



TAXtribune

NEWS & VIEWS

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(For Members Only)

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Editor



Happy Women's Day

The Western Maharashtra Tax Practitioners' Association



Felicitation of Newly elected CA Abhishek Dhamane
Chairman of Pune Branch of ICAI



Felicitation of Newly elected CA Samir Ladha
Vice-Chairman of Pune Branch of ICAI



Felicitation of CA Umesh Sharma Faculty for
Late A.B.Ghanekar Memorial Lecture on 29/02/2020



Participants for Late A.B.Ghanekar Memorial Lecture
on 29/02/2020



Participants for Late A.B.Ghanekar Memorial Lecture
on 29/02/2020



Invitation Letter given to IAS Mrs.Sampada Mehta
(Joint Commissioner, SGST Mumbai) for Women's Day Program.



Felicitation of Shri Sharad Suryawanshi (President, WMTPA)
by Adv.Dinesh Tambde (President GSTPAM) in Mumbai on 25/02/2020



Meeting with Mrs.Nikita Badheka (National President, AIFTP)
at Mumbai on 25/02/2020

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Editor Shri. Narendra Sonawane	Co-Editor CMA Shripad Bedarkar	Editorial Board Adv.G. Y. Patwardhan, Adv.Milind Bhonde, CMA Rahul Pore, CA Swapnil Munot, Adv.Sukrut Deo & CA Anup Shah
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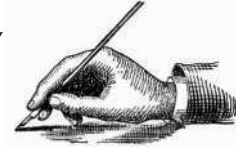
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Editorial



CA Seema Potdar

March 8th is International Women's Day. This is the global day of celebrating the social, economic, cultural and political achievements of women. Apart these celebrations it helps us showcase our respect, appreciation and love towards all the women.

The idea of celebrating women's day came about in 1909. The day aimed to help nations worldwide eliminate discrimination against women. It also focused on helping women, gain full and equal participation in global development.

This year, as our Association is celebrating International Women's day, Our Chief Guest is Honourable CA Sampada Mehta (IAS) Joint Commissioner State Tax, Mumbai and guest of honour is CA Ruta Chitale Ex Chairperson of Pune Branch of WIRC ICAI. On this occasion we are honouring some special ladies for their special achievements.

In this day and age when we celebrate women's day we celebrate women empowerment but this was not the situation a few decades ago. It was the efforts of some reformers like Late Savitribai Phule and many such others, we have reached to the point where we can proudly call ourselves empowered women. "Nari Shakti" is Adi Shakti and women like Indira Gandhi, Kalpana Chawala, Sudha Krishnamuthi have proved that. A women's role in all aspects of life is very significant, may be that is why we call our earth "mother nature". The way our mother nature gives her all to nurture everything, a women does the same.

The ladies in our field have to juggle with Professional and Personal life. Given the nature of our work we have to keep our knowledge updated at all times. In this Association as well many lady members are dedicated towards their own practice as well as work for Association like Mrs. Varsha Deshpande, Mrs. Chhaya Jadhav, Mrs. Aruna Thakkar, Mrs. Nandita Kulkarni and Mrs. Anangha Kulkarni.

A man, who works in our field as well as others, might be able to get away with some of the family responsibilities but that privilege is not always available to a woman. To acknowledge this fact, this year we are going to honour the wives of some senior male members for their continuous support to their husbands.

Let us all appreciate and continue to celebrate womanhood.

CA Seema Potdar



President's Message

Sharad Suryawanshi

International Women's day (March 8) is a global day celebrating the social, economic, cultural, political and professional achievement of woman. The day also marks a call to action for accelerating gender parity.

As this juncture of my professional journey, I find it extremely gratifying and blessed to present our women's special TAX TRIBUNE in the month of March on accession of international women's day.

International women's day is no longer a new topic today. It is celebrating across the world in order to recognize and appreciate the contributions and achievements of the women in various fields. Every year we celebrate women's day with a lot of enthusiasm, bonhomie and fanfare.

Woman is beautiful creation of the God The angel on the earth makes our life a wonderful experience all together. Imagining life without a women is quite hard-hitting. This angel shakes the cradle with one hand the earth with the other hand. The fact that all the great people of the world are born from the womb of a woman and it is a woman from whom those great people has taken the initial teachings. And that is the reason we have always emphasized upon giving the due respect to women in their life. And that is why women's day is celebrated with so much of zeal and it has spread throughout the world.

Celebrating woman is a way of feeling gratitude to the each every woman in one's life , be it in the professional or the personal life.

International women's day is observed every year on 8th of March and it is observed around the world to celebrate the velour of women. In most of the country the day has been observed as a national holiday. Women from various cultural and enthnic groups come together crossing all the boundaries to remember their struggle of many decate for peace, justice, equality and development. The day allows women to raise her voice for an equal opportunity in whatever field she wants to participate in, same a man is provided with.

International women's day all about felling women realize their worth and giving them boost to achieve as per their actual potential. On this day the world unites to appreciate their courage to cross all the hurdles and make such tremendous improvement in all most all the spheres of life. Besides that, it is the most important thing to be given emphasis is the work that still needs to be done to fill that gap completely that had existed from ages.

A general myth that exists in the society is that issues related to women empowerment can only be addressed at an infinitesimally slower pace. Many people out there in society believes that the gender gap not really exists and some are also of the belief that the efforts made by individuals cannot actually make difference to the gender gap that exists in the society. These beliefs have over the years debilitated the power of women. The first in this Endeavour to eradicating this deep rooted menace is realizing that the problem can only be indentified and solved by interacting with the people who are actually irrational taboos of the society. On this day we must realize that every single person's contribution towards fighting a threat of the society counts. International women's day is all about being aware of the fact that each individual has to work in their own ways for changing the ugly face of the society

Today's woman is no longer a dependent soul, she is independent and self reliant in every respect and a capable of doing everything. Many past records can evidently prove that women's have been doing great in many fields leaving behind the gentlemen's of the country let's recognize the importance of their existence and motivate them for the future achievement..

Cheers to the Feminism you yourself is the creator of your own identity

SHARAD SURYAWANSHI

PRESIDENT, THEW/MTA



Shripad Bedarkar
Joint Secretary

ASSOCIATION NEWS



Sanket Amate
Joint Secretary

- 1) **Broadcasting of Webinar** : The broadcasting of the Series of 15 Webinars on GST by GSTPAM is arranged in our Association Hall from 15th January, 2020. Fees for the same is Rs.1000 + 18% GST.
- 2) **Late A.B.Ghanekar Memorial Lecture 2020**: A lecture on "Critical Issues of ITC and Way Forward" was arranged in the memory of Late A.B.Ghanekar. CA Umesh Sharma was the faculty. More than 175 members attended the same.
- 3) **New Membership** :Following new members admitted during the previous months.
 - a. Mr.Parandkar Gajanan Shankar (GM-821)
 - b. Mrs.Pawar Anita (GM-822)
 - c. Mr.More Arun Uttam (LM-702)
 - d. Mrs.Jadhav Ashwini Dattatray (LM-703)
 - e. Mr.Manohar Narayan Madhusudan (LM-704)
 - f. Mr.NandekarPusharaj Prashant (GM-823)
 - g. Mr.JagtapSwanand Mohan(LM-705)
- 4) **Future Events** :
 - a. Women's Day Program will be arranged on 7th March, 2020 in our Association Hall.
 - b. Full Day Seminar on New Return System & E-invoicing will be arranged shortly. National Level speakers & Government Officers will be delivering the lecture in this seminar.
 - c. National Tax Conference will be arranged on 11th& 12thApril-2020 at Mahabaleshwar, details are published in this edition.

Shripad Bedarkar
Joint Secretary

Sanket Amate
Joint Secretary



IMPORTANCE OF BARE ACT IN INTERPRETATION OF GST LAW

Mrs. Madhumita Bhonde

All of us are well aware that any tax statute whether under direct taxes and indirect taxes are presented in the form of bill either in state assembly or in parliament and after being passed in both the houses in parliament or state assemblies as applicable become the enactment subject to the assent of President of India or Governor of the states. The said enactment is known as bare act. The said bare act comprises definition sections to offer the meaning to various terms used in the said bare act or statute book. It also contains charging section providing for levy, collection of tax on transaction, receipts and income.

