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Important Circulars & Notifications

December'16

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Index



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1. Income Tax

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Title	Category	Description	Section/ Chapter	Date
Eligibility for deduction of Transport, Power and Interest Subsidies under Chapter VI-A	Circular (F. No. 279/Misc./140/2015-ITJ)	<ul style="list-style-type: none">▪ CBDT vide its circular dated 29th Nov, 2016 has clarified that the Transport, Power and Interest Subsidies received by an Industrial Undertaking are eligible for deduction under Chapter VI-A.▪ It was further stated that there is a direct nexus between profits and gains of the industrial undertaking / business and reimbursement of such business subsidies and hence, such subsidies are not to be included under the head "Income from other sources".▪ Thus, such revenue receipts received by an Industrial Undertaking / eligible business are part of profits and gains of business derived from its business activities within the meaning of sections 80-IB / 80-IC of the Income Tax Act, 1961. <p>[Read More]</p>	Sections 80-IB, 80-IC	29 th Nov, 2016

Title	Category	Description	Section/ Chapter	Date
<p>Directions under Section 119 of the Income-tax Act, 1961</p>	<p>Circular</p>	<ul style="list-style-type: none"> ▪ CBDT vide its circular no. 40/2016 dated 9th December, 2016 has directed its officers that subsequent to demonetisation and shift towards digital mode of payment, the enhanced turnover, if so reflected, should not be made the basis for reopening of the earlier years' cases involving lower turnover by the Assessing Officer. ▪ It further clarifies that reopening of cases involving lower turnover u/s 147 of the Act is feasible only when the Assessing Officer "has reason to believe that any income chargeable to tax has escaped assessment for any assessment year" and not merely on the basis of any reason to suspect. <p>[Read More]</p>	<p>Section 119</p>	<p>9th Dec, 2016</p>

Title	Category	Description	Section/ Chapter	Date
<p>No advance tax to be paid in case the income is from the head 'salary'</p>	<p>Case Law</p>	<p>Ian Peter Morris vs. ACIT (Supreme Court)</p> <p>Facts:</p> <ul style="list-style-type: none"> ▪ The High Court has held that the interest would be chargeable under Section 234B and 234C of the Income Tax Act, 1961 on the 'salary amount'. ▪ Aggrieved by the order the appellant made an appeal to the Supreme Court. <p>Held:</p> <ul style="list-style-type: none"> ▪ The Supreme Court held that no question of advance tax arises in cases where the receipt is by way of salary deduction under Section 192 of the Act. ▪ Hence, no interest shall be charged under Section 234B and 234C for any deferment and default in payment of the Advance Tax. <p>[Read More]</p>	<p>Section 192, 234B, 234C</p>	<p>21st Dec, 2016</p>

2. Service Tax



Title	Category	Description	Section/ Rule	Date
Waiver of service tax on card transactions up to Rs. 2000	Notification No. 52/2016	<ul style="list-style-type: none">▪ CBEC amends notification no. 25/2012-Service Tax, the exemption notification, thereby adding entry 64 in the opening paragraph.▪ Notification no. 52/2016 seeks to exempt services by an acquiring bank to any person in relation to settlement of an amount up to Rs. 2000 in a single transaction through credit, debit card or other payment card service.▪ Hence, the service tax on debit and credit card transactions of up to Rs. 2000 has been waived off in a bid to promote digital transactions amid cash crunch following withdrawal of old Rs. 500 and 1000 banknotes. <p>[Read More]</p>	Notification no. 25/2012 dated 20.06.2016	8 th Dec, 2016



