



The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Western India Chartered Accountants Newsletter

APRIL 2018 Vol. 44 | No. 04



✓ Excellence ✓ Independence ✓ Integrity

My Dear Members,

The path to professional excellence has many routes which includes being receptive to changes, learning new processes and adapting technological advances. Though we plan and follow these promising routes but our final goal always remains the same – Achieve Professional Excellence.

To make this goal our mission, we must look at our current progress and accordingly chart the way forward. We must definitely address the professional needs of the members to create leaders who shape the future of our profession as well as inspire others to follow their footsteps.

To achieve this, we need to define our objectives and then create the action plans to implement them on different fronts. We should focus on-

Addressing the professional needs & development of skills of our members

Sustaining and refining professional skills and proficiency via quality professional education, opportune industry information and increasing networking opportunities both locally and globally.

Professional Ethics & Integrity

While self-regulation is the most efficient form of regulation, regular updates and trainings are essential to keep members and students up to date on our regulations.

Use Technology for Closer Member Connects

Increase and expand active communication channels via digital means; increase and provide access to professional updates, knowledge resources for Practice & Industry and relevant services to support professional growth

Effective Representations

Create more and targeted representations to increase acceptance of our professional inputs across sectors, services, industry and government.

Succession Planning and Mentoring

Identify members and students with leadership potential and train them to take up responsibilities as future leaders.

Allocation of sufficient resources

Ensure that sufficient resources are allocated to carry out these programmes across the entire Region.

Our profession is built on a number of key pillars comprising trust, performance and competence. As the top professional Institute in the Country we will ceaselessly endeavour to uphold these fundamental values on a regular basis.

I appeal to all members to promote the highest standards of accounting; increase professional knowledge and skills; support students infrastructure; create stronger bonds with relevant professional bodies to further the interests of the profession; generate new learning modules and increase representations and research papers to put our views strongly across relevant bodies.

We will continue our momentum and along the way achieve holistic growth for the members and students of our Region and ICAI.

Here, I take this opportunity to appeal to all my members that we need to take proactive efforts to **Go Green** and lessen our carbon footprint. We are taking the right steps in that direction and I will request all to contribute in this mission by shifting from this printed newsletter to e-Newsletter and intimate us of this choice by an e-mail to wirc@icai.in with your Name and Mem no. and subject stating the desire to get only e-newsletter.

With Best Wishes,

CA. Sandeep K.C. Jain
Chairman

Forthcoming
Events
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Miscellaneous
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OFFICE BEARERS

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CA. Dhiraj Khandelwal



Branch Co-ordination Meet



CA. Purushottam Khandelwal, Secretary, WIRC, CA. Priyam Shah, Vice Chairman, WIRC, CA. Prafulla Chhajed, Vice President, ICAI, CA. Sandeep Jain, Chairman, WIRC, CA. Balkishan Agarwal, Treasurer, WIRC



CA. Umesh Sharma, RCM, CA. Sarvesh Joshi, RCM, CA. Vishnu Agarwal, Imm. Past Chairman, WIRC, CA. Purushottam Khandelwal, Secretary, WIRC, CA. Priyam Shah, Vice Chairman, WIRC, CA. Sandeep Jain, Chairman, WIRC, CA. Balkishan Agarwal, Treasurer, WIRC, CA. Vikrant Kulkarni, Chairman, WICASA, CA. Tarun Ghia, CCM, CA. Nihar Jambusaria, CCM, CA. Shruti Shah, Past Chairperson, WIRC, CA. Pradeep Agrawal, RCM



