



ICAI MANGALORE
INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

The
Bulletin Board

e- Bulletin



Volume 6 | June 2017

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Thought for the Month:

**Don't ruin
a good today
by thinking
about a bad
yesterday.
Let it go.**



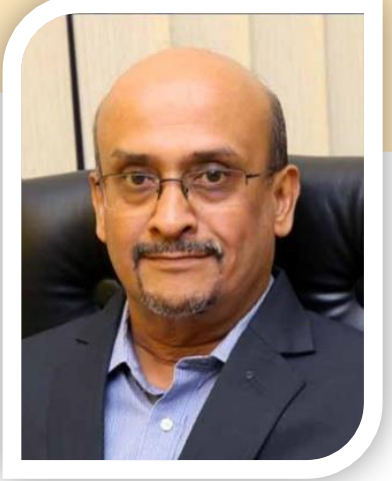
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Chairman's Message



CA Bhargava Tantri P
Chairman
Mangalore Branch of SIRC of ICAI



Dear Members,

It is always my pleasure to address you all through this medium and share some thoughts.

June is the month which brings cheers to all with the onset of much awaited Monsoon. As said in a shloka in Ramayana-

*“ Navamasa Dhrtam Garbham Bhaskarasya Gabhasthibhih I
Peetva Rasam Samudranam Dyouh Prasoota Rasaayanam II”*

For nine months the sky drank oceans water, sucking it through the Sun's rays, and now gives birth to a liquid which is the elixir of life.

With the arrival of Monsoon everyone gets reminded about the importance of environment. That's why during this monsoon environment awareness campaigns are conducted.

On 5th June, SICASA of Mangalore Branch had organised World environment day by creating awareness about the environment to the students and parents near Sharada Vidyalaya, Kodialbail.

As I am penning down these lines the whole nation would have witnessed the Launching of the new Tax Regime in GST. During June we all were busy gearing up and preparing ourselves for this new revolutionary Tax System.

Our Branch also conducted a series of programmes on this subject.

On 2nd and 3rd June a two Day Workshop on GST was conducted under the aegis of IDT committee of the ICAI. IDT trained faculties were the resource persons. It was inaugurated by Dr. Subramanyam, Commissioner of Central Excise & Service Tax, Mangalore. CA Prasanna Kumar Shenoy and CA Coline Rodrigues from Mangalore, CA P.R. Suresh and CA Raghavendra T.N. from Bangalore and CA Kumarapal Jain from Mysore deliberated on various topics of practical Importance in GST.

...Contd.



Chairman's Message

More than 150 delegates participated in the very informative and useful GST workshop. I thank all the faculties for putting in their time and effort in giving a very useful lecture on this emerging topic.

On 19th June a Study Circle meeting on Time and Place of Supply under GST was conducted by our Past Chairman CA Ranganath Shenoy and CA Subhaschandra.

On 20th June half day Seminar was conducted on Transitional Provisions by CA Rajesh, Bangalore.

Branch has also hosted a Virtual Certificate Course in GST conducted by the IDT Committee of ICAI, a first of its kind. It started on 9th June and culminated on 30th June and 16 CAs took the benefit of this.

International Yoga Day was observed on 21st June. This is a healthy initiative from the ICAI which is conducted all over the country in all the Branches of the ICAI. Dr. Udaykumar, Lecturer in Dept. of Yogic Sciences of the University of Mangalore gave a talk on importance of Yoga and taught the participants some simple but very useful yogaasanaas.

SICASA Mangalore conducted a two days residential programme –“RELIVE” in Sri Bhuvanendra College, Karkala. It was well organised programme attended by about 100 students. I thank the management of Sri Bhuvanendra College, Karkala for making wonderful arrangements and making our students feel at home.