The bare act covers all the provisions relating to assessment, appeals, available reductions, deductions while arriving at taxable transaction or income. Bare act contends the provisions which carry actual intention of the Government. After the act being passed, rules are being framed to implement the act, notifications are issued to fill the gap arise while drafting the bill and implementing enacted law. Such notifications though issued by finance department, CBDT or CBIC those are not on the equal standing of bare act but still have binding force. Circulars are being issued by the head of the tax departments and those are binding on the department authorities. Such circulars are clarifying in nature and not binding on tax payers but such circulars may be relied and followed by the tax payers. In addition to these subordinate legislations, Authority on advance rulings has been the new remedy made available to tax payers to ascertain the nature of transactions and applicable rate of tax or the ITC available to the claimant tax payer to avoid any confusion in future or to avoid an expected tax liability in future.

Though circulars, notifications and Authority on advance rulings are supportive to the tax statute covered by bare act those can not override the provisions of bare act. Further bare act is the origin to these subordinate legislations mixed with the interpretations of issuing authorities. Such department authorities normally represent the department interest, under the circumstances their decisions are likely to be in favour of department and not free from bias.

In case you succeed to prove anything against rules, notifications, circulars or AAR on the strength of correct interpretation of any section in bare act the possibility of succeeding in legal dispute in appeal is always higher than acting or relying on hearsay knowledge. Further once the provisions of any section support the claim of reduction in tax liability then the department authority can not take shelter of any subordinate legislations.

Contemporary example is now a days the department has been issuing notices to pay GST alongwith interest in case of mismatch between GSTR-1 of the suppliers and GSTR-2A of the recipient on the strength of the provisions in rule 36 (4) of CGST rules. The said rule is the outcome of the provisions in sec. 43A CGST Act. The said section is not yet effective where as circular has been issued requiring the tax payer to reverse the ITC not eligible. If one is not aware about the said situation, it would be taken as mandatory compliance.

Thus the bare act is the "Geeta" or mother script of all the literature available on particular taxation statute. The language used in the section, the content of the section and the meaning of the section need to be studied meticulously to extract actual intention of the section.





THE SEVEN LAWS OF CREATION

Mrs. Sunita Suryawanshi

1. The law of Consciousness

Consciousness is the source of all. The Law of Consciousness tells us that the whole Universe is Consciousness, The matter that we see is also consciousness. Beyond matter, if we go into atom, to the subatomic particle, we see that it is pure consciousness. So all meditators, all spiritual seekers, when they explore the source of Creation, they go back into how and where we are created, and in the source you will find your own consciousness. It is the Source of everything. So the first Principle is the Law of Consciousness.

2. The Law of Thought

The second principle is called the Law of Thought. Thought creates. Consciousness produces thought. Consciousness has a feeling, an emotion. Let us take your own example, your consciousness is expressed in different levels-at the body, the mind, the emotion, and the heart. That consciousness produces the thought; it creates an astral template of creation. Consciousness is initially in the background as pure potential. It now wants to express itself; it wants to experience itself through creation. In order to create something it needs to have a thought, an emotion, a feeling, a desire, a dream and a template. It creates it. Before you own a home, you have a dream about it-"this is the

kind of home I want. I want it on such and such floor, with this kind of furniture, with a swimming pool, and so on" first we dream about it, without the dream there is nothing that can be created. In anything that is created, it is the consciousness that created this thought, feelings, dreams and desire. So we are in the state of Consciousness and dreamt about coming down to this Earth. You have a dream, a desire to be born in this earth plane. You want to experience your own self in this solid physical plane. So that is the dream that we all had.

3. Law of Energy

The third principle is called the Law of Energy. Thoughts create Energy. All the Matter that we see all around us in the universe is nothing but the crystallization of energy. Matter is pure energy, but in a crystalline form. Atom, molecule, you go deep inside it, you find energy. Behind matter is energy and this energy is created by thought. Even in creation, you need thought and energy. So this energy is gathered around the creation that you want to manifest and gives it the momentum required to manifest.

4. Law of Creativity or Dynamism

The next principle is the Law of Creativity, in which there are two forces that are constantly active. One is called the Creative Force and the other is called Destructive Force. These

two forces shape and co-operate with each other. Sometimes, that which is created, if it is not so good, it needs to be destroyed in order to bring new creation. It is like polarized poles, they act on each other and constantly the whole universe is at one. The Law of Creativity says that nothing is static. Everything is in movement. The movement are by these two forces Creative or Destructive forces The Brahma and The Shiva respectively. Brahma is the creator and Shiva the destroyer. These are the two principles. Law of Creativity and Dynamism is saying that the Universe is not static; you are not static. You are very very creative! Your consciousness is a creator.

5. Law of Focus

The fifth law is the Law of Focus. So, your consciousness created a thought a desire, a dream and it created certain energy now, and you understood that it is pure creativity, that the potential inside you that wants to be expressed as a creative expression. Now, you need a Focal Point ! You need to Focus; this is called the law of Focus or Law of Concentration. Without this Focus there is no creating. Maybe you want to create it in the Astral Plane or in the Dream Plane or in the Physical Plane you want to Focus now, concentrate on it. So, your focus will channelize all the thought and energy to wherever you want to bring into this Creation. Most of us dream ! we have a desire a Dream. Most of our Dreams get exactly created in the Astral Plane. We'll experience already constructing it, creating it, executing it, feeling it, enjoying it all that we'll be doing. And it's so beautiful to bring that into the Physical Plane also. Most of our dreams, they

need so much of thought energy to manifest in the Physical Plane. So. If you don't have that level of thought energy, it gets created in the Astral Plane or in other planes of Consciousness. We may not be aware of them, but we have created them already. Your Consciousness is the Creator, which explicitly creates either in this plane or other planes. As Human Beings, we have the desire to bring that into the Physical Plane. The Law of Focus tells us that without Focus or Concentration it won't get created.

6. Law of Manifestation or Law of Creation

What you Focus upon, it gets created. Whatever it is ! when you focus on anything like a Laser beam, it gets manifested. You are creating an Astral Template with your thought energy when you are so clear about your dream. And you constantly merge that thought, gather all the similar thoughts and it gives energy. Through dynamism you also realize your highest potential you have inside you which wants to be expressed out. To achieve the highest level of creativity that you have inside you, you need Focus and you Focus by keeping your entire attention on that thought and then Dream and in the Astral Template, it is going to be manifested. It is called Law of Creation or Law of Manifestation. And now, you enjoy your creation. Why are we creating anything at all? Because, by seeing your creation, you feel Joy. It is about the Joy of Creation. And all of us have the Potential inside us that wants to be expressed as a Creation or Manifestation. We want to manifest what is there inside us. The pure Consciousness inside, Pure Potential, want to be created here. And you will see your creation and realize that you are the creator

of your Life at every level and you also understand that you are the Source of your own self and you are Source of everything and every experience you have.

7. Law of Co-creation

At the Law of Creation level, you do your personal creation. Your personal Dreams will be fulfilled. But, the Law of Co-creation says, that by joining the hands together with synergy, if 10 people join the hands, the project that may take 100 years can be completed within 10 years time. That much energy is gathered with Co-creation. Co-creation means, many individuals who realize their Consciousness, their Power of Thought, Power Of Energy, Power of Creativity, Power of Focus, Power of Concentration / Manifestation and by joining hands together,

now they Co-create. An example that you can see is Ants, build the Ant-hill A Beautiful Construction. We can't build such a home anywhere with our human technology. This is because anthills are built by co-creation of many ants together. Another example is Beehive or a Bird's nest nature is full of such wonders. This is co-creation. Human Beings too, by coming together, they've built wonders like the Egyptian Giza Pyramid. It was built by very evolved beings who realized that their Consciousness can build such massive constructions thousands of years ago. How was it possible ? Through Co-creation ! When many individuals join by thought, by energy, through their potential, their manifestation power gets greatly amplified. This is Law of Co-Creation.



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Email :- saketcomputerspune@gmail.com



What is Supply under Section 7(1)(a)?

