29TH ISSUE

AUGUST 16TH - AUGUST 22ND

GST

CENTRAL EXCISE

SERVICE TAX

CUSTOMS

STATE TAXES

TAX CONNECT

JAV & ASSOCIATES

-Chartered Accountants

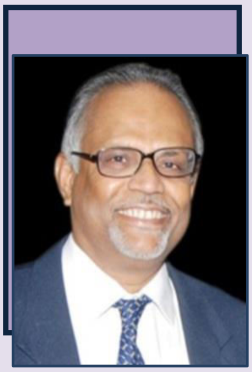
Head Office:
1, Old Court House Corner,
"Tobacco House" 1st Floor,
Room No.-13 (North), Kolkata-700001,
West Bengal

Branch Office:
Quarter No.-3/174, Gujarat Refinery Township
Jawaharnagar, Vadodara-391320,
Gujarat

Contact: +919331042424; +919831594980; +918697575185; +913322625203

e-mail: tb.chatterjee@dic.co.in; tb.chatterjee@yahoo.co.in; cavivekjalan@gmail.com; vivek.jalan@icai.org

EDITORIAL



Friends,

As expected, the monsoon session of the parliament has finally been adjourned Sine Die with the Constitutional amendment Bill for GST Bill not being passed. The option of reconvening the session is still open, with the Cabinet Committee on Parliamentary Affairs not recommending immediate prorogation of the Houses after the sine die adjournment. However, the decision to reconvene Monsoon session will depend a lot on whether there is some significant headway with other parties on the GST bill.

All the political drama on GST apart, for Trade and Industry the uncertainity continues as the Modi Govt is still head bent to introduce the Coutntry's biggest Tax reform by 1.4.2016!

In Service tax, the Hon Allahabad High Court has in the case of **Ganesh Yadav Vs. Union Of India 2015-VIL-262-ALH-ST** has held that even if the SCN was issued before enactment of Finance Act (No. 2) of 2014, pre deposit has to be made. **Hence, now it is all the more certain that an appeal can only be filed on mandatory predeposit of 7.5% or 10% as the case may be.**

For advocates there is some cheer before independence day as The Hon. Supreme Court has stayed the Bombay high court order dismissing a challenge to the levy of service tax on lawyers. It was argued that the relationship between a client and lawyer must not be seen as that of a service provider and a client as the lawyer is merely a representative of his client. **If this argument holds for professionals like CAs, CSs, etc when they represent in Courts or in the departments should also be looked into by the respective Institutes.**

In WB VAT, the dept. vide Circular No. 15/2015 dated 7th August, 2015 has allowed de-selected dealers to generate online waybills in lieu of issuing manual waybills with certain restrictions.

Truly Yours

Timir Baran Chatterjee
M.Com, FCS, MBA (International Business)-IIFT, ACMA

Vivek Jalan
FCA, CIDT (ICAI), B. Com

DUE DATE	COMPLIANCES FROM 16TH AUGUST, 2015 TO 22ND AUGUST, 2015	STATUTE
20th August,2015	VAT Payment for July, 2015	Chandigarh VAT Act, Uttar Pradesh VAT Act
20th August, 2015	STDS of July,2015	Uttar Pradesh VAT Act
21st August, 2015	STDS Payment for July,2015	Maharashtra VAT Act
21st August, 2015	VAT Payment for July, 2015 & VAT Return for Q-1 of 2015-16	Maharashtra VAT Act
22nd August, 2015	Issue of TDS Certificate for tax deducted u/s 194-IA in July,2015	Income Tax Act

INDEX GUIDE

How corporate can leverage benefits out of GST? What they should do right now?

a. The Company should seriously think about the need to sale goods through Consignment Agent which was basically to avoid CST (since it is not available as credit to the purchaser). After implementation of GST, the requirement of such sales should be re-thought; In fact sales through CA sales should be totally withdrawn unless it is required for business purpose;

b. Companies maintaining separate godown outside Entry Tax Area should be re-visited since entry tax will be subsumed with State GST and would be available as credit.

c. Many dealers desires to buy goods from local Depot instead of buying it from Factory located outside the State. Basic reason is to avoid paying CST since it is not available as credit. However, under GST, full credit of IGST would be available; hence, producing factory can sell goods to the Dealer and avoid brining the goods to the Branch and then sale to the dealer. This will save your logistic cost.