Title	Category	Description	Section/ Chapter	Date
<p>Issue of invoice for online services without digital signature</p>	<p>Notification no. 53/2016</p>	<ul style="list-style-type: none"> ▪ CBEC vide its notification no. 53/2016 seeks to amend Service Tax Rules, 1994 which shall be called the Service Tax (Fifth Amendment) Rules, 2016. ▪ These rules shall allow a person located in non-taxable territory providing online information and database access or retrieval services to a non-assesse online recipient to issue online invoices not authenticated by means of a digital signature for a period up to 31st January 2017. ▪ They shall come into force on the date of their publication in the official gazette. <p>[Read More]</p>	<p>Service Tax (Fifth Amendment) Rules, 2016</p>	<p>19th Dec, 2016</p>

3. GST – Goods & Service Tax



Title	Description
GST to be made effective from 1st July'2017	<ul style="list-style-type: none">▪ In the 9th GST Council meeting held on 16th Jan'17, consensus was reached among Centre and State Governments over administrative control of taxpayers.▪ Now, 1st July'2017 has been agreed as date for implementing this landmark legislation.▪ Industry will get sufficient time for implementation.
Tax refund to exporters under GST within seven days	<ul style="list-style-type: none">▪ The Department of Revenue has promised to refund tax claims of exporters within seven days under the new GST regime.▪ Interest shall be paid to the exporters in case the refund gets delayed for a period beyond two weeks.
PAN Card must for excise, service taxpayers to migrate to new tax regime	<ul style="list-style-type: none">▪ The tax department has made it mandatory for central excise duty and service taxpayers to obtain a valid PAN number before they can be migrated to the new Goods and Services Tax (GST) set-up.▪ Every person registered under any of the earlier laws and having a valid PAN shall be issued a certificate of registration on a provisional basis.

...contd. [GST – Goods & Service Tax]



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Title	Registration Type	Start Date	End Date
Revised Schedule for enrolment of taxpayers who are registered under Central Excise/Service Tax	▪ Enrolment of Taxpayers who are registered under Central Excise Act but not registered under State VAT	05/01/2017	31/01/2017
	▪ Enrolment of Taxpayers who are registered under Service Tax Act but not registered under State VAT	09/01/2017	31/01/2017
	▪ New registration under VAT/Service Tax/Central Excise after August 2016	02/01/2017	20/03/2017



4. Others

Title	Category	Description	Section/ Rule	Date
MCA revises Form INC-18, DIR-3 and MGT-14	MCA Notice	<ul style="list-style-type: none">▪ The Ministry of Corporate Affairs vide its Notice dated 17th December, 2016, stated that Forms INC-18, MGT-14 and DIR-3 have been revised.▪ These forms shall be revised w.e.f. 17th December, 2016. [Read More]	Company Law	22 nd Dec' 2016
Section 248 to 252 of Companies Act effective from 26.12.2016	Notification	<ul style="list-style-type: none">▪ The Central Government vide its notification has appointed 26th Dec, 2016 as the date on which the provisions of Section 248 to 252 of The Companies Act, 2013 shall come into force.[Read More]	Company Law	26 th Dec' 2016
ESIC raises wage ceiling from Rs. 15000 to Rs. 21,000 w.e.f. 1st Jan'2017	Notification	<ul style="list-style-type: none">▪ Ministry and Labour Employment has raised the ESIC wage limit from Rs. 15,000 to Rs. 21,000 w.e.f. 1st Janaury'2017. [Read More]	ESIC	22 nd Dec' 2016

Title	Category	Description	Section/ Rule	Date
<p>India & Singapore sign a Third Protocol for amending the DTAA</p>	<p>Double Taxation Avoidance Agreement</p>	<ul style="list-style-type: none"> ▪ India and Singapore signed a Third Protocol for amending the Double Taxation Avoidance Agreement (DTAA). ▪ The revised DTAA will enable India to tax capital gains of Singapore-based investors transacting in Indian securities from April 1, 2017. ▪ For the first two years, India and Singapore will share the taxes on such gains equally and from the third year onwards, all such taxes will accrue to India. ▪ The amended third protocol of the DTAA will provide for source based taxation of capital gains arising from transfer of shares in a company as against residence-based taxation of capital gains at present. <p>[Read More]</p>	<p>Press Release</p>	<p>30th Dec, 2016</p>



