

All India Federation of Tax Practitioners



AIFTP TIMES

Volume 8 – No. 4 • April 2017

FORTHCOMING PROGRAMMES

Date & Month	Programme	Place
8-4-2017	One Day Seminar	Jalpaiguri (EZ)
22-4-2017	National Executive Committee Meeting	Anand (WZ)
22, 23-4-2017	Two Day National Tax Conference	Anand (WZ)
3/4 to 9/10-6-2017	International Tour-cum-Conference	Sri Lanka (Kandy & Colombo)

AIFTP JOURNAL SUBSCRIPTION 2017-18

Dear Members,

The AIFTP Journal is the mouthpiece of the All India Federation of Tax Practitioners and it is also a source of information for updating our subscribers with the latest developments on Direct and Indirect Taxes.

The unique feature of our Journal is that every quarter, we publish gist of important case laws reported in more than 30 tax magazines. We publish opinions of eminent professionals, thought provoking speeches of Hon'ble Judges of Apex Court and High Courts, important articles on Direct and Indirect Taxes, articles on Wealth Management and answers by eminent professionals on various controversial issues. We are sure that in the era of information technology, our journal would definitely help you to update your knowledge on latest case laws and development of law. Therefore, we take this opportunity to emphasise that subscription to the journal is highly recommended.

Please note that AIFTP Journal subscription for the year 1st April, 2017 to 31st March, 2018 falls due for payment on 1st April, 2017.

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Members are requested to remit the amount of either ₹ 800/- for one year or ₹ 2,100/- for three years by Cheque/ Demand Draft by **20th April, 2017**. You are also requested to fill in all the details in the Renewal Notice.

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Thanking you,

Yours sincerely,

For **ALL INDIA FEDERATION OF TAX PRACTITIONERS****Vipul Joshi**

Treasurer

Note :

- Payment should be made by Account Payee Cheque/Demand Draft in favour of "ALL INDIA FEDERATION OF TAX PRACTITIONERS".
- OUTSTATION MEMBERS are requested to send payments only by either at par cheque or Demand Draft payable at Mumbai drawn in favour of "ALL INDIA FEDERATION OF TAX PRACTITIONERS".
- An early payment of the subscription would be highly appreciated.
- Member who requires the AIFTP Journal to be couriered separately at their communication address, should add ₹ 300/- per year as courier charges.**
- Please download the subscription form from the aiftp's website and duly filled in all respects along with the payment.
- Please write your name on the reverse of Cheques/D.D.

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Report of Two Day National Tax Conference held on 25th & 26th February, 2016 at Chandigarh Judicial Academy, Chandigarh

By **K. L. Goyal**, *Chairman*, AIFTP (NZ)

Inaugural Session

The much awaited National Tax Conference organised by the AIFTP North Zone, Income Tax & Sales Tax Bar Association, Chandigarh, District Tax Bar Association, Mohali and Panchkula Tax Bar Association was held on the 25th and 26th of February, 2016 at Chandigarh, City Beautiful. The theme of the Conference was 'Tax Without Tears – Role of Tax Professionals'. It was inaugurated by one of the most celebrated judges of India, Hon'ble Dr. Justice D. Y. Chandrachud, Judge, Supreme Court of India. The Guest of Honour for the inaugural session was Hon'ble Mr. Justice S. S. Saron, Judge, Punjab & Haryana High Court at Chandigarh. The session started with the lighting of lamp amidst chanting of Saraswati Vandana. The dignity and the decorum of the occasion was enhanced when Hon'ble Mr. Justice Chandrachud unveiled the souvenir. Hon'ble Dr. D. Y. Chandrachud shared his valuable experience on taxation right from his college days till the time he was given the opportunity to preside over the Tax Bench at the Bombay High Court. His Lordship enthralled the audience by sharing how tax affects the life of a common man. His Lordship also shared the lyrics of the song "Tax Man" composed by the famous band The Beatles to showcase as to how tax affects every single man. His Lordship also shared the famous story of Procrustes during his speech in order to express his views on the present taxation scenario in the country. Hon'ble Judges from Punjab & Haryana High Court and judicial members of the City were also present. Around 300 delegates were enrolled from various parts of the country including Advocates, Chartered Accountants and Tax Practitioners. The gathering also included officials, bureaucrats and business tycoons who filled the venue of Chandigarh Judicial Academy. To add to the sumptuousness of the occasion, the delegates were served with food made from special delectables to make the atmosphere and the ambience just perfect and comfortable.

First Session

The First Technical Session consisted of highlights on "An Analysis of Recent income tax amendments" and was chaired by Hon'ble Mr. Justice A. K. Mittal, Judge, Punjab & Haryana High Court. Mr. Ashok Aggrawal, Sr. Advocate & Advocate General, Punjab was the Chairman of the session. A number of speakers from across the country shared their in-depth knowledge with the delegates. The session had key speaker Mr. Girish Ahuja, a well-known Chartered Accountant. Mr. Vipin Garg, a young chartered accountant moderated the session by keeping everyone involved in the discussion. The delegates raised various queries which were duly entertained by the esteemed panellists. The Organising Committee could not have asked for a better timing to felicitate Mr. Chaman Lal Sharma, Advocate for his outstanding contribution in the field of tax laws. Mr. Sharma was felicitated by Hon'ble Mr. Justice A. K. Mittal, Judge, Punjab & Haryana High Court.

