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- May 22 - GSTR 3B
- May 31 - TDS Return March Quarter
- May 31 - Form 61A - AIR by Assessee liable to Tax Audit
- May 31 - Payment and monthly return of PT
- May 31 - GSTR I & 6

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Dedicated fortnight for Income Tax Appeal Effect & Rectification

The redressal of public grievance and taxpayer service is an area of top priority for CBDT and the Government. The delay in giving appeal effect and passing rectification orders is the biggest source of grievance against the Department. Moreover, such delays also adversely affect the performance of the Department as the infructuous demand remains stuck in appeal orders and rectification petitions till these are disposed of by the assessing officer.

2. With a view to expeditiously dispose off the appeal effect and rectification claims of the taxpayers, it has been decided to dedicate the first fortnight of June, 2018 for attending to the pending claims in these areas. During the period of **1st to 15th June, 2018**, all assessing officers shall accord top priority to work of giving appeal effect and passing the rectification orders, and shall earmark the first half of the day to meet applicants/ counsels who seek to have a

hearing to explain their case.

3. In the area of rectification, special attention may be given to demands disputed by the taxpayer in response to proceedings u/s 245 as delay in such cases is creating widespread dissatisfaction amongst taxpayers. Moreover, whenever *challan* correction is required to be carried out to give credit for pre-paid taxes, the same should also be taken up on priority. For this purpose, the supervisory officers must ensure that the deductors are made to file correction statements whenever there is a mismatch because of failure to deductor to file quarterly statement properly and Correctly

4. The supervisory officers shall monitor effective utilization of the fortnight for the purposes explained above. A wide publicity of the observance of the fortnight should be given in the local media and banners/ posters etc. may also be placed in



office premises to make the taxpayers aware of the drive undertaken by the Department. The Pr. CCIT/ CCIT/ Pr. CIT may write to the local chapter of ICAI and the Bar Association informing them of the organization of the fortnight and request them to use this opportunity to get as many pending matters disposed of as possible. The AO and range head must be sensitized to attend the appeal effect and disposal of rectification application on priority basis.

Extension of Due Date for GSTR - 1

No. GST. 1018/C.R. 34/ Taxation-1. - In exercise of the powers conferred by section 148 of the Maharashtra Goods and Services Tax Act, 2017 (Mah. XLIII of 2017) (hereinafter in this notification referred to as "the said Act"), the Government of Maharashtra, on the recommendations of the Council, hereby notifies the registered persons having aggregate turnover of up to 1.5 crore rupees in the preceding

financial year or the current financial year, as the class of registered persons who shall follow the special procedure as mentioned below for furnishing the details of outwards supply of goods or services or both.

The said persons shall furnish the details of outward supply of goods or services or both in FORM GSTR-1 effected during the quarter April to June, 2018

till the 31st day of July, 2018.

The special procedure or extension of the time limit for furnishing the details or return, as the case may be, under sub-section (2) of section 38 and sub-section (1) of section 39 of the Act, for the months of April to June, 2018 shall be, subsequently, notified in the *Official Gazette*.

MGST: Procedure for detention, seizure and release of goods & conveyances in transit



Sub-section (1) of section 68 of the Maharashtra Goods and Services Tax Act, 2017 (hereinafter referred to as the “MGST Act”) stipulates that the person-in-charge of a conveyance carrying any consignment of goods of value exceeding a specified amount shall carry with him the documents and devices prescribed in this behalf. Sub-section (2) of the said section states that the details of documents required to be carried by the person in charge of the conveyance shall be validated in such manner as may be prescribed. Sub-section (3) of the said section provides that where any conveyance referred to in sub-section (1) of the said section is intercepted by the proper officer (officer to whom powers in this behalf are delegated by the Notification cited at Ref. (2) and (3) above) at any place, he may require the person-in-charge of the conveyance to produce the documents and also allow the inspection of goods.

- Rules 138 to 138D of the Maharashtra Goods and Services Tax Rules, 2017 (hereinafter referred to as the “MGST Rules”) lay down, in detail, the provisions relating to e-way bills. As per the said provisions, in case of transportation of goods by road, an e-way bill is required to be generated before the commencement of movement.

