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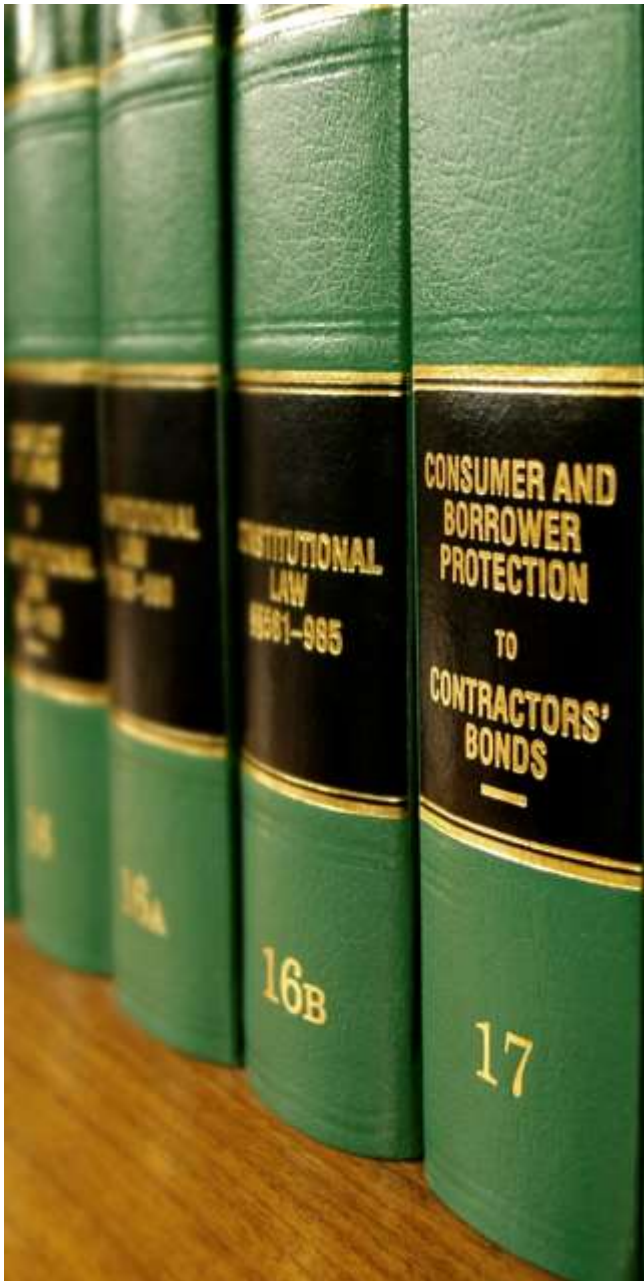
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Direct Tax

CASE LAWS



Corporate social responsibility expense incurred prior to 1-4-15 will be treated as a deductible expense.

The assessee was engaged in the business of generation of thermal power. At the ITAT level, one of the ground raised by the revenue was related to CIT(A)'s decision of deleting the disallowance of INR 24.45 lakhs on account of corporate social responsibility expenses which were disallowed by the AO (AO). The assessee explained to the AO that the expenditure mainly related to expenses incurred on construction of school building, temple, drainage, barbed wire fencing, educational schemes and distributions of clothes etc. voluntarily. The AO held that no material was placed to substantiate the claim that the entire expenses was actually incurred. Particulars of villages and communities where such development activities were carried out and nature of such activities with the quantum of expenditures incurred thereon were also not furnished. Apart from disallowing the amount of corporate social expenses, the AO initiated the penalty proceedings u/s. 271(I)(c) of The Income Tax Act, 1961 for furnishing inaccurate particulars.

Aggrieved by the AO's decision, the assessee went to CIT(A) on the matter relating to disallowance of CSR expense. At the CIT level, the meaning and necessity of Corporate Social Activities/responsibilities was analysed. On an analysis of assessee's CSR activities, it was decided that the expenditure was incurred by the company as being a good corporate citizen and as a measure of gaining goodwill of the people living around its industries and hence is an admissible expenditure. However, an expense amounting to INR 3.71 lakhs was considered as inadmissible as it was neither substantiated with proper evidences nor was having any nexus with the CSR policies of the assessee.

