

April 2018

Lunawat Bulletin

Market Watch

Sensex

31.03.2018: **32968.68**

28.02.2018: **34184.04**

Nifty

31.03.2018 **10114.00**

28.02.2018: **10492.85**

CBI files Rs 19 Cr. UCO bank fraud case

The CBI has registered a fresh bank fraud case amounting to Rs 19.03 crore that was sanctioned by UCO Bank to 18 fake borrowers under various home and property loan schemes with concessional interest rates in 2013 and 2016, it was announced on Sunday. The agency's move comes in the wake of a complaint received from UCO Bank on March 27.

The Central Bureau of Investigation filed the FIR on March 29 naming five persons, including former UCO Bank Jayanagar's Branch Manager K.R. Saroja

It is alleged that Saroja, while her posting as a Chief Manager between August 26, 2013 and June 1, 2016, sanctioned and disbursed various home and property loans to 18 borrowers with aggregate loans.

ICICI Bank-Videocon Group loan controversy raises many questions

Many allegations and questions have been raised after a blog post by a 'whistleblower' alleged that Dhoot provided Rs 64 crore to a firm promoted by Chanda Kochhar's husband Deepak Kochhar six months after Videocon Group secured a Rs 3,250 crore as loan from ICICI Bank in 2012.

The Central Bureau of Investigation (CBI) on Saturday confirmed media reports that a preliminary enquiry has been registered against Deepak Kochhar and Videocon Chairman Venugopal Dhoot.

Many questions still remain despite ICICI Bank ruling out any conflict of interest. The bank said it has made adequate disclosures and satisfactorily replied to the regulator (RBI) after it intervened in the matter, as indicated by Chairman MK Sharma.

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E-way bill rolled out for inter-state goods transit

Nationwide electronic or e-way bill system for inter-state movement of goods has been rolled out on Sunday, with GSTN officials saying that the platform is working smoothly. Karnataka is the only state which has implemented the e-way bill system for moving goods within the state. The state has been using the e way bill platform since September last year for intra-state movement of goods.

From Sunday, businesses and transporters have to produce e-way bill before a GST (Goods and Services Tax) inspector for moving goods worth over Rs 50,000 from one state to another..

Lunawat & Co.
Chartered Accountants
www.lunawat.com

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Compliance Due Dates

Due Date	Related to	Particulars
10.04.2018 (Tuesday)	GST	<ul style="list-style-type: none"> File GSTR 1 for the month of February 2018 for assessee having turnover more than Rs. 1.5 Cr.
14.04.2018 (Saturday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Issue TDS Certificate for tax deducted under Section 194-IA in the month of February, 2018. Issue TDS Certificate for tax deducted under Section 194-IB in the month of February, 2018.
15.04.2018 (Sunday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Furnish Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending March, 2018
15.04.2018 (Sunday)	Provident Fund	<ul style="list-style-type: none"> Deposit PF contributions for March, 2018 .
15.04.2018 (Sunday)	ESI	<ul style="list-style-type: none"> Deposit ESIC for the month of March 2018.
18.04.2018 (Wednesday)	GST	<ul style="list-style-type: none"> File GSTR 4 for the Composition Dealer for the quarter ended 31st March 2018
20.04.2018 (Friday)	GST	<ul style="list-style-type: none"> File GSTR 5A for the month of March 2018 Deposit GST collected for the month of March 2018. File GSTR 3B for the month of March 2018. File GST ITC 04 for manufacturers who sent goods to job worker in the quarter ended 31st March 2018.
30.04.2018 (Monday)	GST	<ul style="list-style-type: none"> File GSTR 1 upto the month of March 2018 for assessee having turnover upto Rs. 1.5Cr.
30.04.2018 (Monday)	TDS/TCS (Income Tax)	<ul style="list-style-type: none"> Furnish Form 24G by an office of the Government where TDS for the month of March, 2018 has been paid without the production of a challan. E-file declaration in Form No. 61 containing particulars of Form No. 60 received during the period October 1, 2017 to March 31, 2018. Upload declarations received from recipients in Form. 15G/15H during the quarter ending March, 2018. Deposit TDS collected (including section 194-IA & IB) during the month of March 2018.

List of Holidays

DATE	DAY	REGARDING
30.04.2018	Monday	Buddha Purnima

Income Tax

E-Assessment: CBDT Directive regarding Format of S. 142(1) Notice

CBDT has issued a directive dated 19th March 2018 by which it has revised the format in which notices u/s 142(1) should be issued to assessee's. It has stated that the concept of electronic assessment proceeding was introduced last year and its scope was gradually enlarged. The e-assessment proceeding is now facilitated through e-filing portal. CBDT Instruction No. 01/2018, dated 12-02-2018 has mandated that except for search related assessments and exceptional circumstance mentioned therein all other pending scrutiny assessment cases shall be conducted only through the 'E-Proceedings' functionality in ITBA/E-filing.

