section 171 of CGST Act, 2017.

Decision of the Case

- The report prepared by DGAP stated that with effect from November 15, 2017, when the GST rate on restaurant service was reduced from 18% to 5% along with the condition that the ITC was not available to the Respondent.
- The three-member bench of the Authority headed by Chairman B.N Sharma observed that M/s Neva Food Private Limited guilty for not passing the GST rate reduction benefit to the consumers and contravened the provisions of Section 171(1) of CGST Act, 2017.
- The Authority also directed the Commissioners of CGST/ SGST to monitor the order under the supervision of DGAP and ensure that the profiteered amount must be deposited in Consumer Welfare Funds (CWFs) of the Central and Maharashtra State government.

.....

GST applicable on Transfer of a Running Business along with Capital Assets: AAR Applicant – M/s Shilpa Medicare Limited
Case No. – 05/AP/GST/2020
Date – 24.02.2020

Fact of the Case

- The applicant, M/s Shilpa Medicare Limited undertakes Research and Development work in Active Pharmaceutical Ingredient (API) & formulation molecules and manufacture of formulation products in small quantities for R&D purpose.
- The business of the applicant, Shilpa Medicare Limited of Andhra Pradesh unit, as a whole along with the capital assets are being transferred as going concern to Shilpa Medicare Limited of Karnataka Unit for a monetary consideration.
- The applicant had submitted no documentary evidence providing that the transaction is a going concern except for his categorical declaration in the application as such.
- The applicant has sought advance ruling on the issue of whether the transaction would amount to supply of goods or supply of services or supply of goods & services.

Decision of the Case

- The Authority consisting of members D. Ramesh and M. Shreekanth ruled that the transaction of transferring business along with the capital assets amounts to the supply of service.
 - The Authority ruled that the transaction will be covered under Sl.No.2 of the Notification No.12/2017 – Central Tax (Rate) dated June 28, 2017.
 - Lastly, can an applicant file GST ITC-02 return and transfer unutilized ITC from Vizianagaram, Andhra Pradesh unit to Bengaluru, Karnataka Unit.
 - The Authority ruled that an applicant can file GST ITC-02 return and transfer unutilized ITC from Vizianagaram, Andhra Pradesh unit to Bengaluru, Karnataka Unit.
-

DIRECT TAX

Benefit of Section 35D once granted in initial year cannot be denied in Subsequent Years, rules ITAT

**M/s Asian Hotels (East) Ltd vs. Deputy Commissioner of Income Tax
Case No. – 114 to 116/Kol/2019
Date – 10.06.2020**

Fact of the Case

- In the present case the Asian Hotels Limited (AHL) is the assessee and operated three separate and independent undertakings.
- Pursuant to a scheme of demerger approved by the Delhi High Court, which became effective from 11.02.2010, one of the hotel undertakings situated at Kolkata stood transferred by way of demerger to M/s Vardhaman Hotels Ltd which was renamed as M/s Asian Hotels (East) Ltd. i.e. the assessee from the appointed date 31.10.2009.
- Accordingly, by operation of the approved scheme, the Kolkata undertaking along with all its assets and liabilities stood vested with the assessee from 31.10.2009.
- Further, the profits and losses derived from the operation of the Kolkata Undertaking also stood automatically vested with the assessee retrospectively from 31.10.2009. The transferee company i.e. the assessee, therefore, prepared the accounts for the period 31.10.2009 to 31.03.2010.
- The expenses having been incurred wholly and exclusively with the purpose of the

demerger and to make the scheme of arrangement effective and operational was claimed by way of deduction on a pro-rata basis for five years term in terms of section 35DD of the Act with AY 2010-11 being the first year of claim.