Mrs.Preetisha Sony

1. **Preamble:** GST is a comprehensive tax system which has brought within its ambit the various transactions which were either not liable to tax under the pre-GST regime or which were subject matter of litigations before the various forums as to taxability. In other words, GST has widened the scope for levy of indirect tax on almost all the transactions / activities that involves either supply of goods or services or both. In the same breath, levy of tax on the transactions / activities is subject to certain essential elements without which the tax under the provisions of GST law will not hold the test of law. This article intends to emphasise on the statutory transactional elements for levy of GST under Section 7(1)(a) and certain transaction which will not qualify as supply even otherwise there appears to be the presence of monetary consideration.
2. **Crucial elements for levy of GST:** The levy of tax under the GST law is on supply. The definition of the term 'supply' is wide enough to cover almost all the transactions made or agreed to be made viz., sale, transfer, barter, exchange, licence, rental, lease or disposal. However, a transaction involving supply should be made in the course or furtherance of business and for a consideration. Importantly, a transaction should involve goods or services or both. In this backdrop, a transaction would tantamount to a supply

only if the following essential elements exists viz.;

- a. Goods or services or both;
- b. Consideration; and
- c. In the course or furtherance of business;

It is relevant to note that in the absence of any of the elements mentioned supra, it would be a transaction not involving supply and accordingly such a transaction would not be subjected to GST. Therefore, it becomes utmost important to understand the above essential elements.

- 2.1. **Goods or services or both:** Goods and Service Tax is a levy of tax on goods or services or both. The definition of the term 'service' is broader, and it intends to cover all the transactions which do not involve 'goods'. This does not mean that all the transactions which do not involve goods would necessarily be construed as transaction involving services. However, whether a transaction involves supply of services would be a matter of facts and circumstances associated with each of the transactions. In general, a supply of service should involve an activity by a person under a contract whether implied or otherwise for a consideration and the recipient would derive the benefits arising out of such activity. This apart, the definitions of 'goods' and 'service' intend to exclude 'money' and 'securities'. In other words, the transaction of money and

securities would neither qualify as supply of goods nor as supply of services. Therefore, it is relevant to understand what the term 'money' and 'securities' constitutes under the GST law:

- **"Money"** is defined to mean any legal tender or any foreign currency and instruments recognised by Reserve Bank of India when used as a consideration to settle an obligation or exchange with Indian legal tender of another denomination viz., cheque, promissory note, bill of exchange, letter of credit, draft, pay order, traveller cheque, money order, postal or electronic remittance etc.
- **"Securities"** is defined to mean shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities, Government securities, derivatives mutual fund units etc.

It is apparent that, while the levy of GST is on the goods and services, the definitions under the law excludes certain activities. Few illustrations in this regard, would help in understanding the exclusions:

- a. An investment in mutual funds where the return on such investment is returned to the investors without retaining any portion of the return on such investment of funds is a transaction only in security since, the mutual fund units would qualify as 'securities' in terms of Section 2(h) of the Securities Contracts (Regulation) Act, 1956. Therefore, the activity involving investment in mutual funds would not be liable to GST. Similarly, acquisition of shares of a company would also be a transaction involving securities and therefore, such a transaction would neither involve 'goods' or 'services'.

It is also relevant to note that the dividends received by person on shares is a transaction which is arising out of the principal

transaction involving investments. Accordingly, dividend declared by a Company would neither involve goods nor services and therefore, dividends received by a person investing the money would not be liable to GST.

- b. XYZ Bank Limited issues draft or pay order amounting to Rs. 50,00,000/- to Mr. A and charges the commission amounting to Rs. 20,000/-. The amount of Rs. 50,00,000/- collected for issuance of draft or pay order is a transaction involving money in terms of Section 2(75) of the GST laws and therefore, would not be liable to GST. However, an amount of Rs. 20,000/- collected towards commission would qualify as consideration for supply of services and therefore, would be liable to GST as definition of service under Section 2(102) includes activities relating to the use of money for which a separate consideration is charged.
- c. ABC Enterprises appoints a partner Mr. P who has agreed to contribute Rs. 25,00,000/- towards the capital. The Firm would not undertake any activity in relation to such contribution by Mr. P and therefore, such a transaction would not qualify as supply in terms of Section 7. The contribution of Mr. P, in the instant case could be termed as investment involving transaction in money and therefore, would not be liable to GS

2.2. Consideration: The scope of supply in terms of Section 7(1)(a) specifies that the activity of supply should be undertaken for a consideration for a transaction to be liable to GST. Therefore, presence of 'consideration' in a transaction involving supply of goods or services or both is another essential element. While a transaction may involve supply of goods or services or both, the absence of consideration would render such a transaction as not taxable under Section

7(1)(a). The term 'consideration' includes:

2.2.1. Payment received by the supplier either in money or otherwise from the recipient or third party

2.2.2. Monetary value of any act or forbearance by the recipient in response to supply or by the third party

2.2.3. Deposits received by the supplier (unless such deposit is appropriated to the value of supply of goods and / or services and subsidy given by the Central or a State Government is excluded).

Insofar as exclusion part to the definition of 'consideration' is concerned, following advance rulings would be of relevant:

- a. The interest free security deposit against the damages that may be caused to equipment's, fittings etc., supplied along with the premises would not qualify as consideration for the purpose of GST since, acceptance of such deposit has no nexus between the payment and supply. Therefore, it is held that a deposit given in respect of the supply shall not be considered as payment made for such supply unless the supplier appropriates such deposit as consideration for the said supply. Similarly, interest free deposit refundable upon termination of the lease agreement would not qualify as consideration and therefore, will not be liable to GST [E-Square Leisure Private Limited AAR Maharashtra - GST-ARA-76/2018-19/B-172].
- b. A charitable trust receiving donations from the general public without any instructions and if the person donating the money is not receiving any identifiable benefits in return - such donations received would not qualify as consideration for supply of goods and / or services and therefore, not liable to GST [M/S. Students' Welfare Association AAR Maharashtra - GST-ARA-55/2018-19/B-170].

2.3. In the course or furtherance of business:

In terms of Section 7(1)(a), a supply involving goods and / or services would be liable to GST only if such supply is made in the course or furtherance of business. In other words, a transaction which is not in the course or furtherance of business would not qualify as supply even though such a transaction involves goods and / or services. Therefore, the term 'business' would play an important role in deducing whether a particular transaction is a supply or otherwise. In terms 2(17), the term 'business' is defined to include:

- a. Business constitutes any trade, commerce, manufacture profession, vocation, adventure, wager or any other similar activity. The terms "trade, commerce, manufacture profession, vocation, adventure or wager" are not defined in the Act. Therefore, the meaning of the above terms shall be understood by following the test of common parlance or understanding of the persons conversant with such activities.
- b. The activity can be termed as a business even otherwise trade, commerce, manufacture profession, vocation, adventure, wager is carried on without a profit motive. In other words, profit motive is immaterial to constitute any activity as business.
- c. Business normally implies something done on regular basis. However, since business includes the term "adventure", occasional transactions which will be executed in the course of carrying or along with the main business may also be considered as business. In addition to this, the term business is defined to include any activity to qualify as business irrespective of volume, frequency, continuity or regularity of such transaction.

d. The definition of business is wide enough to cover the incidental or ancillary activities to the main business. Few of the pre-GST regime legal precedents in this regard, would assist in understanding the incidental or ancillary business which are as follows:

- State Government undertaking engaged in road transport business, is liable to pay tax on sale of its un-serviceable, old and obsolete parts *State of Orissa vs. Orissa Road Transport Co. Ltd.*, (1997) 107 STC 204 Supreme Court.
- Sale of scrap was held to relate to the business of assessee and as such the turnover in relation to such sale was liable for tax *State of Tamil Nadu vs. Burmah Shell Oil Co* (1973) 31 STC 426 Supreme Court.
- Turnover of goods sold in the store maintained by the company for the welfare of the employees was held to be incidental to main business *State of Tamil Nadu vs. Binny Ltd.*, (1982) 49 STC 17 Supreme Court.
- Sale of old and unsold newspaper, print waste and cut waste by a newspaper publisher was held as sale incidental or ancillary to the main business of printing and publishing *The Hindu vs. State of Tamil Nadu* 67 STC 477 *Indian Express P Ltd., vs. State of Tamil Nadu* (1987) 67 STC 474 Supreme Court.

