

Lunawat Bulletin

Market Watch

Sensex

31.05.2017 : **31145.80**

30.04.2017 : **29918.40**

Nifty

31.05.2017 : **9621.25**

30.04.2017 : **9304.05**

Link AADHAR and PAN using SMS

The Income Tax Department urged taxpayers to link their Aadhaar with their PAN, using an SMS based facility. The department described how both the unique identity numbers of an individual can be linked by sending an SMS to either 567678 or 56161.

The Income Tax Department had early this month launched a new e-facility to link a person's Aadhaar with the Permanent Account number, a mandatory procedure for filing I-T Returns now.

The department's e-filing website has hosted a new link on its homepage to link the two unique identities. The government, under the Finance Act 2017, has made it mandatory for taxpayers to quote Aadhaar or enrolment ID of Aadhaar application form for filing of Income Tax returns (ITR). Aadhaar has been made mandatory for applying for permanent account number with effect from July 1, 2017.

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You may keep same account number while switching Banks.

Just like your mobile number, you could soon move your account from one bank to another without having to change the account number. This could be a relief to customers as it will save them the trouble of going through the process of opening a new bank account each time they want to switch banks. This will also help you do away with multiple bank accounts. For this to happen banks will have to restructure their account numbering systems. Many of them have different methods and streamlining these will take time. This will also involve changes in their software integration systems. Many of them have different methods and streamlining these will take time.

This will also involve changes in their software integration systems. Another roadblock could come in the form of know your customer (KYC) procedures.

The KYC and the due diligence done vary between banks and may not be accepted uniformly. Experts believe that there are chances that some people may switch banks too often to escape the net of the Prevention of Money Laundering Act. So, banks need to have a secure KYC norm in place to distinguish the genuine customers from the fraudsters.

Lunawat & Co.
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Compliance Due Dates

Due Date	Related to	Particulars
05.06.2017 (Monday)	<i>Service Tax</i>	Deposit Service Tax for the month ended May 2017 for Corporate Assessee. For assesses requiring to deposit through e-payments, last date is 06.06.2017.
07.06.2017 (Wednesday)	<i>TDS/TCS (Income Tax)</i>	Deposit TDS/TCS for deductions/collections made during the month of May 2017.
14.06.2017 (Wednesday)	<i>TDS/TCS (Income Tax)</i>	Due Date for issue of TDS certificate for tax deducted u/s 194-IA in the month of April, 2017
15.06.2017 (Thursday)	<i>EPF</i>	Deposit PF under Employees Provident Fund & Misc. Provision Act, 1952 deducted for the month of May 2017.
15.06.2017 (Thursday)	<i>DVAT/CST</i>	Deposit TDS under DVAT Act for the month of May 2017
15.06.2017 (Thursday)	<i>ADVANCE TAX TDS/TCS (Income Tax)</i>	<ul style="list-style-type: none"> • Deposit First installment of Advance Tax 15% for the F.Y. 2017-18 (All Assessee except those covered under section 44AD) in Challan No. ITNS-280 • Issue Quarterly TDS Certificates (In respect of TDS other than Salary) for the quarter ended March 31, 2017
21.06.2017 (Wednesday)	<i>ESI</i>	Deposit ESI under Employees State Insurance Act, 1948 deducted for the month of May 2017
21.06.2017 (Wednesday)	<i>DVAT</i>	Deposit DVAT and CST for the month ended May 2017.
22.06.2017 (Thursday)	<i>DVAT</i>	Issue TDS certificate under DVAT Act for tax deducted and deposited for the month of May 2017 in Form DVAT-43.
30.06.2017 (Friday)	<i>STT (Income Tax)</i>	Furnish return of taxable securities transactions (STT) entered into during financial year 2016-2017
30.06.2017 (Friday)	<i>TDS (Income Tax)</i>	<ul style="list-style-type: none"> • Furnish Challan cum Statement in respect of TDS under section 194-IA in the month of May 2017 • Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending March 31, 2017
30.06.2017 (Friday)	<i>Income Tax</i>	Furnish Statement of Financial Transactions i.e Form 61A for the financial year ended on 31.03.2017

Income Tax

Issue of Form 10-IB for availing option u/s 115BA

In respect of the total income of a person, being a domestic company, for any previous year relevant to the assessment year beginning on or after the 1st day of April, 2017, shall, at the option of such person, be computed at the rate of 25% if the conditions contained in sub-section 2 of 115BA are satisfied.