At the ITAT level, an analysis of insertion of Explanation 2 to Section 37(1), with effect from 1st April 2015, was done which provides that the expenses incurred in discharging corporate social responsibility are not deductible in computation of business income. The Departmental Representative urged to take this as clarificatory in nature and hence treat the expenses in discharging corporate social responsibility outside the ambit of expenses deductible under section 37(1).

Finally, ITAT held that the amendment has been introduced with effect from 1st April 2015 and cannot be construed as a disadvantage to the assessee in the period prior to this amendment and therefore expenditure on CSR for year under consideration was treated as a deductible expense.

Assistant Commissioner of Income-tax, Circle 1 (I), Bilaspur v. Jindal Power Ltd.

Payment for bioanalytical services provided by foreign Cos couldn't be held as 'FTS' under India-USA treaty

During assessment year 2010-11, non-resident companies located in USA and Canada rendered bioanalytical services on samples provided by BA Research India Pvt. Ltd i.e. the assessee. The said services were performed outside India. The non-resident entities didn't have permanent establishment in India. The Assessing officer (AO) held that the payments made to non-resident parties were taxable in India both as per provision of the Act and the tax treaty between India-USA and India-Canada. The Assessing officer disallowed the payment since assessee did not deduct tax at source while making the payment. CIT(A) held that the services provided to the assessee, by the non-resident parties of USA and Canada did not fall within the purview of 'included services' under article 12(4)(b) of DTAA and, thus, there was no liability on the assessee to deduct TDS, while making such payment. He thus deleted the disallowance made by the Assessing Officer. Against this the revenue appealed in the ITAT.

At the ITAT, it was held that the service which is technical in nature can be said to be 'fees for included services' only when it has 'made available' technical knowledge or skills to the recipient of services, i.e. recipient of services can apply the same on its own.

In the given case, the assessee had sent samples to the experts outside India and those experts submitted their report. There was nothing on record suggesting that the services rendered to the assessee were made available to it and the assessee would be able to apply the same on its own. In the absence of the same, such service would not fall within the ambit of the 'included service'. Under these facts, ITAT didn't find any reason to interfere with the findings of the CIT(A) and the appeal of the revenue was dismissed.

Income tax Officer, Ahmedabad v. B.A. Research India (P.) Ltd.

'Quoted Prices' may be accepted for comparability analysis under CUP method

The assessee company was involved in the business of trading of bulk agro commodities involving exports of soya bean meal, sesame seed and export of iron ore and chemicals. During assessment year 2007-08 and 2008-09, it also imported crude soya bean oil, coal, crude, palm oil and pulses.

In transfer pricing proceedings, the assessee benchmarked its international transaction using CUP method as the most appropriate method. The TPO considered TNMM as the most appropriate method for benchmarking international transactions and selected 17 comparables, which were engaged in trading in agricultural crops and trade in minerals and energy sources.

The Arm's length margin was computed at the rate of 3.71 per cent. Accordingly, certain addition was made to assessee's ALP.

In appellate proceedings, the CIT(A) rejected two comparables selected by the TPO for arriving at mean margin of profit. Accordingly, partial relief was granted to assessee.

The assessee while considering the CUP as the most appropriate method, for comparability study used the quotation of Solvent Processors Association of India, third party contracts between Associated Enterprise and other parties, prices published by Platts and Coal Trader International Book, custom data of third parties based on shipping bills, brokers confirmation notes etc. The TPO rejected this method holding that OECD has laid emphasis not only on the product comparability but also on broader business functions of the comparables.

According to TPO, CUP data provided by the assessee didn't support for functional comparability.

The CIT(A), confirmed the rejection of CUP method by the TPO holding that transactions compared should be actual transactions and not hypothetical or yet to be undertaken on the date of comparison. Further, according to CIT(A), the contract between the third parties and AE also couldn't be taken as data for CUP method.

At the ITAT level, it was noted that in the assessee's own case for assessment year 200607, the coordinate bench had held relying on several Tribunal decisions that the CUP is the most appropriate method in case of trading transaction and internal CUP has been held to be more appropriate than external CUP data for comparability analysis.

With regard to the issue that whether 'quotations' in the form of external CUP and custom data of third party shipping bills, brokers rates, SOPA rates etc., can be considered as reliable comparable data or not, support was drawn from OECD BEPS Action Plan which confirms that 'Quoted Prices' may be used, if they are authentic for comparability analysis in CUP method.