d. The company should review each and every sales (party wise) that are routed through Branch/Depot and find out whether such sales can be routed through direct sales/dealers. Basic intention to see whether we can close or reduce the function of the Branch/ Depot so that we can reduce the cost.

e. Start discussion internally to find out which are the customers can be served directly from the Factory instead of supplying from Branch and thereby reducing Branch Cost.

f. Start discussion with the IT about change of software and systems.

g. Educate Sales, Supply Chain, Accounts, Branch/Depot people about the concept of GST and handling of system under GST system.

Update on 1% additional tax in GST

The Rajya Sabha's Select Panel report on the GST Bill (Constitutional amendment) has come as a mixed bag & the panel has given only partial relief on the 1 % additional tax, which India Inc considered as retrograde and preferred not to be introduced at all. There seems to be no big relief on the 1% Additional Tax as the Non-Vatable 1% tax will apply only on Inter State Sales & not on all inter-state supplies, including Branch Transfers (as proposed by the Loksabha Bill).

Instead of recommending the removal of 1% Additional Tax from the GST Bill, the Panel has defined "supply" which would only bring Inter-State sale to the 1% Additional Tax Levy, & not the branch transfers.

The current GST Framework does not provide for set off the additional 1% Tax with CGST,SGST or even IGST and therefore in the absence of VATability (set off) such additional tax would only end up adding to the cost of product on every Inter-State Sale. Finished goods manufacturers who source raw materials/inputs from other States could face a cost push. Further, in the FMCG industry it is quite common for both inputs & finished products to move through different states (both for branch transfers & sale transactions) & hence, any subsequent sale into other states is likely to increase the product cost. The GST benefits of seamless credit and reduced transaction costs will not be achieved if the 1% additional tax were to be introduced without providing a setoff.

The broader isaue is whether India should have such origin-based tax under a consumption-based GST regime. Infact where is the need to have the 1% additional tax when the centre has agreed to compensate the States for revenue loss from GST for five years.

SERVICE TAX

COURT DECISIONS

UNION OF INDIA AND OTHERS VS M/S KARVY STOCK BROKING LTD [SUPREME COURT]

BRIEF: Although as per circular dated 05.11.2003 'distributors commission on Mutual Fund Distribution' is liable to service tax(as not business auxiliary service), pursuant to Section 37B of Central Excise Act, 1944, such circulars cannot be issued asoit amounts to foreclosing discretion or judgment that may be exercised by the quasi judicial authority while deciding a particular lis under particular circumstances.

OUR COMMENTS: In the above case, the **Hon'ble Supreme Court** held that the judgement of **Andhra Pradesh High Court** in the case **2004 (9) TMI 604- ANDHRA PRADESH HIGH COURT** is correct in this regard. As per **Notification No. 13 of 2003-Service Tax, 'Business auxillary services provided by a commission agent'** was exempted from the service tax leviable thereon **u/s 66(2) of Finance Act, 1994**. But, vide **circular dated 05.11.2003** , the Distributor's Commission on Mutual Fund Distribution was made taxable, as it would not fall within the expression 'business auxilliary services' . The High Court has set aside the aforementioned circular in the umpugned judgment as it amounted to foreclosing discretion or judgment that may be exercised by the quasi judicial authority in deciding a particular lis under particular circumstances.Further, as per Section 37B of Central Excise Act, 1944, it has been categorically stated that such kind of circulars cannot be issued. Therefore, the impugned judgment is appropriate in this regard & the appeal is accordingly dismissed.**[Decided against the revenue]**

BOMBAY BAR ASSOCIATION VS UNION OF INDIA & OTHERS [SUPREME COURT]

BRIEF: Service by an individual advocate to an individual client is exempted from Service Tax & as per Mega Notification No.25/2012 dated 20th June, 2012, Legal Service by individual advocates/ firm of advocates to any person other than business or business entity with turnover upto Rs 10 Lakhs in preceding financial year are exempt from service tax. However, levy of service tax on legal services is not unconstitutional.

