



Gurgaon Branch of NIRC

The Institute of Chartered Accountants of India

(set up by an act of parliament)

Chartered Accountant e-NEWSLETTER

OCTOBER 2016 | VOLUME 1

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Equal opportunity means everyone will have a fair chance at being incompetent.

- Laurence J. Peter



Dear Professional Colleagues and Students,

October is a month of vibrant festivals and bountiful celebrations. Starting from Navratri puja, the festive mood lingers on till Diwali, Bhai Dooj and Chhath Puja. The huge number of festivals in October in India makes it a joyous month when spirits are high, lots of family time is on the cards, and meals are nothing short of a feast.

This time October month also signifies the extended tax audit season of CAs and my friends from the fraternity are already in the mid of the most hectic schedules of the year. The working hours in the CA Offices are stretched and also stressed. For students appearing in upcoming November Examination must have already begun their revision too.

As GST has cleared many significant milestones and which paves the way for faster implementation. We all are gearing up to be the part of this biggest tax reform of our life time which will change the ways the business are being done and will be a all time blue chip opportunity for our members. I am sure the members are planning and preparing themselves to take on this opportunity at its best.

To avail this opportunity at its best and getting a detailed understanding of GST regime, Gurgaon branch has organized GDs cum workshops on every Friday, taking one topic of GST in detail. In the month of September, five such workshops were organized, covering detailed discussion and understanding on the following topics:-

Supply under Model GST Law (MGL)	- 02 nd Sep, 2016
Registration and Payment Procedures Under MGL	- 09 th Sep, 2016
Time of Supply under MGL	- 16 th Sep, 2016
Transitional Provisions under MGL	- 23 rd Sep, 2016
Input Tax Credit - CENVAT Credit under MGL	- 30 th Sep, 2016

Gurgaon Branch, once again requests all its members to bring sponsorships for the events and the seminars. Any advertisement for e- newsletter is also welcome. Also it's open for any type of corporate tie ups for the benefit of CA fraternity.

Gurgaon branch is open to new ideas and programmes, members are requested to give suggestions and contribute their thoughts.

Without Blessings of God nothing is possible and everything is possible with hard work. My best wishes to all Members and their families for the forthcoming festivities of Navratri, Dussehra, Durga Pooja, Diwali and Chhath Puja. Festivals re-energies us both in our mind and in our soul.

Thank You!
Best Regards,



CA. Naveen Garg

(Chairman)

Gurgaon Branch of NIRC of ICAI

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Dear Professional Colleagues,

Please accept our warm wishes to the onset of festive season!

The month of September saw conclusion of one seminar and five Group discussions. We are delighted to see high interest of members in all the events organized by the branch.

The constitution of GST council and release of draft rules has taken us closer to the real implementation of GST in India. We, at Gurgaon branch, are happy to pronounce that group discussions on GST started last month have been well received. We intend to pursue the same over next few months.

Further, to the conclusion of DISA course in Gurgaon, we requested the members to submit their interest for the next certificate course to be hosted in Gurgaon. Based on the interest shared by members, we have scheduled Certificate Course on IFRS (Ind AS) starting 5th Nov 2016. Members interested may contact the branch for more information.



CA. Arun Agarwal
(Secretary)

Gurgaon Branch of NIRC of ICAI

"Critics are our friends, they show us our faults."

- Benjamin Franklin

Suggestions, reviews and critics are the tools that keep one on the right path. We believe that your suggestions can help us provide better services to the members as well as profession. Please do send us your suggestions and views on the different activities being performed at your branch.

Wishing again cheerful and safe festive season!

Thanks,

Managing Committee

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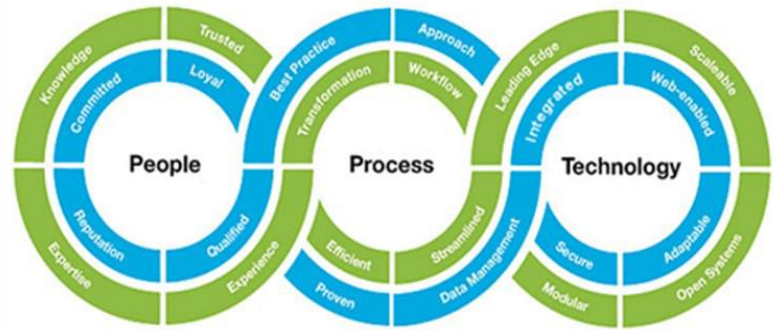




CA. Bhavesh Gupta

Email: bhavesh.gupta@outcomess.com

Probably, we are all aware about key ingredients of GST i.e. Combining all states / Central indirect taxes (namely, Excise, VAT, Service Tax, Custom duties, and other key indirect taxes) and bringing them into one common platform of tax called **Goods & Services Tax (GST)** (including IGST, CGST & SGST)



People: People in organization will have to be trained as per requirements of GST. There has to be multiple level of user involvement from awareness of GST to expert level usage in business as usual.

Process: business process scenario will be required to change in under new GST regime, as lot of organizational decisions which were taken in order to get the advantage of existing indirect taxes, may be require a fresh thought. In addition to this impact of GST on purchase. Sales and supply chain has to be thought through and new processes to be designed and documented.

Technology: With the evolvement of technology for business use, the impact of any transformational change will have to be assessed on technology. Now with GST coming organizations would be require to change their existing ERP systems and related technology applications.

While every change will have an obvious & visible impact on people & process but the impact of change in technology will be quite opaque and hidden, hence we call it an iceberg effect what we see if not what we are about to face. By the time the quantum of impact is fully understood and business initiates changes, the timelines would require them to change the technology overnight in ERP.

Beyond the normal input / output – filing process which has been explained in great details and covered by the act, we believe the challenge and adaptation would require a huge effort and time. It would be one of biggest **Ice Berg** effect felt by industries in times to come.

There could be many more part to it, just to mention some of these :

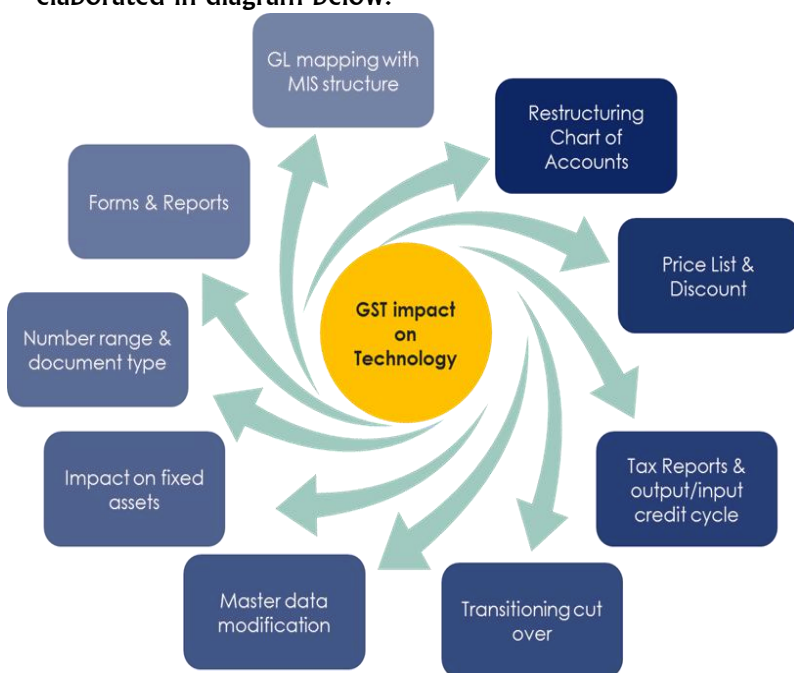
- Timing - When / How will the actual transition happen?
- Training understanding & adoption
- Changes in existing ERP systems and other related Technology areas
- Changes in Process / Business Negotiation

Any change will impact the following areas:





Organization should start assessing the impact of GST on technology on their business processes and link it back to their respective ERPs and other business critical applications including third party add-ons, like POS or web interface. Some of the immediate impact on ERP are elaborated in diagram below:



To highlight some of the possible changes in technology, I will attempt to cover the impact of GST on Chart of Accounts / General Ledger Accounts (GL accounts) structure to begin with, Chart of account are the building block for any good ERP system, and over a period of time generally become opaque as automation takes over, to incorporate any change the first change will have to be with the building blocks COA

- **Creation of GL Accounts:** Currently, companies define General Ledger Accounts for different taxes like, Excise Input & Output, VAT input & Output, Service Tax Input & Output, etc. But in GST, new GL accounts will be required to be opened as per requirements of GST. Here, the challenge would be what should be done for existing GL accounts? whether these need to be blocked? As one can't block them following to a lot of open transactions, pending assessment cases. Hence we need to plan accordingly well in advance.
- **Location specific GL accounts:** Separate GL accounts may (depending of ERP) be required to be opened for each location, as each location will be an independent entity for GST purpose.
- **Tax structure mapping:** Mapping of GL accounts to be changed in tax structure, so that correct tax impact is posted in accounting records.
- **Consolidation:** In case of a group company structure with multiple legal entities, consolidation of entire GL structure to be modified and remapped to obtain consolidated financial reporting.
- **MIS Structure:** Mapping of tax GL accounts in existing MIS to give the correct results.
- **Transition:** Mechanism to be designed for open credit from existing taxes that are required to be migrated from the current regime to GST

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CA. Amit Mitra

Email: amitmitra@bdo.in

IFRS 16 is a new standard that will be widely applicable but it is generally simple to apply. It is a practical standard and does not contain significant estimates.