On June 19th your Chairman had the privilege of attending the orientation programme for Commerce students of Mahesh College of Commerce where our Past Chairman CA Nitin J. Shetty was presiding. We both spoke about the CA course and the challenges ahead for a student pursuing this course. On the same day CA Shivananda Pai, Vice Chairman was the chief Guest on Orientation Programme for Commerce Students of Sri Bhuvanendra College, Karkala.

We all will be bidding adieu to a host of old Indirect Taxes like Excise Duty, Service Tax, VAT and other taxes and will be entering a new Tax Regime which is touted to be a historic step towards Tax Reform, and will bring the entire country under one tax, i.e. GOODS AND SERVICES TAX. This also throws a big challenge to our profession and gives a big opportunity in the Profession. The Central Government has bestowed more faith on our profession in implementing this Gigantic Tax Reform than any other profession. So my dear fellow members let us all raise to the occasion and live upto the expectations of the Government and the Society.

Jai ICAI, Jai Hind

CA BHARGAVA TANTRI P.



Branch Activities June 2017



Sl No	Date	Activities at Branch for Members	CPE Hours/ Number of Participants
1	02.06.2017 and 03.06.2017	<p>Two day Workshop on GST under the aegis of Indirect Taxes Committee of ICAI; Inaugurated by Dr. M Subramanyam, Commissioner of Central Excise and Service Tax, Mangalore.</p> <p>Day 1- Meaning and Scope of Supply including supply without consideration, Supply deemed as Goods and Services, Schedule II and III by CA Prasanna Shenoy, Mangalore</p> <p>Registration, Returns and Tax Invoices, Debit Notes and Credit Notes by CA Colin Rodrigues, Mangalore</p> <p>Transitional Provisions with case studies by CA P R Suresh, Bangalore</p> <p>Tax Credit including Input Service Distributer and Manner of Recovery of Excess Credit by CA Raghavendra T N</p> <p>Time and Place of Supply of Goods and Services and Import and Export provisions with regard to GST by CA Kumarpal M Jain, Mysore</p>	<p>Members: 122 Students: 41 Non Members: 43 CPE Credit: 12 Hours</p>
2	09.06.2017 to 30.06.2017	Virtual Certificate Course on GST organised by Indirect Taxes Committee of ICAI	<p>Members: 17 CPE Credit: 30 Hours</p>
3	19.06.2017	Study Circle Meet on GST Clause by Clause discussion on Time and Place of Supply by CA A K Ranganath Shenoy and CA Subhashchandra	<p>Members: 34 Students: 8 CPE Credit: 2 Hours</p>
4	19.06.2017	Popularisation of CA Course at Sri Bhuvanendra College, Karkala by CA Shivananda Pai and at Mahesh P U College, Mangalore by CA Nitin J Shetty and CA Bhargava Tantri	
5	20.06.2017	Half day Seminar on GST where topic of Transitional Provision and Input Tax Credit was taken up by CA Rajesh Kumar T R, Bangalore	<p>Members: 41 Students: 16 Non Members: 6 CPE Credit: 3 Hours</p>
6	21.06.2017	03 rd International Yoga Day Celebration at the Institute	<p>Members : 10 Students : 25</p>