Certain advance rulings pronounced under the GST regime that would be relevant to understand the scope and meaning of the term business are as follows:

a. A charitable institution with a main object of advancement of religion, spirituality or yoga and engaged in the sale of spiritual products would qualify as a person defined under Section 2(84) of the GST law and accordingly, sale of spiritual products by such institution would qualify as in the nature of trade and commerce and

eventually it is held that such activities of the institution as 'business' for the purpose of GST laws [Shrimad Rajchandra Adhyatmik Satsang Sadhana Kendra AAR (69 GST 627) AAAR 71 GST 541 Maharashtra]

b. Supply of food by the Company to its employees by way of providing canteen facility would qualify as an activity incidental or ancillary to the main business and thereby the test of in the course or furtherance of business is satisfied. Accordingly, it is held that the food expenses recovered from the employees would qualify as consideration for supply liable to GST [M/s Caltech Polymers Pvt Ltd., - 18 GSTL 373 AAR Kerala]

It is apparent from the above advance rulings and the erstwhile judgments that any activity undertaken by the registered person shall be construed as in the course or furtherance of business. Drawing similarities from the erstwhile laws, it follows that the transactions should be in the course or furtherance of business, whether or not there is a profit motive in it or its frequency / regularity.

3. Conclusion: With reference to the various provisions, circulars, judicial precedents and advance rulings it is apparent that a transaction will qualify as supply only if there exists essential elements viz., goods or services or both, consideration and supply in the course of furtherance of business. With thin line of distinction for identification of the supplies which are not in the course or furtherance of business - certainly, such transactions would be a subject matter of litigation. This apart, the involvement of goods or services or both and consideration would serve as the criteria in ascertaining whether a particular transaction is a supply covered under Section 7(1)(a)





E Invoice New Era Under GST

CA Rameshwari Swapnil Munot

1. INTRODUCTION:

Invoicing is going to be new beginning under Indirect Tax System in country. It is established concept in world and many countries have already implemented it.

In Indian scenario, The GST Council at 35th GST Council meeting, held on 21st June 2019, in principal approval for E Invoicing was given for implementation of it from 1st Jan 2020 and approved the standard of e-invoice in its 37th meeting held on 20th Sept 2019. Accordingly, on 13th Dec 2019, Government has issued Notification No 68/2019 CT to 72/2019 CT, laying down legal

roadmap for E-Invoicing. **E-Invoicing will be applicable on voluntary basis from January 2020 and mandatory from April 2020 to some class of person.**

In world, around 60 countries are in the process of implementation of E-Invoicing. It is understood that, E-Invoicing will be implemented in phase manner. It is expected that by 2025, around 80% organisation in world will be forced to adopt, E Invoice, either due to business requirement or due to regulatory requirement.

As per GSTIN, adoption of e-invoice by GST System is not only part of Tax reform but also a Business reform.

Hon'ble Finance Minister, quoted in Budget Speech dated 1st Feb 2020 that -

“Electronic invoice is another innovation wherein critical information shall be captured electronically in a centralized system. It will be implemented in a phased manner starting from this month itself on optional basis. It will facilitate compliance and return filing”

2. BENEFIT OBSERVED BY SOME OF COUNTRIES FROM E INVOICING -

The results for the tax authorities are remarkable from E Invoicing. Some of the figures are given below for your reference.



BRAZIL – It has seen a \$ 58 billion (USD) increase in tax revenue as a result of plugging gaps in invoicing and reporting.



MEXICO AND CHILE – It reduced the VAT gap up to 50%

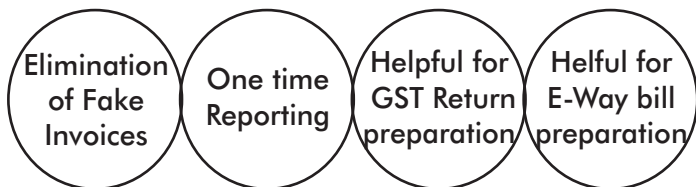


COLOMBIA - It could reduce 50% of the country's tax evasion by applying these forms of models.

(Source Study by Bruno Koch Billentiscompacer)

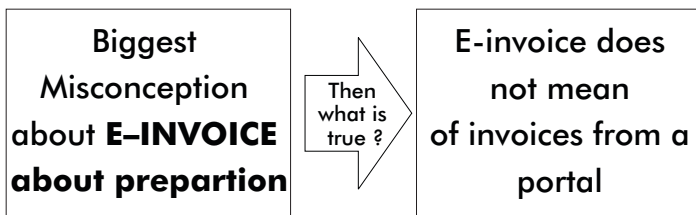
In India context, government must be expecting above benefits from E Invoicing. Government / GSTIN in its various study documents has envisaged below benefits from E-Invoice

- ☞ Elimination of fake invoices
- ☞ Substantial reduction in input credit verification issues
- ☞ One time reporting on B2B invoice data, to reduce reporting in multiple formats (one for GSTR 1 or ANX 1 and the other for e-way bill)
- ☞ E-Way bill can also be generated using e-Invoice data



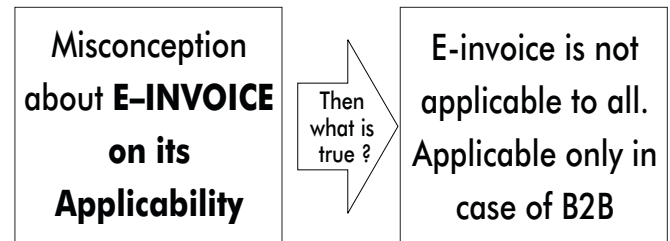
Before we understand E-Invoice, lets first discuss, misconception /myths related to E-invoices

3. MISCONCEPTION ABOUT E-INVOICE



Biggest myth/ misconception about E-invoice, in the minds of GST Registered person /

Professionals/ Consultant is that, E-Invoice means, preparing Tax invoice on GST Portal. Many people think that e-invoice will be generated from government's tax portal. However, this is incorrect. Invoices will continue to be generated using an Accounting or a billing software. Under E-Invoice, Invoice



Another misconception about E-Invoice bill is that, it is applicable to all GST Registered person. However as per Notification No 70/2019 CT dated 13th Dec 2019, it will be applicable

- To Registered person whose aggregate turnover in a financial year exceeds Rs 100 Crore and
- In respect of supply of Goods/Services to Registered Person (B2B)

4.LEGAL PROVISIONS OF E-INVOICE:

Notification No	Details of Notification
68/2019 CT dated 13th Dec 2019	<p>As per said notification, register person to whom E Invoice is applicable:</p> <ul style="list-style-type: none"> ● Should ensure that, his invoice contains details as mentioned in Form GST INV 01 ● Should ensure that, Invoice Reference Number (IRN) is to be obtained after furnishing informing on portal. ● Valid Tax Invoice means only E Invoice only. Normal Invoice prepared currently (In three copies original/duplicate/triplicate) will not be considered as compliance of law.
69/2019 CT dated 13th Dec 2019	<p>For the purpose of E-Invoice compliance, below portals will be provided (Invoice Registration Portal (IRP))</p> <ul style="list-style-type: none"> i) www.einvoice1.gst.gov.in; ii) www.einvoice2.gst.gov.in; iii) www.einvoice3.gst.gov.in; iv) www.einvoice4.gst.gov.in; v) www.einvoice5.gst.gov.in; vi) www.einvoice6.gst.gov.in; vii) www.einvoice7.gst.gov.in; viii) www.einvoice8.gst.gov.in; ix) www.einvoice9.gst.gov.in; x) www.einvoice10.gst.gov.in. <ul style="list-style-type: none"> ● Considering load on website, government has provided 10 portals. ● Also, as per said Notification, this will be applicable from 1st January 2020, meaning thereby, on voluntary basis, E-invoice portal will be available for trial. ● (To know more about IRN, refer Para 5 below)
70/2019 CT dated 13th Dec 2019	<ul style="list-style-type: none"> ● E Invoice is applicable to Registered Person, whose aggregate turnover in a financial year exceeds Rs 100 Crore.

	<ul style="list-style-type: none"> Said person should prepare E-invoice in respect of supply of Goods/Services to Registered Person (B2B), from 1st April 2020 mandatorily.
71/2019 CT dated 13th Dec 2019 and 72/2019 CT dated 13th Dec 2019	<ul style="list-style-type: none"> QR Code (Quick Response Code) is applicable to Registered Person, whose aggregate turnover in a financial year exceeds Rs 500 Crore. QR Code will be mandatory on Tax Invoice, from 1st April 2020, on Supply to unregistered person (B2C). It is not applicable for supply to Registered Person.