Second Session

The 2nd Technical Session consisted of a dialogue on "GST – Model Draft Law – An Indepth Analysis" was chaired by Hon'ble Mr. Justice Rajesh Bindal, Judge, Punjab & Haryana High Court. Justice Bindal, who started his career as a taxation lawyer, shared his priceless knowledge with the delegates which included budding practitioners too. Mr. B. R. Mahajan, Advocate General, Haryana, was the Chairman of the session in which the leading tax experts – Mr. Balbir Singh, Senior Advocate, Mr. Mukul Gupta, Mr. Sudipta Bhattacharjee and Mr. Prashant Raizada were present to usher in a brainstorming symposium on the topic. Various speakers who travelled from far away corners of India kept the throng of people interested, excited and willing to be showered by their phenomenal words of wisdom. Mr. Dev Raj, Advocate was felicitated for his outstanding contribution in the field of tax laws. He was felicitated by Hon'ble Mr. Justice Rajesh Bindal, Judge, Punjab & Haryana High Court.

The sessions went on till late evening but the audience was more than enthusiastic to be enlightened by their reserves of knowledge. For the amusement of all, there was a gala dinner along with the vibrating bhangra performance and live songs in the evening at Chandigarh Club.

Third Session

The next day's session consisted of highlights on "Opportunities and Challenges for Professionals in GST Regime" which was headed by Hon'ble Mr. Justice L. N. Mittal (Retd.), Chairman Haryana Tax Tribunal. Mr. Ganesh Purohit, Senior Advocate was the Chairman of the session. Various speakers like Mr. S. Venkataramani, Mrs. Nikita Badheka, Mr. H. L. Madan, Mr. Alok Krishan and Dr. Shivani Gupta from the Excise & Taxation Department of Punjab kept up the zeal of the delegates by augmenting their comprehension on various issues. The panellists later on answered the anxious queries raised by delegates pertaining to GST in the States. The department representative also promised to extend her full co-operation to the practitioners regarding queries about the implementation of GST.

Valedictory Session

The theme for the valedictory session was “GST – One Nation One Tax”. Hon’ble Mr. Justice A. N. Jindal, Chairman, Punjab VAT Tribunal was the Chief Guest for the session. Mr. P. C. Joshi, Mr. M. L. Patodi, Mr. J. D. Nankani, all past Presidents of AIFTP along with Mr. Chaman Lal Sharma, Mr. Dev Raj and Mr. Varinder Sharma who were the distinguished guests. All the organisers who put their best efforts to make the Conference successful along with the sponsors were honoured during the session.

Fourth Session

Since the delegates had their queries reserved as to functioning of GST, a session was specially designed for the same which was presided by Mr. Kashmiri Lal Goyal, Senior Advocate. Mr. Sandeep Goyal along with other eminent lawyers from the region answered almost all the queries raised by the delegates.

Special Session

A special session on the implementation of the GST was also conducted. Ms. Mamta Saini, Deputy Commissioner, Central Excise & Service Tax Division, Chandigarh, Mrs. Rachna Singh, Deputy Commissioner, Central Excise & Service Tax Division, Chandigarh shared their valuable thoughts with the delegates. Mr. Tajender Joshi, Senior Standing Counsel, Union of India also addressed the delegates on the issue was also present on the occasion.

The delegates were enlightened to the core pertaining to implementation of GST and all the latest issues under Income-tax Act and VAT laws. ☐

Activity of Central Zone

By

Deep Chand Mali, *Chairman*, AIFTP (CZ)

1. On behalf of the Central Zone, P. M. Chopra attended the meeting on 31st January with Chief Minister Vasundhara Raje and he submitted Pre-Budget memorandum.
2. Secondly representation has been sent to CBDT for extension of date for reply of cash transaction and same was extended up to 15th February.
3. Representation was submitted to extend the date of quarterly December VAT return and Annual Return 10A to Government of Rajasthan which is extended up to 28th February.
4. Tax seminar was organised jointly with AIFTP (CZ) Ratlam Kar Salahakar Parishad at Ratlam on 12th February and 100 participants took part. The Conference was on Central Budget and Penalty under the Income-tax Act. Inaugural session and technical session was presided by the Ganesh Purohit, Deputy President of AIFTP and on this occasion felicitations of Mr. Indermal Jain, Rajmal Mehta and S. L. Jain was done. This whole programme was organised by Mr. Indermal Jain, Chairman Silver Jubilee Function of Ratlam Kar Salahakar Parishad.
5. In this Conference Mr. D. C. Mali, Ashok Jangid, P. M. Chopra and Vijay Navlakha, Vice Chairman MP, Rajesh Joshi, Joint Secretary, AIFTP, were also present and speaker on Budget and Penalty were Dr. S. L. Jain, Advocate, Jaipur and CA. Rajesh Mehta, Indore.
6. In this Conference Mr. P. M. Chopra, Member, VAT and Conference Chairman AIFTP (CZ) also requested for their professional duties as well as ready for the GST and also requested to join the AIFTP and he assured to organise next half day seminar in Bhopal, Ujjain and Bhilai, Jodhpur and Jaipur and remote area of Central Zone.
7. On this occasion Mr. D. C. Mali welcomed all the participants on behalf of the AIFTP (CZ). Special mementos were given by the local association to Mr. Ganesh Purohit, Mr. D. C. Mali and Mr. P. M. Chopra.
8. On this occasion programme is conducted by Mr. Pawan Shrimal, Secretary, Vote of thanks and activity of association was highlighted by Mr. Rakesh Bhatewara, President, Kar Salahakar Parishad, Ratlam.
9. Seminar was concluded by singing Jana Gana Mana and after that lunch was also organised by Kar Salahakar Parishad, Ratlam.
10. Welcome of Mr. Madan Mohan Malviya who was elevated as member of Tax Board, was done with Garland by Chairman Mr. D. C. Mali and Mr. P. M. Chopra.
11. Mr. Kailash Bhansali who is a member of our Association and MLA of Jodhpur, on occasion of his 75th birthday celebration at Jodhpur, felicitations were done by AIFTP (CZ) by memento and shawl by Chairman Mr. D. C. Mali and Mr. Ashok Jangid, Mr. K. K. Gehlot and other members of Federation.
12. 24 new members are enrolled from 1st January to 21st February.
13. Chandigarh Conference was attended by 21 members from Central Zone in the month of February along with Mr. P. M. Chopra, Conference Chairman, Mr. Ganesh Purohit, Deputy President, Mr. M. L. Patodi, Past President, Mrs. Ritu G. B. Das, Vice President from different places i.e., Indore, Jabalpur, Kota, Jodhpur, Jaipur, Jalore, Sanchore, Sriganaga Nagar (Raj.).