IFRS 16 *Leases* brings significant changes in accounting requirements for lease accounting, primarily for lessees. It has been developed by the International Accounting Standards Board (IASB) to replace the existing suite of standards and interpretations on leases:

- IAS 17 *Leases*
- IFRIC 4 *Determining whether an Arrangement contains a Lease*
- SIC 15 *Operating Leases – Incentives*
- SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*

The standard will result in a significant change for lessees, but lessors are almost entirely unaffected.

Background

Research projects by the IASB regarding revisions to lease accounting date back to 1996, but the most relevant research into the standard setting process that would ultimately yield IFRS 16 commenced in 2006.

Research done by the IASB and their US counterpart, the FASB, determined that the current standards for leasing (particularly for lessees) drew arbitrary lines between operating ('off balance sheet') and finance/capital ('on balance sheet'), as the existing guidance was interpreted as creating 'bright line' rules that lessees and lessors used to structure leases.

To avoid recognition in financial statements, lease agreements were being written to avoid finance lease classification by lessees. This resulted in situations where two leases were nearly identical in every way except one was for an insignificantly longer period of time than the other, but resulted in a different accounting treatment.

Additionally, off balance sheet treatment created significant differences in financial reporting for entities that opted to purchase assets as opposed to entities that leased them, when both situations yielded common financial realities; the conveyance of the use of an asset in exchange for consideration.

The IASB and FASB decided to initiate a joint project

to develop improvements to lease accounting. In 2010, the boards issued a joint exposure draft, which proposed significant changes, many of which are similar in principle to the final standard, but contained additional operational complexity.

In January 2016, the IASB issued the final version of IFRS 16, which retains certain aspects of both the 2010 and 2013 EDs.

While this project was started as a harmonized process between the IASB and the FASB, ultimately the FASB's standard diverged from the IASB's in that the FASB's standard retains a distinction for leases from the perspective of the lessee, classifying them into distinct categories with different accounting requirements.

All leases (except for the limited exceptions) will be

Basic Principle

recorded 'on balance sheet' :

Exemptions:

- Short-term leases; and
- Leases for which the underlying asset is of low value ('low value leases')

This exemption simplifies the application of the standard for short-term leases significantly.

Short Term leases: It is important to note that the definition of a short-term lease uses the defined concept of 'lease term' within IFRS 16, That is, the lease term must include reasonably certain options to extend or terminate a lease. This means that it is not possible to, say, design a lease contract with an 11 month, 29 day term, with subsequent 11 month, 29 day term extensions and achieve 'off balance sheet' treatment if the extension terms are reasonably certain to be executed by the lessee.

Low Value: The standard itself does not provide much in way of guidance to assist in assessing what 'low value' means. Examples are provided to allow preparers to analogise the relative cost of potential assets against those disclosed, but this may become problematic in the future as assets become more or less expensive due to technological advancement, which may increase the functionality of equipment and/or decrease its cost. The Basis for Conclusions to the standard notes the value of \$5,000 US as being an amount the IASB had in mind when finalising IFRS 16 towards the end of 2015, but this was not included in the standard itself.

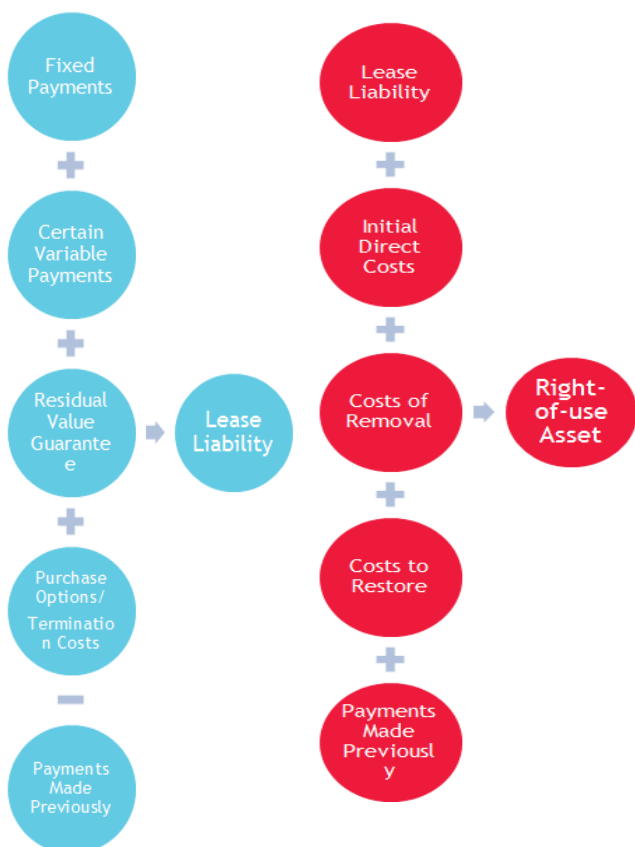




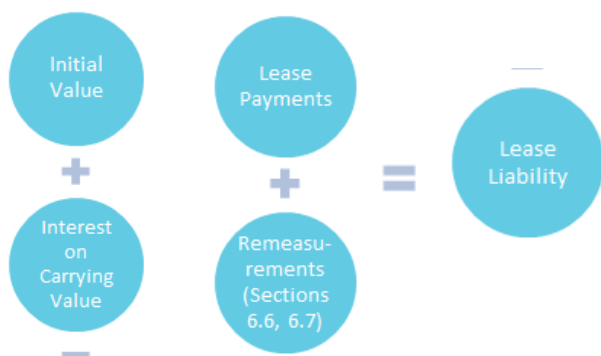
Lessee's accounting

- All leases are recognised in the statement of financial position as a “right of use” asset and a financial liability. There are narrow exceptions to this recognition principle for leases where the underlying asset is of low value and for leases classified as short-term in nature.
- The asset is subsequently accounted for in accordance with the cost of revaluation model in IAS 16 Property, Plant and Equipment or as Investment Property under IAS 40 Investment Property.
- The liability is unwound over the term of the lease using an appropriate discount rate.

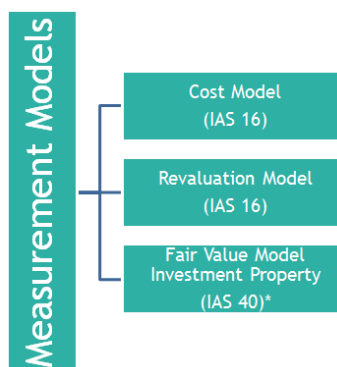
At the commencement date of a lease, the lease liability and right-of-use asset comprise:



Lease Liability – Subsequent Measurement



Right-of-Use Asset – Subsequent Measurement



Kindly note that option subsequently measure investment property at fair value is not there in Ind AS

Lessor's accounting

- The guidance relating to lessors remains substantially unchanged from IAS 17. Lessors continue to account for leases as either operating or finance leases depending on whether the lease transfers substantially all the risk and rewards incidental to ownership for the underlying asset.
- Operating leases continue to be recorded as assets in the statement of financial position and lease income is recognised on a straight line basis over the lease term. Finance leases derecognise the underlying asset (and recognise a corresponding gain/loss on sale) and record a receivable equal to the net investment in the lease. Finance income is subsequently recognised based on a pattern reflecting a constant rate of return on the lease.

Effective Date

The effective date of IFRS 16 is for annual reporting periods beginning on or after January 1, 2019 with a choice of full retrospective application or retrospective application without restatement of prior year figures, with the cumulative impact of the adoption being recorded in opening equity (Catch Up adjustment).

Financial & business Impacts of Leases

- Approximately \$ 2.8 trillion worth of off balance sheet lease commitments will come on balance sheet.
- Increase in lease asset (right to use asset) & Financial liability (lease liability).
- Higher initial charge to Statement of profit & loss, interest expense (based on EIR) on lease liability & depreciation on right to use asset in place of a single charge to P&L under previous GAAP.
- Increased EBITDA, for most of the companies.
- Entities need to be prepared with business systems, processes, internal control & financial control on implementation of IFRS 16.
- Significant increase in debt on the balance sheet, thereby impacting debt/equity ratio, debt covenants need to be revised accordingly.