Interactive meeting on streamlining TDS Processes



Smt. Anuradha Bhatia
Chief Commissioner of Income Tax

Shri V. K. Gupta
Commissioner of Income Tax

Shri Pratap Singh
Commissioner of Income Tax



ICAI Tower, Bandra Kurla Complex, Mumbai

Date & Day	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators	Co-ordinators
05/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Issues related to Business Re-organisation • Modes of Business Re-organisations • Valuations for Re-organisations • Accounting Important Aspects in Accounting of Business Re-organisations • Taxation & Compliances in Restructuring	Eminent Faculty CA. Sujal Shah CA. Himanshu Kishnadwala CA. Anup Shah	CA. Priyam Shah 9824096112 CA. Manish Gadia 9820537986 CA. Satyanarayan Mundada 9422080814	CA. Nitin Jaisinghani 9967539598 CA. Kalpesh Kothari 9029371777 CA. Amol Kamat 9823018763
11/05/2018 Friday	5.00 p.m. to 8.00 p.m.	New Members Meet and Felicitations of Rank Holders • Candidates who have secured ranks in November, 2017 examinations of IPCC & Final CA from the Western Region shall be felicitated		CA. Vikrant Kulkarni CA. S. G. Mundada CA. Kamlesh Saboo	9881880073 9422080814 9819195333
12/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on Critical aspects of Insolvency and Bankruptcy • Appointment of Interim Resolution Professional/Resolution Professional/ Liquidator – Panel Discussion – Mr. Balaji, AGM SBI Himanshu Tandon-Standard Chartered Bank, Mr. Devan Khakar, Axis Bank, Moderator CA. Snehal Kamdar • Preparation of Information Memorandum – Mr. Satish Gupta • Formation and working of Committee of Creditors (COC) – Panel Discussion Mr. Tiwari, AGM Bank of Baroda, CA. Arun Jain, CA. Suderesan Bhatt • Preparation of Resolution Plan – CA. Udayraj Patwardhan		CA. Shilpa Shinagare 9820053395 CA. Pradeep Agrawal 9898560967 CA. Aniket Talati 9825551448	CA. Premal Gandhi 9324383636 CA. Y. R. Desai 9820448365 CA. Rakesh Tulsyan 9969410171
19/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on Standards on Auditing • Standards on Audit Report (Revised) • Standards on Documentations • Standards on Audit Sampling, Materiality and Audit Risks • Important aspects in Quality Review and Peer Review	Eminent Faculties	CA. Lalit Bajaj 9867692321 CA. Umesh Sharma 9822079900 CA. Manish Gadia 9820537986	CA. Nehal Turakhia 9833991898 CA. Rahul Soni 9773123976 CA. Abhishek Shah 9773050495
19/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Discussion on Selected Issues in International Taxation • Residential Status and Place of Effective Management (POEM) • Issues in Taxation of Permanent Establishments • Taxation of Royalties and Fees for Technical Services • Latest judicial pronouncements in International Taxation.	CA. Bhaumik Gada CA. Vishal Palwe CA. Nilesh Bhagat CA. Sagar Wagh	CA. Rakesh Alshi 9819427242 CA. Sarvesh Joshi 9822022292 CA. Drushti Desai 9820335923	CA. Meera Joisher 9819354164 CA. Girish Shekhar 9820812584 CA. Shrenik Doshi 7710077038
26/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on Concurrent Audit of Banks • Advances - Sactioning & Documentation • Important aspects in Monitoring of Advances • Effective understanding & use of Software in Concurrent Audit • Identifying Revenue Leakages and Sundry & Suspense Account Scrutiny	CA. Shriniwas Joshi CA. Sanjay Khemnani CA. Kiran Kunte CA. Abhay Kamat*	CA. Kamlesh Saboo 9819195333 CA. Vikrant Kulkarni 9881880073 CA. Priyam Shah 9824096112	CA. Kamlesh Kothari 9820083144 CA. Riya Agarwal 9820101808 CA. Jayesh Vora 9820274272
26/05/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on ICDS Overview & Tax Audit Implications • ICDS I Accounting policies, ICDS VIII Securities • ICDS II Valuation of Inventories and ICDS IX Borrowing Costs • ICDS III Construction Contracts, ICDS IV Revenue Recognition, ICDS V Tangible Fixed Assets • ICDS VI Effects of changes in Foreign Exchange Rates, ICDS X Provisions, Contingent Liabilities and Contingent Assets	CA. Ravi Tela CA. Sanjiv Pandit CA. Lakshit Desai CA. Divyang Thakker	CA. Sushrut Chitale 9821112904 CA. Umesh Sharma 9822079900 CA. Hardik Shah 9825510422	CA. Aniket Kulkarni 9821690559 CA. Pritee Panchal 9819844965 CA. Chetan Karnati 9004858190