5. STEPS OF GENERATION OF E-INVOICE:

Before we discuss on how to generation E-Invoice, first discuss with your ERP Software / Accounting Software vendor, as to whether

ERP/accounting software, which you are using, is upgraded as per requirement of E-Invoice? Whether it comply to E-Invoice Schema as per GSTN? (to know about E-Invoice Scheme, refer para 7)

STEPS	ACTIVITY TO BE PERFORMED
STEP 1 Generation of Invoice and JSON	<ul style="list-style-type: none"> Generation of the invoice by the seller in his own accounting or billing system (it can be any software utility/ERP that generates invoice) The invoice must conform to the e-invoice schema (standards) that is published. Seller should have a feature in its ERP that will output invoice data in JSON format. (Those who do not use any accounting software or IT tool to generate the invoice, will be provided an offline tool to key-in data of invoice and then submit the same) The supplier's (seller's) software should be capable to generate a JSON of the final invoice that is ready to be uploaded to the IRP. The IRP will only take JSON.
STEP 2 (This is optional Steps) - Generation of IRN	<ul style="list-style-type: none"> This step is optional steps. Generate the unique Invoice Reference Number (IRN) (In technical terms, this IRN is called as Hash). The seller can generate this and upload along with invoice date.

	<ul style="list-style-type: none"> ● The 3 parameters which will be used to generate IRN (hash) are: <ol style="list-style-type: none"> i. Supplier GSTIN, ii. Supplier's invoice number and, iii. Financial year (YYYY-YY). iv. Type of document ● [The IRN or hash generation algorithm will be prescribed by GSTN in the e-invoice standard. As per GSTIN, the providers of accounting and billing software are being separately asked to incorporate this feature in their product.] ● IRN shall be unique to each invoice and hence be the unique identity for each invoice for the entire financial year in the entire GST System for a taxpayer
STEP 3 Uploading of JSON	<ul style="list-style-type: none"> ● Seller to upload the JSON of the e-invoice (along with the IRN/hash, if generated as per Step 2) into the IRP ● (The JSON may be uploaded directly on the IRP or through GSPs or through third party provided Apps)
STEP 4 Validation of data by IRP	<ul style="list-style-type: none"> ● If IRN is not generated at step2, then IRP will generate IRN, based on JSON uploaded. ● If IRN is generated at step2, then IRP will validate the IRN, (Based on JSON uploaded) from Central Registry of GST System to ensure that the same invoice from the same supplier pertaining to same Financial Year is not being uploaded again. ● On receipt of confirmation from Central Registry, IRP will add its signature on the Invoice Data as well as a QR code to the JSON. ● (GST Systems will create a central registry where hash sent by all IRPs will be kept to ensure uniqueness of the same) ● (to know more above QR Code, refer below para)
STEP 5 Sharing of E-invoice	<ul style="list-style-type: none"> ● Sharing the signed E-invoice data along with IRN to seller

	<ul style="list-style-type: none"> ● Sharing the signed E-invoice data along with IRN to to the GST System as well as to E-Way Bill System. ◆ Based on this, GST System will update the ANX-1 of the seller and ANX-2 of the buyer, which in turn will determine liability and ITC ◆ E-Way bill system will create Part-A of e-way bill using this data to which only vehicle number will have to be attached in Part-B of the e-way bill. ● The IRP will sign the e-invoice and the e-invoice signed by the IRP will be a valid e-invoice and used by GST/E-Way bill system.
STEP 6	<ul style="list-style-type: none"> ● Returning the digitally signed JSON with IRN back to the seller along with a QR code. ● The registered invoice will also be sent to the seller and buyer on their mail ids as provided in the invoice.

Note - Supplier has to keep the IRN against each of its invoice. It will be advisable to keep the same in the ERP

6. WHAT IS QR CODE?

QR code will contain GSTIN of seller and buyer, Invoice number, invoice date, number of line items, HSN of major commodity contained in the invoice as per value, hash, Unique Invoice Reference Number etc.

The QR code will enable quick view, validation and access of the invoices from the GST system from hand held devices. It will be generated by IRP after uploading JSON of invoices.

The QR code will consist of the following e-invoice parameters:

- a) GSTIN of supplier
- b) GSTIN of Recipient

- c) Invoice number as given by Supplier
- d) Dat of generation of invoice
- e) Invoice value (taxable value and gross tax)
- f) Number of line items.
- g) HSN Code of main item (the line item having highest taxable value)
- h) Unique Invoice Reference Number

7. WHAT ARE THE MODES OF GENERATION OF E-INVOICE?

Multiple modes will be made available so that taxpayer can use the best mode based on his/her need. The modes given below are envisaged at this stage under the proposed system for e-invoice, through the IRP (Invoice Registration Portal):

- a) Web based,

- b) API based,
- c) SMS based,
- d) mobile app based,
- e) offline tool based and
- f) GSP based.

8. OTHER ASPECT OF E-INVOICES:

- ☞ *Signature on E-invoice* - E - invoice generated is not required to be signed again by the taxpayer. The e-invoice will be digitally signed by the IRP after it has been validated. Once it is registered on IRP/GST System, it will not be required to be signed by anyone else.
- ☞ **E-invoice Currency** - Default currency of E-Invoice will be INR. Seller can display the currency in E-invoice.
- ☞ **Line items of E-Invoices** - The maximum number of line items per e-invoice is 100. GSTIN should increase this limit. It may impact some of big companies.
- ☞ **Printing** - E-invoice can be printed. It is valid only if it has IRN.
- ☞ **Cancellation of E-Invoice** - The e-invoice mechanism enables invoices to be cancelled. This will have to be reported within 24 hours. Any cancellation after 24hrs could not be possible, however one can manually cancel the same on GST portal before filing the returns.
- ☞ **E Way** - As understood currently, E-Invoice will not replace E-way bill. For transportation of goods, the e-way bill will continue to be mandatory.

Invoice/billing, is important and key factor for any organisation, therefore government should clarify on below practical aspect as early as possible

- ☞ How to do amendment on E-invoice
- ☞ Cancellation of E-invoice time should be increased from 24hrs to 1 week, considering holidays, weekends, time required to know the incidence for cancellation
- ☞ How to do E-invoice bill compliance, if Internet is not working (Portal may not be having issue in that time)
- ☞ How to do E-Invoice bill compliance, if portal is not working
- ☞ E Invoice bill compliance should be removed completely, as E-invoice will serve the purpose of fake invoicing / ITC trading etc
- ☞ E-Invoice requirement, if exempted goods/services are supplied in B2B transaction
- ☞ E-Invoice requirement, in case of Exports

[Disclaimer - This publication contains information in summary form and is therefore intended for general guidance only It is not intended to be a substitute for detailed research or the exercise of professional judgment. We cannot accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication]



9. Clarification expected from government on practical challenges:

E-invoice impacts directly supply chain, billing and working capital of the company.



Mrs. Vijaya Sharma

IMPACT ON DIRECT TAXES DUE TO UNION BGDGET 2020



Mrs. Ankita Sharma

The Union Finance Minister Mrs. Nirmala Sitaraman has presented Union Budget in Loksabha on 1st February 2020. There would be long lasting impact of this Budget on Indian economy as well as on the direct tax liability of Individuals, HUF's, AOP, BOI & AJP. We are going to discuss the changes in Direct taxes & some important economic changes brought in by this budget.

1. Limit of DICG & (Deposit Insurance & Credit Guarantee Corporation): The Finance Minister has proposed increase in limit on insurance on deposits in banks from Rs. 1 lakh to Rs. 5 lakhs. This is a welcome change from the point of view of depositor's but the limit should have gone up to Rs.10 lakhs. It is suggested that the limit of deposit insurance be linked of Inflation Index in the

interest of common depositor. Another important is that this proposal was brought in for the problems faced by depositor's of P M C Bank. It is therefore suggested that in case any bank has been restricted to due to non-productive funding etc. deposits of common man not having any connection with the borrowers should not be withheld at any cost.