Deputy Commissioner of Income-tax, v. Noble Resources & Trading India (P.) Ltd

NOTIFICATION

Notification-1

Rule 37BC - Relaxation from deduction of tax at higher rate in case of no PAN

Higher rate as mentioned in Section 206AA shall not apply to Non-Residents and Foreign Companies in respect of payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, if the deductee furnishes the following details and documents to the deductor –

- 1) Name, Email ID, Contact Number
- 2) Deductee's residency address in the country or specified territory outside India.
- 3) A certificate of him being resident in any country or specified territory outside India from the Government of that country or specified territory if the law of that country or specified territory provides for issuance of such certificate.
- 4) Tax Identification Number of the deductee and in case no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country of which he claims to be a resident.
- 5) Form Number 27Q will accordingly be modified.

For the entire notification, click on the link below.

<http://www.incometaxindia.gov.in/communications/notification/notification532016.pdf>

Notification-2

No Deduction of Tax at Source u/s 194H with respect to specific payments

This notification particularly clarifies that no deduction of tax shall be made on the payments made by a person to a Bank, which excludes a Foreign bank,

The nature of payments on which no Tax has to be deducted:

- 1) Bank Guarantee Commission
- 2) Cash Management Services
- 3) depository charges on maintenance of DEMAT accounts;
- 4) charges for warehousing services for commodities
- 5) underwriting service charges;
- 6) clearing charges (MICR charges) including interchange fee or any other similar charges
- 7) credit card or debit card commission for transaction between merchant establishment and acquirer bank.

Indirect Tax

CASE LAWS



Expenses incurred for employees are eligible for credit if added to cost of output services

Assessee availed CENVAT Credit with respect to Medicare Services Club for its employees. Revenue appealed against the same on grounds that it is not clear whether expenditure incurred on account of Medicare services is included in cost of services or not. Assessee produced CA certificate to the effect that expenses incurred on account of Medicare services have been included in value of output services being provided. Held, CENVAT availment and utilization by the assessee is correct.

[Mcnally Bharat Engineering Co Ltd Vs CST (2016-TIOL-1525-CESTAT-KOL)]

Penalty for reasons of evasion of tax cannot be imposed when the liability is computed by Department is but paid through CENVAT Credit and not in cash

Revenue issued SCN for recovery of ST on GTA services availed by appellants in case of their EOU unit as well as DTA unit. Appellant paid tax and interest thereon but challenged the penalties imposed u/s 77 & 78 of FA, 1994 on the basis of the entire situation being revenue neutral as they have availed credit of the tax paid. Held, there is no specific evidence produced by revenue to allege suppression or mis-representation on part of the appellant as apparently they have nothing to gain by avoiding or by evading this duty/tax - penalty u/s 78, therefore, cannot be upheld - However, since appellant had not disclosed the value of transportation in their ST-3 returns, penalty imposed u/s 77 is upheld

[Shreyas International Ltd Vs CCE (2016-TIOL-1501-CESTAT-MUM)]

Whether duty paid on products purchased to be supplied along with the manufactured product can be claimed as CENVAT credit

Assessee is engaged in manufacture of spray guns. Along with, it supplies playing cards to the buyers. Playing cards do not form part of the final product directly but they are purchased by the appellant and their cost is included in the cost of spray guns on which the final duty amount is computed. Hence, playing cards which is supplied along with final product spray guns will eligible for input credit.

Indirect Tax

CASE LAWS



[Manik Machinery Manufacturers Pvt Ltd Vs CCE (2016-TIOL-1497-CESTAT-MUM)]

Mere mentioning of 'inclusive of taxes' on the invoice does not mean that the assessee is collecting and not depositing the exempted tax

Assessee had its factory setup in an area (Dharwad) where it enjoyed sales tax exemption. The MRP decided by the assessee was similar to that of its other setups in different states not enjoying tax holiday. Also, the invoices of sales made from Dharwad unit contained the wordings 'inclusive of all taxes'. Revenue's stance on this issue was that the particular unit was that the unit was collecting tax from its buyers and not depositing the same. The SC upheld the High Court ruling of incorrect stance taken by Revenue saying that as per Rule 2 of Standards of Weights and Measures (Packaged Commodities) Rules, 1977, it is statutory that maximum sale price should be inclusive of all taxes, therefore, assessee cannot deviate statutory requirement by making a declaration contrary to the statutory rules.