**Gurgaon Branch of NIRC of ICAI is hosting weekly
Group Discussion on
Goods and Services Tax**

Tentative Topics
Principles of Supply under Model GST Law
Principles of Place of Supply under Model GST Law
Principles of Time of Supply under Model GST Law
Principles of Value of Supply under Model GST Law
GST from CEO/ CFO/ Owners point of view
Input tax Credit under Model GST Law
Impact of GST for IT/ITES/ BPO sector / Technology
Matching reversal under Model GST Law
Impact of GST for Logistics sector
Impact of GST for Automotive sector
Registrations, returns and payment processes in GST
Transitional provisions
Impact of GST for Hospitality sector

- Weekly Discussion on Every Friday/Saturday
- 02(Two) CPE credit hours for each session.
- Led by Industry/Topic Experts
- No fee applicable





CA. Saurabh Gupta

Email: saurabh.gupta@gsandco.in

Conversation between Krishna and today's Arjuna on Transition to GST

Arjuna: O Lord! I am an honest assessee and I discharge all my tax liabilities. I have knowledge of existing indirect tax laws impacting my business. What will be my fate in new GST Law. I am afraid of new law.

Krishna: "Whenever and wherever there is a decline in virtue/religious practice, O Arjuna, and a predominant rise of irreligion—at that time I descend Myself, i.e. I manifest Myself as an embodied being."

Similarly, these existing laws got obsolete and there was need to revive Indian economy, the new GST law is for everyone's good and will kill the existing woes of double taxation.

Arjuna: I knew a lot about the existing law but I don't know anything about GST. I want to put aside my business and don't want to proceed further in new regime of tax.

Krishna: Hey Arjuna, there is no need to feel depressed by your own perceptions and conceptions. This is not time to give up, this is the time for action.

Krishna takes the chariot in the middle of battle ground and asks Arjuna. Arjuna, What do you see on both sides?

Arjuna: Oh Lord, on my side, I can see lots of input tax credit in existing laws and on the other side, I see the new law about which I don't have any idea. How will I graduate from existing law to GST.

Krishna: "The soul is never born nor dies at any time. Soul has not come into being, does not come into being, and will not come into being. Soul is unborn, eternal, ever-existing and primeval. Soul is not slain when the body is slain."

Similarly, your input will not vanish in the new law.

Arjuna: My lord, what is suggested for me to at this point of time.

Krishna: "You have a right to perform your prescribed duty, but you are not entitled to the fruits of action. Never consider yourself the cause of the results of your activities, and never be attached to not doing your duty."

You keep doing the need of hour; rest time will take it's own course. Planning is the key.

"As a human being puts on new garments, giving up old ones, the soul similarly accepts new material bodies, giving up the old and useless ones."

GST is just the new garment of taxation system.

Arjuna: My lord, I have deep intuitions that I will not be able to migrate to new GST law and will lose my benefits of existing law.

Krishna: Arjuna, "Ignorance is a sin, desisting from fight is a sin." I will tell you the transitions law and your ignorance will vanish."

Arjuna: Thank you Lord. Please appraise me by your knowledge. What will be the fate of so many existing tax officers in new GST law?

Krishna: On the date notified all existing officers shall be deemed to have been appointed as GST officers/ Competent Authorities under the respective provisions of the Act.

Arjuna: What will happen to my registrations in existing law, how will I get the new registration under GST?

Krishna: Provisional Registration certificate (RC) would be issued basis your current registrations, that would be regularised in the time frame of 6 months upon your further document submissions.

Arjuna: My Lord, my biggest worry is, who will decide the fate of existing input tax reflecting in my books of accounts.

Krishna: My dear Arjuna, as said by Section 143 of Model GST Law, those inputs which are allowed in earlier law and new law would be allowed on the basis of your last return filed in earlier law will be carried forward as input in GST.

Arjuna: That means, probability of loosing input is remote, if I file my tax returns correctly in present law.

Krishna: Right, Arjuna, Keep doing you good deeds.

Arjuna: But, I have not availed input on capital goods, it is allowed under GST? How do I tackle this situation? This constitutes input available in 2-3 years and input on capital goods which were used in manufacture of exempted goods which are taxable under GST regime.

Krishna: As mentioned in Section 144, position will be governed by existing Cenvat Credit Rules, if you haven't taken input credit earlier, now you are entitled.

Arjuna: Oh Lord, thanks for enriching me with this. But there are many other circumstances, wherein I am still confused about my fate in new law.

Krishna: Arjuna, please describe those circumstances.

Arjuna: I was dealing into exempted goods, wasn't required Registration even. I have lots of input in new GST upon my stock, how do I avail this input.

Krishna: Section 145 provides that you can avail credit subject to two conditions.

First, you are entitled to "eligible duties and taxes" as defined in the GST Act.

Second, 12 months restriction window is there, seems like





if you not eligible for input on stock older than 12 months.

Arjuna: I was dealing in taxable goods but was under fixed rate system / composition scheme, how do I take the input?

Krishna: Section 146 provided if you do not opt for composition scheme in GST, you are entitled to take input credits on your stock. As applicable in all cases one need to have complete documentation to avail any inputs.

Arjuna: In case of any dispute, say after implementation of GST, some tax liability arises from earlier law and I pay the same. Am I entitled to input under GST for the tax so paid.

Krishna: No, never. **“Both heaven and hell are on this earth while you are living. Based on your past karmas you create your own hell and heaven in this life.”**

Arjuna: I am a regular dealer and want to opt in composition scheme in GST. What happens to my input?

Krishna: Section 147, Pls forget your huge input credit, it is allowed only to the extent of inputs on stock in hand. Rest will be nullified. One might require paying some tax too in case input is short. Once this process is complete you are welcome to system of paying tax based on turnover.

“You did not bring anything to this world, neither you will be going to take anything.”

Arjuna: Hey Krishna, what will be fate of input on exempted goods which will not be in my possession on appointed day.

Krishna: There are three Sections in Model GST Law, which you can understand by following analysis

Section 148	Section 149	Section 162D
Exempted Goods returned to place of business after the enactment of GST	Duty Paid Goods Returned to a place of business on or after the date of enactment.	Goods sent on approval basis returned on or after the date of enactment
The following window isn't taxable Goods moved 6 months prior ---- Appointed date ---- Goods return within 6 months		
Competent authority may increase above 6 months by 2 more months		
The transaction is subject to tax, if out of window above		

You need to plan your deeds accordingly.

Arjuna: My lord, on similar lines, what will be the fate of input on material given to job work.

Krishna: There are three more Sections in Model GST Law, which you can understand by following analysis

Section 150	Section 151	Section 152
Inputs removed for Job Work and returned on or after the date of enactment.	Semi-finished Goods removed for Job work and returned on or after the appointed day.	Finished goods removed for carrying out certain processes and returned.
The following window isn't taxable Goods moved 6 months prior ---- Appointed date ---- Goods return within 6 months		
Competent authority may increase above 6 months by 2 more months		
The transaction is subject to tax, if out of window above		

Arjuna: Krishna, my doubts are getting clearer, I can see the opposite side (GST Law) more clearly but I am still afraid what will happen if you want to change price of Invoice issued under existing law, once the GST is implemented.

Krishna: Arjuna, Section 153, defines the process very amicably.

Matter	Need	Action	Tax treatment
Invoice pertaining to earlier law	Wants to increase price now / debit to client	I s s u e supplementary invoice / Dr. Note / Cr. Note	pay tax in new system
	Wants to decrease price now / credit note to client		Reduce your output tax, provided your client also reverses corresponding input tax

Arjuna: Krishna, I have filed refund applications in existing law. How my refund will be processed after appointed date of GST rollout.

Krishna: Section 154 disposes them on the basis of provisions earlier laws and you will get those refunds. If refund is rejected, amount is lapsed, you will not be allowed to reclaim it under GST law.

Arjuna: Krishna, the things are not easy as they appear, there are proceedings, appeals, assessments, return revisions under earlier law, how all this would be dealt with in new GST Law.





Krishna: Let's understand Section 155-158 together

Proceedings of appeal, revision, etc. under existing law		Assessments under existing law	Return revisions of earlier law
Section 155	Section 156	Section 157	Section 158
Cenvat Credit	Output tax / liability		
The result figure would be settled in cash only			
Any tax liability will be recovered as arrear, no input to anyone			

Arjuna: I entered into long term contract with my business partners related to construction and works contracts, how the position changes with GST for these contracts.