2. New Income tax rates: For A. Y. 2021 - 22 there will be 2 parallel rates for taxing income of Individuals, HUF's, AOP, BOI & AJP as follows:

- A) Existing rate structure with Chapter VI A deductions will continue.
- B) The following new tax rates are introduced, where Chapter VI - A deductions will not be allowed, but tax rates are some way concessional up to a certain extent.

Category	Income up to Rs. 250000	Income from Rs. 250010 to Rs. 500000	Income from Rs. 500010 to Rs. 1000000	Income above Rs. 1000010
Individual less than 60 years age	0	5 %	20 %	30 %
Individual having age of 60 years but less than 80 years (Senior citizen)	Income up to Rs. 300000/-	Income from Rs. 300010 to Rs. 500000 - 5 %	20 %	30 %
Individual having age of 80 years & more (Super senior citizen)	0	0	20 %	30 %

In addition to the above the above categories are liable to pay surcharge as follows:

Income above Rs. 50 Lakh but not exceeding Rs.1 Crore	10 %
Income exceeding Rs. 1 Crore but not exceeding Rs. 2 Crore	15 %
Income exceeding Rs. 2 Crore but not exceeding Rs. 5 Crore	25 %
Income exceeding Rs. 5 Crore	37 %

The above tax is to be increased by way of Health & Education cess @ 4 %.

3. **New Phase of delinking of investments:**
The Finance Minister has proposed a new phase of delinking of investments. In the new tax rate regime, the Finance Minister has proposed no allowable deductions under Chapter VIA of The Income Tax Act, 1961. With this the Finance Minister is proposing not promoting of investments eligible for deductions under Chapter VIA. It may be that in the years to come the allowability of such deductions would be totally closed.
4. **Amendment to Section 6:** The Finance Minister has proposed a change in the definition RNOR (Resident but not ordinary Resident) The amendment in this section was not correctly worded & hence required to be withdrawn immediately after budget is presented in the Parliament.
5. **Amendment to Section 10 23(C):** In case of trusts registered u/s 10 (23) (C) they will be required to make an application for registration or re registration to the Principal Commissioner of Income Tax or Commissioner of Income Tax within 3 months from the date this amended section has been made effective. After amendment, such approval by the respective authority will be effective for a period of 5 years. This means that after every 5 years the fund trust or institution or university or other educational institution or hospital or other medical institution has to apply for renewal of such registration. The provision for renewal of registration is burden of legal compliance to these charitable institutions. Before amendment, the registration once granted under the section stands effective permanently.
6. **Amendment to Section 11:** The amendment to Section 11 will be effective w e f 01.06.2020. In case of trusts, charitable institutions there could be 2 separate registrations u/s 12 & section 10 (23) (C). Now, these institutions have to opt for option to keep registration either u/s 10 (23) (C) or u/s 12. The phase of 2 registrations under both the sections is proposed to be withdrawn.
7. **Amendment to Section 12A:** Where the trust or institution is registered u/s 12A or u/s 12 AA within 3 months from the date on which this clause has become effective. This section will be effective w e f 01.06.2020.
8. **Amendment to section 12AA:** The amendment to this section will be effective w e f 01.06.2020.
9. **Insertion of section 12AB:** Under this section procedure has been provided for registration of trusts, institutions. Registration under this section can be granted for a maximum period of 5 years.
10. **Amendment u/s 17 (2) (vii):** w e f 01.04.2021, The amount or the aggregate of amount of any contribution made to the account of assessee by the employer:
 - (a) In a recognized provident fund,
 - (b) In the scheme referred to section 80 CCD (1) &
 - (c) In an approved Superannuation fund to the extent in exceeds Rs. 750000/- in a previous year would be taxable in the hands of the employee.
11. **Amendment to section 43CA:** This amendment is a very favorable amendment for Builders. In case of sale of immovable property by Builders, Developers this section is applicable. The proposed amendment would be effective from 01.04.2021. After amendment the effects could be seen from the following example:

Existing Provision:

Actual Consideration	Ready reckonor value	Addition
Rs. 4000000	Rs. 4200000	No addition as difference being 5% or less
Rs. 4000000`	Rs. 4200001	Addition to income is Rs. 200001

Amended Provision:

Actual Consideration	Ready Reckoner Value	Addition
Rs. 4000000	Rs. 4400000	No addition
Rs. 4000000	Rs. 4400001	Addition to income would be Rs. 400001

12. Amendment to Section 44AB: During her long speech of 2 hours 45 minutes (record of budget long lasted speech of any F M) She has told that the limit of this section is extended to Rs. 5 Crores. However, the fact is not so. After the proposed amendment the position will be as follows:

Particulars	Audit Limit
For assessee not falling in point (ii) & point (iii) below Rs.	1 Crore for Business & Rs. 50 lakhs for Professionals
For assessee opting presumptive taxation	Rs. 2 Crores for Business
For assessee complying with the following 2 conditions	Rs. 5 Crores

Condition: (a) Aggregate of ***all amounts received*** for sales, turnover or gross receipts during the previous year in ***cash does not exceed 5%*** of the said amount.

&

(b) Aggregate of ***all payments*** made including amount incurred for expenditure ***in cash***, during the previous year ***does not exceed 5%*** of the said payment.

It seems that the proposed extended limit of tax audit u/s 44 AB would be applicable for very limited no of assessee.





E- way Bill

CA Vaishali Kharde

E-'Way'bill 'Way' to facilitate free trade!CA Vaishali Kharde (Associate Director, Pritam Mahure and Associates)

Nationwide E-way bill is a reality from 1st April 2018 for the movement of goods. In the case of inter-state movement of goods, the E-way bill is required to be generated by every registered person who causes movement of goods having a consignment value above Rs. 50,000/ whereas in the case of Intra-State movement of goods each State has given an option to decide the maximum limit. Within a 2 years of implementation more than 100 litigations have been launched and decided for the E-way bill. Thus, it has become critical to have a look over litigation and commitment from business perspective.

Is E-way bill acts as an Anti-evasion tool?

Let's remember the introduction of an E-way bill was intended to create an effective tool for tracking the movement of goods and hawala transactions. However, looking in to track record and ongoing litigation it is observed that the genuine taxpayers are getting punished even after payment of appropriate taxes.

In various cases like Time To Time Logistics [2018 (11) G.S.T.L. 259 (All.)], Pragati Enterprises [2018 (12) G.S.T.L. 9 (All.)], the vehicle was detained only on account of certain discrepancies in the E-way bill particulars. Thus, Circular No. 64/38/2018-GST dated 14th September 2018 was required to

be issued to save geniuses wherein it is clarified that in case a consignment of goods is accompanied with an invoice or any other specified document and also an e-way bill, proceedings under section 129 of the CGST Act may not be initiated, inter alia, in case of prescribed errors like Spelling mistakes, Pin-code Error if it does not affect validity of E-way bill Error in the address, Error in one or two digits of the document number, etc. Accordingly, now certain errors in the E-Way bill may not have perilous consequences.

It is observed that merely an error in vehicle numbers has proved to be costly for Gati Kintetsu Express Pvt Ltd [2018 (15) G.S.T.L. 310 (M.P.)] and land up with penalty Rs 1.32 crore.

Further, in the case of Torque Pharmaceuticals Pvt. Ltd. [2018 (12) G.S.T.L. 119 (All.)] only writing a vehicle by hand due to system challenges has stuck of with the long-lasting litigation.

However, at a positive tone, the reference of recent judgement of Godrej Consumer Products Ltd [2020-VIL-07-GSTAA] can be taken wherein it is held that due to atypographic error while generating E-way bill the validity period of e-Way Bill was wrongly calculated by the E-way bill portal. The mistake in entering distance in E-way bill is atypographic error and may be treated as a minor one.

Looking into the aforesaid trend of the decision it

is observed that there is a lack between the intention vis-à-vis reality. Authorities should have more concern about illegal transport instead of the movement where taxpayers have already discharged their GST liabilities. Recently, many cases of fake invoicing are launched. In such cases, the culprit creates bogus firms, issue fake invoices and even bogus e-way bills so that to generate and encash tax credits. Such cases should be of topmost priority.

Thus, while punishing a taxpayer it is pertinent to note that provision introduced is to monitor the transaction and not to garner the revenue which is not even payable to Government.