- Rule 138A of the said rules prescribed that the person incharge of a conveyance shall carry the invoice or bill of supply or delivery of a conveyance shall carry the invoice or bill of supply or delivery challan, as the case may be; and in case of transportation of goods by road, he shall also carry a copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a Radio Frequency Identification Device embedded on the conveyance in such manner as may be notified by the Commissioner.
- Section 129 of the MGST Act provides for detention, seizure and release of goods and conveyances in transit while section 130 of the MGST Act provides for the confiscation of goods or conveyances and imposition of penalty.
- The rule 138B of the MGST Rules provides that the Commissioner or officer empowered by Commissioner, may authorize the proper officer (to whom the powers conferred upon the Commissioner in this behalf are delegated) to verify the e-way bill number in physical form for all inter-State and inter-State movement of the goods. Vide notification dated 3rd April 2018, the movement of the goods. Vide notification dated 3rd April 2018, the Commissioner of State tax has designated the Joint Commissioner of State Tax, Investigation ‘A’, Joint Commissioner of State Tax, Investigation ‘B’ and all the Joint Commissioner(s) of State Tax (VAT ADM), as the “Empowered Officer”. Further, the Commissioner has delegated the powers and duties conferred or imposed upon him and assigned the functions and duties as proper officer, to all the Deputy Commissioner of State Tax, In view of this, the “Empowered Officer”, for the aforesaid purpose shall, by an order, authorize and designate an officer(s) as the proper officer(s) to conduct interception and inspection of conveyances and goods under the provisions of sections 68, 129 and 130 of the MGST Act within their geographical

In this regard, various references have been received regarding the procedure to be followed in case of interception of conveyances for inspection of goods in movement and detention, release and confiscation of such goods and conveyances. In order to ensure uniformity in the implementation of the provisions of the MGST Act across State the Commissioner of State Tax, in exercise of the powers conferred under section 168 (1) of the MGST Act, hereby issues the following instructions:



jurisdiction.

- The proper officer, authorized to intercept and inspect a



conveyance, may intercept any conveyance for verification of documents and/or inspection of goods. On being intercepted, the person incharge of the conveyance shall produce the documents related to the goods and the conveyance. The proper officer shall verify such documents and where, prima facie, no discrepancies are found, the conveyance shall be allowed to move further. An e-way bill number may be available with the person in charge of the conveyance or in the form of a printout, sms or it may be written on an invoice. All these forms of having an e-way bill are valid. Wherever a facility exists to verify the e-way bill electronically, the same shall be so verified, either by logging on to <http://mis.ewaybillgst.gov.in> or the Mobile App or through sms by sending **EWBVER <EWB_NO>** to mobile number **7738299899** (For e.g. EWBVER 120100231897).

- For the purposes of verification of the e-way bill, interception and inspection of the conveyance and/or goods, the proper officer under rule 138B of the MGST Rules shall be the officer who has been assigned the functions under sub-section (3) of

section 68 of the MGST Act. For this purposes the Commissioner has issued notifications cited at Ref. (2) and (3) above.

- Where the person incharge of the conveyance fails to produce any prescribed documents or where the proper officer intends to undertake an inspection, he shall record a statements of the person incharge of the conveyance in **FORM GST MOV-01**. In addition, the proper officer shall issue an order for physical verification/inspection of the conveyance, goods and documents in **FORM GST MOV-02**, requiring the person in charge of the conveyance to station the conveyance at the place mentioned in such order and allow the inspection of the goods. The proper officer shall, within twenty-four hours of the aforementioned issuance of **FORM GST MOV-02**, prepare a report in **Part A of FORM GST EWB-03** and upload the same on the common portal.
- Within a period of three working days from the date of issue of the order in **FORM GST MOV-02**, the proper officer shall conclude the inspection proceeding, either by himself or through any other proper officer authorised in this behalf. Where circumstances warrant such time to be extended, he shall obtain a written permission in **FORM GST MOV-03** from the Commissioner or an officer authorized by him, for extension of time beyond three working days and a copy of the order of extension shall be served on the person incharge of the conveyance.
- On completion of the physical verification/inspection of the conveyance and the goods in

movement, the proper officer shall prepare a report of such physical verification in **FORM GST MOV-04** and serve a copy of the said report of the person incharge of the goods and conveyance. The proper officer shall also record, on the common portal, the final report of the inspection in **Part B of FORM GST EWB-03** within three days of such physical verification/inspection.

- Where no discrepancies are found after the inspection of the goods and conveyance, the proper officer shall issue forthwith a release order in **FORM GST MOV-05** and allow the conveyance to move further. Where the proper officer is of the opinion that the goods and conveyance need to be detained under section 129 of the MGST Act, he shall issue an order of detention in **FORM GST MOV-06** and a notice in **FORM GST MOV-07** in accordance with the provisions of sub-section (3) of section 129 of MGST Act, specifying the tax and penalty payable. The said notice shall be served on the person incharge of the conveyance.
- Where the owner of the goods or any person authorized by him comes forward to make the payment of tax and penalty as applicable under clause (a) of sub-section (1) of section 129 of the MGST Act, and the MGST Rules, release the goods and conveyance by an order in **FORM GST MOV-05**. Further, the order in **FORM GST MOV-09** shall be uploaded on the common portal and the demand accruing from the proceedings shall be





added in the electronic liability register by debiting the electronic cash ledger or the electronic credit ledger of the concerned person in accordance with the provisions of section 49 of the MGST Act.