* Subject to confirmation



ICAI Tower, Bandra Kurla Complex, Mumbai

Date & Day	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators	Co-ordinators
02/06/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on Real Estate (Regulation and Development) Act [RERA] <ul style="list-style-type: none"> • Definitions & Scope under RERA • Rights & Duties of Builders, Developers & Buyers • Role of CA under RERA. Precautions during Registration, Compliances and Annual Report • Analysis of current judicial decisions under RERA 	CA. Jagdish Punjabi CA. Jagdish Punjabi CA. Sunil Naik Adv. Parul Abhyankar	CA. Shilpa Shinagare 9820053395 CA. Sarvesh Joshi 9822022292 CA. Pradeep Agrawal 9898560967	CA. Supriya Sanghvi 8976333379 CA. Hrishikesh Wandrekar 9892919239 CA. Charmi Shah 9833917620
09/06/2018 Saturday 6 CPE Hrs	10.00 a.m. to 6.00 p.m. ₹ 1,416/- (Incl. GST)	Seminar on Fraud Detection and Investigations <ul style="list-style-type: none"> • Introduction to frauds and new methods of investigation • Bank frauds - Cyber and Non Cyber • Cyber Crimes and Risk for a Company • Investigation methodologies and Report Structuring 	CA. Chetan Dalal* CA. Nitant Trilokekar CA. Mansi Mehta Eminent Faculty	CA. Priti Savla 9321426883 CA. Hardik Shah 9825510422 CA. Aniket Talati 9825551448	CA. Mukund Mall 9322224142 CA. Nikita Mall 9969873294 CA. Bipeen Mundade 9223290561

* Subject to confirmation

J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade, Mumbai

Date & Day	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators	Co-ordinators
02/06/2018 09/06/2018 16/06/2018 23/06/2018 30/06/2018 Saturdays 15 CPE Hrs	10.00 a.m. to 1.00 p.m. ₹ 2,360/- (Incl. GST)	Intensive Workshop on Companies Act, 2013 2nd June, 2018 <ul style="list-style-type: none"> • Key provisions related to Accounts and Audit, Depreciation, Consolidated financial statements, CARO 2016, Auditor's Appointment & Rotation, Fraud Reporting 9th June, 2018 <ul style="list-style-type: none"> • Loans, Borrowings and Deposits, Practical Issue and Reporting Requirements, Impact on Private Limited Companies 16th June, 2018 <ul style="list-style-type: none"> • Impact Analysis of amendments under the Companies Act with special reference on benefits to Private Limited Companies, OPCs, Startups and other related provisions. 23rd June, 2018 <ul style="list-style-type: none"> • Current trends on CSR, Related Party Transactions, Issues relating to Managerial Remuneration and Issue of Securities 30th June, 2018 <ul style="list-style-type: none"> • Professional Opportunities under Companies Act, 2013, Jurisprudence under Insolvency and Bankruptcy Code, 2016 and provisions related to Valuations 	CA. Khushroo Panthakey CA. Manish Sampat CA. Paresh Clerk CS. Reema Jain CA. Yagnesh Desai	CA. Sushrut Chitale 9821112904 CA. Aniket Talati 9825551448 CA. Drushti Desai 9820335923 CA. Rakesh Alshi 9819427242 CA. Sarvesh Joshi 9822022292	CA. Dhvani Karia 9819900489 CA. Nikhil Damle 9820170436 CA. Aditi Chaturvedi 9768350383 CA. Vinit Vyas 9930766805 CA. Ashish Bakliwal 9004315053

Information Technology Update Corner

CA. Ajay Dave

#DataVisualisation Diving into Data Visualisation: Check out some of the top data visualisation articles on DZone to understand what data visualisation is, learn how to do data visualisation with Apache Zeppelin, and learn the differences between data visualization and data analytics. Learn about R, a highly extensible, open-source programming language used mainly for statistical analysis and graphics. Check out some resources that offer instruction, guidance, and inspiration. Read more at: <https://goo.gl/NdkETS>.



