



EZYBIZ INDIA CONSULTING LLP

Redefining Consultancy

Monthly Newsletter

April, 2017

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Important Due Dates- April, 2017

6 th May, 2017	Excise Payment for the month ended 30 th April, 2017.
6 th May, 2017	Service Tax Payment for the month/quarter ended 30 th April, 2017.
7 th May, 2017	TDS/TCS Payment for the month ended 30 th April, 2017.
10 th May, 2017	Excise Return for the month ended 30 th April, 2017.
15 th May, 2017	Provident Fund Payment for the month ended 30 th April, 2017.
15 th May, 2017	D-Vat return for the quarter ended 31 st March, 2017.
21 st May, 2017	VAT Payment for the month ended 30 th April, 2017.
21 st May, 2017	ESI Payment and Return for the month ended 30 th April, 2017.
25 th May, 2017	Provided Fund Return for the month ended 30 th April, 2017.
30 th May, 2017	LLP Annual Return in Form 11 for FY 2016-17.
31 st May, 2017	Quarterly statement of TDS deposited for the quarter ending March 31, 2017

E-way Bill : Rules & Compliance Under GST

What is E-way bill?

E-way bill is an electronic way bill for movement of goods which can be generated on the [GSTN](#) (common portal). A 'movement' of goods of more than Rs 50,000 in value cannot be made by a registered person without an e-way bill.

E-way bill will also be allowed to be generated or cancelled through SMS.

When an e-way bill is generated a unique e-way bill number (EBN) is allocated and is available to supplier, recipient, and the transporter.

Validity of E-way bill?

E-way bills that will be valid for 1-15 days, depending on distance to be travelled - one day being for 100 kilometres and 15 days for more than 1,000 km transit.

When a E-way bill should generate?

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

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

shall, before commencement of movement, furnish information relating to the said goods in Part A of FORM GST INS-01, electronically, on the common portal

Who can generate e-way bill?

E-way bill must be generated when there is a movement of goods of more than Rs 50,000 in value to or from a Registered Person. Registered person or the transporter may choose to generate and carry e-way bill even if value of goods is less than Rs 50,000.

Unregistered persons or his transporter may also choose to generate e-way bill. Which means e-way bill can be generated by both registered and unregistered persons. However, where a supply is made by an unregistered person to a registered person, the receiver will have to do all the compliances as if he's the supplier.

Direct Taxation News

➤ **Restriction u/s 269ST shall not apply to withdrawal of cash**

CBDT has decided that the restriction on cash transaction u/s 269ST shall not apply to withdrawal of cash from a bank, co-operative bank or a post office savings bank.

(N/No.28/2017, Dated 5th April, 2017)

➤ **Aadhar is mandatory for PAN & IT Return**

From 1st July onwards Aadhar No. is compulsory document for pan card and income tax return filling.

➤ **CBDT clarification on rental incomes from industrial parks, SEZs**

CBDT has made it clear that income from letting out buildings /developed space along with other amenities in an industrial park/special economic zones (SEZs) would only be treated as “business income” and not as “income from house property”.

(Circular no.16/2017, Dated 25thApril, 2017)

➤ **Form 1 under PMGKY can be filed by 10th May, 2017**

CBDT has decided that if due tax under PMGKY, has been received by 31st March, 2017, and deposit in the Bond Deposit has been received by 30th April, 2017, the declaration in Form No.1 can be filed by 10th May, 2017.

(Cir/No. 14/2017, dated: 21st April, 2017.)

➤ **Lease deed, power bill etc may be needed for claiming HRA rebate**

Lease deed, power bill etc may be needed for claiming HRA rebate as producing fake property rent receipt, often from parents and relatives, has been an easy way to lower tax burden.

➤ **Scan copy of PAN can be upload incase of error in linking Aadhar with PAN**

Individuals struggling to link their permanent account number (PAN) with Aadhaar because of differently spelt names can now simply upload a scanned copy of PAN to get the work done.