- The AO thereafter concluded that the deduction u/s 35DD of the Act was not permissible since it is allowable only when the terms of the scheme were fully complied with. The AO accordingly disallowed the demerger expenses of Rs.2,26,32,237/- claimed in terms of Section 35DD of the Act.
- Aggrieved by the order of the AO, the assessee preferred an appeal before the Ld. CIT(A) was pleased to delete the same. Being aggrieved by the order of the Ld. CIT(A), the Revenue is now in appeal.

Decision of the Case

- The order was pronounced by A. T. Varkey (Judicial Member) and A.L. Saini (Accountant Member) on an appeal by Revenue.
 - On relying upon the judgment of Supreme Court in the case of M/s Shashun Chemical & Drugs Ltd reported in 388 ITR 1 the Tribunal came into conclusion that once the claim u/s 35D of the Act was accepted in the initial year i.e. AY 1995-96, cannot be denied in subsequent years.
-

Income from Holiday Homes taxable as ‘Other Income

**The Electro Urban Co-operative Credit Society Ltd. vs. Principal Commissioner of Income Tax
Case No.-806/Kol/2019
Date – 10.07.2020**

Fact of the Case

- In the instant case a co-operative credit society is the assessee which has its own holiday homes.
- The assessee’s income derived from holiday homes under its owner has to be assessed as income from house property and that from the other holiday homes is to be treated as income from “other” sources followed by the corresponding consequential computation.
- Overruling the findings of the Principal Commissioner of income tax observed that the Assessing Officer had examined the issue and assessed the assessee’s income from the said holiday homes under the business head

than that claimed as income from other sources.

Decision of the Case

- The Principal Commissioner of income tax has proposed to revise the original assessment concluded by the assessing officer wherein he admitted the claim of the assessee that the above income comes under the head “income from house property”.
 - The Kolkata bench of the Income Tax Appellate Tribunal (ITAT) has recently held that the income received by the assessee, a Co-operative credit society, from holiday homes owned by it is not taxable under the head “income from house property” as the same is taxable under the head “income from other sources” for the purpose of levying an income tax.
-

Notional Interest Income on Loan, would be assessable as Income of assessee having Business Connection/PE in India
Sabre Asia Pacific Pte. Ltd. vs. Deputy Commissioner of Income Tax
Case No. – 4968/Mum/2017
Date – 08.07.2020

Fact of the Case

- The assessee, Sabre Asia Pacific Pte. Ltd. is a company resident of Singapore engaged in the business of promotion, development, operation, marketing, and maintenance of a Computerized Reservation System (CRS).
- The primary business of the assessee is to make airline reservations for and on behalf of the participating airlines by using the CRS.
- The assessee had licensed its wholly-owned Indian subsidiary company, in relation to ADSIL as its NMC in India.
- The AO observed that the principal activities including marketing, distribution, sales, and revenue generation had taken place in India. The AO after perusing the recitals in the “distribution agreement” executed between the assessee and ADSIL observed that ADSIL was carrying on the business activities of the assessee in India.
- The AO concluded that the assessee had a PE in terms of Article 5 of the India-Singapore tax treaty, accordingly assessment order proposed to attribute income of Rs. 9,37,18,332 to the assessee’s PE in India.
- The assessee filed objections with the Dispute Resolution Panel-2, Mumbai (DRP). The

DRP after deliberating on the contention of the assessee that as it had no business connection/Permanent Establishment in India, therefore, no income was liable to be brought to tax in India, did not find favor with the same.

Decision of the Case

- The tribunal consists of the Accountant Member, N.K. Pradhan and Judicial Member, Ravish Sood held that the notional interest income on the loan (interest-free) that was advanced by the assessee to its AE in relation to Abacus Distribution System (India) Ltd. (ADSIL) would be assessable as the income of the assessee which has a business connection or Permanent Establishment (PE) in India.
 - At the same time, we are in agreement with the claim of the Ld. A.R that the said notional interest income on the loans advanced by the assessee to its AE would be entitled to be adjusted against the expenditure incurred by the assessee by way of marketing service fees paid to its National Marketing Agency in India
-