OUR COMMENTS: In the above case, the **Hon'ble Supreme Court** held that the impugned judgment of **Bombay High Court** in the case **2014 (12) TMI 595- BOMBAY HIGH COURT** to exempt the services of an individual advocate to an individual client from the purview of Finance Act & Service Tax is appropriate on the ground that for the poor & needy section of population requiring legal advice & assistance, such advice should be available immediately & cheaply. What holds good for chartered accountants and architects, should also apply to other professionals such as advocates, and who too are well conscious of their status. The classification between service to business entities and to individuals cannot be termed as arbitrary,discriminatory, unfair, unreasonable and unjust as there is no violation of the constitutional mandate. Hence, levy is not unconstitutional. Further, pursuant to **Mega Notification No.25/2012 dated 20th June, 2012**, the high court had held that, Legal Service by individual advocates/ firm of advocates to any person other than business or business entity with turnover upto Rs 10 Lakhs in preceding financial year are exempt from service tax. Hence, small businessman, petty traders fallinf under the aforesaid limit can avail advocacy services from individual or firms. On the aforesaid grounds, the apex court held that, there shall be interim stay of the operation and implementation of the impugned judgment passed by the Bombay High Court in aforesaid case. (**Decided against the Petitioners**)

COMMISSIONER OF CENTRAL EXCISE VS. M/S FEDERAL MOGUL TPR INDIA LTD [KARNATAKA HIGH COURT]

BRIEF: As per Notification No. 8 of 2005-ST dt. 01.03.2015 service of production of goods on behalf of principal manufacturer is exempted from service tax only if such production is done using raw materials or semi finished goods supplied by the principal manufacturer & after production, goods are returned to such manufacturer to manufacture other goods on which excise duty is payable.

OUR COMMENTS: In the above case, the **Hon'ble Karnataka High Court** held that the contention of the revenue that FMGIL having wrongly paid service tax has consequently passed an inadmissible CENVAT credit amounting to Rs 2,02,00,275.00 to the principal manufacturer i.e., FMTPR much against the exemption Notification No. 8 of 2005-ST, dated 01.03.2005, is not worthy of acceptance. The aforesaid notification is issued u/s 93(1) of Finance Act, 1994, which exempts taxable services of production of goods on behalf of the principal manufacturer from the whole of service tax leviable u/s 66 of the Finance Act. But, such notification will only apply where such goods are produced using raw materials or semi finished goods supplied by the principal manufacturer and goods so produced are returned to such manufacturer for use in or in relation to the manufacture of other goods on which appropriate excise duty is payable. Thus, the notification is condition precedent. Further, section 5A(1A) of Central Excise Act provides that if under sub-section 1, exemption is granted to any excisable goods from whole of the excise duty leviable thereon, manufacturer of such goods shall not pay excise duty on them. Hence, section 5A(1A) of Central Excise Act is not applicable here. Thus, no interference is called for with the well reasoned order of the Tribunal. In the result, the appeals stand dismissed **[Decided against Revenue]**

M/S SARNAR BUILDTECH PVT LTD VS COMMISSIONER OF CENTRAL EXCISE & SERVICE TAX [CESTAT AHMEDABAD]

BRIEF: Doctrine of Unjust Enrichment is not applicable where the assessee pays service tax, which is not collected from the service receivers, & shows it as expense instead of receivables & refund claim for such payment can not be denied also.

OUR COMMENTS: In the above case, the **Hon'ble CESTAT Ahmedabad** held that doctrine of unjust enrichment is applicable to the appellant who applied for refund of service tax paid after the proceedings were started, & had shown the amount as expenditure in Profit & Loss Account instead of Current Assets or receivables in the Balance Sheet, was incorrect. As per the appellant, the service tax paid was not collected from customers, though it was not kept as receivables in the Books of Account & was shown as expenses. The **hon'ble CESTAT** referred to the case of **Ranade and Co vs. Commissioner of Service Tax, Ahmedabad (2012 (6) TMI 190 CESTAT, AHMEDABAD)** where it was held that refund claim cannot be denied for showing the amount as expense instead of receivables. Also in the present case, there was no evidence available that service tax payment has been shown in invoices as collected from service receipients. Hence, In view of the settled preposition of law, appeal filed by the appellant is allowed with consequential relief.**[Decided in favour of assessee]**

CENTRAL EXCISE

COURT DECISIONS

UTC FIRE AND SECURITY INDIA LTD VS COMMISSIONER OF C. EX., BELAPUR [SUPREME COURT]

BRIEF: Rule 7 of the Act is applicable for valuation of different goods captively consumed in turnkey contracts, instead of Rule 4, as such rule only covers goods sold to other buyers in loose form for delivery at any other time nearest to the time of the removal of the goods .