CBDT extends linking of PAN with Aadhaar till 30th June 2018

CBDT issues clarification regarding requirement for furnishing of Country-by-Country report u/s 286(4) of IT Act, 1961

In keeping with India's commitment to implement the recommendations of 2015 Final Report on Action 13, titled "Transfer Pricing Documentation and Country-by-Country Reporting", identified under the OECD Base Erosion and Profit Shifting (BEPS) Project, section 286 of the Income-tax Act, 1961 was inserted vide Finance Act, 2016, which provides for furnishing of a Country-by-Country (CbC) report in respect of an international group.

CBDT has clarified that the due date of 31st March, 2018 applies for furnishing of CbC report under section 286(2) only and not under section 286(4) of the said section. It is further stated that the Finance Bill, 2018 has proposed that the due date for furnishing of CbC report under section 286(4) shall be as prescribed. Accordingly, the time for furnishing of CbC report under section 286(4) of the Act is proposed to be prescribed after the enactment of Finance Bill, 2018.



“The difference between tax avoidance and tax evasion is the thickness of a prison wall.”

Taxpayer is Partner, Not Adversary. Treat With Respect: President Kovind Reminds IRS Officers

Hon'ble President Kovind took a subtle dig at the elite IRS Officers for treating taxpayers with contempt and behaving in a high-handed manner with them. *“Tax payer is your partner, not your adversary,”* the Hon'ble President said, echoing the words of several Courts which have repeatedly passed strictures against the department for adopting strong arm techniques with taxpayers. *“You have a policy and regulatory role, but you are principally a service provider. Please be sensitive to the demands and dignity of the person – the honest tax payer – who is coming to you for a service,”* the President added. He also advised the Income-tax department that while India's tax to GDP ratio needs to improve, it has to be done *“by persuasion”* and not *“by intrusion”*

CBDT Directive regarding Processing of Returns u/s 143(1) of Income-tax Act

The CBDT has issued an important directive dated 28th March 2018 on the subject of processing of returns under section 143 (1) of the Income-tax Act. The CBDT has pointed out that from Assessment Year 2017-18, discretion of Assessing Officer in processing returns under scrutiny has been completely removed and therefore, all returns have to be processed as per provisions of section 143(1) of the Act. This is irrespective of the fact whether in cases under scrutiny, the Assessing Officer is contemplating taking recourse under section 241A of the Act to withhold the refund so arising on ground of concern for recovery of revenue.

Income Tax

**Finance Bill 2018 assented by President.
Finance Act 2018 to be effective from
1st April 2018**

CBDT Talks Tough! Warns CsIT(A) and CCsIT Against Back-Dating Orders, Malafide Intent and Corruption

The CBDT has finally taken formal notice of the alleged mal-practices being indulged in by Commissioners of Income-tax (Appeals) with the active/passive connivance of the Chief Commissioners. The CBDT has issued a stern directive dated 8th March 2018 stating that the defiance by the CsIT(A) of the Manual of Office Procedure relating to the passing of appellate orders “gives rise to suspicions about backdating of orders and/ or malafide intent” on the part of the concerned officer. The CBDT has also scuttled the defence of the CsIT(A) that the office staff is to blame for the irregularities by stating that “supervisory failure is also violative of Rule 3(2)(i) of the CCS (Conduct) Rules, 1964”.

The CBDT has given instances of cases where the CsIT(A) have allowed appeals relating to unexplained cash credits on the technical ground that the AOs did not conduct proper inquiries or provide cross-examination even though they (the CsIT(A)) are empowered and statutorily obliged to conduct necessary inquiries and cross-examination themselves. The CBDT has also sent a clear warning to the Chief Commissioners of Income-tax that if they do not rein in the wayward ways of the CsIT(A)'s and “prevent misdemeanor”, they will be “vicariously” held guilt of “corruption”. It is also worth remembering that the CBDT's warnings cannot be dismissed as empty threats. On an earlier occasion, the Finance Ministry suspended a Dy CIT for harassing a taxpayer by demanding a bribe in a scrutiny case. The CBDT has also adopted a ‘policy’ towards tax defaulters and sent several to the Tihar Jail for non-compliance with TDS laws.



GST Highlights

- CG has appointed a date 1st April 2018 from which the provisions regarding E-way Bill shall be applicable for Interstate Supplies.
- Commissioner hereby extends the time limit for furnishing the return by an Input Service Distributor in FORM GSTR-6 for the months of July, 2017 to April, 2018, till the 31st May 2018.
- Government specify any specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations Act, 1947, Consulate or Embassy of foreign countries and other specified persons entitled to claim a refund of taxes paid on the notified supplies of goods or services or both received by them before the expiry of eighteen months from the last date of the quarter in which such supply was received.
- Central Government hereby exempts the payment of tax under Reverse Charge Mechanism when the inward supplies are made from unregistered person till the date of 30th June 2018.
- The GST Council in its 26th meeting held here today decided to extend the available tax exemptions on imported goods for a further 6 months beyond 31.03.2018.