Branch Activities June 2017



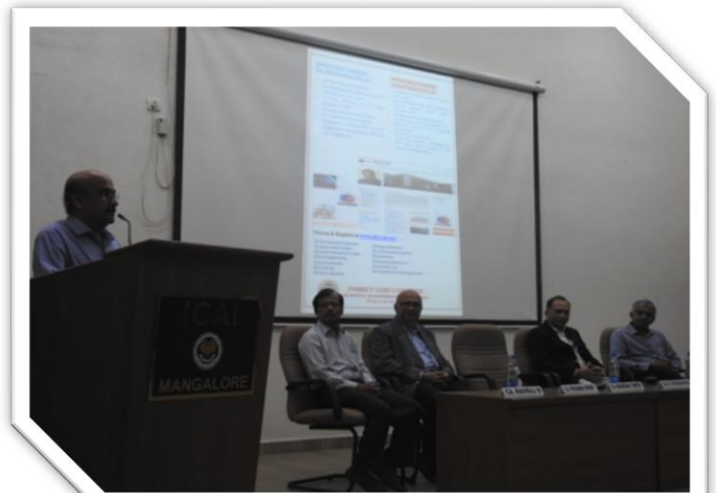
SI No	Date	Activities at Branch for the Students	Number of Participants
1	05.06.2017	Environment Day Celebrations- Awareness Campaign	Students: 11
2	10.06.2017 and 11.06.2017	Relieve 3.0- Finding Yourself- Residential Seminar at Shri. Bhuvanendra College, Karkala. Topics and Speakers were the following: Data Security by CA Deepak Nayak; Whether Education System needs a change by Mr. Manoj Luis; Role of Youth in Nation Building by Mr. Vivek Alva; Investment in Equity by CA Shivaram Kamath and How to be a Successful Person by Rahul Kamath	Students: 84
3	11.06.2017	CPT Mock Test for June 2017 Examination	Students: 51
4	12.06.2017	9 th Batch of Orientation Course	Students: 39
5	19.06.2017	10 th Batch of Orientation Course	Students: 40
6	21.06.2017	Advanced ITT Batch started	Students: 27
7	23.06.2017	Study Circle on Statement of Financial Transactions (SFT) by MR. Aneesh PS Chairperson: CA Sriram V Rao	Students:



Branch Activities Gallery June 2017



DR. SUBRAMANYAM GIVING HIS INAUGURAL ADDRESS DURING THE TWO DAY WORKSHOP ON GST



OUR CHAIRMAN WELCOMING THE GATHERING FOR THE TWO DAY WORKSHOP ON GST



DIGNITORIES ON THE DAIS AT THE TWO DAY WORKSHOP ON GST

Branch Activities Gallery June 2017



**CA RANGANATH SHENOY AND
CA SUBHASCHANDRA STUDY CIRCLE MEETING
ON TIME AND PLACE OF SUPPLY UNDER GST**



**CA RAJESH AT THE HALF DAY SEMINAR
ON TRANSITIONAL PROVISIONS IN GST**



YOGA DAY CELEBRATION AT MANGALORE BRANCH



News and Updates

Income Tax

Extension of Due Date for filing Form 16

Notification No. 42/2017

Vide the above Notification, the CBDT had extended the due date for furnishing of Form 16 from 31st of May to 15th of June of the Financial year immediately following the Financial Year during which the Salary was paid.

Changes in rules related to Refund of TDS

Notification No. 45/2017 dated 5th June, 2017

CBDT vide the aforesaid Notification has notified that claim for refund of TDS paid can be furnished by the deductor in Form 26B electronically under digital signature or verified through electronic process.

In respect of TDS deducted under Section 194IA for which Form No. 26QB has been filed by the deductor, to claim refund of TDS, deductor has to mention his PAN, period can be left blank and has to furnish acknowledgement number of Form 26QB

CBDT notifies Cost Inflation indexes with Base Year as 2001-2002

Notification No. 44/2017 dated 5th June, 2017

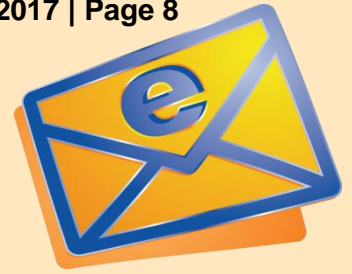
Vide the above Notification, CBDT has notified Cost Inflation Indexes with Base Year as 2001-2002 for the Financial Year 2001-2002 to 2017-2018 and the same shall be applicable from the Financial Year 2017-2018.

CII for 2001-2002 is 100 and 2017-2018 is 272

Bonds of Power Finance Corporation Ltd. eligible for 54EC exemption

Notification No. 47/2017 dated 8th June, 2017

CBDT vide the above Notification has notified that any bond redeemable after three years and issued on or after 15th day of June, 2017 by the Power Corporation Limited shall be eligible to be called as “long term specified asset” for the purpose of Section 54EC.