Prosecution under Benami Transactions (Prohibition) Amendment Act, 2017

Benami property includes movable or immovable property, tangible or intangible property, corporeal or incorporeal property. It empowers provisional attachment and subsequent confiscation of benami properties. It also allows for prosecution of the beneficial owner, the benamidar, the abettor and the inducer to benami transactions, which may result in rigorous imprisonment up to 7 years and fine up to 25% of fair market value of the property.

Procedure for acceptance of SFTs from Sub- Register Office and Post Offices CBDT

In exercise of the powers delegated by CBDT, the Principal Director General of Income-tax (Systems) hereby lays down the following additional procedure for Acceptance of Statement of Financial Transactions from Sub-Registrar Office and Post Office:

- The filer will bring Form 61A (XML file) in Computer media along with duly signed physical copy of control sheet of Form 61A.

at TIN-FC for acceptance of the statement. The control sheet should be generated from the utility of Form 61A (to be used only by Sub-registrar office).

- TINFCs will accept the computer media as well as the physical copy of control sheet and issue a temporary receipt.
- Subsequent to the validation of the XML file at NSDL e-Gov, provisional receipt/Non acceptance memo will be sent to email address mentioned in the temporary receipt.

Quoting of Aadhaar for PAN Applications & Filing Return of Income not mandatory for certain persons

The Central Government notifies that the provisions of section 139AA shall not apply to an individual who does not possess the Aadhaar number or the Enrolment ID and is:-

- Residing in the States of Assam, Jammu and Kashmir and Meghalaya;
- a non-resident as per the Income-tax Act, 1961;
- age of eighty years or more at any time during the previous year;
- not a citizen of India



CBDT Circular on TDS Obligation when Payment is made to Entities Exempt u/s 10

CBDT in its Circular has revised the list of entities on which there would be no requirement of Tax Deduction at Source in case of entities whose income is exempted u/s 10 of the Income Tax Act, 1961 and also not required mandatory to file their income tax returns

Draft Income Computation and Disclosure Standard (ICDS) on Real Estate Transactions

The CBDT has released “Draft Income Computation and Disclosure Standards on Real Estate Transactions” prepared by the Committee constituted by the Finance Minister. The draft ICDS is based on the Guidance Note issued on Real Estate Transactions issued by Institute of Chartered Accountants of India (ICAI).

For the purposes of providing uniformity and certainty and harmonising the same with provisions of the Act, the committee suggested certain changes in draft ICDS. The CBDT has requested stakeholders to offer comments on the draft ICDS.

Others

- CBDT amends authority for Approving Authority, Initiating Officer & Administrator under Prohibition of Benami Property Transactions Act.
- CBDT issues Clarification on furnishing Statement of Financial Transaction (SFT) & SFT Preliminary Response and extended its due date to 30th June 2017.
- Service Tax Mega Exemption notification amended to include Pradhan Mantri Vaya Vandana Yojna.

Miscellaneous

About 50 stressed accounts have been identified as being on the watch list of the government, the Reserve Bank of India and, in some cases, vigilance agencies, according to several officials. The list represents stressed accounts, which includes loans that have turned bad or been restructured as of December 2016.

The total value of such top 50 loans is estimated to be around Rs. 45 lakh crore, which is almost 80 -85% of the total bad loans for state run lenders. The list includes Videocon Industries Ltd, Jindal Group firms such as Jindal Steel and Power Ltd, Punj Lloyd, Jaypee Group, Lanco, which includes Lanco Infratech, Monnet Ispat, Essar Ltd, and Bhushan Steel.



Work hard in silence, let
your success be your noise.

Frank Ocean

Companies Act



MCA has clarified regarding Date of Cessation of Operation of Business of LLP

The date of cessation of commercial operation is the date from which the Limited Liability Partnership ceased to carry on its revenue generating business and the transactions such as receipt of money from debtors or payment of money to creditors, subsequent to such cessation will not form part of revenue generating business.