➤ **PAN & TAN within 1 day (in e-form) to newly incorporated companies.**

I-T Deptt. Starts issuing PAN & TAN within 1 day (in e-form) to newly incorporated companies. I-T Deptt has Tie-up with MCA.

➤ **IInd phase of the 'Operation Clean Money'**

Income Tax department will investigate over 60,000 individuals under the second phase of the 'Operation Clean Money' which was launched with an aim to detect black money generation post demonetization.

➤ **Revised Form 3CD**

CBDT has issued Revised Form 3CD applicable for Tax Audit cases for AY 2017-18.

Indirect Taxation News

Service Tax/Excise/Custom

➤ **ST for importing services of transportation of goods by a vessel**

Importers liable to pay ST for importing services of transportation of goods by a vessel w.e.f April 23 ,2017.

(NOTIFICATION No. 15/2017-Service Tax.)

➤ **Levy of excise on petroleum products after GST rollout.**

Lok Sabha passed a Bill that would ensure continuance of levy of excise on petroleum products and abolition of cess on some other items following GST rollout from July 1.

➤ **Commerce ministry to modify certain portions of FTP**

The commerce ministry will modify certain portions of the foreign trade policy (FTP) to align it with the Goods and Services tax, which is to be rolled out from July 1. The ministry also proposes to come out with the mid-year review of FTP, a few months ahead of the schedule, before the GST rollout.

DVAT

➤ **Due date of Filing DVAT Return extended**

Date of filing of DVAT Return in Form 16, 17 & 48 for Q4, 2016-17 has been extended up to 15.05.2017

(Circular No. 2 dated 28.04.2017.)

GST

➤ **Separate Account for Advances Under GST**

Under GST Every Registered person including a Composition Supplier, to keep & maintain separate account of Advances Received, Paid & adjustments made.

➤ **Electronic Records under GST**

Under GST Records can be kept in electronic form & authenticated by Digital Signature. Backups should be taken which can be restored in reasonable time.

➤ **Separate Registration for SEZ unit in same state**

Under GST SEZ Unit or Developer to take separate registration even if another unit of entity outside SEZ already has separate registration in same state.

➤ **President assent to the GST Bills**

Humble President has given his assent to the four key Goods and Services Tax (“GST”) Bills, after they were passed by the Parliament. The four GST Bills which are now enacted can be accessed as under:

- The Central Goods and Services Tax Act, 2017
- The Integrated Goods and Services Tax Act, 2017
- The Goods and Services Tax (Compensation to States) Act, 2017
- The Union Territory Goods and Services Tax Act, 2017.

Case Laws: Domestic Taxation

Direct Tax

- **Share premium on subscribed share capital would not constitute part of the capital employed U/s 35D**

Share premium received by the company on its subscribed share capital would not constitute part of the capital employed in the business of the company within the meaning of Sec 35D of the Income Tax Act, 1961 for calculating eligible amount of deduction therein.

(Berger Paints India Ltd. Vs. CIT, SCI.)

- **Deduction u/s 54 can be claimed even if only land appurtenant to the residential house is sold**

Deduction u/s 54 of the Income Tax Act, 1961 can be claimed where only land appurtenant to the residential house is sold and not the whole of the house.

(Sh. Adarsh Kumar Swarup Vs. DCIT, ITAT - Delhi.)

- **Loan from a Company wherein the Partners of the Firm are Shareholders is not 'Deemed Dividend'.**

ITAT Delhi held that the loan obtained from a Company wherein the partners of the Assessee-Firm are the shareholders cannot be termed as 'deemed dividend' of the Firm, Hence Not Taxable in the hands of Firm

(Business Strategy Group v. ACIT, ITAT Delhi.)

- No denial of sec. 10(37) exemption if compensation amount of agricultural land was settled after negotiation.

(Supreme Court [2017] 80/84/[2017] 391 ITR 178).

Indirect Tax

- **Court can't direct Central Government to issue Excise Exemption Notification**

Court can't direct Central Government to issue Excise Exemption Notification, being a policy matter

(Mangalam Organics Ltd. v. Union of India)

Company Law

- Any alteration of articles having the effect of conversion of a public company into a private company shall not come in operation except with the approval of the tribunal.