For more details on above visit www.wirc-icai.org



Direct Tax Refresher Course (DTRC) at Birla Matoshree Sabhagruh, New Marine Lines, Mumbai

Date & Day	Time & Fees	Date & Topic(s)	Speaker(s)	Chief Co-ordinators
02/06/2018 09/06/2018 16/06/2018 23/06/2018 30/06/2018 (All Saturdays)	2.00 p.m. to 6.00 p.m. ₹ 2,596/-* (Till 15/05/2018) ₹ 2,832/-* (After 15/05/2018) (*Incl. GST)	<p>On 02/06/2018</p> <ul style="list-style-type: none"> Recent Changes in Laws relating to Capital Gains Transactions Trends in International Tax Planning – Way Forward <p>On 09/06/2018</p> <ul style="list-style-type: none"> Latest Judicial Judgments Implications of Benami Law and its interplay with Income Tax Provisions <p>On 16/06/2018</p> <ul style="list-style-type: none"> Latest developments on Penalties, Prosecution, Recovery & Stay proceedings under Income Tax Provisions Important issues governing Corporate Taxation & Business Deductions <p>On 23/06/2018</p> <ul style="list-style-type: none"> Recent Developments in Survey, Search - Seizure and Settlement Reorganisation of entities and tax liability thereon <p>On 30/06/2018</p> <ul style="list-style-type: none"> Current provisions related to TDS provisions and non compliance consequences Brains' Trust 	<p>CA. Dr. Girish Ahuja</p> <p>CA. Rashmin Sanghvi</p> <p>Shri Rajendra, <i>Hon'ble Member, ITAT</i> CA. Ashwani Taneja, <i>Former Member, ITAT</i></p> <p>CA. Ved Jain, <i>Past President, ICAI</i></p> <p>CA. Pinakin Desai</p> <p>CA. Chetan Karia</p> <p>CA. Gautam Doshi</p> <p>CA. Atul Suraiya</p> <p>CA. Sunil Talati, <i>Past President, ICAI</i> CA. Rajan Vora CA. Padam Chand Khincha</p>	<p>CA. Kamlesh Saboo 9819195333</p> <p>CA. Vishnu Agarwal 9324544607</p> <p>CA. Shilpa Shinagare 9820053395</p> <p>CA. Shruti Shah 9892407988</p> <p>CA. Sushrut Chitale 9821112904</p> <p>CA. Priti Savla 9321426883</p> <p>CA. Drushti Desai 9820335923</p> <p>CA. Manish Gadia 9820537986</p> <p>CA. Lalit Bajaj 9867692321</p> <p>CA. Rakesh Alshi 9819427242</p>

15
CPE Hrs



Members are requested to send their queries for Brains' Trust by 15th May, 2018 on wircevents@icai.in



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The Institute of Chartered Accountants of India

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Late CA. A. N. Chaturvedi

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CA. B. M. Chaturvedi (Sitting)
CA. Apurva M. M. Chaturvedi
CA. Mohini Chaturvedi

Congratulations to the Chaturvedi family for having members in five continuous generations as Chartered Accountants. A historic and unparallel feat across the world. This family has produced Three Chairmen in Three Generations for the Central & Western India Regional Councils of Institute of Chartered Accountants of India.



DIRECT TAX

(CA. Haresh P. Kenia, CA. Deepak Lala,
CA. Paras K. Savla & CA. Heman R. Shah)



DTAA – Section 90 – Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion between India and Iran

PIB Press Release, dated 14/3/2018

The Union Cabinet, chaired by Prime Minister Shri Narendra Modi has approved an Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income between India and Iran. The Agreement will provide for exchange of information between the two Contracting Parties as per latest international standards. It will thus improve transparency in tax matters and will help curb tax evasion and tax avoidance. The Agreement is on similar lines as entered into by India with other countries. The proposed Agreement also meets treaty related minimum standards under G-20 OECD Base Erosion & Profit Shifting (BEPS) Project, in which India participated on an equal footing.

Revised Double Taxation Agreement (DTAA) between India and Kenya notified

CBDT Press Release, dated 22/2/2018

The Double Taxation Avoidance Agreement (DTAA) between India and Kenya was signed and notified in 1985. Subsequently, the DTAA was renegotiated and a revised DTAA was signed between both countries on 11th July, 2016. The revised DTAA has been notified in the Official Gazette on 19th February, 2018.

The revised DTAA will improve transparency in tax matters, help curb tax evasion and tax avoidance, remove double taxation and will stimulate the flow of investment, technology and services between India and Kenya. The revised DTAA provides for a new Article on Limitation of Benefits to allow treaty benefits to *bona fide* residents of both countries, to combat treaty abuse by third country residents and to allow application of domestic law to prevent tax avoidance or evasion. The Article on Exchange of Information has been updated to the latest international standard to provide for exchange of information, including banking information for tax purposes, to the widest possible extent. A new Article on Assistance in Collection of Taxes has also been provided in the revised treaty which will enable assistance in collection of tax revenue claims between both countries.