Also, SC holds that Revenue cannot bifurcate and divide 'sale consideration received' on the basis of an assumption that sale price received is inclusive of taxes. SC also observes that, "Uniform pricing cannot be a ground to hold that the respondent was charging sales tax on a sale price of the goods manufactured in the exempt unit. Cost of production has various components and is computed with reference to revenue expenditure, rate of return on the capital expenditure, etc. These are complex commercial and business considerations which cannot be decided with reference to a single factor..."

[Deputy Commissioner of Commercial Taxes (Vigilance) Versus M/s Hindustan Lever Limited (TS-258-SC-2016-VAT)]

CENVAT Credit for transportation of employees admissible

Assessee availed CENVAT credit on Service Tax paid for services of transportation by bus provided to staff. Revenue denied credit. Held, it is a basic necessity so as to ensure that the workforce comes on time at the work place. The employers have taken this measure which has a direct bearing on the manufacturing activity, hence CENVAT Credit of the same shall be admissible.

[Embio Ltd Vs CCE (2016-TIOL-1470-CESTAT-MUM)]

Notifications

Notification

In pursuance of sub-rule (2) of rule 9 of the Central Excise Rules, 2002, the Central Board of Excise and Customs hereby specifies that-

(i) a person who is registered as a first stage dealer shall not be required to take registration as an importer; or

(ii) a person who is registered as an importer shall not be required to take registration as a first stage dealer.

[Notification No. 30/2016 – Central Excise (N.T.)]

Legal & Regulatory

NOTIFICATION

MINISTRY OF CORPORATE AFFAIRS

CONSTITUTION OF THE NATIONAL COMPANY LAW TRIBUNAL AND NATIONAL COMPANY LAW APPELLATE TRIBUNAL

(MCA Notification dated June 01, 2016)

The Ministry of Corporate Affairs vide its notification dated June 01, 2016 have constituted the National Company Law Tribunal, to exercise and discharge the powers and functions as conferred upon it under Companies Act, 2013 and the National Company Law Appellate Tribunal has also been constituted for hearing appeals against the orders of the National Company Law Tribunal with effect from 1st day of June, 2016.

http://www.mca.gov.in/Ministry/pdf/Notification_02062016_II.pdf

CONSTITUTION OF THE BENCHES OF NATIONAL COMPANY LAW TRIBUNAL

(MCA Notification dated June 01, 2016)

The Ministry of Corporate Affairs vide its notification dated June 01, 2016 has constituted 11 benches of NCLT, all over India, consequently all the matters and proceedings or cases pending before the Board of Company Law Administration shall stand transferred to the National Company Law Tribunal with effect from June 01, 2016.

http://www.mca.gov.in/Ministry/pdf/Notification_02062016_I.pdf

http://www.mca.gov.in/Ministry/pdf/Notification_02062016_III.pdf

AMMENDMENT IN THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2016

(MCA Notification dated June 30, 2016)

The Ministry of Corporate affairs vide its notification dated June 30, 2016 has made amendments in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the highlights of the key changes in the said rules are as follows:

The requirement to file the return of appointment for Chief executive officer (CEO), Company Secretary and Chief financial officer (CFO), under rule 3 with Registrar of Companies in Form No. MR 1, has been dispensed with;

The requirement for various managerial remuneration related disclosures in the Board's report of Listed Companies, has also been waived off;

The disclosure relating to name of the employees having the remuneration above the prescribed limit has also been liberalised.

http://mca.gov.in/Ministry/pdf/AmendmentRules_01072016.pdf

RESERVE BANK OF INDIA

SCHEME FOR SUSTAINABLE STRUCTURING OF STRESSED ASSETS

(RBI Notification No. RBI/2015-16/422 dated June 13, 2016)

Legal & Regulatory

NOTIFICATION

RBI wide its Notification dated June 13, 2016 has introduced a scheme to help all Scheduled Commercial Banks (Excluding RRBs), All-India Term-lending and Refinancing Institutions (Exim Bank, NABARD, NHB and SIDBI) Non-Banking Financial Companies Securitisation Companies/ Reconstruction Companies (herein referred as "Lender's") to deal with stressed assets.

For being eligible under the scheme the accounts should meet the conditions prescribed under the scheme.

The scheme involves bifurcation of outstanding debt of a borrower into Part A and Part B.