(P P Jain Exports Ltd., NCLT Mumbai Bench.)

- Where the facts of the case do not warrant any directions for rectification of the register of members, the petition fails on grounds of maintainability.

(Rubicon Real Enterprises (P) Ltd Vs. Premium Acres Infratech (P.) Ltd. And Others (NCLT).

International Taxation

➤ **Govt. to abolish Foreign Investment Promotion Board**

Govt. is considering scrapping Foreign Investment Promotion Board and considering doing away with prior government approval for investments in most sectors including single-brand retail.

➤ **Safe- harbour margins to be cut**

Govt. is set to slash safe-harbor margins in transfer pricing within a few weeks. The margins are used to determine the prices of goods and services rendered by multinationals to their subsidiaries in India.

➤ **India's growth projected to bounce back in 2018:IMF**

The IMF today said that post demonetisation, India's growth is projected to rebound to 7.2 per cent in fiscal year 2018 and further to 7.7 per cent the next year.

➤ **Delhi HC Allows Settlement Between Tata Sons, NTT Docomo**

The Delhi High Court allowed Tata Sons and NTT Docomo to enforce an arbitral award by the London Court of International arbitration.

The Court rejected the objections raised by the RBI against the enforcement of the Award.

Now, Tata Sons Ltd can proceed with the transfer of the amount to Docomo, and subsequently the Japanese firm can transfer its shares in Tata Teleservices Ltd to Tata Sons.

The amount of \$1.17 billion has already been deposited by Tata Sons with the court.

(NTT docomo inc vs Tata sons limited)

➤ **No Defense Can Be Claimed Under FEMA For Enforcement Of Foreign Arbitral Awards Enforcing Put Options: Delhi HC**

foreign arbitral award can be enforced in India pertaining to put options, exit at assured return, and guarantee arrangements and the provisions of FEMA and related regulations cannot be claimed as defense by Indian parties.

(Cruz City 1 Mauritius Holdings vs Unitech Limited)

➤ **Government may soon allow 100% FDI in cash, ATM management companies**

Cash and ATM management companies will soon be allowed to attract 100 per cent foreign direct investment as they are not required to comply with the Private Security Agencies (Regulation) Act (PSARA).

A clarification to this effect is likely to be issued by the home ministry shortly.

➤ **CBDT removes Cyprus from NJA with retro effect from Nov 2013**

The tax department today said it has removed Cyprus from the list of notified jurisdictional area with retrospective effect from November 1, 2013, thereby providing a big relief to investors and Indian companies that have raised capital from the island nation.

(Notification No. 86/2013, Dated 22.04.2017)

Regulatory News

Company Law

➤ **New form for removal of company name from ROC**

Form STK-2, application by company for removing its name from register of companies is available on MCA21 Company Forms w.e.f 05.04.2017.

➤ **Aadhar Integration with MCA services**

MCA is actively considering Aadhaar Integration for availing various MCA21 related services.

DIN holders/Directors/Key Managerial Personnel/Professionals of the ICSI, the ICAI & the ICWAI (whether in employment or in practice) are required to obtain Aadhaar as early as possible for integrating their details with MCA21.

➤ **Revision of MCA Forms**

MCA has revised the form CHG-1, CHG-4 & CHG-9 (regarding charges/ satisfaction/ modification of charges) relating to charges.

➤ **Relief for Indian MNCs Likely as Govt Considers to Dilute POEM.**

Transfer pricing & advance tax requirements won't apply to Indian Cos with overseas subsidiaries are likely to get some leeway around transfer pricing, withholding tax and advance tax requirements under the place of effective management (POEM) rules.

RBI

➤ **New Deputy Governer of RBI**

Shri B.P. Kanungo took over as the Deputy Governor of the RBI for a period of three years.