Mahindra & Mahindra entitled for Depreciation on Capital Expenditure of Exchange Fluctuation Loss
Mahindra & Mahindra Ltd. Deputy Commissioner of Income Tax
Case No. – 1449/Mum/2016
Date – 19.06.2020

Fact of the Case

- The assessee, Mahindra & Mahindra is engaged in the business of manufacturing and sale of on-road automobiles, agricultural tractor implements, engine parts and accessories of motor vehicle rendering services, property development activity, financing, investment, and transport solutions.
- The assessee submitted in the course of expanding operation bars or manufacturing activities, it had incurred expenditure on acquiring entities that are engaged in a similar business in India as well as overseas.
- For this purpose, it had incurred expenditure such as professional fees to legal charges, due diligence fees, etc., and claimed the same as revenue in nature.
- The AO treated the said expenditure as capital in nature on the ground that the assessee had derived an enduring advantage by incurring

that expenditure as it was meant for the expansion of the business of the assessee. This action of the AO upheld by the DRP.

Decision of the Case

- The AR stated that the foreign exchange gain or loss incurred on the acquisition of capital assets had to be adjusted with the cost of capital assets.
 - The Income Tax Appellate Tribunal (ITAT), Mumbai ruled that Mahindra & Mahindra is entitled to depreciation on Capital Expenditure of exchange fluctuation loss.
-

Bangalore Sessions Court convicts a Company MD for TDS Default

M/S Suryodaya Infrastructure Pvt. Ltd vs. The Income Tax Officer (TDS)

Case No. – 1214/2017

Date – 7.07.2020

Fact of the Case

- The Appellant/Accused No. 1 is a registered company under the name Suryodaya Infrastructure Pvt. Ltd and it is engaged in the business of infrastructure projects. Accused No.2 is the Managing Director of the said company
- The deducted TDS amount was Rs.60,78,468/- as per the TDS Returns filed by the company. Accused did not deposit the deducted TDS amount within time. But payment with interest was made on 31.3.2012. Thus there was a delay in remittance of T.D.S. amount exceeding Rs.1,00,000/- (one lakh) thereby committed offense punishable U/s.276B of Income Tax Act.
- Aggrieved by the conviction and order passed by the trial court, the company approached the Sessions Court.
- The Income Tax Officer was examined as a Prosecution Witness. He reiterated the allegations in the complaint against the Appellant/Accused. Summons was issued to accused persons.
- The Accused put up the defense that no notice in accordance with law was issued to them before initiating proceedings. They further put up the defense that a particular offense was not stated in the notice. Another defense set up by the accused was that deduction of TDS amount with interest was remitted by the accused prior to initiation of criminal proceedings.

Decision of the Case

- The trial court does not accept the defence, for the reason that, an amount of tax deduction has to be deposited within given time and late deposit is not a ground to get an exemption from criminal prosecution as per Section 276 B of Income Tax Act.
- After much observation, Judge Rajeshwara found that there were no acceptable grounds in the memorandum of appeal to interfere with the well reasoned, legally sustainable impugned judgment and order of conviction of the trial court.
- Rather, the company being Accused No. 1 was sentenced to pay fine of Rs.5,000/- (five thousand) for an offense punishable U/s.276B of the Income Tax Act and Accused No 2 who is the Managing Director of the company was convicted to undergo simple imprisonment for a period of 30 days for the offense punishable U/s.276B of the Income Tax Act. A fine was also imposed on Accused No 2.
- Hence the appeal was dismissed due to lack of merits and the order under appeal was found sustainable in law