5. Interesting facts

- Google has been acquiring, on average, more than one company per week since 2010.
- Indian housewives hold 11% of the World's gold.
- Offered a new pen to write with, 97% of all people will write their own name.
- There are ATMs in Dubai that dispense gold bars.
- If Wal-Mart were a country, it would be the 28th largest economy in the world.
- The first alarm clock could only ring at 4am.
- Bill Gates house was designed using a Macintosh Computer.
- If you were to have your picture taken by the very first camera, you'd need to sit still for 8 hours.
- Skype is banned from the public in China.

6. About us



Served more than
70 clients in past
10years



Strong team of
100+ energetic
people



State of the art
office of **6,250 sqft**



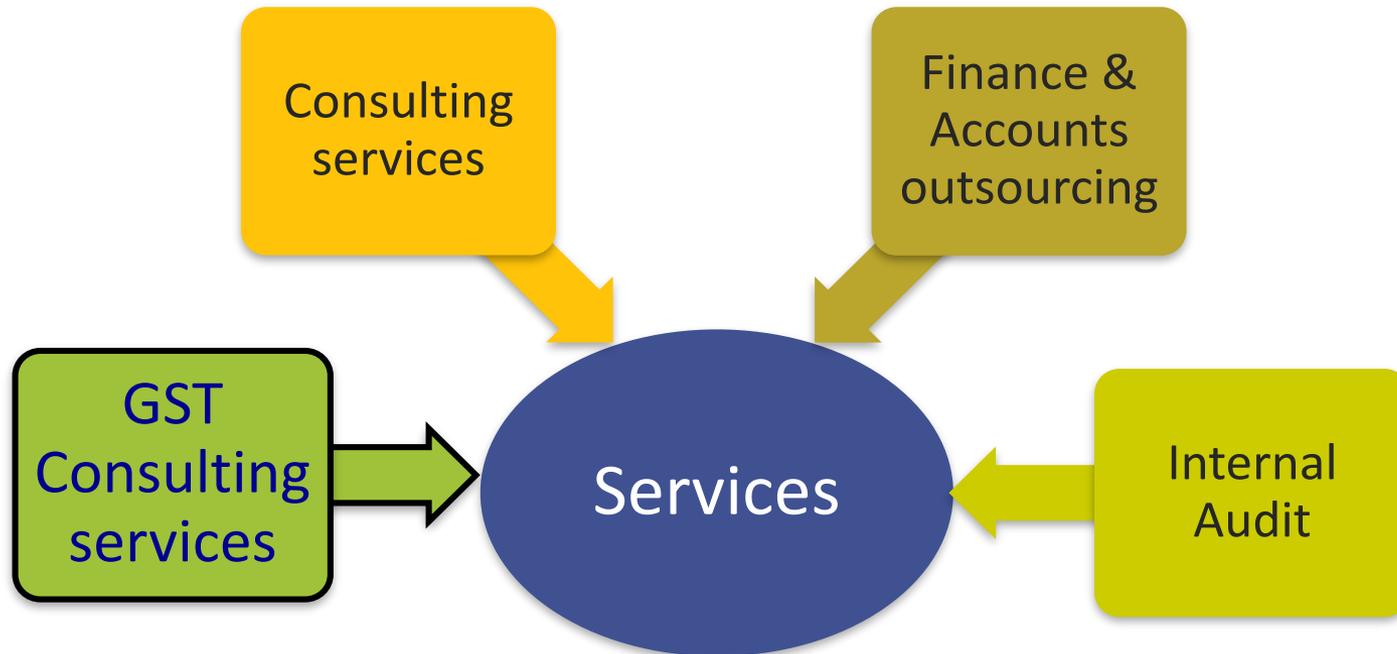
Impressive client
retention
period : **>7 years**



Client's turnover :
INR 50 cr
to Rs.1,500 cr



99.87% adherence
to SLA's



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