➤ **RBI Policy & Rates**

RBI Policy : Projects GDP growth at 7.4% for the current fiscal, up from 6.7% in 2016-17.

RBI Rates:

- Keeps Repo Rate Unchanged At 6.25%
- Reverse Repo Adjusted To 6% From 5.75%
- MSF & Bank Rate Adjusted To 6.5% From 6.75%.

➤ **Applicable Average Base Rate to be charged by NBFC-MFIs for the Quarter Beginning April 01, 2017.**

RBI has announced the Applicable Average Base Rate to be charged by NBFC-MFIs for the Quarter beginning April 01, 2017 will be 9.35 per cent.

➤ **AS11: Repatriation of profits by foreign branch can't be treated as disposal of interest**

RBI in consultation with ICAI has clarified that the repatriation of accumulated profits shall not be considered as disposal or partial disposal of interest in non-integral foreign operations as per AS-11 (The Effects of Changes in Foreign Exchange Rates).

Regulatory News

SEBI

➤ **Procedures for removal of names of ELCs**

SEBI has prescribed the procedures for removal of names of Exclusively Listed Companies (ELCs) from Dissemination Board of Nationwide Stock Exchanges in the month of October, 2016 and last date has been extended twice up to 30-06-2017.

➤ **SEBI circulars can't be challenged in SAT, rules Supreme Court.**

Supreme Court has ruled that the circulars issued by the Securities and Exchange Board of India (SEBI) cannot be challenged before the Securities and Appellate Tribunal (SAT).

➤ **SEBI takes first major step towards development of commodity trading**

SEBI has taken the first major step towards development of the commodity derivatives market by approving introduction of options contracts since taking over the market's regulation in September 2015.

➤ **Monitoring agency must for IPOs over Rs100 crore**

The Securities and Exchange Board of India (SEBI) made it mandatory for investment bankers to appoint monitoring agency for initial public offerings (IPOs) of over Rs 100 crore.

(PR No.: 25/2017)

Others



➤ **Now EPF withdrawal can be made for medical treatment without doctor's certificate.**

Members of the retirement fund body EPFO can now withdraw funds from their EPF account for treatment of illness and purchasing equipment to deal with handicap without medical certificates.

(F. No. S-35012/02/2017-SS-II)

➤ **Negotiable Instruments Act:**

Notice deemed to be served when it was returned back with even in absence of drawer at correct address, or on his refusal, due services had to be presumed.

Supreme Court of India.

➤ **Withdrawal from Provident Fund for the housing needs.**

EPFO has issued an Notification regarding Withdrawal from Provident Fund for the housing needs of EPF covered Employees.

(Notification No. G.S.R. 351(E) dated 12th April, 2017.)

➤ **Why MPs didn't object to making Aadhaar mandatory for PAN: Supreme Court**

Supreme Court asked why there was no objection from lawmakers on the government's decision to make Aadhaar mandatory for making PAN cards in Parliament w.e.f. July 1, 2017.

About Us

EZYBIZ India is a Consulting and business outsourcing firm founded by alumni of EY in order to provide one window solution to Taxation, Regulatory, Transaction advisory and Accounting need of clients in India and abroad.

We have team of Chartered Accountants, Company Secretaries and finance professionals and provide services to proud mix of Indian and multinational clients like Corporates, LLPs, Firms, subsidiaries of Foreign Companies, Branch office, Liaison Office, HNIs, NRIs and Expatriates.

Some of our foreign clients are from Netherland, USA, Turkey, UAE and Japan.

OUR SERVICES

- *Business set up and Registrations [BO, LO, WOS, Public/Pvt. Ltd Co., LLPs, GST etc]*
- *Tax Assessment and Litigation service*
- *Direct Tax Advisory and compliance*
- *Auditing & Assurance services*
- *Indirect Tax Advisory and compliance*
- *Valuation services*
- *Business Restructuring (M&A, Slump sale, Amalgamation etc)*
- *Secretarial Compliance & Corporate Governance*
- *Regulatory advisory and compliance (ROC, FEMA, RBI & SEBI)*
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