Two Day National Tax Conference

22-23, April, 2017 (Sat.-Sun.) at Madhubhan Resort & Spa
Anand Sojitra Road, Vallabh Vidhyanagar, Dist. Anand, Gujarat, India. 388 120.

Post Demonetisation Taxation

Organised by

**All India Federation of Tax Practitioners (WZ) • All Gujarat Federation of Tax Consultants
The Gujarat Sales Tax Bar Association • Central Gujarat Chamber of Tax Consultants
Anand VAT (Sales Tax) Bar Association • Anand Branch of WIRC of ICAI • The Tax Practitioners Association, Nadiad**

Programme

22nd April, 2017, Saturday

8.30 am to 10.00 am	Breakfast, Registration & Fellowship
10.00 am to 11.00 am	Inaugural Session Chief Guest : Hon'ble Mr. Justice Pinaki Chandra Ghose, Judge, Supreme Court of India Guest of Honours : Shri K. H. Kaji, Advocate, Ahmedabad, Shri Pravin Parekh, Senior Advocate, New Delhi
11.00 am to 11.15 am	Break
11.15 am to 12.45 pm	1st Technical Session – Benami Property Act and Handling Cash Transaction Speaker : CA. Dr. Girish Ahuja, New Delhi; Chairman : Shri S. K. Poddar, Advocate, Ranchi;
12.45 pm to 02.00 pm	2nd Technical Session – Finance Act 2017 – Important Amendments Speaker : CA. H. Padamchand Khincha, Bengaluru; Chairman : Dr. K. Shivaram, Sr. Advocate, Mumbai
02.00 pm to 02.45 pm	Lunch Break
02.45 pm to 04.15 pm	3rd Technical Session – Tax Liability under GST Act Speaker : Shri Nayan A. Sheth, Advocate, Ahmedabad; Chairman : Shri M. L. Patodi, Advocate, Kota, High TEA
04.15 pm to 04.30 pm	National Executive Committee Meeting at Madhubhan Resort & Spa (For NEC Members Only)
05.00 pm to 07.00 pm	
08.00 pm onwards	Dinner Lawn Area Beside Conference Venue

23rd April, 2017, Sunday

09.00 am to 10.00 am	Breakfast
10.00 am to 11.30 am	4th Technical Session – IGST – Place of Supply Speaker : Smt. Nikita Badheka, Advocate, Mumbai; Chairman : Shri P. C. Joshi, Advocate, Mumbai
11.30 am to 01.00 pm	5th Technical Session – Evidentiary Value under Income-tax Act Speaker : Shri Firoz B. Andhyarujina, Sr. Advocate, Mumbai Chairman : Shri N. M. Ranka, Sr. Advocate, Jaipur
01.00 pm to 02.00 pm	Lunch Break
02.00 pm to 04.00 pm	Brains Trust & Valedictory Session
04.00 pm to 04.30 pm	High Tea

Delegate Fees

For Members & Non-Members ₹ 2,950/- (₹ 2,900/- towards food, other Materials & Kit.
₹ 50/- towards Conference Charges) For Accompanying Spouse ₹ 2,900/- (Towards food)
Cheque (at par) / Draft Payable **CENTRAL GUJARAT CHAMBER OF TAX CONSULTANTS, VADODARA**

No Spot Registration as Conference Facilitator would charge penalty in excess of given number