When 'i' is
replaced By 'we'

Even
'illness'
Becomes
'Wellness'

Ministry Of Corporate Affairs

MCA notifies National Financial Reporting Authority Rules 2018

- MCA notifies section 132(3) & (11) related to NFRA to commence w.e.f. 21st March 2018
- NFRA (Manner of Appointment and other Terms and conditions of service of chairperson & Members) Rules 2018 commenced w.e.f. 21st March 2018

Companies (Incorporation) Second Amendment Rules, 2018

An application for reservation of name shall be made through web service available at www.mca.gov.in by using in form RUN (Reserve Unique Name) along with the fees which may either be approved or rejected by the Registrar after allowing resubmission of such application within 15 days for rectification of the defects.

As part of the Ministry's commitment for continuous improvement of processes and providing greater ease to stakeholders, it has been decided to permit (w.e.f 24.03.2018) **two proposed names** and one Resubmission (RSUB) while Reserving Unique Names for companies through the RUN



Other Notifications

- This Ministry has, on consideration of requests received from various stakeholders, has decided to extend the Condonation of Delay Scheme, 2018 upto 30th April, 2018.
- Ministry has extends the last date of filing of AOC-4 XBRL using Ind-AS for all eligible companies in accordance with Companies (Indian Accounting Standards) Rules,2015 for the financial year 2016-17 without additional fees till 30th April, 2018

Companies (Indian Accounting Standards) Amendment Rules, 2018

- MCA has notified Ind AS 115 (Revenue from Contracts with Customers) to be applicable w.e.f. 1st April 2018.
- Correspondingly other Ind AS have also been amended.



Customs Highlights

- Impose anti-dumping duty on Veneered Engineered Wooden Flooring, originating in or exported from China PR, Malaysia, Indonesia and the European Union
- Impose anti-dumping duty on imports of "Ofloxacin" originating in or exported from China PR
- Increase BCD tariff rate on Chickpeas, [Tariff item 0713 20 0] from 40% to 60% by invoking section 8A (1) of the Customs Tariff Act, 1975.

Lunawat Update

Presentations

During March 2018, our partner **CA. Pramod Jain** gave following presentations: .

- “*Taxation of Gifts & Share Capital, Immovable Property & Strike –off companies*” at District Taxation, Bar Association Ludhiana.
- “*Taxation of Gifts, Immovable Properties, Shares (Issue & Transfer) & Strike-off Companies*” at Lucknow CA Society.

During March 2018, our partner **CA. Rajesh Saluja** gave following presentations:

- “*Finance for Non-finance*” at Aricent , Gurgaon
- “*Finance for Non-finance*” at Adani Parsa Mines, Ambikapur
- “*GST, Financial and Planning Training*” at SG SIT, Indore

**“Do Not Give Up..
The Beginning
Is
Always
Harder”**

We may be contacted at:

Daryaganj, New Delhi

54, Daryaganj,
New Delhi – 110 002
Tel: +91 11 23270624
+ 91 11 23279414
Email: dgoffice@Lunawat.com

Paschim Vihar, New Delhi

A-2/132, Prateek Apartments,
Paschim Vihar,
New Delhi – 110 063
Tel: + 91 11 25278405
+ 91 11 25278406
+ 91 11 45581263
+ 91 11 45581264
Email: pvoffice@Lunawat.com

Karampura, New Delhi

109, Magnum House-1,
Karampura Complex,
New Delhi-110 015
Tel: + 91 11 41427356
+ 91 11 42068101
Email: karampura@Lunawat.com

Mumbai

Office No. 2, First Floor. Pushp Vinod 3,
Opp. Adidas Showroom, S. V. Road, Near
McDonalds, Borivali (W), Mumbai - 92
Tel: + 91 22 28986959
+ 91 98692 85628
Email: mumbai@Lunawat.com

Keshopur, New Delhi

WZ-339, 2nd Floor,
Street No. 19,
Santgarh, Keshopur,
Outer Ring Road,
New Delhi - 110 018
Tel: +91 11 28333914
Fax: +91 11 28331602
Email: keshopur@Lunawat.com

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Amritsar, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, Cochin, Jaipur, Jodhpur, Indore, Chandigarh, Panipat, Jalandhar, Allahabad, Lucknow, Pune, Bharatpur, Ranchi, Ludhiana, Ambala, Lucknow, Agra, Baroda, and Ghaziabad

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- **Valuations**
- **XBRL**
- **Trade Marks**

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Editorial Team: CA. Vikas Yadav, CS Divya Khurana , Rashika Ahuja, Monika, Shashikant Chaudhary, Abhinav, Vijay Rajput.