News and Updates

Income Tax

Amendment to Section 10(38) of Income Tax does not hit Genuine Transactions **Notification No. 43/2017 dated 5th June, 2017**

Vide Section 10(38), gains earned on transfer of Long Term Capital Asset being equity share in a company was exempt from Income Tax provided Securities Transaction Tax being paid at the time of transfer. However Finance act 2017 amended the section to provide that exemption shall be available only if STT was paid at the time of acquisition of the shares transferred. In order to safeguard the interest of genuine investors, exceptions for this amendment were provided vide the above Notification. The transactions which shall not be hit by the amendment as covered by this Notification are the following:

1. Where acquisition of existing listed equity share in a company whose equity shares are not frequently traded in a recognised stock exchange of India is made through a preferential issue.
2. Where transaction for acquisition of existing listed equity share in a company is not entered through a recognised stock exchange in India.
3. Acquisition of equity share of a company during the period beginning from the date on which the Company is delisted from a recognised stock exchange and ending on the date immediately preceding the date on which the company is again listed on a recognised stock exchange in accordance with the Securities Contract Act, 1956 read with SEBI Act, 1952 and the rules made there under.

CBDT revises format of Form No. 3CED- Application for Advance Pricing Agreement

Notification No. 53/2017 dated 16th June 2017

Vide the above Notification, CBDT has brought in changes in Item No. 3 and Item No. 4 of the existing Form 3CED.



News and Updates

Income Tax

Notification of Forms and Certificates for TDS u/s 194IB

Notification No. 48/2017 dated 8th June, 2017

Vide the above Notification, CBDT has notified that amount deducted under Section 194IB shall be paid to the credit of the Central Government within a period of thirty days from the end of the month in which the deduction is made and shall be accompanied by a Challan cum Statement in Form No. 26QC.

Further every person responsible for deduction of tax under this section shall furnish the certification of tax deduction in Form 16C to the payee within fifteen days from the due date of furnishing the Challan cum statement

CBDT notifies tolerance limit for Transfer Pricing for AY 2018-2019

Notification No. 50/2017 dated 9th June, 2017

Vide the above Notification, Central Government has notified that the variation between the arm's length price determined under Section 92C of the Income Tax Act and the price at which the International Transaction or specified domestic transaction has actually been undertaken does not exceed one percent of the latter in respect of wholesale trading and three per cent of the latter in all other cases, the price at which the international transaction or specified domestic transaction has actually been undertaken shall be deemed to be the arm's length price for AY 2017-2018 and AY 2018-2019.

Rule 114B Form 60 can be filed in Paper or Electronic Form

Notification No. 51/2017 dated 9th June, 2017

According to the above Notification, declaration given in Form No. 60 giving therein the particulars of transactions entered can be either in the form of Paper or Electronic under an EVC in accordance with the procedures, data structures and standards specified by the Principal Director General of Income Tax (Systems) or Director General of Income Tax (Systems)



News and Updates

Others

Companies Act

MCA increases paid up Share Capital limit for rotation of private companies auditors **Notification No. G.S.R. 621(E) dated 22nd June, 2017**

The MCA has notified the Companies (Audit and Auditors) Second Amendment Rules, 2017. In accordance with the amendment, paid up share capital limit for rotation of auditors in case of private companies has been increased from rupees twenty crores to rupees fifty crore or more. There are no changes in other criteria.

New exemptions to Private Companies and Government Companies under Section 462 of the Companies Act, 2013

Notification No. G.S.R. 583(E) and G.S.R. (E) dated 13th June, 2017

Vide the above Notifications the MCA has laid down the amendments carried out by the Central Government with regard to the earlier Notifications issued in regard to Section 462 of the Companies Act.