Krishna: Section 159, No respite, after appointed date, start paying tax as per the new regime. **"Accept things, no matter how they're"**

Arjuna: I am still making supplies, however I raised invoices in earlier law and consideration received.

Krishna: Arjuna, there is no need to fear, Section 160 helps you. It says no tax in new law if you paid it earlier.

Arjuna: Krishna, I did completed the job earlier, however some retention has been held with client. What will be the impact in GST.

Krishna: Section 161, No tax on retention money received under new law provided you paid tax in earlier law. Cheer up Arjuna!

Arjuna: I am an Input Service Distributor (ISD), I do not have invoices for all branches currently and how do I distribute input service tax.

Krishna: Section 162 allows you to do that provided Invoices are received afterwards

Arjuna: Krishna, I am an agent and posses trading and capital goods of my principal. Will I be allowed input?

Krishna: Arjuna, Section 162A & Section 162B of Model GST Act answers your query.

Arjuna: Due to Interstate sales in earlier law, I reversed some input credit in one state. Can I claim it back in GST regime if the goods are not sold until the appointed date.

Krishna: **Whatever happened in the past, it happened for the good; Whatever is happening, is happening for the good.**

Hey Arjuna, Section 162C guides you. Any amount of input tax credit reversed prior to the appointed day shall not be admissible as credit of input tax under this Act. Keep your branches aligned beforehand.

Arjuna: Thank you for enlightening me with these provisions, my last query is, my transaction is subject to TDS in existing law, and I raised the Invoice in earlier law, but consideration received will be received appointed date. Will TDS still be deducted?

Krishna: Section 162E, transaction isn't liable to TDS.

Arjuna: My lord, I will never forget all the learning I got today and will plan my actions in a much better way now.

Krishna: Arjuna, whenever there will be disputed between tax officers and assesses between existing credits and new GST law, these Sections would be recalled. I wish you all the very best towards transition to new GST Law.

Disclaimer: The above dialogue is an attempt to answer reader's query in simple manner. There is no intention to hurt anyone's religious sentiments and feelings. Although utmost care has been taken while compiling above dialogue, please refer to your tax consultant for planning and filing your tax returns

Goods of principal lying with agent

Traded goods	Section 162A	Input is allowed to agent provided 1. Declaration to be submitted by both principal and agent for details of stock 2. 12 month condition 3. Principal hasn't availed / reversed credit
Capital goods	Section 162B	





CA. Neha Gupta

Email: canehagupta2010@gmail.com

HOW TO SET OFF INPUT TAX CREDIT UNDER GST?

Who will be entitled to set off Input Tax credit? Will any set off be allowed for credit on Input tax against Output Tax under upcoming GST? What will be the manner of utilisation of unadjusted input tax credit? Any refund????

This article will help in clarifying your doubts about the basic set off procedures and manner of utilisation of input tax credit under GST.

Input tax credit is basically IGST, CGST or SGST paid on the inputs acquired/ services received. Now, when the person is paying Output tax (IGST, CGST or SGST) for goods/ services supplied, he would be entitled to set off Input tax against Output tax and pay the remaining tax in cash.

1. Every taxable person shall be able to take credit of input tax in respect of a tax period and adjust it against output tax and pay the remaining amount to the credit of the appropriate government subject to the conditions specified. "Appropriate government" means the Central Government in case of IGST and CGST, and the State government in case of SGST.

2. Situation may arise where *goods/ services are used partly for business and partly for other purposes*. What to do here?

- Now, credit will be limited to input tax that is attributable for business purposes. No credit will be available for goods/ services utilised for other purposes.

3. Where *goods (other than Capital goods) or services are used for effecting both taxable and non-taxable supplies (including exempt supplies but excluding zero rated supplies)*:

- In this situation Input tax credit will be limited to taxable supplies including zero rated supplies.

4. IGST Input tax credit will first be utilised towards payment of IGST. If amount remains, then it can be adjusted towards payment of CGST and finally for SGST. It means IGST credit can be utilised for all the three taxes. Really good news.....

5. As far as CGST Input tax credit is concerned, situation is not the same. Credit will first be utilised for payment for CGST. If amount remains, then it will be utilised for IGST payment. *No concept for SGST utilisation!*

6. Like CGST, SGST is somewhat same with regard to credit set off. Input tax credit on SGST will be appropriated first towards SGST and then towards IGST payment.

7. Readers will be able to grasp that cross utilisation is not permitted for CGST & SGST which will certainly affect the basic purpose of seamless cross credit goal of GST.

8. If Input Tax credit for a tax period exceeds the Output tax ?

- No reason for worry. Just carry forward your excess credit. It will be available for set off against the Output Tax in the next subsequent period.

9. Where a claim for refund of excess credit has already been made ?

- No need to carry forward it in the next period. Your refund will be credited to your account.

10. Following is the list of goods or services on which **Input tax credit is not allowed** :

a. Motor vehicles, except when they are supplied in the usual course of business or used in providing taxable services i.e., transportation of goods & passengers, imparting training on motor driving skills.

b. High speed diesel oil, motor spirit.

c. Goods or services provided in relation to outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, membership of a club, health and fitness centre, life insurance, health insurance and travel benefits to employees on vacation, when goods or services are used for private use of any employee.

d. Goods or services acquired for the execution of works contracts when it results in construction of immovable property other than plant & machinery.

e. Goods acquired by a principal, the property in which is not transferred to any other person and used in the construction of immovable property other than plant & machinery.

f. Goods and services used for personal or private consumption.

11. Further for a taxable person to avail credit, he must be in possession of a tax invoice issued by a supplier registered under this Act and tax charged in respect of such supply has already been paid to the credit of the appropriate government either in cash or through utilisation of input tax credit.

12. Where credit has been wrongly taken, then it will be recovered as per the prescribed rules.

13. Constitution Change:

In case of sale, demerger, amalgamation, lease or transfer of business, there is change in constitution of a taxable person, with specific provision for transfer of liabilities, then unadjusted input tax credit will be allowed to be transferred to such sold, merged, demerged, leased or amalgamated business.

No reason for credit to lapse on account of change in the constitution of the Entity !





CA. Puneet Maheshwari

Email: puneetmaheshwari13@gmail.com

Challenges in Basel 3 Implementation for Indian Banks

The third instalment of the Basel regulation, i.e. Basel 3, was introduced in response to the weakness in financial regulation revealed by the global financial crisis of 2007–08.

While Indian banks' migration to Basel 2 framework, which introduced the concept of risk based capital ratios in March 2007, was relatively smooth, the implementation of Basel 3 norms is likely to be more challenging (particularly for the public sector banks or PSBs). PSBs own market share of close to 70% of Indian banking system. The Basel III capital regulations are being implemented in India in a phased manner with full implementation by March 31, 2019. These norms are aimed to improve the banking sector's ability to absorb shocks arising from financial and economic stress.

The two key changes which Basel 3 has brought and makes its implementation more challenging for Indian banks are the significant increase in regulatory minimum capital requirements and second is the focus on improving the quality of capital.

Significant increase in regulatory minimum capital requirements:

Table 1 below brings out the significant increase in minimum regulatory capital requirements under Basel 3 regime. Tier 1 and Tier 2 capital requirement for Indian banks will increase significantly from 7% and 9% as on March 31, 2015 to 9.5% and 11.5% respectively by March 31, 2019.

Table-1: Regulatory Minimum Capital Requirements under Basel III norms

	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
Minimum Common Equity Tier 1 (CET1)	5.5%	5.5%	5.5%	5.5%	5.5%
Capital conservation buffer (CCB)	0.0%	0.625%	1.25%	1.875%	2.5%
Minimum CET1 + CCB	5.5%	6.125%	6.75%	7.375%	8.0%
Minimum Tier 1 Capital + CCB	7.0%	7.625%	8.25%	8.875%	9.5%
Minimum Total Capital + CCB	9.0%	9.625%	10.25%	10.875%	11.5%

Source: RBI

Sizeable part of Tier 1 capital is met through equity capital or net worth (known as common equity Tier 1 or CET1) and balance through Additional Tier 1 instruments (perpetual bonds or perpetual non-cumulative preference shares). Tier 2 capital comprises largely of subordinated bonds.

Over and above minimum requirements mentioned in Table 1, Basel 3 norms also prescribe additional capital requirement of 0.2-0.8% of Risk Weighted Assets (RWAs) for D-SIBs (as of now two Indian banks namely SBI and ICICI are classified as D-SIBs¹ and counter cyclical capital buffer² (of up to 2.5% of RWAs).