TAX COMPLIANCE CALENDAR AT A GLANCE

GST CALENDAR

Revised Due Date for GSTR - 3B					
State	Turnover in Preceding F.Y.	Month (Revised Due Date)	Without Interest	9% Interest	18% Interest
For All State	Turnover is more than Rs. 5 crore	February to April, 2020	15 th day from the due date	If filed by 24 th June, 2020	If filed after 24 th June, 2020
Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep	Turnover is upto 5 Cr	February 2020	30 th June 2020	30 th September, 2020 (For all months)	After 30 th September, 2020 (For all months)
		March 2020	3 rd July 2020		
		April 2020	6 th July 2020		
		May 2020	12 th Sept 2020		
		June 2020	23 rd Sept2020		
		July,2020	27 th Sept 2020		
Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam,	Turnover is upto 5 Cr	February 2020	30 th June 2020	30 th September, 2020 (For all months)	After 30 th September, 2020 (For all months)
		March 2020	5 th July 2020		
		April 2020	9 th July 2020		
		May 2020	15 th Sept 2020		

West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi	June 2020	25th Sept 2020		
	July,2020	29 th Sept 2020		

Revised Due Date for GSTR - 1		
Sl. No.	Month/Quarter	Date
1	March, 2020	10 th day of July, 2020
2	April, 2020	24 th day of July, 2020
3	May, 2020	28 th day of July, 2020
4	June, 2020	05 th day of August, 2020
5	January to March, 2020	17 th day of July, 2020
6	April to June, 2020	03 rd day of August, 2020

Composition Scheme Due Dates		
From	Description	Extended Due Date
GSTR-4	Return for Composite Supplier for F.Y. ending 31 st March, 2020	15 th July, 2020
GST CMP-02	Form for option for Composite Scheme for F.Y. 2020-21	31 st August, 2020
GST ITC – 03	Furnishing of Statement	31 st August, 2020
GST CMP – 08	Return for Composite Supplies for QE ending 31 st March, 2020	7 th July, 2020

Annual Return				
From	Description	Original Due Date for F.Y. 2018-19	Extended Due Date for F.Y. 2018-19	Late Fee
GSRT 9	Annual Return	31 st December, 2019	30 th September, 2020	Liability is Rs. 200 per day of default (CGST+SGST). This is subject to a maximum of 0.25% of the taxpayer's turnover in the relevant state or union territory
GSTR 9C	Reconciliation Statement & Certificate	31 st December, 2019	30 th September, 2020	
GSTR 9A	Annual Return for Composition Dealer	31 st December, 2019	30 th September, 2020	

DIRECT TAX CALENDAR - JULY, 2020

07.07.2020

- Due date for deposit of Tax Deducted/Collected for the month of June, 2020. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan.
- Due date for deposit of TDS for the period April 2020 to June 2020 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H

15.07.2020

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of June, 2020 has been paid without the production of a challan.
[The due dates for furnishing Form 24G for the months of February 2020 & March 2020 have been extended to July 15, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No.35 /2020, dated 24-06-2020.]
- Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB & 194M in the month of May, 2020.
- Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending June, 2020.
- Quarterly statement of TCS deposited for the quarter ending 30 June, 2020
15 July 2020
- Upload the declarations received from recipients in Form No. 15G/15H during the quarter ending June, 2020.
- Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of June, 2020

30.07.2020

- Quarterly TCS certificate in respect of tax collected by any person for the quarter ending June 30, 2020
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA for the month of June, 2020
- Due date for issue of TDS Certificate for tax deducted under Section 194-IB in the month of June, 2020
- Due date for issue of TDS Certificate for tax deducted under Section 194M in the month of June, 2020

31.07.2020

- Quarterly statement of TDS deposited for the quarter ending June 30, 2020*
- Return of income for the assessment year 2020-21 for all assessee other than (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or (d) an assessee who is required to furnish a report under section 92E.
The due date for filing of return has been extended from July 31, 2020 to November 30, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No.35 /2020, dated 24-06-2020.
- Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending June 30, 2020*
- 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 July 31, 2020)*
- 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 or before July 31, 2020)*
- Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or 11(1) (if the assessee is required to submit return of income on or before July 31, 2020)*
- Due date for claiming foreign tax credit, upload statement of foreign income offered for tax for the previous year 2019-20 and of foreign tax deducted or paid on such income in Form no. 67. (If the assessee is required to submit return of income on or before July 31, 2020.)*