- Where the owner of the goods, or the person authorized by him, or any person other than the owner of the goods comes forward to get the goods and the conveyance released by furnishing a security under clause (c) of sub-section (1) of section 129 of the MGST Act, the goods and the conveyance shall be released, by an order in **FORM GST MOV-05**, after obtaining a bond in **FORM GST MOV-08** along with a security in the form of bank guarantee equal to the amount payable under clause (a) or clause (b) of sub-section (1) of section 129 of the MGST Act. The finalization of the proceedings under section 129 of the MGST Act, shall be taken up on priority by the officer concerned and the security provided may be adjusted against the demand arising from such proceedings.
- Where any objections are filed against the proposed amount of tax and penalty payable, the proper officer shall consider such objections and thereafter, pass a speaking order in **FORM GST MON-09**, quantifying the tax and penalty payable. On payments of



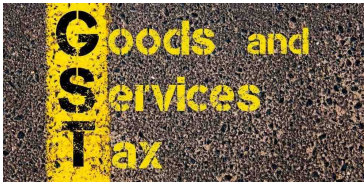
such tax and penalty payable. On payment of such tax and penalty, the goods and conveyance shall be released forthwith by an order in **FORM GST MOV-05**. The order in **FORM GST MOV-09** shall be uploaded on the common portal and the demand accruing from the order shall be added in the electronic liability register and, upon payment of the demand, such registered shall be credited by either debiting the electronic cash ledger or the electronic credit ledger of the concerned person in accordance with the provisions of section 49 of the MGST Act.

- In case the proposed tax and penalty are not paid within seven days from the date of the issue of the order of detention in **FORM GST MOV-06**, the action under section 130 of the MGST Act, shall be initiated by serving a notice in **FORM GST MOV-10**, proposing confiscation of the goods and conveyance and imposition of penalty.
- Where the proper officer is of the opinion that such movement of goods is being effected to evade payment of tax, he may directly invoke section 130 of the MGST Act by issuing a notice proposing to confiscate the goods and conveyance in **FORM GST MOV-10**. In the said notice, the quantum of tax and penalty leviable under section 130 read with section 122 of MGST Act,

and the fine in lieu of confiscation leviable under sub-section (2) of section 130 of the MGST Act shall be specified. Where the conveyance is used for the carriage of goods or passengers for hire, the owner of the conveyance shall also be issued a notice under the third proviso to sub-section (2) of section 130 of the MGST Act, proposing to impose a fine equal to the tax payable on the goods beings transported in lieu of confiscation of the conveyance.

- No order for confiscation of goods or conveyance, or for imposition of penalty, shall be issued without giving the person an opportunity of being heard.
- An order of confiscation of goods shall be passed in **FORM GST MOV-11**, after taking into consideration the objections filed by the person in charge of the goods (owner or his representative), and the same shall be served on the person concerned. Once the order of confiscation is passed, the title of such goods shall stand transferred to the Central Government. In the said order, a suitable time not exceeding three months shall be offered to make the payment of tax, penalty and fine imposed in lieu of confiscation and get the goods released. The order in **FORM GST MOV-11** shall be uploaded on the common portal and the demand

accruing from the order shall be added in the electronic liability register and, upon payment of the demand,



such register shall be credited by either debiting the electronic cash ledger or the electronic credit ledger of the concerned person in accordance with the provisions of section 49 of the MGST Act. Once an order of confiscation of goods is passed in **FORM GST MOV-11**, the order in **FORM GST MOV-09** passed earlier with respect to the said goods shall be withdrawn.

- An order of confiscation of conveyance shall be passed in **FORM GST MOV-11**, after taking into considerations the objections filed by the person incharge of the conveyance and the same shall be served on the person concerned. Once the order of confiscation is passed, the title of such conveyance shall stand transferred to the State Government. In the order passed above, a suitable time not exceeding three months shall be offered to make the payment of penalty and fine imposed in lieu of confiscation and get the conveyance released. The order in **FORM GST MOV-11** shall be uploaded on the common portal and the demand accruing from the order shall be added in the electronic liability registered by either debiting the electronic cash ledger or the electronic credit ledger of the concerned person in

accordance with the provisions of section 49 of the MGST Act.