In ICRA's estimate,³ PSBs would need Tier 1 capital of Rs 1.7-2.1 trillion⁴ during FY2017-FY2019 to meet increasing capital requirements as well as growth. In case they are not able to raise such capital, their ability to grow loan book will get constrained. Private banks are better placed to migrate to Basel 3 norms on the back of their better capitalisation profile and good investor appetite for their equity instruments.





Focus on improving the quality of capital:

In case of banks, apart from their net worth, hybrid instruments issued by them (such as perpetual bonds, subordinated debt etc.) also qualify as Tier 1 / Tier 2 capital for meeting capital adequacy ratios. The lesson learned from Global Financial Crisis, 2007-08 was that these hybrid instruments don't absorb losses on going concern basis and hence Governments in various jurisdictions were required to bail out banks (through injection of public funds, needless to say taxpayers money) to keep these banks floated while investors of hybrid instruments (despite being capital qualified instruments which should absorb losses) had not absorbed any loss and not served the main purpose of capital.

To overcome this issue, and to improve the quality of capital instruments and ensure that investors in hybrid instruments absorb the losses before public injection of funds, Basel 3 norms prescribed stringent conditions for perpetual bonds and subordinated debts (non-equity capital instruments) issued by banks. These conditions includes restriction on coupon payment to investors, write off / conversion in to equity⁵ in case bank's capital adequacy falls below a prescribed level, as well as conversion / write off at the point of non viability⁶ (a situation where a bank is not viable without significant injection of public funds). Both these scenarios are expected to crystallize before injection of public funds in banks.

As a result of these stringent conditions, investor appetite for these instruments has declined significantly or investors seek higher coupon payments on these instruments which make these instruments more costly for banks.

In a nut shell, on the one side banks need to raise more capital (equity capital as well as non-equity capital instruments) to meet increasing regulatory minimum capital requirements while on the other side investor appetite for non-equity capital instruments have declined significantly (due to stringent features) which is making Basel 3 implementation more challenging for Indian banks (more specifically for PSBs).

In addition, Basel 3 also prescribed norms for Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Leverage Ratio, which could pose additional challenges to Indian banks.

Nonetheless, while Basel 3 norms are posing significant challenge to Indian banking sector in the short to medium run, these are likely to strengthen the Indian banking system and its stability over longer run.

Notes:

1. Domestic Systemically Important Banks
2. CCCB is not activated in India as of now given bank's low credit growth currently, however could get activated when credit growth accelerates significantly
3. Source: www.icra.in
4. Excluding CCCB, as same if not likely to get activated in near term
5. In case of Tier 1 capital bonds
6. In case of Tier 2 capital as well as Tier 1 capital bonds





CA. Alok Garg

Email: caalokgarg@gmail.com

IFRS convergence has already entered in accounting premises of Indian Industry and MCA has notified 40 Indian Accounting Standard (Ind AS) vide its notification dated 16 February 2015 and March 30, 2016. Phase I companies (both listed and unlisted) as per MCA notification dated 16 February 2015, which are having net worth equals to or more than 500 crores are required to adopt Ind AS for the reporting period starting from 1 April 2016. Many listed companies have reported their interim results for quarter ending June 2016 as per new regime of Indian Accounting Standard (Ind AS).

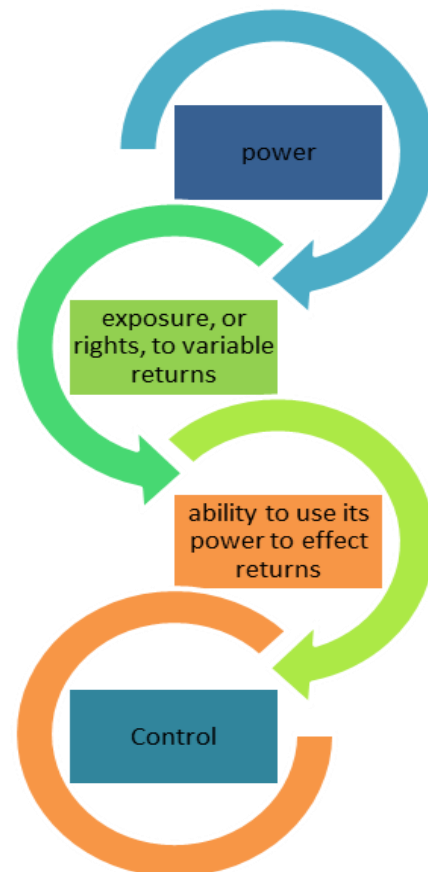
Many area of financial statements will have a vital impact on transitioning from Indian GAAP to Ind AS and out of them Consolidation is one of the major area where there is significant impact of moving to new regime of Ind AS from the old regime of Indian GAAP and efforts and time may be considerably high for the large groups.

Consolidated financial statements are the financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

As far as legislative requirement for Consolidated financial statements in India was concerned, Only listing agreement of SEBI mandates the preparation of CFS for listed companies, prior to applicability of the Companies Act, 2013. But Section 129 of the Companies Act, 2013 mandates the presentation of consolidated financial statements in addition to preparation of standalone financial statements. Ind AS 110, consolidated financial statements also mandates the presentation and preparation of CFS, in case control is established and the parent is having one or more subsidiary.

AS-21 defines Control as “the ownership of more than one-half of the voting power of an enterprise or control of the composition of the board of directors or governing body” whereas Ind AS 110 defines control as “An investor controls an investee when the investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee”.

Unlike Indian GAAP, the Control defined in Ind AS 110 is a principle based model focused on substance rather than form. Under Ind AS, following three elements constitutes the Control.



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Particulars	Ind AS	IGAAP
Applicable guidance	Ind AS 110: Consolidated Financial Statements Ind AS 112: Disclosure of Interest in other entities	AS 21: Consolidated Financial Statements
Requirement of CFS	CFS is mandatory, which requires a parent which control one or more entity to prepare CFS.	AS 21 doesn't mandate the requirement of CFS, rather it should be applied in preparation and presentation if CFS has to be prepared. The Companies Act, 2013 requires the company having one or more subsidiary to prepare CFS.
Definition of control	Definition of Control is principle based which includes satisfaction of three elements of control (a) Power over the investee (b) Exposure or rights to variable returns and (c) ability to affect those returns through its power over the investee.	Control is the ownership of more than one-half of the voting power of an enterprise OR Control of the composition of the board of directors or governing body. The definition given is more of rule based.
Dual Control	As per the definition of control given in Ind AS 110 which is principle and substance based definition, control of an entity could be with one entity only.	Under Indian GAAP, It is possible that an entity is controlled by two parents – one controls by virtue of ownership of majority of the voting power and the other controls, by virtue of an agreement or otherwise, the composition of the board of directors so as to obtain economic benefits from its activities. In such case, the entity will be consolidated by both parent.
Potential Voting Rights	Potential voting rights that are substantive are also considered when assessing whether an entity has control over the subsidiary.	For considering share ownership, potential equity shares of the investee held by investor are not taken into account as per existing AS 21.
Control of specified assets	An investor shall consider whether it treats a portion of an investee as a deemed separate entity and, if so, whether it controls the deemed separate entity. Ind AS 110 contains guidance to consolidate only a portion of an investee as a separate entity (such a deemed separate entity is often referred to as a 'silo').	Control is assessed over legal entities only.
Non controlling interest	NCI shall be presented in the consolidated balance sheet within equity separately from the parent shareholder's equity.	As per AS 21, Minority interest are presented in the consolidated balance sheet separately from liabilities and equity of the parent's shareholders.
Temporary Control	Ind AS 110 does not provide any such exemption of temporary control.	Indian GAAP allows exclusion of subsidiaries from consolidation when the control is intended to be temporary or when the subsidiary operates under severe long-term restrictions.
Losses of Subsidiary	Ind AS requires losses incurred by the subsidiary to be allocated between the controlling (parent) and non-controlling interests, even if the losses exceed the non-controlling equity investment in the subsidiary.	Under Indian GAAP, excess losses attributable to minority shareholders over the minority interest are adjusted against the majority interest, unless the minority has a binding obligation to, and is able to, make good the losses.
Difference in period	As per Ind AS 110, difference between the date of the subsidiary's financial Statements and that of the consolidated financial statements shall not exceed 3 months.	AS 21 allows maximum gap of 6 months between the date of subsidiary financials and consolidated financials.
Uniform accounting policies:	Ind AS 110 does not recognise the situation of impracticability and CFS shall be prepared using uniform accounting policies.	Requirement of uniform accounting policies is also there. However, AS 21 specifically states that if it is not practicable to use uniform accounting policy in the preparation of CFS, that fact should be disclosed together with the proportions of the items in the CFS to which the different accounting policies have been applied.

Conclusion:

The transition from Indian GAAP to Ind AS may have a large chunk of impact on the group reporting. Detailed and lot of analysis and documentation is required to establish who controls whom and in turn who will do the consolidation.