Part A consists of the amount of debt (Principal + Interest) that can be repaid within the actual maturity period.

Part B will be difference of current outstanding debt and amount under Part A

Resolution for Part B debt is that the amount outstanding shall be converted into Equity shares /redeemable cumulative optionally convertible preference share/optionally convertible debentures

The introduction of this new Scheme is yet another effort by the Reserve Bank of India to clean up sticky loans from the books of the financial institutions and this will add up to the list of devices available with the financial institutions to take up corrective measures to revive the genuine cases of stressed assets.

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT422BIEE9DF2D4B5484487065B8FB94B5EC9.PDF>

FOREIGN EXCHANGE MANAGEMENT (FOREIGN CURRENCY ACCOUNTS BY A PERSON RESIDENT IN INDIA) REGULATIONS, 2015

(RBI/2015-16/430 A.P. (DIR Series) Circular No. 77 [(2)/10(R) June 23, 2016)

In line with the Government's Start up initiative, the RBI has issued a notification dated June 23, 2016 and decided that an Indian startup, having an overseas subsidiary, may open a foreign currency account with a bank outside India for the purpose of crediting to the account the foreign exchange earnings out of exports/sales made by the said startup, provided that the balances in the account shall be repatriated to India within 9 months.

Further, the aforesaid facility, available to the Life Insurance Corporation of India or the General Insurance Corporation of India and their subsidiaries for the purpose of meeting the expenditure incidental to the insurance business carried on by them has now been liberalized. Accordingly, any insurance/ reinsurance company registered with the Insurance Regulatory and Development Authority of India (IRDA) may open a foreign currency account with a bank outside India to carry out insurance/ reinsurance business.

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10457&Mode=0>

FORMAT OF STATUTORY AUDITORS' CERTIFICATE (SAC) TO BE SUBMITTED BY NBFCs

(RBI/2015-16/433 DNBS (PPD) CC.No./04/66.14.001/2015-16 dated June 23, 2016)

Pursuant to the "Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, all NBFCs are required to submit a certificate from their Statutory Auditors every year to the effect that they continue to engage in the business of NBFIs requiring it to hold a Certificate of Registration under Section 45-IA of the RBI Act.

With a view to ensure consistency in the manner in which the information is received from the Auditors, a [uniform format of Statutory Auditors' Certificate \(SAC\) has been introduced, to be submitted by NBFCs.](#)

<https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NT433E5D8674BOAD847869E059B8205B5E189.PDF>

Thought LEADERSHIP

AJAY BANGA- Spark of the Corporate



Ajaypal Singh Banga is the current president and chief executive officer of MasterCard. Born into a Saini Sikh family in Khadki, Pune, Maharashtra in India where his father, an army officer, was posted. The family's origin is from Jalandhar in Punjab. His father is retired lieutenant-general Harbhajan Singh Banga who is a decorated army general of Indian Army. He is also the younger brother of another well-known CEO M. S. Banga.

Banga grew up and schooled across India, successively in Secunderabad, Jalandhar, Delhi, Hyderabad and in Shimla, where he finished his schooling. Banga went on to graduate with a Bachelor of Arts degree in Economics from St. Stephen's College, Delhi University and MBA from the Indian Institute of Management, Ahmedabad.

MasterCard announced on April 12, 2010 that Ajay Banga, previously MasterCard's president and chief operating officer, had been named by the Board of Directors to serve as the company's president and chief executive officer, effective July 1, 2010. The company also announced that Banga would become a member of MasterCard's Board of Directors, effective immediately. Banga, 50, succeeded Robert W. Selander, who had been MasterCard's chief executive officer since March 1997. On Thursday, February 5, 2015, President Barack Obama appointed Banga to serve as a Member of the President's Advisory Committee for Trade Policy and Negotiations.

Beginning his business career with Nestlé in 1981, Banga spent the next 13 years working in simple jobs spanning sales, marketing, and general management. He later joined PepsiCo and was involved in the launch of its international fast food franchises in India as the economy liberalized. Prior to joining MasterCard, Banga spent 13 years at Citigroup from 1996 as part of the bank's senior management in the United States and Europe, Middle East, and Africa regions, before becoming the Chairman and Chief Executive Officer of Citi's international global consumer group in 2005. He was also responsible for Citi's brand and marketing work across the entire company.