Section 462 of the Companies Act, 2013 provides that, Central Government may in public interest by Notifications direct that any of the provisions of the Companies Act shall not apply to certain classes of companies or shall apply with certain exceptions, modifications and adaptations as may be specified in such notifications and vide the aforesaid



News and Updates

Others

GST

CBEC notifies Jurisdiction of Central GST Tax Officers

Notification No.2/2017- Central Tax dated 19-06-2017

Central Government vide the above Notification has appointed various Central Tax Officers and vested them with all the powers under both the Central Goods and Services Tax and Integrated Goods and Services Tax and the rules made there under with respect to the jurisdiction specified.

CBEC notifies CGST Rules, 2017 on registration and composition levy

Notification No. 3/2017 dated 19-06-2017

Central Government vide the above Notification has notified Central Goods and Services Tax Rules, 2017 w.e.f. 22nd June 2017. This rule includes 1. Effective date and definitions; 2. Composition rules and 3. Registration rules. The rules and the formats provided therein are final to the effect and required to be adhered for Composition Levy and Registration purposes.

CBEC notifies www.gst.gov.in as Common GST Electronic Portal

Notification No. 4/2017- Central Tax dated 19-06-2017

Central Government vide the above Notification has with effect from 22nd June 2017 notified www.gst.gov.in as common Goods and Service Tax Electronic Portal for facilitating registration, payment of tax, furnishing of returns, computation and settlement of integrated tax and electronic way bill both under the CGST Act, 2017 as well as the IGST Act, 2017. This website will be managed by the Goods and Service Tax Network, a company incorporated under the provisions of Section 8 of the Companies Act, 2013.



News and Updates

GST

CBEC notifies persons who are exempt from obtaining GST registration

Notification No. 5/2017 dated 19-06-2017

Section 23 of the CGST Act, 2013 speaks about the persons not liable to registration under GST. Vide the above Notification the Central Government has amended Section 23 of the CGST Act, 2017 to include the persons who are only engaged in making supplies of taxable goods or services or both, the total tax on which is liable to be paid on reverse charge basis by the recipient of such goods or services or both under Section 9(3) of the CGST Act, 2017.

CBEC notifies modes of verification under CGST rules, 2017

Notification No. 6/2017- dated 19-06-2017 amended by Notification No. 11/2017 dated 28-06-2017

As per the CGST rules, 2017, all applications including reply, if any, to the notices, returns etc shall be submitted electronically with digital signature certificate or through e-signature or verified by any other mode of signature or verification as notified by the Board in this behalf.

In this regard the Central Government has notified the following modes for verification purpose:

1. Aadhar based Electronic Verification Code (EVC)
2. Electronic Verification Code (EVC) generated through Net Banking login on the Common portal
3. Electronic Verification Code generated on the Common Portal.

Verification as per the above modes will be however done within 2 days of furnishing the document.

Government notifies turnover limit for composition levy for CGST

Notification No. 8/2017- Central Tax dated 27-06-2017

The Central Government on the recommendation of the Council, has prescribed that an eligible registered person, whose aggregate turnover in the preceding financial year did not exceed seventy five lakh rupees, may opt to pay, in lieu of GST payable by him an amount calculated at the rate prescribed therein of the turnover.



News and Updates

GST

Exemption of supplies to a TDS deductor by a supplier not registered under Section 11(1)

Notification No. 9/2017 dated 28-06-2017

The Central Government on recommendation of the Council has exempted intra state supplies of goods or services or both received by a deductor under Section 51 of the CGST Act from any supplier who is not registered from the whole of the Central tax leviable thereon under sub-section (4) of Section 9 of the CGST Act subject to the condition that the deductor is not liable to be registered otherwise than under sub clause (vi) of Section 24 of the said act.