OUR COMMENTS: In the above case, the **Hon'ble Supreme Court** held that the order by CESTAT that Rule 4 applies in the present case on the ground of inability of assessee to substantiate that identical goods were not sold, without giving any reasons, is not appropriate. After mentioning the applicability of sec. 4(1)(a) of the Act in show cause notice, the assistant commissioner abandoned such course of action & mentioned in final order, that the case was covered u/s 4(1)(b) of the Act & applied the Valuation Rules, 1975. Further, as per him ,Rule 4 of the Act was applicable. On the other hand, as per the commissioner (appeals), Rule 4 was not applicable as it was a case of Rule 6 of the Valuation Rules, 1975. Hence, being a common case of the parties, Sec. 4(1)(a), which says 'prices at which goods are ordinarily sold is to be considered provided that buyer os not related person & price is the sole consideration for the sale', does not apply. Rule 4 also does not apply, as it only covers cases of 'such goods' appearing reasonable to concerned officer, which are sold by assessee for delivery at any other time nearest to the time of the removal of the goods under the assessment. Since, goods are used captively in turnkey projects, they cannot be treated as same or would fall within the description "such goods" as sold to the other buyers in loose form. The commissioner was incorrect to refer to rule 6(b) as the goods were not consumed by the assessee, but used as mentioned above. Only Rule 7 was applicable as other rules were not applicable, for the case being a 'best judgment assessment'.However, the commissioner (appeals) undertaken the same exercise by accepting the assessee's cost details. Hence, impugned order is set aside & appeals are allowed with no order as to costs.**[Decided in favour of assessee]**

NTB INTERNATIONAL (P) LTD VS COMMISSIONER OF CENTRAL EXCISE, THANE [SUPREME COURT]

BRIEF: Nylon & leather belt, nylon & rubber belt and nylon and textile belt manufactured is classified under Chapter Heading 4201.90 and 4010.00 and 5908.00, but not under Heading 3926.90 i.e. Plastic as after manufacture of aforesaid products Plastic loses its identity & is not known in the market any longer.

OUR COMMENTS: In the above case, the **Hon'ble Supreme Court** held that it was misconceived on part of the appellant that just because plastic was one of the inputs, it would still retain its characteristics as plastic and should have been classified under Heading 3926.90.The reason is that not only the products manufactured are wholly from the plastics, after the manufacture it lost its identity as plastic insofar as and has not known in the market any longer. The products manufactured by the appellant assessee viz nylon & leather belt, nylon & rubber belt and nylon and textile belt are rightly classified under Chapter Heading 4201.90 and 4010.00 and 5908.00 respectively by the CESTAT in it's judgment. Therefore , the appeals are found meritless & are accordingly dismissed. In this regard, on request by assessee, benefit of modvat credit would be extended, if assessee is entitled to such credit.

CCE, ALLAHABAD VS M/S ANAND TRANSFORMERS (P) LTD M/S KAMLA TRANSFORMERS (P) LTD [CESTAT ALLHABAD]

BRIEF: U/s 39 of Sale of Goods Act, handing over of goods to transporter by seller after receiving payment is prima facie deemed to be delivery to the buyer & payment of transit insurance by seller does not transfer ownership of goods from the buyer to the seller. Further, if transportation charges are charged by assessee under separate contracts, same cannot be added to the assessable value.