An additional roadblock on transportation! Blocking and Unblocking of EWB

Recently the blocking and unblocking of the e-way bill generation facility have been implemented on the e-way bill portal. [Refer Notification No.74/2018-Central Tax]. As per GSTN data, around 20.75 lakh GSTINs have not filed their GSTR-3B for September and October months. Further e-way bill facility had blocked for approx. 3.5 lakh GST payers. It is pertinent to note that once it is blocked, the e-way bill generation for such GSTINs will not be done either as supplier, recipient or even as a transporter. However, the introduction of such restriction is becoming one of the hurdles for business although GST law allowed a delay in filing of return.

Thus, the introduction of such restrictions on trade violate the principles of Natural Justice by ignoring the GST law provisions.

Reconciliations becoming miserable task

At present, a Tax Invoice is getting reported in GSTR-1, E-way Bill, GSTR-3B and in days to come E-Invoices portal. Thus, the disclosure of the same data of an invoice (i.e. Tax Invoice) two or

three times inherently creates a situation of reconciliation.

Currently, GST payer is required to prepare the reconciliation of GSTR 1 vis-a-vis GSTR 3B, GSTR 2A vis-a-vis GSTR 3B, GSTR 3B vis-a-vis financials, financials vis-a-vis annual return, etc. Further, reconciliation could be required as the time of supply as per GST (based on accrual or receipt, etc) and financials (based on the accrual system of accounting) is different.

Increased reconciliation under the GST regime becoming a miserable task to prove geniuses. Thus, the GST council should certainly think through streamlining the compliances.

Way Forward for free trade

Treating the generation of E-way bills merely a procedural requirement could cost hugely to the business. The proper E-way bill is critical for the movement of the goods and alternatively smooth functioning of the business.

The taxpayer can prepare and employ a Standard Operating Procedure (SOP's) suitable for the business structure along with internal controls. These SOP's in place should ensure the correct generation of the E-way bill for supply and receipt of goods with proper E-way bill. The responsibility matrix, awareness of vendors, procurement team, sales team within the business can play a critical role to avoid the future litigation cost related to the E-way bill.

E-Invoicing is the future for the industry where the Government intends to track the supply of goods and services on a real-time basis. However, it is proposed that the E-Invoicing is to be made applicable only to the entity having turnover above 100 crores. Thus E-way bill is still a simultaneous feature for more days to be tracked with due care.

(Author has Co-authored two books on GST)





DIGITALISATION OF TAXATION

- Swati Hiraskar
Tax Consultant
B.com, DTL

If you see the history of Indian Taxation, it was the Britishers who first introduced Tax in order to generate revenue and run the Economy. Taxes is a major source of revenue for the government, taxes are levied by governments on their citizens to generate income for undertaking projects to boost the economy of the country and to raise the standard of living of its citizen. The authority of the government to levy tax in India is derived from the Constitution of India, which allocates the power to levy taxes to the Central and State governments. All taxes levied within India need to be backed by an accompanying law passed by the Parliament or the State Legislature. The acts or legislations passed for levy of taxes like Service Tax, Sales tax, Excise, Octroi and Entry Tax, Purchase Tax, Luxury Tax, Taxes on Lottery etc.

Digitalization of economy makes it increasingly possible for businesses to reach markets in jurisdictions in which they may have relatively little physical presence, which under existing international tax rules that allocate taxing rights on business profits on the basis of physical presence, this can mean that it is possible for a company that is resident in one state (Residence State) to generate significant revenues in another state (Source State) without paying a significant amount of tax in Source State. Digitalization of tax is an enormous topic that means different things to many people. But from any angle, digitalization has been changing all aspects of taxation for some time from tax

collections and compliance down to the tax base itself. There are rich areas to explore in regards to the digitalization of tax. The powerful influence of the digital era on the everyday life and activities of people has caused the phenomenon of "digital disruption" especially for Taxation.

Digitalization is transforming many aspects of our everyday lives, as well as the way our economy and society is organized and functions. The breadth and speed of the change brought about by the digital transformation is notable, and raises a large number of public policy challenges. It is also changing the nature of policy-making itself, through the emergence of a new range of tools to support the development and implementation of policies. Ubiquitous digital devices, connectivity and "smart"

technology are bringing significant changes that are profoundly affecting relationships and markets. Information and communications technology (ICT) has become part of the foundational infrastructure for business and society, evidenced in a heavy reliance on efficient and widely accessible online communication networks and services, data, software, and hardware. An enormous amount of data is now generated by these constantly connected users and devices. This data is being collected

by businesses and governments, and combined with advances in data analytics and technology diffusion, is providing the insights necessary to transform and shape the way people behave and organizations operate. In this changing environment, the challenges for policymakers are complex. For tax matters, this means that policy development and implementation must be designed to allow for the changing environment, while being sufficiently clear to provide the certainty and clarity that facilitates sustainable, long-term economic growth.

Digitalization has a wide range of implications for taxation, impacting tax policy and tax administration at both the domestic and international level, offering new tools and introducing new challenges. As a result, the tax policy implications of digitalization have been at the center of the recent global debate over whether or not the international tax rules continue to be „fit for purpose. in an increasingly changing environment.

In Current Tax Regime, we are seeing number of changes in filing of Returns, Payment of Taxes etc. the compliance of taxation is all not through electronic media, it is the world of " E " now e.g E-Banking , in tax we have E Filing of Returns, E Payment of Taxes, now E Assessment of Tax Payers, E Appeal now (Faceless Appeal) etc, so are now moving towards Digitalization in Taxation.

Digitalization of tax administration entails five elements:

- a) Technologies,
- b) People,
- c) Managing of tax risks,
- d) Financial resources,
- e) Communication.

Conclusion:

Digital economy is changing traditional business model sand facilitates operations at the

international level using the Internet. Tax authorities should ensure that all taxpayers pay real taxes. This goal can be effectively achieved only if the risk of tax avoidance is reduced. Digital economy forces tax authorities to replace traditional models of tax management with new models that analyze and use large amounts of information available on the Internet and electronic tools for effective cooperation between tax authorities around the world. Tax authorities in many countries find that digitalization can make them stronger, faster and better. Digital tools enable tax administrations to be more organized and efficient, both in combating abuse and improving the quality of tax reporting and tax collection. Although technology seems to be a primary element, one should not ignore the fact that the human factor is very significant in the digitized administration.

It is necessary to change the present formally repressive attitude towards taxpayers in the treatment of all three key elements of effective tax administration:

- a) providing assistance to taxpayers in fulfilling their obligations (the taxpayer is a client, not the enemy),
- b) timely control over fulfillment of obligations, and efficient collection of obligations.

In the process of digitalization, tax administrations everywhere are faced with the same challenges in ensuring the efficient functioning and collection of tax revenues and the adoption of international standards.