Concept of single and substance based model of control, consideration of potential voting rights, defector control, substantive voting rights, protective rights etc. will evolve in inclusion/exclusion of lot of entities in to consolidation under the new era of Ind AS. Special purpose vehicles, some Trust etc. which were not consolidated in Indian GAAP may be consolidated in Ind AS. Structured entities or Entities having majority voting rights which were consolidated in Indian GAAP due to having more than half of the voting power may be deconsolidated in Ind AS in absence of factors satisfying the conditions of the control model.

The resultant number of entities which are required to be consolidated under Ind AS in comparison to which were consolidated under Indian GAAP may be different due to the differential thought in concept of control in both set of standards.





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YOGA - A WAY TO HEALTHY LIVING





CA. Gopal Nathani

Email: gnathani@dailytaxreporter.com

Obligation to furnish Information Return under GST- Is it fair to cast such obligation upon a taxable person, or is it a Catch 22?

Information providers

Chapter XXIII of the Model GST Act has a provision for gathering information from various persons. Section 117 in this regard draw an obligation upon certain class of persons to furnish information in respect of such periods, within such time, in such form (including electronic form) and manner, to such authority or agency as may be prescribed. In a typical setting the section cast an obligation upon following persons to share information :-

- (a) a taxable person; or
- (b) a local authority or other public body or association; or
- (c) any authority of the State Government responsible for the collection of value added tax or sales tax or state excise duty or an authority of the Central Government responsible for the collection of Excise duty or Customs duty; or
- (d) an income tax authority appointed under the provisions of the Income-tax Act, 1961 or
- (e) a banking company; or
- (f) a State Electricity Board; or an electricity distribution or transmission licensee under the Electricity Act, 2003 (36 of 2003), or any other entity entrusted, as the case may be, with such functions by the Central Government or the State Government; or
- (g) the Registrar or Sub-Registrar appointed under section 6 of the Registration Act, 1908; or

- (h) a Registrar within the meaning of the Companies Act, 2013 ; or
- (i) the registering authority empowered to register motor vehicles under Chapter IV of the Motor Vehicles Act, 1988 ; or
- (j) the Collector referred to in clause (c) of section 3 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 ; or
- (k) the recognized stock exchange; or
- (l) a depository referred to in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996; or
- (m) an officer of the Reserve Bank of India, constituted under section 3 of the Reserve Bank of India Act, 1934 ; or
- (n) Goods and Service Tax Network.

Thus apart from submission of return every taxable person would be obliged to submit an information return electronically to the assessing authority of the series of trade or business transactions that he may have entered during a defined period giving particulars of such transactions in the manner to be so prescribed. This is perhaps going to be burdensome for an average taxpayer who apart from his own account reporting shall be bound to share varied information about his counterpart.

Duplication

At the same time the section require GSTN and State GSTN to forward robust information to the same authority of the same set of information which clearly means a duplication of reporting activity. And in all fairness there are going to be innumerable cases of





mismatching and only God would know how to deal with them. It is therefore mostly fair to relieve a taxable person of such obligation to further furnish information return once after he has furnished his transaction details to GSTN in the periodical return or statement. Else it is going to be very messy since it will not be a mere annual ritual but frequent reporting.

Overlapping sections

Section 63 of the Model Act more particularly empowers a CGST/SGST officer to summon persons to give evidence and produce documents. Sub-section (1) therein says that any [CGST/SGST officer], duly authorized by the competent authority in this behalf, shall have power to summon any person whose attendance he considers necessary either to give evidence or to produce a document or any other thing in any inquiry which such officer is making for any of the purposes of this Act.

This section come into application against a taxable person only in any inquiry which such officer is making for any of the purposes of this Act and not otherwise. On the other hand vide section 117 the officer may require a taxable person to provide him with information on record of registration or statement of accounts or any periodic return or document containing details of payment of tax and other details of transaction of goods or services or transactions of a particular period even in the absence of any inquiry. In other words section 117 has made possible what ordinarily cannot be done u/s 63.

Dual responsibility as well as a Catch 22

It is therefore not justifiable to cast a dual responsibility upon a taxable person to furnish any set of information over and above his course of transactions for a defined period. To include a taxable person in section 117 list is

like enabling the CGST/SGST office to collect tax on the basis of exhibition of the transaction in recipient's books of account for receipt of services or goods, as the case may be which by itself is a very uncertain subject prone to protracted litigation. In the extreme case even if such obligation remains it should be only for furnishing information on annual basis rather than on monthly or quarterly or half yearly basis. Even the recent Service Tax and Central Excise (Furnishing of Annual Information Return) Rules, 2016 require limited information from select and independent sources on specified transaction on annual basis viz., from RBI for foreign remittances and from Electricity Companies for consumption of electricity.





CA. Sandeep Saini

Email: adviseryservices@gmail.com

India's globally infamous unending queue, uneasy checkmates at our border check posts, filing of waybills/entry permits, compliances under entry tax laws and local levies, are one of the prime reasons why transport costs hovered high for decades. But once the GST implemented, these challenges will become a thing of past, as GST will subsume most of Central taxes and State levies, eliminating the time wasting checkpoints and make diverse verticals across India more efficient through faster deliveries of goods and services. In other words, India a nation of multiple market today will transform into one common market backed by borderless, barrier-less systems permitting free movement of goods and services and therefore GST will facilitate "Make in India by making one India".

As per the estimates by the experts, logistic sector would witness savings upto \$200 billion annually with GST implementation, due to faster movement of goods and minimal idling. Logistic players have started dreaming about a borderless, barrier-less tomorrow when the goods will move on seamlessly.

Presently, the logistical costs within India is high and the same is supported by ample evidences. According to one study, for example, in one day, trucks in India drive just 280 kms as against 800kms in US, due to which costs increases viz. wages of drivers, extra fuel usage due to regular idling, firms are forced to maintain larger inventory and it also limit the location choices, for example, firms has to choose the location closer to suppliers/customers instead of lower-cost location in terms of wages, rent etc.

Further, it is observed that just about 40 per cent of the total travel time is spent in driving, on the other hand, check points and other official stoppages take

up almost one-quarter of total travel time and it is estimated that eliminating check point delays could keep trucks moving almost 6 hours more per day, which will results in additional movement of 164 kms per day.

Due to above bottlenecks, logistics costs are higher than the wage bill or the cost of power and 3-4 times the international benchmark. The removal of bottlenecks becomes more important for India, as the share of roads in freight traffic is about 72 per cent, which is much higher in comparison to other countries and rising over time because of under investment in railways, therefore inter-state trade costs to be reduced significantly, due to excessive reliance on roads for movement of goods.

According to world bank estimate about 20-30 per cent of inter-state trade cost is due to taxes. So, after implementation of GST, these costs are expected to come down, which will boost inter-state trade and hence productivity growth within India.

The Impact of GST on Logistic Industry

- a) The GST will enables the businesses viz. e-commerce to rejig their supply chain, since under GST supply chain design will be based on demand management and logistical benefits rather than tax costs.
- b) The tax procedures will be reduced significantly under GST and the companies would prefer to hold inventory in just one large central warehouse, rather than stocking goods in various smaller warehouses, as the standard rate of taxes would be more or less uniform across India, which will preclude the need for multiple warehouses across states. So, instead of transporters, they will prefer third-party logistics





companies that will not only transport but also distribute goods as well as collect money from customers.

- c) The companies would enter into long term contracts with logistic companies, lets say for three or four years as against one year unlike today, and theses long term contracts would also give confidence to the logistic companies to purchase new vehicles as per the specification of customer and banks will also ready to extend loan. So, experts feel the contractual business could increase upto 50 per cent, after implementation of GST.
- d) The companies and logistic firms will be in a position to use fewer but bigger trucks to transport their consignments, further reducing pollution and curbing traffic congestion. And many companies would prefer to outsource logistic operations, as lower costs make this viable.

Steps that logistic service providers need to undertake

- e) Develop a strong team to manage sophisticated technology enabled fulfillment center.
- f) Identify focus Industries that need to revisit their supply chain and their immediate needs post GST implementation.
- g) Enhance technology capabilities and processes to adhere to new input tax credit system.
- h) Reconfigure current fleet size and type, to align to emerging needs..

Issues need to be addressed under GST

- a) Entry tax is subsumed under GST via deleting the Entry 52 from State list given in Article 246 of constitution of India, but Article 243X/243H are not amended, because of which panchayats

and municipalities can still levy octroi e.g. Municipality like BMC will continue with collecting octroi.