31.07.2020

- Quarterly statement of TDS/TCS deposited for the quarter ending March 31, 2020
The due dates for filing of statement of TCS/TDS for the quarter ending March 31, 2020 have been extended to July 31, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No.35 /2020, dated 24-06-2020.
- Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, section 194-IB and section 194M in the months of February 2020 and March, 2020
The due date for furnishing challan-cum-statement has been extended to July 31, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No.35 /2020, dated 24-06-2020.
- Return of income for the assessment year 2019-20 for all assessee
The due date for filing of return of income under section 139 has been extended to July 31, 2020 vide the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No. 35 /2020, dated 24-06-2020.

* The due date has been extended to 31/03/2021 by The Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 read with Notification No. 35 /2020 , dated 24-06-2020. However, the benefit of extended due date shall not be available in respect of payment of taxes

NEWS CLIPPINGS OF GST DAY OBSERVATION



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

TAX RESEARCH DEPARTMENT

&

REGIONAL COUNCILS AND CHAPTERS COORDINATION COMMITTEE

In News at Odisha on the Occasion of GST DAY CELEBRATION WEEK at PAN India through Digital Platform from 01.07.2020 to 07.07.2020

Business Standard BHUBANESWAR | WEDNESDAY, 15 JULY 2020

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA CELEBRATED 'GST DAY CELEBRATION WEEK' PAN-INDIA IN A GRAND WAY THROUGH WEBINT FROM 01.07.2020 TO 07.07.2020

Chief Executive Officer, Institute of Cost Accountants of India, Bhubaneswar, Odisha, India, presided over the program and addressed the virtual meeting. He said, GST is a landmark reform in the Indian tax system. It has brought a paradigm shift in the way taxes are levied and collected. The Institute of Cost Accountants of India, being a statutory body, has always been committed to the development and growth of the profession. We are proud to have participated in this significant event. We will continue to work towards the betterment of the profession and the country.

the pioneer nation 03

ICAI holds GST Day through WEBINT

The Institute of Cost Accountants of India (ICAI) has celebrated GST Day through a series of webinars. The program was inaugurated by the Institute's Chairman, Dr. B. K. Mishra, who emphasized the importance of GST in the Indian economy. He stated that GST has brought transparency and efficiency to the tax system. The Institute will continue to provide support and guidance to its members in navigating the complexities of GST.

ବିପ୍ଳବ ଭୁବନେଶ୍ୱର ୧୦ ଜୁଲାଇ ୨୦୨୦

ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ ପାଇଁ ବିପ୍ଳବରେ ପାଠକମାନଙ୍କୁ ଆକର୍ଷିତ କରିବା ପାଇଁ ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରାଯାଇଛି।

ଭୁବନେଶ୍ୱର, ୧୫ ଜୁଲାଇ: ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରିବା ପାଇଁ ବିପ୍ଳବରେ ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ ପାଇଁ ବିପ୍ଳବରେ ପାଠକମାନଙ୍କୁ ଆକର୍ଷିତ କରିବା ପାଇଁ ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରାଯାଇଛି।

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ

ଭୁବନେଶ୍ୱର, ୧୫ ଜୁଲାଇ: ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରିବା ପାଇଁ ବିପ୍ଳବରେ ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ ପାଇଁ ବିପ୍ଳବରେ ପାଠକମାନଙ୍କୁ ଆକର୍ଷିତ କରିବା ପାଇଁ ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରାଯାଇଛି।

Orissa Today Friday 10 July 2020 Bhubaneswar 5

"GST DAY CELEBRATION WEEK" PAN-INDIA in a grand way through WEBINT

The Institute of Cost Accountants of India (ICAI) has celebrated GST Day through a series of webinars. The program was inaugurated by the Institute's Chairman, Dr. B. K. Mishra, who emphasized the importance of GST in the Indian economy. He stated that GST has brought transparency and efficiency to the tax system. The Institute will continue to provide support and guidance to its members in navigating the complexities of GST.