Clarification Regarding applicability of Section 16 of the Act w.r.t. cases under corresponding provisions of Companies Act 1956

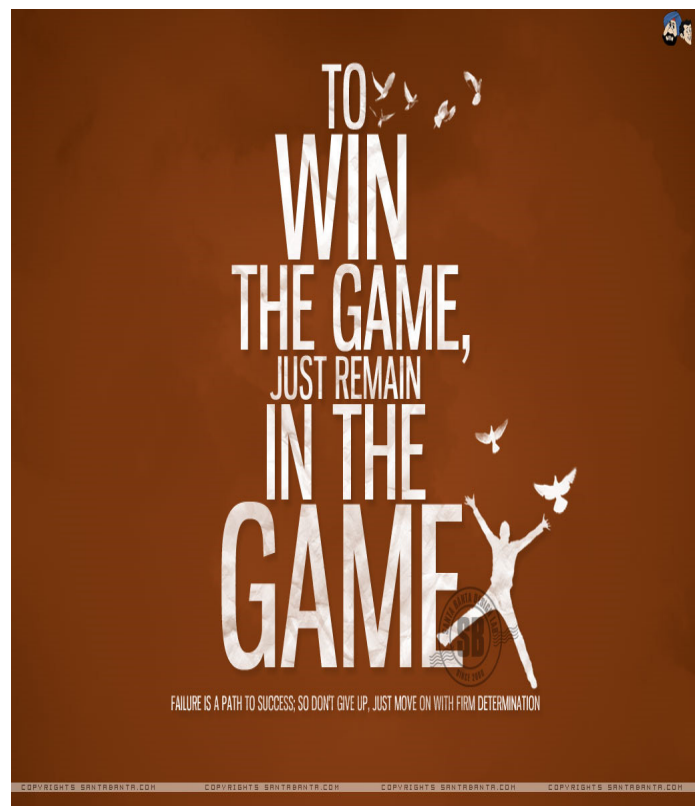
It is being clarified that a company's whose application was rejected u/s 22 (1)(ii)(b) of the Companies Act 1956, i.e. Rectification of Name of Company on the ground that such applications were made after the requisite period of twelve months specified therein cannot apply afresh under Section 16 (1)(a) as the extinguished limitation cannot be considered to be revived even if no limitation period has been prescribed/laid down in the said section.

Amendments to Companies (Acceptance of Deposits) Rules

- The definition of Deposits altered to exclude deposits from Infrastructure Investment Trusts
- The companies are allowed to accept deposits without deposit insurance contract till 31-03-2018 or till the availability of deposit insurance product , whichever is earlier

LLP Rules Amended, Now Called as LLP Amendment Rules 2017

In the Rule 37 of LLP Rules 2001, after sub rule (1), sub rule (1A) has been inserted which states that before filing Form 24 for striking off the name of LLP, there is need to file overdue returns in Form 8 and Form 11 up to the end of the Financial Year in which the LLP ceased to carry on its business or commercial Operations.



Lunawat Update

Presentations

During May 2017, our partner **CA. Pramod Jain** gave following presentations:

- “Important issues for Audit for FY 2016-17 & way forward for FY 2017-18 ” at Karol Bagh Westend CPE study circle of NIRC
- “ICDS Overview & ICDS IV, V, VII, VIII & X ” at Kanpur
- “Cash Restrictions, Demonetization Reporting, Presumptive Taxation, ICDS I, II, IV, V, VIII & IX ” at Sangrur Branch of NIRC
- “ICDS, Cash Restrictions & Schedule III Amendments” at Rohini, Karol Bagh and Shalimar Bagh study group.
- “Company Audit for Small & Medium Companies” at Alwar Branch of CIRC of ICAI.
- “Cash Restrictions, AS & Schedule III Amendments, ICDS Overview & ICDS I” at Meerut Branch of ICAI
- “Form 61A, Cash Restrictions, AS & Schedule III Amendments, ICDS” at Sonapat, Ghaziabad and Bhiwani Branch of ICAI.
- “ ICDS VI to X ” at Gurugram Branch of NIRC of ICAI.

- “SFT, Cash Restrictions & ICDS Overview at Professional Forum
- “Important issues for Audit for FY 2016-17 & way forward for FY 2017-18” at Allahabad Branch of CIRC of ICAI

During May 2017, our partner **CA. Rajesh Saluja** gave following presentations:

- “GST ” at Oriental Carbon & Chemicals Ltd, Noida
- “Finance for Non-Finance” at Maruti Suzuki India Ltd. & LG Electronics
- “Program on Financial Acumen” at JCB, Bangalore.
- “GST ” at Oriental Carbon & Chemicals Ltd, Dharuhera
- “Accounts & Records under GST” at CA Vichar Manch
- “Budgets & Cost Planning” at Serendipity Defence Colony
- GST Training at RACL Gear tech Ltd—Noida
- “ITC Assessment, Audit, E Way Bill, Search & Seizure under GST” at Kanpur branch of CIRC & WDSC of NIRC

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