Most recently, he was Chief Executive Officer of Citi Asia Pacific, responsible for all of the company's business lines in the region, including institutional banking, alternative investments, wealth management, consumer banking and credit cards. He was also a member of Citi's senior leadership and executive committees. Banga has a keen interest in social development issues, and over the period from 2005 to mid-2009, he spearheaded Citi's strategy in the microfinance sector across the world. He was awarded Padma Shri, India's Fourth Highest Civilian Award in 2016.

Describe his management style Banga says, "I'm very passionate, but I take time to work my passion. I mean I study something and I try to understand both sides of the debate because if you've been a banker and worked around the world long enough, you kind of have to understand both sides of the debate. But you have to have a point of view, and so I believe in having a point of view on an issue and not ducking the issue."

Though Banga leads a company that is synonymous with plastic, yet he encourages his staff to focus on cash but tries to keep his workplace less intense "I am actually very easy going, I encourage my colleagues to say things to me that they would never have had a chance to say to most bosses. That is because I spend too many hours in an office, and they spend too many hours in the office to be stressed out at each other. It's not the bloody army. It's a company, they choose to be here. They could all go away and join somebody else. So if I behave like a, my father was a general in the army, if I behaved like a general in the army, I will get soldiers,"

Column

Key Highlights of the Model Goods and Services Tax ('GST') Law

By
Uday Mehta



A key development in Indirect Tax regime in what might be a harbinger of implementation of GST Law. The Empowered Committee of State Finance Ministers in June 2016 released Model GST Law ('Model GST') into public domain. The Model GST consists of Central GST/ State GST Act ('CGST/SGST Act'), Integrated GST Act ('IGST Act') and the GST Valuation (Determination of Value of Supply of Goods and Services) Rules ('Valuation Rules'). As expected, Model GST has taken into account a variety of litigative issues such as taxability of barter exchange, e-commerce transactions, taxability of supply of intangibles, transfer of right to use and other related issues.

The salient features of the Model GST have been mentioned hereunder:

Applicability

Cutting across differences of existent Indirect Laws, GST shall be applicable to whole of India including the State of Jammu & Kashmir.

Levy and Collection of GST

Inter-State transactions – IGST shall be levied by the Central Government on all inter-state **supplies** of goods and/ or services.

Intra-State transactions - CGST & SGST shall be levied by the Central and State Government respectively on all intra-state **supplies** of goods and/ or services.

Reverse Charge Mechanism - The reverse charge mechanism which shifts liability to discharge tax on the recipient, is extended to **supplies** of goods as well. Under the current regime reverse charge mechanism is only on certain services.

Meaning of 'Supply'

The term 'Supply' is not defined in an exhaustive manner. The definition starts with the word 'includes' thereby extending the scope of the term. Following are specifically included in the term 'supply':

All forms of supply of goods/ services such as sale, transfer, barter, exchange, license, rental, lease or disposal, for consideration.

Importation of services whether or not for a consideration, and whether or not in the course or furtherance of business.

Supplies specified in Schedule I, made or agreed to be made without consideration, viz

Permanent transfer/disposal of business assets

Temporary application of business assets to a private or non-business use

Services put to a private or non-business use

Assets retained after deregistration

Supply of goods and/ or services by a taxable person to another taxable or non-taxable person in the course or furtherance of business

Further, it is specifically mentioned that supply of goods by a registered taxable person to a job-worker would not be treated as supply of goods.

Column

Threshold Limits

Taxable person - Person with an aggregate turnover equal to or less than INR 10 lakhs in a financial year and INR 5 lakhs for North Eastern States including Sikkim.

Composition Scheme - A registered taxable person, whose aggregate turnover in a financial year does not exceed INR 50 lakhs, shall have an option to pay concessional rate of tax (not below one percent) provided he shall not be entitled to either avail input tax credit nor charge tax from its customer. Such scheme shall not be available for inter-state supply of goods and/ or services.

Registration – Registration under GST is mandatory if aggregate turnover of supplier in a Financial Year exceeds INR 9 lakhs and INR 4 lakhs where business is conducted in any of North Eastern States including Sikkim.

Valuation

The value of taxable supply of goods and/ or services shall ordinarily be the 'transaction value' which is actually paid for such supply (when the parties are not related and price is the sole consideration). Other methods such as Comparison Method, Computation Method, Deduction Method etc. are also prescribed under the Model GST.