MONTHLY TAX PANCHANG MARCH 2020

CA Payal Shaha

DATE	SUBJECT	NATURE OF COMPLIANCE
02-MAR-2020	INCOME TAX	DUE DATE FOR FURNISHING OF CHALLAN-CUM-STATEMENT IN FORM 26QB AND 26QC I.R.O. TAX DEDUCTED U/S 194-IA AND U/S 194-IB IN THE MONTH OF JANUARY 2020.
07-MAR-2020	INCOME TAX	PAYMENT OF TDS/TCS FOR THE MONTH OF FEBRUARY 2020.
11-MAR-2020	GST	DUE DATE FOR FILING RETURN IN FORM GSTR-1 FOR THE MONTH FEBRUARY 2020, FOR REGISTERED PERSONS WITH AGGREGATE TURNOVER IN A STATE EXCEEDING RS.1.5 CRORES OR OPTED TO FILE MONTHLY RETURN.
15-MAR-2020	INCOME TAX	DUE DATE FOR ISSUE OF TDS CERTIFICATE IN FORM NO. 16B FOR TAX DEDUCTED U/S 194-IA IN THE MONTH OF JANUARY 2020.
15-MAR-2020	INCOME TAX	DUE DATE FOR ISSUE OF TDS CERTIFICATE IN FORM NO. 16C FOR TAX DEDUCTED U/S 194-IB IN THE MONTH OF JANUARY 2020.
15-MAR-2020	INCOME TAX	DUE DATE FOR FURNISHING OF FORM 24G BY AN OFFICE OF THE GOVERNMENT WHERE TDS FOR THE MONTH OF FEBRUARY 2020 HAS BEEN PAID WITHOUT THE PRODUCTION OF A CHALLAN.
15-MAR-2020	INCOME TAX	DUE DATE FOR PAYMENT OF 4TH INSTALLMENT OF ADVANCE INCOME TAX FOR THE A.Y.2020/2021.
15-MAR-2020	PROVIDENT FUND	DUE DATE FOR MONTHLY PROVIDENT FUND (PF) PAYMENT FOR FEBRUARY 2020.
15-MAR-2020	ESIC	DUE DATE FOR MONTHLY EMPLOYEES' STATE INSURANCE CORPORATION (ESIC) PAYMENT FOR FEBRUARY 2020.
20-MAR-2020	GST	DUE DATE FOR PAYMENT OF GST FOR FEBRUARY 2020 AND TO FILE SUMMARY RETURN IN FORM NO. GSTR-3B FOR FEBRUARY 2020 FOR TAXPAYERS HAVING AN AGGREGATE TURNOVER OF MORE THAN RUPEES FIVE CRORE IN THE PREVIOUS FINANCIAL YEAR.
22-MAR-2020	GST	DUE DATE FOR PAYMENT OF GST FOR FEBRUARY 2020 AND TO FILE SUMMARY RETURN IN FORM NO. GSTR-3B FOR FEBRUARY 2020 FOR TAXPAYERS HAVING AN AGGREGATE TURNOVER OF UP TO RUPEES FIVE CRORE IN THE PREVIOUS FINANCIAL YEAR.
25-MAR-2020	PROVIDENT FUND	DUE DATE FOR FILING PROVIDENT FUND (PF) RETURN FOR FEBRUARY 2020.
31-MAR-2020	GST	EXTENDED DUE DATE FOR THOSE WHO ARE LIABLE TO FILE GST ANNUAL RETURN AND AUDIT REPORT IN FORMS GSTR 9/9A/9C FOR F.Y.2018/2019.
31-MAR-2020	PROFESSION TAX	DUE DATE FOR PAYMENT OF PROFESSION TAX LIABILITY [PTEC].
31-MAR-2020	PROFESSION TAX	MONTHLY E-PAYMENT/ E-FILING RETURN FOR MARCH 2020 AND ANNUAL E-PAYMENT & E-RETURN FOR THE F.Y.2019/2020.

NOTE:--

- 1] PLEASE NOTE THAT, BANKS REMAIN CLOSED ON 2ND AND 4TH SATURDAY OF EVERY MONTH, HENCE MAKE ALL THE STATUTORY PAYMENTS ACCORDINGLY.
- 2] THE ABOVE INFORMATION IS PREPARED ON 16TH FEBRUARY 2020. ANY AMENDMENTS/CHANGES IN DATES, ETC., IF ANY, DONE BY GOVERNMENT AFTER 16TH FEBRUARY 2020, WILL BE APPLICABLE ACCORDINGLY.



Felicitation of Adv.V.G.Shaha (Past President) on his birthday. Sir has given cheque of Rs.25000/- on this occasion to the association



Felicitation of Adv.Mahesh Bhagwat (Past President) on his birthday. Sir has given cheque of Rs.11000/- on this occasion to the association



ALL INDIA FEDERATION OF TAX PRACTITIONERS (WZ)



Pay Taxes • Not Less • Not More
THE WESTERN MAHARASHTRA TAX PRACTITIONERS ASSOCIATION, PUNE



GOODS AND SERVICES TAX PRACTITIONERS ASSOCIATION OF MAHARASHTRA

NATIONAL TAX CONFERENCE (DNYAN SANGAM, 2020)

Hotel Dreamland, Mahabaleshwar

Saturday, 11th April, 2020 and Sunday, 12th April, 2020

CONFERENCE SCHEDULE

**DAY
01**

11th APRIL, 2020

NTC Inaugural Session
Post Lunch at 1.30 pm

**Technical
Session 01**

Inspection, Search, Seizure and Arrest under GST
Faculty: **Adv Rahul Thakkar**
Chairman: **Sr Adv Dr. Ashok Saraf**

**Technical
Session 02**

Panel Discussion on Inter-related issues on Direct Tax & Indirect Tax
Coordinators:
Adv Vipul Joshi
CA JanakVaghani
Panel Speakers:
1. **CA C.V.Chitale**
2. **Sr Adv Premlata Bansal**
3. **Adv Ratan Samal**
4. **Adv Vinayak Patkar**
5. **Adv MVJK Kumar**



Hotel Dreamland, Mahabaleshwar

Behind S.T.Stand, Mahabaleshwar, Dist.Satara, Maharashtra, Pin code :412806

**DAY
02**

12th APRIL, 2020

**Technical
Session 03**

Critical Issues in Place of Supply & Time of Supply (With reference to Case Laws).
Faculty: **Adv. Milind Bhonde**
Chairman: **Adv. G. Y. Patwardhan**

**Technical
Session 04**

Practical issues in ITC and resolution, a way forward.
Faculty: **Adv Sriram Sridharan**
Chairman: **Adv M L Patodi**

**Technical
Session 05**

Controversial Issues of Capital Gain
Faculty: **CA Suhas Bora**
Chairman: **Senior Adv Ganesh Purohit**

**Technical
Session 06**

Brain Trust
Chief Coordinator:
Direct Tax: **Sr Adv Dr. K Shivram**
Indirect Tax: **Adv P C Joshi**
Trustees:
1) **CMA B.M.Sharma**
2) **CA Pritam Mahure**
3) **Mr. Sachin Gandhi (GSTP)**
4) **Adv Nayan Sheth**
5) **Tpr. Santosh Sharma**

Last Session

Valedictory Session

The Programme Schedule and facility are subject to change

“ज्ञान की पंचांग”

Special Focus On GST

Fees for Members of above Associations / Non-Members

	Super Early Bird Fees Registration on or before 20/03/2020	Early Bird Fees Registration between 21/03/2020 to 31/03/2020	Registration Fees from 01/04/2020 onwards
Members	Rs.3,500/- +18% GST (Ex-Mahabaleshwar)	Rs.3,750/-+18% GST (Ex-Mahabaleshwar)	Rs.4,000/- + 18% GST (Ex-Mahabaleshwar)
Non-Members	Rs.4,000/- + 18% GST (Ex-Mahabaleshwar)	Rs.4,250/- + 18% GST (Ex-Mahabaleshwar)	Rs.4,500/- + 18% GST (Ex-Mahabaleshwar)
Accompanying Spouse Fee : Rs.3,000/- + 18% GST			
For Ex-Pune Additional Rs.500 + GST per delegate			
The fee includes course material, delegate kit, Meals (Breakfast / Lunch / High Tea) & Happy Hours			

Bank Details for sending registration

Name of the Bank Account:	The Western Maharashtra Tax Practitioners' Association.
Corporate Address:	602 Shukrawar Peth, Shivaji Road,Pune-411002 (Telephone : 020- 24470237)
Bank Name:	Bank of Baroda
Branch Address:	Subhash Nagar Branch, Sanas Plaza, Shukrawar Peth, Subhash Nagar, Pune 411002
Bank Branch:	Subhash Nagar
Bank Account Number:	07910100005036
Account Type:	Saving
NEFT / IFSC :	BARB0SUBHAS(5TH WORD ZERO)

Notes :-

- Kindly issue DD/Cheque at Par in favour of **"The Western Maharashtra Tax Practitioners' Association"** payable at Pune.
- For online payment please visit <http://wmtpa.org>
- In case of Online Payment, please intimate on email **"thewmtpa@gmail.com"**
- Separate Cheque / DD may be sent to Hotel directly in case of room booking.
- Registration Form should reach us as by 31/03/2020.
- Social gathering & recreation on 11th April, 2020 evening between 7.00 pm to 10.00 pm.
- We have arranged the Sight-seeing tour to Mahabaleshwar for those interested (intimation in advance& payment before 31/03/2020).



Pay Taxes ● Not Less ● Not More

The Western Maharashtra Tax Practitioners' Association

Yadav Vyapar Bhavan, Shivaji Road, 602, Shukrawar Peth, Pune - 411002
Phone : 020 2447 0237. Website : www.thewmtpa.org

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