- b) Logistic sector should be incentivize, by providing lower GST rates for capital equipment, inputs and input services for setting up warehouses and other infrastructure should be provided.
- c) The ancillary services used for the export of goods should also be provided the same treatment as international freight, i.e. zero rating, which will be in accordance with the international practices adopted in Canada, Singapore, UK and EU.
- d) Presently, inbound international freight is taxable whereas outbound international freight is zero rated, under GST both inbound as well as outbound freight should be zero rated, so as to enable the service providers to avail the benefit of credit on inputs and input services.

With the implementation of GST, it would be better if the government also give focus on other problems of logistic industry viz. Infrastructure of railways, road, ports etc., so that a virtual campaign named "Move in India" would be implemented besides "Make in India".





CA. Sundeep Gupta

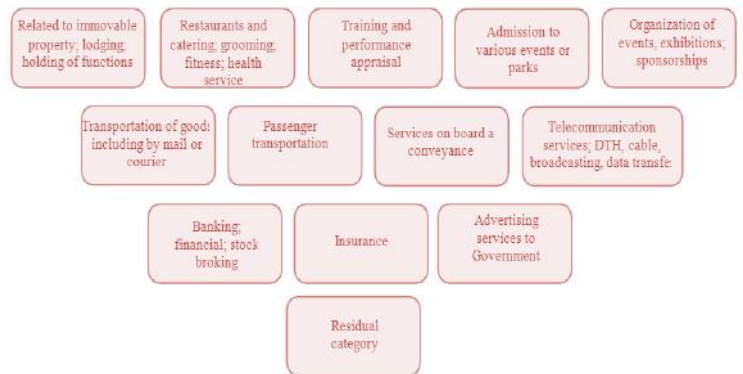
Email: sundeep.gupta@asa.in

The draft model GST law released by the Government on June 14, 2016 in public domain lays down the principles to determine the place of supply and accordingly treat the taxable supply of goods and/or services either as Intra-State or Inter-State. The rules in this regard are framed in the draft Integrated Goods and Services Act, 2016.

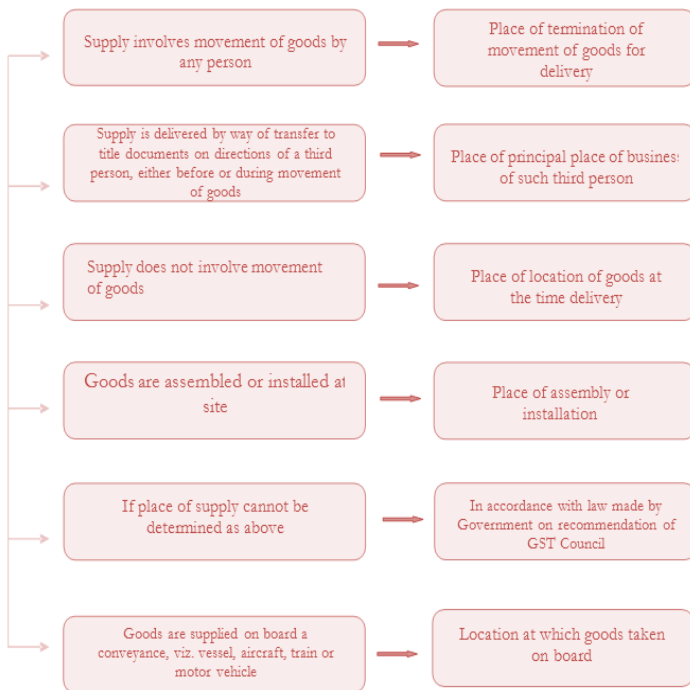
The draft law stipulates separate principles to determine the place of supply of goods and place of supply of services. While the basic principles remain broadly the same as they are presently, the finer aspects of the proposed law cover the supply under GST scenario, both for goods and services, since supply of services will also need to be distinguished as Intra-State or Inter-State for appropriate charging of GST which is not required in the present system of taxation.

Services Rules, 2012, distinguishing, in many cases, the nature of services being rendered to determine the place of supply.

The draft law provides for 12 specific services for which place of supply is to be determined individually. The residual category covers all other services.



PLACE OF SUPPLY OF GOODS



Unlike the rules for place of supply of goods

PLACE OF SUPPLY OF SERVICES

where the location of goods play a dominant role, for services similar rules cannot be made due to the intangible nature of services. The proposed rules for place of supply of services draw their foundation from the existing Place of Provision of

The criteria for determining the place of supply, the following parameters are used:

- a. Location based for services related to objects or things
- b. Performance based
- c. Location of registered persons or others
- d. Residual category

These are illustrated below.

Location based

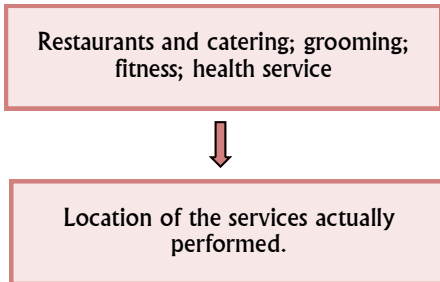
In this category, the location of specified object/thing is of primary importance and the location of service provider and service receiver loses relevance



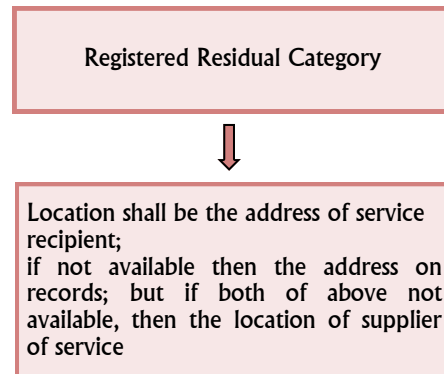


Performance based

Here the location where services are performed plays a dominant role covering mainly those services which require physical presence of service recipient.

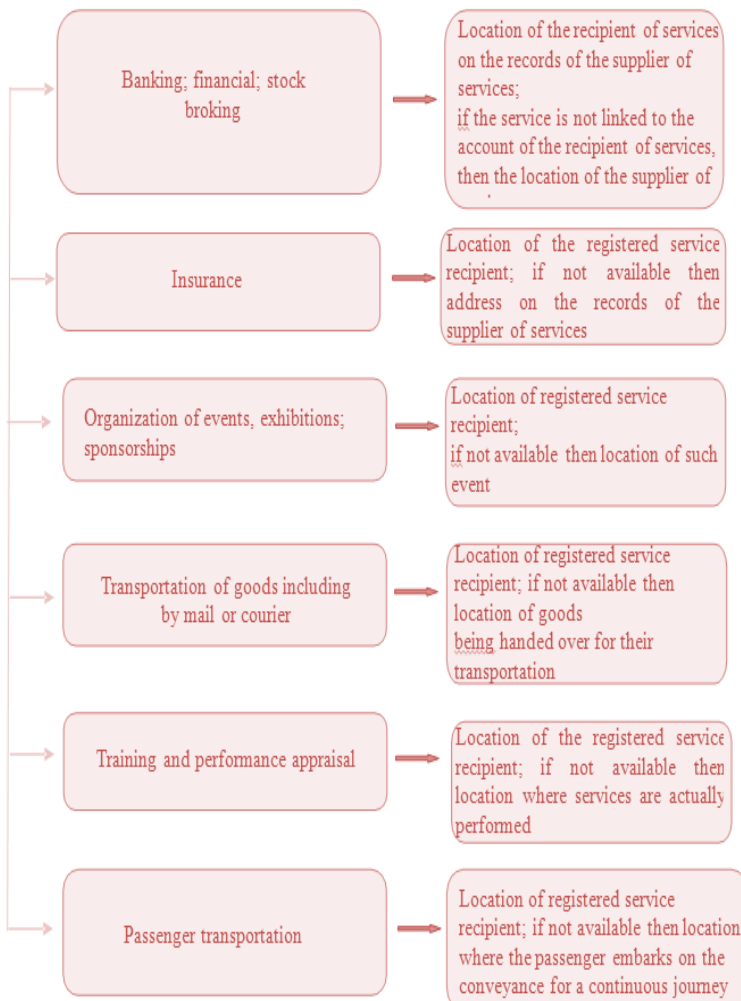


Residual Category



Location of registered person or others

In the below specified services location of service receiver or other person plays dominant role in determining the place of supply of services.



Conclusion

Elaborate rules become necessary under the GST regime, since it is a destination based tax. The regime will prove to be complex to service providers as compared to present day and they will need to segregate the services rendered by them into Inter-State and Intra-State for ensuring proper compliances and deposit of taxes.