S. 4 Doctrine of Mutuality

The basis of the Principle of mutuality it was held that non-occupancy charges, transfer charges, common amenity fund charges received by assessee-co-operative societies from its members which were used for mutual benefits of the members (irrespective whether member is continuing or not) towards

maintenance of premises, repairs, infrastructure and provision of common amenities is not chargeable to tax – *ITO vs. Venkatesh Premises Co-operative Society Ltd.* [2018] 91 taxmann.com 137 (SC).

S. 12A Cancellation of Registration of the Trust

In absence of the express provision in the Act the CIT has no power of cancellation of registration u/s 12A till 1/10/2004. further it was also held that Section 21 of the General Clauses Act has no application to the order passed by the CIT under Section 12A because the order is quasi judicial in nature – *Industrial Infrastructure Development Corporation (Gwalior) M.P. Ltd. vs. CIT* [2018] 90 taxmann.com 281 (SC).

S. 14 Disallowance of expenditure, purpose of investment relevant

Section 14A applies in all scenarios whether the expenditure was incurred, in respective scenarios, whether the shares of investee company were held by the assessee as to gain control over the investee company or as a stock-in-trade (i.e. as a business activity) and not as investment to earn dividends.

Having regard to the language of Section 14A(2) of the Act, read with Rule 8D of the Rules, it was held that before applying the theory of apportionment, the AO needs to record satisfaction that having regard to the kind of the assessee, *suo moto* disallowance under Section 14A was not correct. It will be in those cases where the assessee in his return has himself apportioned but the AO was not accepting the said apportionment. In that eventuality, it will have to record its satisfaction to this effect. Further, while recording such a satisfaction, nature of loan taken by the assessee for purchasing the shares/making the investment in shares is to be examined by the Assessing Officer – *Maxopp Investment Ltd. vs. CIT* [2018] 91 taxmann.com 154 (SC).

Section 80D(2)(A) - Notified Health Service Scheme

Notification No. SO 697(E) [No. 9/2018 (F. No.178/29/2017-ITA-I)], dated 16/2/2018

The Central Government *vide* Notification No. SO 697(E), dated 16/2/2018 notifies the Contributory Health Service Scheme of the Department of Atomic Energy for the purposes of the section 80D (2)(a) for the Assessment Year 2018-19 and subsequent years.

MAHARASHTRA VAT & GST

(CA. C. B. Thakar)



The Maharashtra Goods and Services Tax Act, 2017

Circulars

The Commissioner of Sales Tax, Maharashtra State, has issued following circulars

- Circular bearing No. 8T of 2018 dated 21/2/2018 by which instruction for manual filing and processing of claim of refund of inverted tax structure and deemed export is clarified.
- Circular bearing No. 9T of 2018 dated 26/2/2018 by which return filing processes on new portal for prior period (up to 31st March, 2016) is given.
- Circular bearing No. 10T of 2018 dated 28/2/2018 by which information of online submission of Letter of Undertaking by the taxable person who makes zero-rated supply of goods or services or both without payment of Integrated Tax under IGST Act is clarified.



CA. Neel Lalka (M. No.180292) has been selected for Maharashtra Chief Minister Fellowship Programme and is presently in field of policy research for the Urban Development Department, GoM a first of its kind initiative to involve younger generation in planning.



- Circular bearing No. 11T of 2018 dated 13/3/2018 by which procedure for obtaining e-CST declarations for the periods prior to 1/4/2016 is given.

GUJARAT VAT & GST (CA. Kishor R. Gheewala)



1. Time Limit Extensions

a) Annual Return

Vide Circular No. GUJKA/VAT-15/17-18/otw. 207/180, dated 28/2/2018, the time limit for furnishing Annual Return in Form 205 for F.Y. 2016-17, by the dealers, liable for Vat Audit, has been extended from 31st December, 2017 to 31st March, 2018.

b) Audit Report

Vide Circular No. GUJKA/VAT-17-C/17-18/otw. 206/179 dated 28/2/2018, the time limit for obtaining Audit Report in Form 217 for F.Y. 2016-2017, by the dealers, liable for VAT Audit, has been extended from 31st December, 2017 to 31st March, 2018, for obtaining and uploading the same on Commercial Tax Portal. Penalty not exceeding ₹ 10,000/- will be levied for Audit Reports obtained & uploaded after March, 2018.

c) Audit Certificate

Vide Circular No. GUJKA/VAT-5/17-18/otw. 208/181 dated 1/3/2018, the time limit for filing Final Return for the period 1st April, 2017 to 30th June, 2017, in Form 205-B by all the dealers & uploading Audit Certificate in Form 217-A by the dealers, claiming carry forward of Input Tax Credit exceeding ₹ 5 lakh as on 30th June, 2017, has been extended from 31st January, 2018 to 31st March, 2018.