CGST exemption for dealers operating under Margin Scheme notified under Section 11(1)

Notification No. 10/2017- Central Tax dated 28-06-2017

The Central Government on recommendation of the Council has exempted intra state supplies of second hand goods received by a registered person, dealing in buying and selling of second hand goods and who pay the Central Tax on value of outward supply of such second hand goods as determined under sub rule (5) of rule 32 of the CGST Rules, 2017 from any supplier who is not registered, from the whole of the Central tax leviable thereon under sub-section (4) of section 9 of the CGST Act, 2017.

Rates of supply of services under CGST Act, 2017

Notification No. 11/2017- Central Tax dated 28-06-2017

Vide the above Notification the Central Government on being satisfied that it is necessary in public interest so to do has notified rates of Central Tax for intra-state supply of services by way of a table giving a full description of the taxable services and their respective taxable rates.



News and Updates

GST

Exemption on supply of services under CGST Act

Notification No. 12/2017- Central Tax dated 28-06-2017

Vide the above Notification the Central Government on being satisfied that it is necessary in public interest so to do has notified the intra state supply of services that shall be exempted from Central Tax to the extent of the rates mentioned in Column (4) of the table forming part of this notification.

CGST: Services under reverse charge mechanism

Notification No. 13/2017- Central Tax dated 28-06-2017

Vide the above Notification the Central Government has notified the list of supply of services on which the Central Goods and Service Tax shall be paid on reverse tax basis by the recipient of such services as specified in the table forming part of this Notification.

Supplies not eligible for refund of unutilized ITC under CGST Act

Notification No. 15/2017- Central Tax (Rate) dated 28-06-2017

The Central Government vide the above Notification has notified that no refund of unutilized input tax credit shall be allowed under sub section (3) of Section 54 of the CGST Act in case of supply of service being construction of a complex, building, civil structure or a part thereof.

Government notifies number of HSN digits required on CGST Tax Invoice

Notification No. 12/2017 dated 28-06-2017

Vide the above Notification Central Government has notified the number of digits of HSN codes that have to be mentioned by a Registered person under the GST in a Tax Invoice issued by such registered person. As per the aforesaid Notification, a registered person with turnover up to rupees one crore and fifty lakhs need not mention any digits of the HSN and 2 digits and 4 digits of HSN have to be mentioned where the turnover of the registered person is more than rupees one crore and fifty lakhs but below rupees five crores and more than rupees five crores respectively.



News and Updates

GST

Government prescribes rate of interest under CGST Act, 2017

Notification No. 13/2017- Central Tax dated 28-06-2017

The Central Government vide the above Notification has notified the rates of interest payable by a registered person and payable to a registered person for the purpose of various sections of the CGST Act.

The rates are 18% and 24% for sections 50(1) and 50(3) respectively and are 6%, 6% and 9% respectively for Section 54(12), 56 and proviso to 56 respectively.

Exemption from Integrated Tax to SEZ

Notification No. 15/2017- Integrated Tax (Rate) dated 30-06-2017

The Central Government vide the above Notification has exempted all goods or services or both imported by a unit or a developer in the SEZ from the whole of the Integrated tax leviable thereon under sub section (7) of Section 3 of the Customs Tariff Act, 1975 for authorized operations.



Managing Committee 2017-18



Managing Committee

CA Bhargava Tantri, Chairman
CA Shivananda Pai B, Vice Chairman
CA Raviraj B, Secretary
CA Anantha Padmanabha K, Treasurer
**CA K Subramanya Kamath, SICASA
Chairman**
CA Aravinda Krishna B, Member
CA Abdur Rahman Musba, Member
CA Edyll D'Silva, Member

The Managing Committee of Mangalore Branch of SIRC of ICAI invites articles, write-ups and other similar materials in the areas of Accounting, taxation or any other subject of professional interest for publishing in its e-bulletin. The articles submitted for consideration of publication should be of 2,000- 4,000 words typed double space on A4 size paper with 1 inch margin all around. Soft copy of the article may be sent to icaiebulletin@gmail.com.

Feed back on this e-bulletin can be sent to the editorial team @

icaiebulletin@gmail.com

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