FOR FURTHER DETAILS & REGISTRATION - CONTACT

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Hotel Details

Name of Hotel	Charges Per Day* Double Occupancy	Distance From Venue
Madhubhan Hotel & SPA Anand-Sojitra Road, V. V. Nagar +91-2692-239268 bqtsales@madhubhan.com	Deluxe Room ₹ 6,000 /- Extra Bed ₹ 2,000 /-	0 km
Hotel Arizona Inn Anand-Sojitra Road, V. V. Nagar +91-2692-260123 info@arizona-inn.com	Superior ₹ 2,000 /- Suite ₹ 3,500 /- Royal Suite ₹ 4,500 /-	0.5 km
The Grand Hotel Opp. Uma Bhavan, Nr. Municipal Water Tank, Anand-Sojitra Road, +91-2692-261215/16, info@thegrandhotel.com	Silver ₹ 1,590/- Gold ₹ 1,890/-	2.6 km
VIZ Park Hotel Railway Station Road, V. V. Nagar GIDC, Anand booking@vizparkhotel.com	Standard ₹ 1,999/-	2.4 km
The Masion Ganesh Circle, Anand-Sojitra Road, +91-2692-261700/01, reservation@themasionhotel.com	Executive ₹ 1,525 /- Superior ₹ 2,025 /-	4.0 km

- [1] Room reservation may be made known before 31-3-2017
 [2] *The rates are Exclusive of Taxes etc.
 [3] For other details kindly contact with Management Directly & Confirm.
 [4] Connectivity of trains are available from Anand, Vadodara & Ahmedabad
 [5] Connectivity of flights are available from Vadodara & Ahmedabad Airports

International Tour cum Conference

to
SRI LANKA
on

3rd / 4th to 9th /10th June, 2017 (6 Days)
(Minimum 100 Pax)

TENTATIVE TOUR PROGRAMME

Day 1 : Board flight to Colombo

Arrive Colombo, freshen up at nearby Hotel at Colombo/Negombo and Transfer to Kandy.

Kandy is a large city in central Sri Lanka. It's set on a plateau surrounded by mountains, which are home to tea plantations and biodiverse rainforest. The city's heart is scenic Kandy Lake (Bogambara Lake), which is popular for strolling. Kandy is famed for sacred Buddhist sites, including the Temple of the Tooth (Sri Dalada Maligawa) shrine, celebrated with the grand Esala Perahera annual procession.

Evening visit Kandy Lake, Tooth Relic Temple. Visit to Gem and Bathik Factory

Just north of the lake, the golden-roofed Temple of the Sacred Tooth houses Sri Lanka's most important Buddhist relic – a tooth of the Buddha.

During puja (offerings or prayers), the heavily guarded room housing the tooth is open to devotees and tourists. However, you don't actually see the tooth. It's kept in a gold casket shaped like a dagoba (stupa), which contains a series of six dagoba caskets of diminishing size.

The entire temple complex covers a large area and as well as the main shrine there are numerous other temples and museums within the complex.

Dinner and Night stay at Kandy (Grand Kandyan (5*)/Similar)

Day 2 : Breakfast at Hotel, leave hotel for Nuwara Eliya

Nuwara Eliya (City of Lights) is a city in the Central Mountain Range of Sri Lanka. Blessed with salubrious climate, breathtaking views of valleys, meadows, mountains and greenery; it's hard to imagine that Nuwara Eliya is only 180 km from the hot and humid Colombo.

Nuwara Eliya, also known as 'Little' England', was the favourite hill station of the British who tried to create the resort into a typical English village. The old brick post office, country house like hill club, with its hunting pictures, mounted hunting trophies and fish, and it's strict formal dinner attire; the 18 hole golf course, race course etc., evoke nostalgia of Colonial British Ceylon.

Today, we will visit herbal garden/Spice Garden and depart for Nuwara Eliya. Lunch en-route at a local restaurant.

On the way, visit and **Ramboda Temple and Tea Factory**. Evening back to Hotel

Ramboda Temple

According to the ancient stories, Ramboda is an area, where the forces of Rama gather to fight against King Ravana. This temple was built by the Chinmaya Mission of Sri Lanka and dedicated to Hanuman. This temple houses the 16 feet height statue of Hanuman.

Dinner and Night stay at Hotel in Nuwara Eliya (Araliya Green Hills or Similar).

Day 3 : OPTIONAL – 6 AM: Depart to Horton Plains (World’s End)

Carry packed breakfast. (Entrance cost approx. USD 30 and van cost supplement approx. USD 20 per pax).

Horton Plains is a beautiful, silent, strange world with some excellent hikes in the shadows of Sri Lanka’s second – and third-highest mountains, Kirigalpotta (2395 m) and Totapola (2359 m). The ‘plains’ themselves form an undulating plateau over 2000 m high, covered by wild grasslands and interspersed with patches of thick forest, rocky outcrops, filigree waterfalls and misty lakes. The surprising diversity of the landscape is matched by the wide variety of wildlife. The plateau comes to a sudden end at World’s End, a stunning escarpment that plunges 880 m. Unless you get there early the view from World’s End is often obscured by mist, particularly during the rainy season from April to September. The early morning (between 6 am and 10 am) is the best time to visit, before the clouds roll in. That’s when you’ll spy toy-town tea plantation villages in the valley below, and an unencumbered view south towards the coast. In the evening and early morning you’ll need long trousers and a sweater, but the plains warm up quickly, so take a hat for sun protection.

The walk to World’s End is 4 km, but the trail loops back to Baker’s Falls (2 km) and continues back to the entrance (another 3.5 km). The 9.5 km round trip takes a leisurely three hours.

Wear strong and comfortable walking shoes, a hat and sunglasses. Bring sunscreen, food and water. The weather can change very quickly on the plains – one minute it can be sunny and clear, the next chilly and misty. Bring a few extra layers of warm clothing (it’s very cold up here at 7 am).

On the way back from Hike, Lunch, on the way at local restaurant.