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ଆଇସିଆଇ ପାଠକମାନଙ୍କୁ ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ ପାଇଁ ବିପ୍ଳବରେ ଆକର୍ଷିତ କରିବା ପାଇଁ ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରାଯାଇଛି।

ଭୁବନେଶ୍ୱର, ୧୫ ଜୁଲାଇ: ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରିବା ପାଇଁ ବିପ୍ଳବରେ ଜାତୀୟ GST ଦିବସ ଉତ୍ସବ ପାଇଁ ବିପ୍ଳବରେ ପାଠକମାନଙ୍କୁ ଆକର୍ଷିତ କରିବା ପାଇଁ ଇଂରେଜି ଶିକ୍ଷକମାନଙ୍କୁ ପ୍ରୋତ୍ସାହିତ କରାଯାଇଛି।

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

ପ୍ରମେୟ ଭୁବନେଶ୍ୱର ୧୫ ଜୁଲାଇ ୨୦୨୦

"Behind Every Successful Business Decision, there is always a CMA"



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Statutory Body under an Act of Parliament

Formed in the year 1944 under the Companies Act and Established under an Act of Parliament in the year 1959

www.icmai.in



GST DAY

The Institute congratulates **Shri Narendra Modi, Hon'ble Prime Minister of India** and nation on successful completion of 3 years of GST Implementation- Historical tax reform in India

To celebrate 3 years of Successful implementation in India, the Institute is observing

"GST DAY CELEBRATION WEEK"

THROUGH
WEBINT

THEME

"GROWING STRONGER WITH TIMES - SUM AND SUBSTANCE OF GOODS & SERVICES TAX"

Date: 1st July, 2020 to 7th July, 2020

Inauguration by CHIEF GUEST on 1st July, 2020 at 10:00 am



Smt. Aparajita Sarangi
Hon'ble Member of Parliament, Lok Sabha
Bhubaneswar (Orissa) Constituency

Weblink: <https://icmai.in/icmai/Webint.php>



One Nation, One Market, One Tax

Good and Simple Tax

Benefits of GST to the Indian Economy

- o One Nation, One Market, One Tax.
- o Maximum Governance, Minimum Government.
- o Good and Simple Tax.
- o Reduced tax compliance and a simplified tax policy.
- o Convenience for small businesses - Composition scheme.
- o Convenient online procedure.
- o Lesser compliances.
- o Ease in Interstate movement of goods.
- o Improved efficiency of logistics.
- o Unorganized sector is regulated under GST.
- o Leakage of revenue is plugged in GST.
- o Boost to the Indian economy in the long run.
- o Removal of bundled indirect taxes prevalent in previous regime.
- o Removal of cascading effect of taxes as prevalent in previous regime.
- o Reduction of manufacturing costs due to lower burden of taxes on the manufacturing sector.

Institute's Contribution in Successful GST regime

- o More than 1200 Seminars, conferences and training sessions organized across India.
- o More than 100 GST helpdesks opened across India during Implementation period.
- o GST certificate course launched for members & industry.
- o Students training program on GST launched.
- o Contribution by providing regular suggestions to Government and GST Council.
- o Fortnightly Tax bulletin for members and industry launched.
- o Guidance Notes and Handbooks on GST released:
 - Input Tax Credit
 - GST Audit & Annual Returns
 - GST Notifications & Compilations
 - E-way Bill
 - Works Contracts
 - Anti-Profitteering
 - Impact of GST on MSME Sector
 - GST on Exports
 - GST on Education Sector
 - GST on Service Sector
 - GST on Cooperative Sector
 - GST on Real Estate
 - Sabka Vishwas (Legacy Dispute Resolution Scheme) 2019.