GOODS AND SERVICES TAX (CA. Rajiv Luthia)



Central Government, vide Notification No. 12/2018-Central Tax dated 7th March, 2018 made following amendments to CGST Rule, 2017

- Rule 117(4b)(iii) has been substituted thereby the registered person who has availed the benefit under proviso to section 140(3) & have furnished the details of stock held by him in accordance with the provisions of sub-rule 117(2)(b), shall submit a statement in **FORM GST TRAN 2** by 31st March, 2018, or within such period as extended by the Commissioner, on the recommendations of the Council, for each of the six tax periods during which the scheme is in operation indicating therein, the details of supplies of such goods effected during the tax period
- Rule 138 relating to Information to be furnished prior to commencement of movement of goods and generation of e-way bill has been substituted with new set of Rules
- Rule 138A relating to Documents and devices to be carried by a person-in-charge of a conveyance has been substituted with new set of rules
- Rule 138B relating to Verification of documents and conveyances has been substituted with new set of rules
- Rule 138C relating to Inspection and verification of goods has been substituted with new set of rules
- Rule 138D relating to Facility for uploading information regarding detention of vehicle has been substituted with new set of rules.

SERVICE TAX (CA. A. R. Krishnan & CA. Girish Raman)



Refund Unjust Enrichment

The appellant in the present case had paid CVD@8% on imported articles instead of the correct rate of 4%. The refund claim filed by the appellant was granted but the amounts were directed to be credited to Consumer Welfare Fund of India on the ground that incidence of duty had been passed on by the appellant. The appellant appealed against the order on the ground that it had produced certificate, Balance Sheet and ledger accounts to substantiate that the incidence of duty has not been passed on to the buyer of goods. The High Court held that the primary evidence to rebut the presumption of passing incidence of duty would be the sales invoice that gets generated every time a transaction is entered into between appellant and its customer. The entries in Balance sheet and ledger accounts would only be a secondary evidence since these entries are also required to be proved. The High Court further observed that if the assessee places on record the primary documents or evidence then the onus of proof would be shifted to the Revenue and it would have to place on record documentary evidence to demonstrate that incidence of duty has been passed by the assessee to its customer. Since the appellant had not produced the primary evidence i.e. sales invoice, the High Court held that appellant had not proved that the incidence of duty was not passed on by it. [*Shoppers Stop Ltd. vs. CC (2018) 8 G.S.T.L. 47 (Mad.)*].

INTERNATIONAL TAXATION (CA. Hinesh Doshi & CA. Ronak Soni)



M/s. Credit Suisse AG vs. Deputy Commissioner of Income Tax [TS-62-ITAT-2018 (Mum)] dated 16th February, 2018

Facts

The assessee an entity incorporated in Switzerland and a tax resident of Switzerland is a part of the Credit Suisse group which is a global bank providing various financial services in the field of investment and personal banking to the clients across the globe. The assessee has 2 branches one in India and another in Dubai ('CSDB').

The assessee was of the opinion that the sum (referral fee) received by CSDB from an Indian company for referring an Indian client to the company for bringing out the issue of convertible bonds, was a 'business income' and was not liable to tax in India because CSDB did not have a 'permanent establishment' in India as recognised in Article 5 of Indo-Swiss DTAA.

The Assessing Officer however did not accept the stand of the assessee and instead held that the referral fee was liable to be taxed in India having regard to Section 5(2)(b) of the Act read with Section 9(1)(i) of the Act as 'Fee for technical services' and not 'business income' as contended by the assessee.

Aggrieved, the assessee appealed before ITAT.

Issue

Whether the 'referral fee' paid by the Indian branch to Dubai branch (CSDB) should be treated as "commission" to be taxed as business income or as "Fees for technical services" u/s. 9(1)(vii)?