A small local Nuwara Eliya Tour, covering Gregory Lake, **Seethai Amman Temple (Ashoka Vatika)** and Gayatri Peedam.

Sri Seethai Amman temple is a unique temple it has been made at the place where Seeta Mata spent her days in the prison of Ravana, approx. 5,000 years ago. It is also unique in a way that it is one of the very few temples dedicated to Maa Seeta.

A river flows beneath the temple, named, Seetha river which served Seetha Amman during her prison days. A century ago some idols were found from the river proving that the place was worshipped in the ancient past.

Gregory Lake was built under the period of British Governor Sir William Gregory in 1873. This is the most prominent attraction in Nuwara Eliya and all the visitors used to come here and spent some time by the lake and relax. This was used as a place for water sports and for recreational activities during the British time.

Reach Hotel, relax. Evening 6.00-8.30 pm – Conference.

Post Conference, Dinner and Night stay at Hotel in Nuwara Eliya (**Araliya Green Hills or Similar**).

Day 4 : After Breakfast, check out hotel and transfer to Colombo. On the way visit, Munneswaram and Kali Amman Temple

Munneswaram temple is an important regional Hindu temple complex in Sri Lanka. It has been in existence at least since 1000 CE, although myths surrounding the temple associate it with the popular Indian epic Ramayana, and its legendary hero-king Rama. The temple is one of five ancient temples dedicated to Shiva in the region.

The temple is located in Munneswaram, a village with mixed Sinhala and Tamil population situated in the Puttalam District of Sri Lanka. The presiding deity Siva is installed in the form of Lingam in the sanctum sanctorum. The Siva temple’s architectural details conform to what is written down in the Hindu scriptures known

as agamas. The Siva temple faces east and has three pathways around it. A sacred pond is situated in front of the Siva temple and a Bo Tree stands by the side of it. The main sanctum and the structure above the sanctum are one of the largest in Sri Lanka.

GALA Dinner at hotel. Night stay at Hotel in Colombo (**Hotel Taj Samudra/ Galadari/Cinnamon Lakeside or Similar**). (**Liquor at Own Cost**)

Optional : Casino Drop post Dinner, If required.

Day 5 : Breakfast at Hotel, local Colombo city tour and shopping

Sri Lanka's Capital **Colombo**, a port city, with a rich colonial heritage, on the Western coast is a potpourri of races, religions and cultures. Colombo displays the best and worst the country has to offer. The city is a contrast itself, with mansions, lush gardens, fine dining options, shopping malls packed with expensive designer brands standing next to urban slums; diesel fumed congested roads and street markets.

Despite its small size just 37.31 km², Colombo offers a varying selection of experience ranging from taking a tuktuk ride, a visit to Pettah market and eating Kottu to playing a round of golf and having high tea at one of the colonial style hotels overlooking the Indian Ocean.

With many boutiques filled with international brands and local art and fabrics Colombo is the best place to do the last minute shopping and then it's best to retire to Galle Face, Colombo's playground for some Kottu or Wade.

We will also visit **Anjaneyar Temple (Panchamukhi Hanuman Temple)**

Lunch at Indian Restaurant

Evening 5-8 PM. – Conference * (Hon'ble Indian Ambassador to Sri Lanka, Dignitaries from Tourism Ministry of Sri Lanka).

GALA DINNER with *Complimentary cultural performance. Night stay at Hotel in Colombo. (Hotel Taj Samudra/ Galadari / Cinnamon Lakeside or Similar).

(Liquor at Own Cost)

Optional : Casino drop post dinner, if required.

(* Subject to confirmation.)

Day 6 : Breakfast at Hotel. Check out. Today, visit Bentota. Enjoy Water sports After lunch, visit Galle Fort (added)

Just across the Bentota Bridge over the River Bentara also called the 'Bentota Ganga' is the coastal town of Bentota. Bentota is a very pretty rural area: the greenery of the landscape needs a special mention. Most of the land is well shaded and sheltered by tall trees with coconut palm trees dominating the landscape.

Evening return for Dinner at beachside Negombo/Colombo. Post dinner transfer to airport for onward flight.

Temperature Range

1. Temp in Kandy will range from 25 C to 30 C.
2. Temp in Nuwara Eliya will range from 13 C to 19 C.
3. Temp in Colombo will range from 26 C to 30 C

TOUR COST

EX CHENNAI	INR 55,000/- PP
EX MUMBAI / EX KOLKATA	INR 60,000/- PP
EX DELHI	INR 65,000/- PP

NOTE : Above rates quoted on Twin share Basis. Please make the payment as below ::

1. Please prepare 1st Cheque as follows, Ex Del – INR 25,000/-, EX BOM and CCU – INR 20,000/-, EX MAA – INR 15,000/-, in the name of **Luxury Tours**.
2. Please prepare 2nd Cheque as follows , INR 40,000/- (Approx. USD 600, for Sri Lanka Expenses) in the name of **Weizmann Forex Ltd**.

INCLUDES:

Airfare (as per selected Package)

Hotel accommodation at hotel selected on Twin Share basis .