- The order referred to in clauses (n) and (o) above may be passed as a common order in the said **FORM GST MOV-11**.
- In case neither the owner of the goods nor any person other than the owner of the goods comes forward to make the payment of tax, penalty and fine imposed and get the goods or conveyance released within the time specified in **FORM GST MOV-11**, the proper officer shall auction the goods and/or conveyance by a public auction and remit the sale proceeds to the account of the State Government.
- Suitable modification in the time allowed for the service of notice or order or auction or disposal shall be applied in case of perishable and/or hazardous goods.
- Whenever an order or proceedings under the MGST Act is passed by the proper officer, a corresponding shall be passed by him under the CGST Act and if applicable, under the Goods and Services Tax (Compensations to States) Act, 2017. Further, sub-section (3) and (4) of section 79 of the MGST Act/CGST Act be referred to in case of recovery of arrears of state tax/Central tax.
- The procedure narrated above shall be applicable *mutatis mutandis* for an order or proceeding under the IGST Act, 2017.
- Demand of any tax, penalty, fine or other charges shall be added in the electronic liability ledger of the person concerned. In case where no electronic liability ledger is

available in case of an unregistered person, a temporary ID shall be created by the proper officer on the common portal and the liability shall be created therein. He shall also credit the payments made towards such demands of tax, penalty or fine and other charges by debiting the electronic cash ledger of the concerned person.

- A summary of every order in **FORM GST MOV-09** and **FORM GST MOV-11** shall be uploaded electronically in **FORM GST-DRC-07** on the common portal.

The format of **FORMS GST MOV-01** to **GST MOV-11** are annexed to this Trade Circular.

Difficulties, if any, in implementation of the above instructions may be brought to the notice of the Commissioner State Tax at an early date.



Clarification on Non Deduction of TDS on Work Contract under GST

Please refer to this office letters No. F.12(89)FD/Tax/2017 dated 20.09.2017 and 02.11.2017 wherein it had been directed that all government departments procuring goods and services under a contract exceeding Rs. 2.5 lakhs will be required to deduct tax at source under Section 51 of the GST law. For this purpose every DDO making such a deduction, is required to take a TAN based registration and to file returns as prescribed under the Act.

It had been specifically directed vide above referred letters that the DDOs are at

present only required to register themselves on the GSTN portal and that actual deduction at source will commence at a later date. The date of commencement of deduction has not yet been notified, However, during workshops conducted across the State, it has been pointed out by stakeholders that some of the DDOs have already started deducting tax at source especially in case of Works Contracts. In this regard, it is once again directed that presently, all eligible DDOs are only required to register themselves on the

GSTN portal. **Tax is not to be deducted by such DDOs till notification of the commencement date** which shall be communicated in due course.

Further, wherever DDOs have already deducted such tax, a suitable mechanism may be devised by the HoDs to refund the same to the suppliers. The HoDs may review such cases on a priority basis and submit an action taken report in this regard within 15 days.



Recording of UIN on invoice issued to Embassies / Missions / Consulates or UN organizations is necessary

Complaints have been received from Foreign Diplomatic Missions / UN Organizations regarding unwillingness of vendors / suppliers / E-commerce websites to record the UIN (Unique Identify Number) while making sales to such Embassies / Missions / Consulates or UN organizations.

2. Unique Identification Number (UIN) is a 15-digit unique number allotted to any specialised agency of the United Nations Organisation or any Multilateral Financial Institution and Organisation notified under the United Nations (Privileges and Immunities) Act, 1947, Consulate or Embassy of foreign countries. First two digits of the UIN denotes State code where such entity is located.

3. It may be noted that supply

to Foreign Diplomatic Missions / UN Organizations is like any other Business to Consumer (B2C) supply and will not have any additional impact on the supplier's tax liability. Recording of UIN while making such supplies by the suppliers will enable Foreign Diplomatic Missions / UN Organizations to claim refund of the taxes paid by them in India. Therefore, it is advised that **suppliers should record the UIN of the Embassies / Missions / Consulates or UN organizations on the tax invoice.**

4. It has been noticed many big brands for groceries, clothing, super stores etc. have been denying this facility to Embassies and Consulates. Such organizations / stores are advised to amend their processes / software

and enable recording of UIN when insisted upon by a diplomat or an official of a Foreign Diplomatic Missions / UN Organizations.

5. Attention is invited to **Circular No. 43/17/2018-GST dated 13th April 2018** which provides that recording of UIN on the invoice is a necessary condition under rule 46 of the **CGST Rules, 2017**. If suppliers / vendors are not recording the UINs, action may be initiated against them under the provisions of the **CGST Act, 2017**.