The Government proposes to introduce Valuation Rules which further elaborate on issues that may arise at the time of valuation of goods and/ or services.

Returns

Following returns shall have to be filed under the proposed statute

S. No.	Type of Return	Frequency	Due Date
1	Return of Outward Supplies	Monthly	10 th of succeeding month
2	Return of inward supplies	Monthly	15 th of succeeding month
3	Consolidated Return	Monthly	20 th of succeeding month
4	Consolidated Return (Composition Levy)	Quarterly	18 th of succeeding month
5	TDS Return	Monthly	10 th of succeeding month
6	Input Service Distributor Return	Monthly	13 th of succeeding month
7	Annual Return	Annually	31 st December of succeeding year

Point of Taxation

Supply of Goods – Point of taxation shall be earliest of the following:

- Date on which goods removed for supply to recipient (movable goods);
- Date on which goods made available to recipient (immovable goods);
- Date of issuing invoice by supplier;
- Date of receipt of payment by supplier, or
- Date on which recipient shows the receipt of the goods in his books of account.

Supply of Services – Point of taxation shall be determined in the following manner:

- When the invoice is issued within prescribed period, earlier of
Date of payment or
Date of invoice
- When the invoice is not issued within prescribed period, earlier of
 - (i) Date of payment or
 - (ii) Date of completion of provision of service

Column

- The date on which the recipient shows the receipt of services in his books of account, in a case where the aforementioned provisions do not apply.

Input Tax Credit ('Credit')

Availment of Credit – The Model GST has restricted credit of certain expenditure such as motor vehicles, goods/ services used for personal consumption, works contract etc. The receiver shall be entitled to take credit within one year from date of issue of invoice. Further, the credit shall not be allowed to be availed post filing of statutory return for month of September in subsequent financial year or post filing of annual return (**whichever is earlier**).

Utilization of Credit – The Credit so availed can be utilized in the following manner:

Credit	Order of Utilization		
	1	2	3
IGST	IGST	CGST	SGST
CGST	CGST	IGST	-
SGST	SGST	IGST	-

In no case credit of SGST shall setoff with CGST and vice versa.

Collection of tax at source (TCS)

Every electronic commerce ('E-Commerce') operator is required to collect tax at source at the time of any payment to the supplier of goods. For this purpose, 'aggregator' and 'electronic commerce operator' are defined in the proposed statute.

THOUGHTS WHICH INSPIRE US



- “Take every Chance you get in life , because some things only happen ONCE”
- “Two things define You: Your Patience when you have nothing, And your Attitude when you have everything”
- “These Times are hard, but they will Pass”
- “Smile and let everyone Know that today, You're a lot stronger than you were yesterday.”

JOKES



- ❖ If something goes wrong at the office, blame the guy who can't speak English...
- ❖ A man goes to the doctor and says, "Doctor, wherever I touch, it hurts." The doctor asks, "What do you mean?" The man says, "When I touch my shoulder, it really hurts. If I touch my knee - OUCH! When I touch my forehead, it really, really hurts." The doctor says, "I know what's wrong with you - you've broken your finger!"
- ❖ My friend thinks he is smart. He told me an onion is the only food that makes you cry, so I threw a coconut at his face.it...

INTERESTING FACTS



- ❖ Animals with smaller bodies and faster metabolism see in slow motion.
- ❖ A baby is born without kneecaps. They appear between age 2 and 6.
- ❖ Salt is one of the few spices that is all taste, and no smell.
- ❖ There is a butterfly in Africa with enough poison in its body to kill six cats!
- ❖ Just by recycling one aluminum can, enough energy would be saved to have a TV run for three hours.



Birthdays of the Month

- Anand Kumar 07-July
- Sheetal Bhatia 09-July
- Ayush Bhatia 19-July
- Saman Khan 24-July
- Amarjeet 24-July
- Shivam Khandelwal 31-July

IBA wishes You a Happy Birthday and a great year ahead!!

July 2016

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5 Excise Duty Payment/Service Tax Payment corporates	6 Online Excise Duty Payment/Service Tax Payment corporates	7 TDS Deposit for individual and companies	8	9
10 Filing of Excise Return Form ER-1, Form ER-2, Form ER-3	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31 TDS Return for quarter end June & Filling of Income Tax Return for Individual						

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