(1 Night stay at Kandy, 2 Nights stay at Nuwara Eliya and 2 Nights at Colombo)

Visa Fee

All Lunches and Dinners at local Indian restaurant

2 bottles of mineral water 500 ml per day per person

Daily sightseeings as per itinerary

2 Conferences with Tea/ Coffee.

2 Gala Dinners at Colombo.

Cost Excludes :

- Travel Insurance
- Any other service not included in above cost
- Surcharges (if any)

Note :

- 1) All bookings subject to availability.
- 2) Above rates valid for 100 passengers travelling together, in batches from Delhi, Mumbai and Chennai respectively.
- 3) Surcharges applicable (if any)
- 4) Above is only a tentative itinerary and subject to change as per mutual consent.
- 5) All Documents should be submitted with us 45 days prior to travel.
- 6) RATES ARE BASED ON CURRENT APPLICABLE TAXES AND ANY CHANGE IN THE SAME WILL BE CHARGEABLE ACCORDINGLY.

** Please note the Dollar (\$) Rate considered for the above booking is 1 USD = 67 INR and for any further increase into the rate of USD may increase the cost of the package.

General Terms & Conditions

1. Normal hotel check in time is 1400 hours and check out time is 1100 hrs.
2. Rooms are subject to availability. Room type (double or twin is subject to availability and is at sole discretion of the hotel).
3. The cost of outbound package tour is payable in convertible foreign exchange (subject to RBI/GOI regulation) except cost of ticket. Package Cost includes (Ground handling charges) Dollar segment, which will be taken out of your BTQ (Basic Travel Quota).
4. The tour cost does not include any Travel Insurance Premium, but we strongly recommend Travel Insurance.
5. Selection of seats in Airline is subject to availability and is at sole discretion of the airlines.
6. As of now we are not holding any service, it is subject to availability. Booking process will start only after receiving booking amount.
7. Above tour prices are subject to change in the event of increase in hotel room rates levy by the hotel especially during peak season/holiday surcharge and major events/fairs and convention.

Available Flight Options

EX CHENNAI SPICEJET	MAA	CMB	0005	0145
	CMB	MAA	0245	0440
EX MUMBAI JET AIRWAYS	BOM	CMB	0201	0435
	CMB	BOM	0540	0815
EX DELHI JET AIRWAYS	DEL	BOM	2150	2355
	BOM	CMB	0201	0435
	CMB	BOM	0540	0815
	BOM	DEL	1105	1315
EX KOLKATA SPICEJET	CCU	MAA	1625	1845
	MAA	CMB	0005	0145
	CMB	MAA	0245	0440
	MAA	CCU	1020	1235

For further details please contact the undersigned

Shri Sanjay Sharma, Secretary General, AIFTP
(M) 9810071545 E-mail: adv_sanjay_31@yahoo.co.in
1/5, GF Main Road, West Patel Nagar, New Delhi - 110 008

**Cheques & copies of Passports of the Travellers may be sent to Mr. Ravi at
215, Rewa Chambers, 31, New Marine Lines, Mumbai – 400 020. Tel.: 022-2200 6342/4970 6343
Or**

May Contact following members

Shri Ganesh Purohit, Dy. President (M) 9425154914 • Shri D. K. Gandhi, Vice-President, NZ (M) 9810216801
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Shri Chirag S. Parekh, Chairman, WZ (M) 9821634128 • Shri Vijay Kewalramani, Secretary, WZ (M) 9820073165

DIRECT TAXES

Ms. Neelam Jadhav, *Advocate*, KSA Legal Chambers

HIGH COURT

1. S.145 : Method of Accounting – Average system of accounting – Accounting Standard-2 – AO not pointed out any defects in the books of account – addition made is not justified

Assessee is an individual carrying on manufacturing and trading of jewellery business. Assessee received purchase bills without description and hence the assessee follows average method of accounting for arriving at the costs of the goods. AO's view that by applying average cost, the assessee increased the cost of purchases and thus reduced the profits, therefore he computed the GP of certain items based on FIFO system. The Bombay High Court observed that the assessee was consistent in following the method of accounting provided in sub-section (1) of section 145 and as per AS-2. No defect has been pointed out by the AO either in the purchases or in the sales. It was held that if the method of valuation of closing stock was not acceptable, then, the AO was obliged to not only discard the explanation of the assessee but also satisfy the authority.

CIT v. Uday M. Ghare ITA No. 297 of 2014 dated 6-3-2017 (Bom.)(HC) source : www.bombayhighcourt.nic

TRIBUNAL

2. S.133A : Income declared during the survey had been considered in profit and loss account, no separate addition can be made on account of additional income in the hands of assessee only on the basis of documents found during survey

During the survey proceedings, the director of the company disclosed an amount as income in respect of

documents found during the course of survey. Assessee company had filed its Return of Income declaring gross total income which included as difference of income offered during survey proceedings. The AO has made addition on the basis of statement of the director. CIT(A) confirmed the addition documents found during survey and not on statement of the director.

The ITAT has taken a view that the CIT(A) without giving an opportunity to the assessee to explain the documents, made addition which is not correct and therefore income declared and had been considered in profit and loss account cannot be separately added as income of the assessee.

M/s. Mighty Construction Pvt. Ltd. v. DCIT, ITA 6551/ Mum/2014 dated 15-3-2017 (Mum.)(Trib.) Source : www.itat.nic.in

3. S.37(1) : Expenditure on account of repair and renovation etc. one of the offices of assessee Company has been allowed as Revenue expenditure and not as Capital expenditure

The assessee has shown the repair and maintenance of the asset but the AO dealt the same as capital in nature.