OUR COMMENTS: In the above case, the **Hon'ble CESTAT Allahabad** held that the contention of revenue that cost of transportation from the place of removal to the place of delivery is required to be added to the assessable value is not appropriate. Here, the respondent has entered into 2 separate contracts for sale of transformers and for transportation of them. The hon'ble CESTAT also referred to the case of **CCE, Noida vs. Accurate Meters Ltd. (supra),** where similar type of contracts were made & respondent was bound to transport goods from factory gate to the place of buyer. The Hon'ble Apex court in the above case referred to the case decision of tribunal in M/s Escorts JCB Ltd , where Tribunal had stated that assessee arranging for transit insurance does not mean that the ownership in the goods was retained by him until the delivery of the goods at the place of the buyer & after payment is made before dispatching the goods from factory & goods are handed over to transporter,it is as good as delivery to the buyer as per Section 39 of the Sale of Goods Act. Hence, the apex court held that tribunal was correct in not considering the transportation charges and insurance for determining the assessable value. Thus the ratio laid down by the apex court in the above case is squarely applicable to present proceedings & transportation charges cannot be added to assessable value as same are charged uner separate contracts. So, appeals filed by revenue are dismissed. [**Decided against Revenue**]

CUSTOMS

NOTIFICATIONS & CIRCULARS

AMENDMENT & EXTENSION OF VALIDITY OF NOTIFICATION NO. 76/2010-CUSTOMS (ADD) DATED 26TH JULY, 2010

OUR COMMENTS: The Minstry of Finance (Dept. of Revenue), Government of India vide Notification No. 37/**2015-Customs (ADD) dated 6th August, 2015** has initiated review **u/s 9A(5) of Customs Tarriff Act & in** pursuance of **Rule 23** of **Customs Tariff (Identification, Assessment and Collection of Antidumping Duty on Dumped Articles and for Determination of Injury) Rules, 1995,** in matter of **Continuation of Anti-Dumping Duty on "Viscose Staple Fibre excluding Bamboo Fibre" (falling under tariff item 5504 10 00 of the First Schedule to the Act) originating in, or exported from, the People's Republic of China and Indonesia**, imposed vide **notification No. 76/2010-Customs, dated the 26th July, 2010,** and has recommended for **extension of antidumping duty for a further period of 1 year** in terms of the above mentioned rule.

Further, the government pursuant to the aforesaid rules, vide the aforesaid notification, has amended the Notification No. **76/2010-Customs, dated the 26th July, 2010, in the following manner:**

> *'In the said Notification, after paragraph 2 and before the Explanation, the following paragraph shall be inserted, namely –*
>
> *" 3. Notwithstanding anything contained in paragraph 2, this notification shall remain in force upto and inclusive of the 25th day of July, 2016, unless revoked earlier."*

COURT DECISIONS

AHUJASONS SHWAL WALE (P) LTD VS COMMISSIONER OF CUSTOMS, NEW DELHI [SUPREME COURT]

BRIEF: Additional Duty (also called Countervailing Duty) u/s 3 of Customs Tariff Act is charged to protect the domestic market from unhealthy competition & such duty will not be applicable, if the assessee is engaged in import & export of goods & similar unbranded goods produced in India are not liable for payment of Excise Duty.

OUR COMMENTS: In the above case, the **Hon'ble Supreme Court** had held that the appellant is not liable for payment of Additional duty (also called Countervailing Duty) imposed u/s 3 of Customs Tariff Act. The appellant , an importer & exporter of shawls and scarves & a trader of them, resisted the additional duty on the ground that locally manufactured shawl & scraves are exempted from payment of Excise Duty on unbranded goods. Hence, when similar unbranded goods produced in India are not liable for payment of Excise Duty question of levy of Additional Duty u/s 3 of Customs Tariff Act does not arise. Therefore, the order of the CEGAT dated 08.10.2001 is accordingly set aside. The appellant shall be entitled to refund additional duty filed in accordance with law.

LANVIN SYNTHETICS PVT. LTD. AND ANOTHER VS THE UNION OF INDIA AND ANOTHER [BOMBAY HIGH COURT]

BRIEF: Though there are no period of limitation prescribed in statute to complete adjudication proceedings of an assessee, but as per Law they have to be exercised within reasonable time & proceedings cannot be concluded at the discretion of the department