Held

ITAT was of the opinion that the 'referral fee' is in the nature of "commission" to be taxed as business income and not "Fees for technical services".



Relying on ruling of Cushman & Wakefield(S) Pte. Ltd and Mumbai Tribunal in the case of CLSA Ltd. ITAT further held that since the referral activity was undertaken outside India, assessee's Indian branch had no role to play and hence it is not taxable in India as per Article 7 of Indo-Swiss DTAA.

In the result, appeal filed by the assessee stands allowed.

FEMA

(CA. Manoj Shah, CA. Sudha G. Bhushan & CA. Mitesh Majithia)



Risk Management and Inter-bank Dealings

A. P. (DIR Series) Circular No. 18 dated February 26, 2018

Currently, persons resident in India and Foreign Portfolio Investors (FPIs) are allowed to take a long (bought) or short (sold) position in USD-INR up to USD 15 million per exchange without having to establish existence of underlying exposure. In addition, residents & FPIs are allowed to take long or short positions in EUR-INR, GBP-INR and JPY-INR pairs, all put together, up to USD 5 million equivalent per exchange without having to establish existence of any underlying exposure.

RBI has now decided to permit persons resident in India and FPIs to take positions (long or short), without having to establish existence of underlying exposure, up to a single limit of USD 100 million equivalent across all currency pairs involving INR, put together, and combined across all exchanges.

Hedging of Commodity Price Risk and Freight Risk in Overseas Markets (Reserve Bank) Directions

A. P. (DIR Series) Circular No. 19 dated March 12, 2018

Based on the report of the working group constituted under the Chairmanship of Shri Chandan Sinha to review the guidelines for Hedging of Commodity Price Risk by Residents in overseas markets, the RBI had released draft directions for hedging of commodity price risk and freight risk for comments on January 12, 2018. Consequently based on the feedback to the draft directions, the Hedging of Commodity Price Risk and Freight

Risk in Overseas Markets (Reserve Bank) Directions, 2018 are issued by RBI which shall come into force from April 1, 2018.

Residents hedging their commodity price risk and freight risk under a specific approval from RBI given under the approval route based on the previous set of guidelines would be permitted to continue hedging under the said approval till June 30, 2018 or the last date specified in the approval, whichever is earlier.

For further detailed directions please refer aforesaid circular available on RBI website at <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11226&Mode=0>.

**CO-OPERATIVES
(CA. Ramesh Prabhu)**



(1) Cooperative Auditors Panel: 28th October, 2017 to 31st March, 2020, Co-operative Auditors Panel is published on 27th February, 2018. The list of 11,640 Auditors is uploaded on WIRC website. The above notification includes 32 terms and conditions imposed on the co-operative panel auditors.

(2) MCS (3rd Amendment) Act, 2018 published on 17th January, 2018: Section 152 of MCS Act, 1960 amended to delegate the powers of appeal to be heard by the officers to the rank of Secretary.

(3) Supreme Court: SPECIAL LEAVE PETITION (CIVIL) No. D23708/2017 decided on 15th March, 2018:

Total Ban of construction by Hon'ble High Court due to dumping ground issues has been said to have serious ramifications on housing sector. Such a ban makes serious inroads into the rights of citizens under Articles 19, 21 and 300A of the Constitution of India. Therefore, MCGM has been advised to grant permission by making necessary arrangement for disposal of Waste as one of the IOD conditions.

For more details on above visit www.wirc-icai.org



Obituary



CA. Bhalchandra Vaidya,
M. No. 002057 left for his Heavenly Abode on 24/2/2018. May the departed Soul Rest in Peace.



CA. Hiren R. Amin,
M. No. 111009 left for his Heavenly Abode on 18/3/2018. May the departed Soul Rest in Peace.



CA. Ayush Khushal Jain,
M. No. 163299 left for his Heavenly Abode on 17/2/2018. May the departed Soul Rest in Peace.

Professional Opportunity

Celanese Chemicals India Pvt. Ltd. wishes to appoint a medium sized CA firm for accounting related work. This will involve deputing experienced staff at our office and supervision by senior. For details contact on celanese.india@celanese.com.

E-way Bill under GST

Electronic way bill is basically a compliance mechanism wherein by way of a digital interface the person causing the movement of goods generates e-way bill on the electronic portal.