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA



CMA Balwinder Singh
President



CMA Biswarup Basu
Vice President



CMA Niranjan Mishra
Chairman,
Indirect Taxation Committee



CMA Rakesh Bhalia
Chairman,
Direct Taxation Committee



CMA H. Padmanabhan
Chairman, Regional Council &
Chapters Co-ordination Committee,
CAT and AAT Board

Headquarters: CMA Bhawan, 12, Sudder Street, Kolkata - 700016, Ph: +91 33-22521031-34-35 | Delhi Office: CMA Bhawan, 3 Institutional Area, Lodhi Road, New Delhi - 110003. Ph: +91 11 24622156-58

Behind every successful business decision, there is always a CMA

COURSES OFFERED BY TAX RESEARCH DEPARTMENT

Eligibility criterion for admission in TRD Courses

- ✓ The members of the Institute of Cost Accountants of India
- ✓ Other Professionals (CS, CA, MBA, M.Com, Lawyers)
- ✓ Executives from Industries and Tax Practitioners
- ✓ Students who are either CMA qualified or CMA pursuing

CERTIFICATE COURSE ON TDS

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON INCOME TAX RETURN FILLING

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 30 Hours
Mode of Class – Online

CERTIFICATE COURSE ON GST

Course Fee - Rs. 10,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and CMA
Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 72 Hours
Mode of Class – Online
** Special Discount for Corporate*

ADVANCED CERTIFICATE COURSE ON GST

Course Fee - Rs. 14,000 + 18% GST
*20% Discount for Members, CMA
Final Passed Candidates and
CMA Final pursuing Students*

Exam Fees - Rs. 1,000 + 18% GST
Duration – 40 Hours
Mode of Class – Online

CRASH COURSE ON GST FOR COLLEGE AND UNIVERSITY

Batch Size – 50 (Minimum)

Eligibility criterion - B.COM/B.B.A pursuing or completed
M.COM/M.B.A pursuing or completed

Course Fee - Rs. 1,000 + 18% GST
Exam Fees - Rs. 200 + 18% GST
Course Duration - 32 Hours

For enquiry about courses, mail at – trd@icmai.in

E-PUBLICATIONS OF TAX RESEARCH DEPARTMENT

Impact of GST on Real Estate	Handbook on GST on Service Sector
Insight into Customs - Procedure & Practice	Handbook on Works Contract
Input Tax Credit & In depth Discussion	Handbook on Impact of GST on MSME Sector
Exemptions under the Income Tax Act, 1961	Insight into Assessment including E-Assessment
Taxation on Co-operative Sector	Impact on GST on Education Sector
Guidance Note on GST Annual Return & Audit	Addendum_Guidance Note on GST Annual Return & Audit
Sabka Vishwas-Legacy Dispute Resolution Scheme 2019	An insight to the Direct Tax- Vivad se Vishwas Scheme 2020
Guidance Note on Anti Profiteering	International Taxation and Transfer Pricing
Advance Rulings in GST	Handbook on E-Way Bill

For E-Publications, Please visit Taxation Portal -
<https://icmai.in/TaxationPortal/>

TAXATION COMMITTEES - PLAN OF ACTION

Proposed Action Plan:

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

Disclaimer:

The Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, users should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in these documents does not cover every situation and is not intended to replace the law or change its meaning.

The opinion expressed in Article is fully based on the views of the experts. This information is provided for public services only and is neither an advertisement nor to be considered as legal and professional advice and in no way constitutes an attorney-client relationship between the Institute and the User. Institute is not responsible or liable in any way for the consequences of using the information given.

Contact Details:

Tax Research Department
12, Sudder Street, Kolkata - 700016

Phone: +91 33 40364747/ +91 33 40364798/ +91 33 40364711

E-mail: trd@icmai.in



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory Body under an Act of Parliament)

www.icmai.in

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

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

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

Ph: 091-11-24666100

Behind every successful business decision, there is always a CMA