OUR COMMENTS: In the above case, the **Hon'ble Bombay High Court** has held that the contention of the revenue that the petitioners are at fault for approaching the court belatedly, is not correct. The reason being, they notified the department repeatedly that the show cause notice is pending adjudication & sum deposited is retained by the department, & also sought information as per RTI Act, 2005 as the records & information of the show cause notice could not be traced (as per affidavit filed showing reorganization of commissionertate in 1997, 2002 & 2014). The concerned commissionerate is unable explain the reason for not adjudicating the show cause notice for 17 long years. So, Explanation placed on affidavit does not inspire confidence.If law postulates early end to such proceedings & no time limit is given, that does not mean that the proceedings initiated will conclude as per discretion of department. Though the petitioners approached the court after 17 years, the relief to them cannot be refused. Thus, show cause notice is hereby quashed & respondents are prohibited from passing adjudication order on show cause notice. Further, liberty is granted to petitioners to institute proceedings as permissible in law to recover sums deposited with accrued interest. **[Decided in favour of petitioner]**

INCOME TAX

NOTIFICATIONS

AMENDMENT IN INCOME TAX RULES, 1962

The CBDT vide **Notification No. 62/2015** dated **7th August, 2015** has amended **The Income Tax Rules, 1962** by introducing new rules in this regard. These rules may be called **the Income Tax (11th Amendment) Rules, 2015** & these rules shall come into effect from the date of their publication in their Ofiicial Gazette.

Concerned readers are advied to refer to the said notification for details as many impotant amendments have taken place.

COURT DECISIONS

A.A.DAVIS Vs THE DEPUTY COMMISSIONER OF INCOME TAX [KERALA HIGH COURT]

Brief: If an assessee is assessed u/s 143(3) r/w Section 153A & after such assessee confirms the genuineness of documents seized by the department during assessment, the additions based on such documents will not be illegal & any retraction by assessee in this regard later on will not be entertained.

OUR COMMENTS: In the above case, the **Hon'ble Kerala High Court** held that admittedly, the Assessing officer made the additions relating to consideration paid on purchase of properties by relying on the seized document (SJ-III) obtained during search of another assessee & also the sworn statements given by assessee on 24.10.2008 & 30.10.2008. In statement dated 24.10.2008, the assessee accepted the genuineness of entries in SJ-III & in the statement dated 30.10.2008, he confirmed the earlier statement. However, during assessment, he retracted from the earlier statements giving a letter dated 15.02.2010. Thus, the assessing officer was correct in rejecting the belated retraction & completed the assessment relying on the seized documents & the statements. So, the additions made based on aforesaid documents cannot be said illegal. As per Tribunal's order, it has set aside some of the additions & remitted the matter to assessing officer for re-consideration. The additions confirmed by tribunal are fully substantiated by the aforesaid documents. Hence, no illegality is found & there is no question of law arising in these appeals for consideration.**[Decided against assessee]**

SRI RADHEY SHYAM BHATIA VS THE COMMISSIONER OF INCOME TAX AND ANOTHER [ALLAHABAD HIGH COURT]

BRIEF: If gifts received by assessee from his relatives fulfils the conditions of valid gifts & the transaction is genuine from all respects, such gift can not be rejected by the department.

OUR COMMENTS: In the above case, after perusal of available materials, the **Hon'ble Allahabad High Court** held, that the assessing officer & the tribunal was incorrect in rejecting the gifts made to the minor children of the assessee. All the donors were relative to the assessee & gifts were made by them out of love & affection. Since, all the donors were Income Tax Assessees, their return details were produced before the Assessing Officer. This proves the creditworthiness. The amount was refelected in the books of account & so, in the instant case, donors identity had been proved. The amount was transferred by way of entries & it was a voluntary transfer . Thus, genuineness of transaction was proved also. Therefore, based on facts & circumstances & considering the amount involved, the gift appeared to be genuine as all the ingredients of valid gifts had been proved in instant case. Therefore, as per the Hon'ble High Court, there was no reason to interfere with the order passed by the first appellate authority i.e. CIT(A) and the same was sustained along with the reasons mentioned therein. The impugned order passed by the Tribunal was set aside. The appeal filed by the assessee was allowedat the admission stage.[**Decided in favour of assessee**]

ASSAM

PREPAREDNESS FOR GST MIGRATION - MATTERS RELATING TO PAN, MOBILE NO & E-MAIL IDS OF DEALERS

OUR COMMENTS: **The Office of the Commissioner of Taxes, Government of Assam, vide Circular No. 11/2015 dated 5th August, 2015** has directed all concerned persons to complete the following tasks within 25th August, 2015, for smooth transition to proposed GST regime :-