Implementation of E-way Bill:

Initially, it was implemented on trial basis from 16th January 2018 and made mandatory for Interstate trade from 1st February, 2018. However, due to technical glitches it was deferred.

Further, in the 26th Council Meeting, it was decided to implement it for interstate trade from 1st April, 2018 whereas for intrastate trade it is going to be rolled out from 1st June, 2018 in a phased manner for which the states are divided into four lots.

For more details on above visit www.wirc-icai.org

INTRODUCING **NEW FEATURES** ON NSDLgst PORTAL



■ **GSTR3B**

Dealers can enter GSTR3B details, save, submit and file through NSDLgst Portal.

■ **Enrolment of Dealers for NSDLgst services through GSTIN based verification**

Dealer enrolment details would be authenticated based on GSTIN verification and user credentials would be emailed immediately on successful verification.

■ **Uploading GSTR1 data in excel format to NSDLgst Portal**

GSTR1 invoice data in Excel Format can now be directly uploaded on NSDLgst Portal either in GSTN format or dealer's own format.



www.nsdlgsp.co.in



[020-25678300](tel:020-25678300)



gstinfo@nsdl.co.in



Team WIRC Branch visits

Baroda



Surat



Bharuch



Anand



Seminar on Bank Branch Audit



CA. Bipeen Mundade, CA. Dhananjay Gokhale, Faculty, CA. Shriniwas Joshi, Past Chairman, WIRC, Faculty, CA. Sandeep Jain, Chairman, WIRC, CA. Balkishan Agarwal, Treasurer, WIRC, CA. Ritesh Hibare



18
CPE HRS

INTERNATIONAL STUDY TOUR

20th May to 29th May 2018 – 9 Days (Excl Travel Days)

Bg lde Bn, nq l m` snq 9

B@- R`qudr g Inrg h , 8711/11181
B@- Rgq shRg`g , 87813/6877
B@- Ulr gmt @`q`k, 82134335/6

Enqc ds` Hk ulr h s v v v -v h p, h b` h nq f



Interactive Meeting at National Conference 2018 of Income Tax Settlement Commission



Shri Dinesh Verma, Hon'ble Chairman, ITSC, Shri H. C. Jain, Vice Chairman, ITSC and Other Vice-Chairmen & Members from Delhi, Mumbai, Kolkata & Chennai alongwith other Senior Officers of ITSC, CA. Balkishan Agarwal, Treasurer, WIRC, CA. Purushottam Khandelwal, Secretary, WIRC, CA. Sandeep Jain, Chairman, WIRC, CA. Vishnu Agarwal, Imm. Past Chairman, WIRC, CA. Priyam Shah, Vice Chairman, WIRC, CA. Sarvesh Joshi, RCM

Lecture Meeting on Swift Transaction



CA. Priti Savla, RCM, Dr. Onkar Nath, CA. Sandeep Jain, Chairman, WIRC, Shri N. D. Kundu, CA. Shilpa Shinagare, RCM

Seminar on Project Finance



CA. Prakash Bhatia

CA. Vaibhav Jain

Dr. P. K. Maheshwari

Shri Bhartendu Bhushan

Shri Chandrashekhar Shelar

Seminar on LLP



CA. Mayur Makadia

CA. Sanjeev Shah

Lecture Meeting on International Taxation INDO-USA Business Migrations



CA. Snehal Kamdar, Ms. Snehal Batra, CA. Vishnu Agarwal, Imm. Past Chairman, WIRC, Mr. David H. Nachman, CA. Ravi Jain



CA. Vishal Palwe



CA. Vivek Shah

Members' Meet



CA. N. P. Sarda
 Past President, ICAI



CA. Y. M. Kale
 Past President, ICAI



CA. M. M. Chitale
 Past President, ICAI



CA. Uttamprakash Agarwal
 Past President, ICAI



CA. Nilesh Vikamsey
 Past President, ICAI

Women Empowerment ME Time – Wellness to Willingness



CA. Shruti Shah, Past Chairperson, WIRC, Dr. Kunjal Bathija, Faculty, CA. Shilpa Shinagare, RCM, CA. Sandeep Jain, Chairman, WIRC, Dr. CA. Varsha Ainapure, Faculty, Ms. Akshata Mahale, Faculty, Adv. Prajakta Kulkarni, Faculty

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