Group Discussion on "Supply" under model GST Law



Topic : "Supply" under model GST Law

Audience : Members

Led By : CA. ASHISH CHAUDHARY

Date & Day : 02nd September 2016, Friday





Seminar on “Overview of Ind AS and Principles of Valuation”



Topic : Overview of Ind AS and Principles of Valuation

Audience : Members

Guest Speaker : CA. AMIT MITRA, CA. CHANDER SWAHNEY

Date & Day : 03rd September 2016, Saturday





Group Discussion on “Registration and Payment Procedures under model GST Law ”



Topic : “Registration and Payment Procedures under model GST Law ”

Audience : Members

Led By : CA. MOHIT SINGHAL

Date & Day : 09th September 2016, Friday





Group Discussion on “Time of Supply under model GST Law”



Topic : “Time of Supply under model GST Law”

Audience : Members

Led By : CA. ANKUR JAIN

Date & Day : 16th September 2016, Friday



Group Discussion on “Transitional Provision Under Model GST Law “



Topic : “Transitional Provision Under Model GST Law “

Audience : Members

Led By : CA. HIMANSHU SINGHAL

Date & Day : 23rd September 2016, Friday



Workshop on Input Tax Credit-CENVAT Credit under GST



Topic : Workshop on Input Tax Credit-CENVAT Credit under GST

Audience : Members

Led By : CA. NAVEEN GARG

Date & Day : 30th September 2016, Friday





Overview of 'Lite Bite Foods' and Validity

'Lite Bite Foods' is one of the largest & most dynamic Food & Beverage retail company in the country, with over 14 core brands & 6 Franchise brands under its umbrella. We have 95 operational outlets in India, Bangkok, Singapore, Abu Dhabi, Dubai & United States of America & with a plan of opening 31 new outlets company aims to become one of the largest Food & Beverage players in India by 2016. Currently we have a strong presence in Malls, High Streets, Airports, Multiplexes, Office complexes, Hotels and other high footfall locations.

Our awarded hero brands are Punjab Grill, Zambar, Fresco Co, Asia 7, Street Foods By Punjab Grill, Baker Street, Artful Baker, Pino's, Flamez & Roasted, Naashto, American Tandoor, Savour (Outdoor Catering Brand), Clink, Bottoms Up. We also run Franchise stores of Subway, KFC, Pizza Hut, Burger King, and Café Istanbul.

We invite all are members to avail this opportunity at their restaurants.

The Terms and Conditions offered will be as follows:

1. Fine Dining Restaurants & Casual Dining Restaurants will offer 15% discount on food & soft beverage. The restaurant covered under this policy will be:
 - a) Punjab Grill
 - b) Asia Seven
 - c) Zambar- Coastal Kitchen
 - d) Fresco Co
 - e) Bottoms Up
2. Quick Service Restaurants will offer 10% discount on food. The restaurant covered under this policy will be:
 - a) Baker Street
 - b) Pino's
 - c) Street Foods by Punjab Grill
 - d) Subway
 - e) Asia Seven Express
 - f) Zambar Express

Other applicable Conditions:

- All Discount OFFER(s) are NOT applicable on Festivals and Public Holidays.
- All Discount applicable on Saturdays and Sundays also.
- Discounts are only applicable on showing valid Membership Card/CA logo visiting card at the time on Dining.
- The menu prices at Outlets are subject to change without any prior notice.
- The conditions mentioned on the menu are applicable.





- Taxes and other Govt. levies are applicable.
- No other offers, exemptions or discount schemes can be clubbed with this corporate offer.
- Discounts are not applicable on Hard drinks & MRP products.
- Discount are not applicable at Airport/ railway/ Metro outlets.
- Mode of Payment-Cash / Credit Cards.

S.No	Outlet Name	Location	Outlet Landline No.	Address
1	ASIA 7	Ambience Mall	0124-4665571	Shop No. 318, 3rd Floor, Next to Food Court, Ambience Mall, Gurgaon.
2	BAKER STREET	Ambience Mall	0124-4665567	Shop No.16, Food Union, 3rd Floor, Ambience Mall, Gurgaon.
3	FRESC CO	Ambience Mall	0124-4665572	Shop No. 317, 3rd Floor, Next to Food Court, Ambience Mall, Gurgaon.
4	PINO'S	Ambience Mall	0124-4665495	Shop No. 14, 3rd Floor, Food Union, Ambience Mall, Gurgaon.
5	PUNJAB GRILL	Ambience Mall	0124-4665478	Shop No. 319, 3rd Floor, Next to Food Court, Ambience Mall, Gurgaon.
6	SF by PG	Ambience Mall	0124-4665513	Shop No. 02, 3rd Floor, Food Union, Ambience Mall, Gurgaon.
7	SF by PG	MGF Metropolitan Mall	0124-4222238	Shop No. 05, 3rd Floor, Food Court, MGF Metropolitan Mall, Gurgaon.
8	SF by PG (Delivery Only)	Udyog Vihar	0124-4236633	Plot - 317 Udyog Vihar Phase - 4 Gurgaon
9	SUBWAY	Ambience Mall	0124-4665515	Shop No. 04, 3rd Floor, Food Union, Ambience Mall, Gurgaon.
10	SUBWAY	DT Mega Mall	0124-4015577	3rd Floor, Food Court, DT Mega Mall, Gurgaon.
11	SUBWAY	Cyber Green	0124-4016962	Ground Floor, Food Court, Cybergreen Tower, DLF Phase-III, Gurgaon.
12	SUBWAY	Fortis Hospital	0124-4039728	Fortis Hospital Sector 44, Gurgaon Haryana
13	ZAMBAR	Ambience Mall	0124-4665639	Shop No. 310, 3rd Floor, Next to Food Court, Ambience Mall, Gurgaon.
14	ZAMBAR	Cyber Hub	91-8130450438	Ground Floor, Cyber Hub, Cyber City, Gurgaon

Gurgaon Chartered Accountants, a newsletter owned by Gurgaon Branch of NIRC of ICAI is normally published in the first week of every month. Non Receipt of any issue should be notified within one month. Articles in interest of profession and management skills are welcome. Views expressed by contributors are their own and may not be in concurrence with Gurgaon Branch of NIRC of ICAI and the branch does not take any responsibility of views expressed by contributors. Gurgaon Branch is not responsible in any manner of any result of the action taken on the basis of advertisements published in the newsletter. Rights & copying of articles or write ups is not allowed without permission of Editorial Committee.





- ◆ For the Financial Year 2016-17 the branch has constituted a Study Group for conducting the programs. The details of membership fee for which are as follows:

Particulars	Fee Per Member
For Individual Member	Rs.5000/-*
For five or more declared members from any organization i.e. names of the Members to be declared at the time of payment with the fee (payment will be made with a single cheque only)	Rs.4500/-*

* Fee is applicable for the period April 2016 to March 2017

Please note that Study Group members shall not be required to pay any fee for attending the seminars organized by the Branch during the financial year 2016-17.

Members are requested to enroll for the Membership of the Study group by sending a cheque in favour of “Gurgaon Branch of NIRC of ICAI” at Plot No. 60 - A, Sector-18, 3rd Floor, Gurgaon.

◆ Feedback & Suggestions

Gurgaon Branch will be happy to receive the feedback from you regarding the seminars/workshops and other activities organized by branch.

You may please send feedback at-

Regarding	Email	Subject line
Seminars/Workshops	icaigurgaon@gmail.com	Sub: Seminar_____
Others	icaigurgaon@gmail.com Or arunaggarwalca@gmail.com	Feedback_____

- ◆ Gurgaon Branch of NIRC of ICAI requests the members & students to come forward & share the articles (Professional & other) to be published in the upcoming newsletter. The submissions may be sent to itticaigurgaon@gmail.com with the subject line (Article Newsletter).

Gurgaon Branch Managing Committee for the Session 2016-19

Name	Designation	Contact No.	E-mail
CA. NAVEEN GARG	CHAIRMAN	9911283111	nvn_garg@yahoo.com
CA. RAKESH K. AGARWAL	VICE- CHAIRMAN	9310630306	rakeshaggrawal@yahoo.com
CA. ARUN AGGARWAL	SECRETARY	9891338830	arunaggarwalca@gmail.com
CA. MANISH GOYAL	TREASURER	9910812727	gurgaon@akgca.com
CA. SANDEEP GARG	EXECUTIVE MEMBER	9818798009	gargsandeep684@gmail.com
CA. LALIT AGGARWAL	EXECUTIVE MEMBER	9999565491	lalit.agrwal@gmail.com
CA. AMIT GUPTA	EXECUTIVE MEMBER	9654346350	amitskguptaca@gmail.com
CA. VIPUL JAIN	EXECUTIVE MEMBER	9711537400	vipul82jain@gmail.com





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Plot No-60A, 3rd Floor, Sector-18, Gurgaon, Haryana.

Phone : 0124- 4268867 | Email : icaigurgaon@gmail.com | Website : www.icaigurgaon.org

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