6. Search functionality for UIN is available on the GST Common Portal in "Search Taxpayer" option. On entering UIN and captcha, details of the entity will be available.



CODS, 2018- Where petitions have already been filed before NCLT

In continuation of General Circular No. 16/2017 dated 29.12.2017, General Circular No. 02/2018 dated 28.03.2018 and General Circular No. 03/2018 dated 27.04.2018 on the subject cited above, it is stated that this Ministry has received representations from stakeholders raising doubts regarding filing requirements of e-CODS, 2018, in such cases, where petitions have already been filed before NCLT under section 252 of the Companies Act 2013, during the currency of the scheme and orders are pending before the NCLT and whether such struck off companies can file CODS upon obtaining orders for the same even after 01.05.2018.

2. The matter has been examined and it is clarified that as per para 4(v) of the General Circular

No.16/2017 dt 29.12.2017, which states *"In the event of defaulting companies whose names have been removed from the register of companies under section 248 of the Act and which have filed applications for revival under section 252 of the Act up to the date of this scheme, the Director's DIN shall be re-activated only NCLT order of revival subject to the company having filing of all overdue documents"*. It is therefore, hereby directed that in such cases the Registrar(s) of Companies shall raise a ticket through Change Requirement Form (CRF) on MCA21 portal along with copy of NCLT order and E-governance shall activate DIN of the directors, such struck off companies that have been revived through NCLT to file e-CODS, 2018. However, the directors whose DINs are pro-

posed to be activated through CRF should not be directors on any other company which has been struck off under section 248(1) of the Act (other than the one revived through NCLT order as mentioned in CRF). This may be ensured by the ROC before raising CRF with E-governance.

3. Further, the Registrar(s) of Companies are directed to ensure that CRFs are raised in such cases only after thorough scrutiny of the NCLT orders and ensuring that such struck off companies had filed overdue documents before filing e-CODS, 2018 and had filed petitions before the NCLT during the validity of CODS Scheme.



Section 227 to 229 of IBC, 2016 comes into force from 1st May, 2018

In exercise of the powers conferred by sub-section (3) of Section 1 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby appoints the 1st day of May, 2018 as the date on which the provisions of Section 227 to Section 229 (both inclusive) of the said Code shall come into force.

Power of Central Government to notify financial service providers, etc

227. Notwithstanding anything to the contrary examined in this Code or any other law for the time being in force, the Central Government may, if it considers neces-

sary, in consultation with the appropriate financial sector regulators, notify financial service providers or categories of financial service providers for the purpose of their insolvency and liquidation proceedings, which may be conducted under this Code, in such manner as may be prescribed.

Budget.

228. The Board shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Board and forward the same to the Central Government.

Annual report.

229. (1) The Board shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

(2) A copy of the report received under sub-section (1) shall be laid, as soon as may be after it is received, before each House of Parliament.



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Fulfilled obligations under PML Rules: RBI to NBFCs

Prevention of Money Laundering Act, 2002 (PMLA) and the Rules impose obligation on reporting entities (RE's) including Non-Banking Financial Companies (NBFC's) to verify identity of clients, maintain records and furnish information to FIU-IND. To facilitate the filing of prescribed reports under PMLA, FIU-IND has developed a platform called FINnet Gateway portal. In order to file the prescribed reports, it is necessary for a Reporting Entity (RE) to register itself and its Principal Officer (PO) through the FINnet Gateway portal of FIU-IND.

As these unregistered NBFCs remain outside the reporting ambit of FIU-IND, they pose a risk to the integrity of the country's financial system and there-

fore, FIU-IND has published the list of such 'non-compliant NBFCs which have not fulfilled their obligation under PML Act and Rules relating to non registration of Principal Officer'. The said list has been published by FIU-IND so as to enable the bankers to conduct enhanced due diligence of the transactions carried out by such NBFCs. Further, as per provisions of the PML Act and Rules, all NBFCs are required to intimate the details of their Designated Director to FIU-IND. (It may be noted that registration of RE and PO is only through the online mode, i.e. FINnet Gateway portal (<https://finnet.gov.in/>), while intimation of appointment / change of Designated Director is by way

of a letter to FIU-IND).

All NBFCs which have failed to comply with any of the above requirements are now required to register their Reporting Entity (RE), Principal Officer (PO) and Designated Director with FIU-IND. The procedure for registration of RE and PO is available on the FIU-IND website (fiuindia.gov.in). All unregistered NBFCs are required to contact the CTR Cell, FIU - I N D (0 1 1 - 24672138, ctrcell@fiuindia.gov.in) for any registration related queries.

FIU-IND would delete the names of NBFCs once their registration process is completed and the list would be revised monthly.

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