- **Identification of Active Dealers and issuance of user ID and password**

All ACTs, STs, ITs and DAs of unit offices should identify all active dealers (including GRN dealers) and inactive dealers & to take action as follows-

a) **For Inactive Dealers**: A notice should be sent to such untraceable or inactive dealers. On Compliance with the notice sent, the details of PAN should be updated against the dealer registration details. If the dealer does not comply, IT verification should be done & dealers's registration may be cancelled or suspended depending on their liability as per provisions of the Act.

b) **For Active Dealers:**

1) If Existing Dealer- All ACTs, STs, ITs and DAs of unit offices should issue User Id & Password to all active delears within 20th August, 2015 for mapping VAT & CST No. & to avail e-services.
2) If New Dealer- All concerned should issue User Id & Password to all new registered dealers along with the new registration certificate.

- All concerned are requested to enter the following fields with due care before generating user id & password:

a. Mobile No. & E-mail id of the dealer is to be uploaded in the database accurately so that system can send SMS & E-mail automatically to dealer.
b. For dealers registered under VAT, CST, Assam Entry Tax Act, the repective R.C Nos should be put properly.
c. PAN & PAN Holder name should be as mentioned in PAN card.

CHATTISGARH

EXEMPTION TO STEEL BARS (EXCLUDING COIL FORM)

OUR COMMENTS: The Commercial Tax Department, Government of Chattisgarh **vide Notification No. F-10-28/2015/CT/V (53) dated 3rd July, 2015, has exempted** the following class of goods specified in column (2) of the Schedule below from payment of tax under the said Act to the extent as specified in column (3) and subject to restriction and conditions specified in column (4) of the said Schedule, for the period from 09.01.2015 to 31.01.2015:

SCHEDULE

S.N o	Class of goods	Extent	Restriction and conditions
(1)	(2)	(3)	(4)
1.	Steel bars (excluding coil form) as specified in subclause (iv) and Steel Structural as specified in subclause (v) of clause (iv) of Section 14 of the Central Sales Tax Act, 1956 (No. 74 of 1956)	Partly so as to reduce the rate of tax to 3%	Tax collected and deposited in excess of rate prescribed in column (3) shall not be refunded.

DADRA & NAGAR HAVELI

RULES FOR GRANTING OF REGISTRATION CERTIFICATE

OUR COMMENTS: The **Department Of Value Added Tax, Administration of Dadra & Nagar Haveli, UT vide Notification No. DNH / VAT / CTMMP / AMDT / Rules / 2011/ 1215 dated 5th August, 2015** has declared the following rules for granting registration under **Dadra & Nagar Haveli VAT Rules, 2005:**

- The registration certificate is to be given within 30 days under Rule 12 of the aforesaid rules. All goods except Petroleum Products, Chemicals & Acids shall be categorized as non-sensitive goods & registration certificate for such goods shall be granted in 1 day on completion of all formalities.
- Field inspection shall be carried out post-registration & all related documents are to be obtained at that time by VAT inspector within 3 weeks. The registration procedure for sensitive goods shall be as per Dadra & Nagar Haveli Rules.
- If any fact related to registration if found incorrect, such registration (TIN) shall be cancelled forthwith.

DELHI

EXTENSION OF PERIOD FOR FILING OF ONLINE RETURN FOR 1ST QUARTER OF 2015-16

OUR COMMENTS: **The Department of Trade & Taxes (Policy Branch), Government of National Capital Territory Of Delhi,** vide **Circular No. 17 of 2015-16 dated 4th August, 2015,** has extended the Last date of filing of online/hardcopy of 1st quarter return for the year 2015-16, in Form DVAT-16, DVAT-17 & DVAT -48 with required annexures/ enclosures to 7th August, 2015. However, tax due shall be paid in the usual manner u/s 3(4) of Delhi VAT Act, 2004. Dealers filing returns through digital signature are not required to file hard copy of return/Form DVAT-56.