The ITAT held that these expenditure falls in the category of Revenue expenses as held by the jurisdictional High Court. It is not in dispute that the assessee was already having the asset which was reconstructed and repaired. View taken by the CIT(A) is wrong and against law and facts and is not liable to be sustainable in the eyes of law. Therefore, the amount paid and the expenditure incurred on account of repair and renovation etc., of the Mumbai office and was paid has been allowed as Revenue expenditure.

Nagpur Power & Industries Ltd. v. Dy. CIT, ITA No. 5808/Mum/2013 dated 23-3-2017 (Mum.)(Trib.) Source : www.itat.nic.in



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	Particulars	Per Insertion
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3.	Ordinary full page	₹ 5,000/-
4.	Third cover page	₹ 7,500/-
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There shall be Discounts on bulk advertisements.		

Membership of AIFTP as on 29-3-2017 Life Members

	Associate	Individual	Association	Corporate	Total
Central	0	910	23	3	936
Eastern	3	1319	36	3	1361
Northern	0	1052	17	0	1069
Southern	1	1134	19	8	1162
Western	4	2223	37	18	2282
Total	8	6638	132	32	6810

INDIRECT TAX DECISIONS – VAT UPDATE

CA. Janak Vaghani

1. Reassessment – Not permissible based on subsequent circular

The assessment cannot be reassessed by placing reliance on the change in law specified in circular and action is taken on the basis of directions issued by Commissioner of Trade Tax particularly when the material in existence is same during both during assessment and reassessment proceedings.

[Source: State of UP v. M/s. Aryaverth Chawl Udyuog, Civil Appeal No. 6714 of 2009, dated 27th November 2014, (2016) 29 STJ 38(SC)].

2. Credit of entry tax paid in wrong challan – Cannot be denied

The department cannot deny to give credit for entry tax paid in wrong challan. Further, the action of the department in attaching bank account for recovery of the entire amount with interest and penalty during the pendency of petition cannot be deprecated. The Gujarat High Court set aside the assessment order denying credit for payment of entry tax in wrong challan and demanding tax, interest and penalty and directed the department to refund the entry tax to the dealer to pay in correct challan to meet the requirement of payment of tax in correct challan.

[Source: M/s. Gopal Rayon v. State of Gujarat, Special Civil Application No. 6998 of 2010 and Civil Application No. 7206 of 2010, dated 16th July, 2010, (2016) 29 STJ 99 (Guj.)].

3. VAT – Reversal of ITC – Based on mismatch report – Without following proper procedure – Not proper

The appellant dealers registered dealer under the Tamil Nadu VAT Act had been assessed or reassessed by the VAT authorities and claim of ITC were disallowed based on mismatch report of sales and purchases filed by selling and purchasing dealers without following procedures laid down by the Commissioner of Sales Tax laid down in circular which is held not proper by the Madras High Court. The High Court further held that admittedly, in the instant case, there is no challenge to the statutory provisions and the complaint of all the dealer is largely on the procedure adopted by the respective Assessing Officers. The Principal Secretary and Commissioner of Commercial Taxes was conscious of the problems faced by the dealers as complaints were received which led to issuance of a circular as early as on 1-4-2015. The directions contained in the said circular are very pointed directions, but it is sad to note that the circular remained only on paper and seldom Assessing Officers follow the circular resulting in several assessments being set aside by the Court and remanded for *de nova* consideration. Thus,

the procedure adopted by the respondent, Assessing Officers in all these cases are half baked attempts, which have not yielded results and these cases are before the Court or before the Appellate Authorities and all that the Assessing Officers can record is that they have issued show cause notices or passed orders reversing the Input Tax Credit with no appreciable impact on the revenue collection. Therefore, it is high time the Department wakes up and stops the one-way approach and examine the matter in a holistic manner so that the defaulting dealer is brought to book.

The High Court allowed writ petitions and set aside all orders and notices with a direction to Assessing Officers, to undertake a fresh exercise by conducting a thorough enquiry in consultation with the Assessing Officers of the other end dealer for which purpose the Commissioner of Commercial Taxes shall empower the Assessing Officers to seek information from other circles as well and in the meantime to evolve a centralised mechanism to exclusively deal with the cases of mismatch and while doing so, the Principal Commissioner shall take note of the procedures adopted by the other States, more particularly, in Maharashtra, Gujarat and Delhi and if any statutory amendments have to be made, make appropriate recommendations to the State Government, and till then to devise a procedure which is fair and reasonable and afford an opportunity to the dealer to put forth his case and establish that he is entitled to the concession/set-off.

[Source: M/s. JKM Graphics Solutions Private Limited and Others v. The Commercial Tax Officer, WP. No. 105/2016, dated 1-3-2017, 2017 (3) TMI 536 (Mad.)].

4. Sales Tax – No power to Commissioner to extend limit of assessment – After expiry of limitation

Under the Punjab Act, the commissioner has power to extend the period of limitation. However, once the period of limitation expires, the immunity against being subject to assessment sets in and the right to make assessment gets extinguished. Therefore, there would be no question of extending the time for assessment when the assessment has already become time barred. When the last date of assessment in respect of Assessment Years expired, it vested a valuable right in the assessee which cannot be lightly taken away. As a consequence, sub-section (11) of section 10 has to be interpreted in the manner which is equitable to both the parties. Therefore, the only way to interpret the same is that by holding that power to extend the time is to be exercised before the normal period of assessment expires.