MADHYA PRADESH

AMENDMENT IN MADHYA PRADESH VALUE ADDED TAX ACT, 2002

OUR COMMENTS: The Commercial Taxes Department, Government of Madhya Pradesh **vide Notification No. Act No 15 of 2015 dated 4th August, 2015 has** introduced an act to amend **Madhya Pradesh VAT Act, 2002.** This Act may be called the **Madhya Pradesh VAT (Amendment) Act, 2015.** The provisions of **clause (ii) of Section 4,6 & 7** of this amendment Act shall be deemed to be in force from **01.04.2015** & the remaining provisions of the Act shall be deemed to be in force from **08.06.2015**.

Readers are advised to refer to the said notification for details of the Act as significant amendments have in Section4-A, 10, 14, 16-A, 18 & 29 of the respective VAT Act.

TRIPURA

SECURITY DEPOSIT REQUIRED FOR DIFFERENT CLASSES OF RE-SELLERS , IMPORTERS , MANUFACTURERS & TRANSPORTERS

OUR COMMENTS : The Office of Commissioner Of Taxes, Government of Tripura vide **Circular No. F1-6 (30)-TAX-2004/9251-75 dated 20th July, 2015** has fixed the **amount of Security deposit** required w.e.f. the aforesaid date **for different classes of resellers / importers /manufacturers and transporters** as follows:

Class of Dealers	Amount of Security required
(i) VAT Registration for reseller :	
(a) Annual turnover up to Rs. 10lakh	Rs. 500.00
(b) Annual turnover exceeding Rs. 10 lakh	Rs. 1,000.00
(c) SSI units & beneficiaries of PMRY scheme or any other unemployed youth starting business under any Govt. scheme	Rs. 500.00
(d) Govt. Department/Govt. Enterprises/ Govt. Undertaking	NIL
(ii) VAT registration along with CST registration or Only CST registration:	
(a) In case of interstate business	Rs. 10,000.00
(b) SSI units & beneficiaries of PMRY scheme or any other unemployed youth starting business under any Govt. scheme and NGO, Self Help Group	Rs. 1,000.00
(c) Govt. Department/Govt. Enterprises/Govt. undertaking	NIL
(d) Coal	Rs. 1,00,000.00
(e) Foreign Trade (import/export) i.Coal ii. Other than Coal	Rs. 1,00,000.00 Rs. 30,000.00
(iii) (a) Bricks Kiln	Rs. 1,00,000.00
(b) Stone boulders/Stone chips/gravels/Metals and any kind of stone	Rs. 15,000.00
(iv) Transporters of all categories by whatever name known	Rs. 12,00,000.00
(v) Branch office of Transporters of all categories by Whatever name known	Rs. 12,00,000.00
(vi) Amendment of registration other than inclusion of branch office of transporters as mentioned at Sl.No. (v)	NIL

WEST BENGAL

ALLOWANCE TO A DE-SELECTED DEALER TO GENERATE E-WAYBILL WITH CERTAIN RETSRICTIONS

OUR COMMENTS: The Directorate of Commercial Taxes, Govt. of W.B., vide **Circular No. 15/2015** dated **7th August, 2015** has decided to allow de-selected dealers to generate online waybills in lieu of issuing manual waybills with certain restrictions.

The following guidelines are to be followed to make the demat waybill service available to such deselected dealers :-

- To obtain e-waybill, the deselected dealer may submit an application to the assessing authority. The assessing officer after approval from the charge officer in file specifying number of proposed waybills, after ensuring revenue in the form of security on verification of import details & status of up to date return submission, may order issue of such waybills.

- The approved proposal is to be sent to ISD for implementation via email to a dedicated email address specifying the numbers of waybill recommended to be granted, the amount of import and security obtained.

- One Officer of ISD will be designated to make the service available to dealer as per order. After it is done, dealer will be able to generate waybills upto the granted limit & also submit utilization thereof using his/her login details through the departmental website.

- concerned dealer shall give both manual & online utilization of waybills generated at the time of further application for the same.

- For availing subsequent waybills, the deselected dealer shall furnish rolling security (commensurate to the likely tax of related consignment) in the light of the recent judgement of the Kolkata High Court in the Case of Sambhu Prasad Agarwal vs Senior Joint Commissioner, Commercial Taxes, Corporate Division [Case No. WPTT 8 of 2015 = 2015VIL322CAL]. The assessing officer shall ensure that the dealer submission of proper utilization of waybills & details of Central Froms issued.

- Such dealers can only avail e-waybill service after being re-selected by the Commissioner.