[Source: State of Punjab & Ors. v. M/s. Shreyans Industries Ltd. and Others, Civil Appeal Nos. 2506-2511 of 2016, dated 4th March, 2016, (2016) 29 STJ 1 (SC)].

5. For levy of entry tax – Intention to sell, consume, or use – At the time of entry not relevant – But actual conduct is relevant

Entry tax can be levied on import of goods for sale, use or consumption of it inside the local area and for this purpose the intention at the time of entry of goods is not relevant but the actual conduct of the party. In the normal course of running of a business carried over a large area in different States or even in different local areas, what is relevant is not any intention which would be difficult to fathom but the actual course of conduct of the party. If there is no actual consumption, sale or use within the local area of imported goods then there can be no entry tax on import of such goods.

[Source: *M/s. Unitech Wireless v. State of Bihar*, Civil Writ Nos. 7436, 7521, 7522 & 7534 of 2015, dated 11th August, 2015, (2016) 29 STJ 106 (Pat.).]

6. Sales Tax Incentives Scheme – Withdrawal of benefit – Upon destroyal of windmill – Due to natural calamities – Not valid

The petitioner who had availed benefit of sales tax incentives under the Gujarat Sales Tax Incentives

Scheme for Wind Power Generation, 1993 for deferral of payment of sales tax and to pay it in six equal annual instalments could not run windmill for stipulated time period due to cyclone destroying wind mill. The department withdrew the sales tax incentives availed for breach of conditions. The High Court held that one cannot ignore the devastating effect of cyclone which had taken the entire coastal area of Saurashtra in its sweep. When nature had become so harsh to the lives of people and their properties in the entire coastal area of Saurashtra, it would not be proper for a welfare State to become further harsh and withdraw the benefits already granted to the persons who acted in good faith for availing benefits under a particular policy of the State. On the contrary it becomes the duty of the State to help such units in mitigating the sufferings instead of pushing them into more pitiable condition. Accordingly, the High Court allowed the appeal and quashed the orders passed by the authority to withdraw the benefits already availed by the petitioner.

[Source: *M/s. Rolcon Engineering Co. Ltd. v. State of Gujarat and Others*, Special Appeal No. 2033 of 2004, dated 2nd March, 2016, (2016) 29 STJ 114 (Guj.).]

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IMPORTANT CASE LAWS IN SERVICE TAX, CENTRAL EXCISE

S. S. Satyanarayana, *Tax Practitioner*, Hyderabad.

Central Excise

The appellants manufacture and install parts of 'Micro Spray Water Cooling System'. It was the case of the appellants that plastic pipes, nozzles, joints are permanently fixed to the concrete structure during installation process. Then when 'Micro Spray Water Cooling System' comes into existence the resultant structure is firmly fixed to the ground and cannot be considered as goods for the purpose of marketability. **Held** : Water Cooling System structure assembled at site and firmly embedded/attached to the concrete pillar becomes immovable during assembling and cannot be considered as marketable goods attracting Central Excise duty. [*Shamraj Engineering Works v. CCE, Patna - 2016(12) TMI 1221 – CESTAT, Kolkata*].

CENVAT Credit

The lower authorities have rejected the refund claim of the appellants on the ground that they had not received the amounts towards export of the software in foreign currency but received in Indian currency. On perusal of the certificates given by appellants' bank i.e. Deutsche Bank, it has clearly recorded that the amount is credited to their account, but

the certificate is for foreign inward remittances and they had specifically stated that the entire foreign inward remittance is received in convertible foreign exchange. **Held** : Rejection of the CENVAT refund claim of the appellants on the ground that they had not received the amounts towards export of the software in foreign currency but received in Indian currency is not valid as assessee's Bank has certified that the foreign inward remittances though in Indian rupees. [*BNY Mellon International Operations P Ltd. v. CCE, Pune-III - 2016(12) TMI – CESTAT, Mumbai*].

Service Tax

The appellants are engaged in the manufacture of wire and cable, availed the services of foreign commission agent. As a recipient of services, he was required to pay service tax on reverse charge basis but has not discharged the service tax liability. **Held** : Levy of service tax on the services received from foreign commission agent under reverse charge mechanism is not valid, as the same is available to them as CENVAT credit and as such the entire situation was revenue neutral. [*Paramount Communication Ltd. v. CCE, Jaipur-II - 2016(12) TMI 287 – CESTAT, New Delhi*].

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Associate Editor of AIFTP Times : Mr. Deepak R. Shah

Printed by Kotecha Mitesh Ashwin Published by Kotecha Mitesh Ashwin on behalf of All India Federation of Tax Practitioners (name of owner) and Printed at Finesse Graphics & Prints Pvt. Ltd., 309, Parvati Industrial Premises, Sun Mill Compound, Lower Parel, Mumbai – 400 013. (name of the printing press with address) and published at All India Federation of Tax Practitioners, 215 Rewa Chambers, 31, New Marine Lines, Mumbai – 400 020 (full address of the place of publication). Editor: Vanjara Kishor Dwarkadas.

To

Posted at Mumbai Patrika Channel Sorting Office
Mumbai – 400 001.

Date of Publishing : 1st of every month.

Date of Posting : 3rd & 4th April, 2017

If undelivered, please return to :



ALL INDIA FEDERATION OF TAX PRACTITIONERS

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