



WIRC BULLETIN

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Hearty Congratulations !



New Office Bearers of WIRC (2018-19) alongwith RCMS & CCMs & Govt. nominee

OFFICE BEARERS OF WIRC OF ICAI FOR THE YEAR 2018-19



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WESTERN INDIA REGIONAL COUNCIL
THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory Body under an Act of Parliament)

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From the Desk of Chairman

"Coming together is a beginning; keeping together is progress;
working together is success"

– Edward Everett Hale

Dear Members and Students,

It is my pleasure to communicate with you in the capacity of 57th Chairman of WIRC of ICAI.

I express my sincere thanks to all Regional Council Members and Council Members of our Region to elect me unanimously as Chairman of WIRC.

I congratulate to CMA Pradeep Desai, CMA Shriram Mahankaliwar and CMA Harshad Deshpande for being elected unanimously as Vice Chairman, Hon. Secretary and Treasurer respectively on WIR Council

I would also like to congratulate CMA Amit Apte and CMA Balwinder Singh for being elected as President and Vice President of the Institute.

I also express infinite gratitude to those members who have sent me number of mails and given the phone calls for congratulating me for being elected as Chairman.

I feel happy to inform you that CMAs are empaneled as Statutory Auditors under Maharashtra Co-operative Societies Act, and few members have already started audits works, I express my sincere thanks and gratitude to Government of Maharashtra for making necessary amendment in audit provisions of Maharashtra Co-operative Societies Act.

I am also aware that lots of responsibilities have to be shared by me and therefore I have taken following Agenda on priority which will be completed in one year.

1. To make all efforts to make necessary amendments in respective state Co-operative Act to include CMAs as Statutory Auditors.
2. To make all efforts to make necessary amendments in respective state acts to include CMAs for Audit function.
3. To conduct training programs for Capacity building of our Members in the Various areas such as IBC, Valuation, GST, Cost Audit & Cost Records , Customs, Foreign Trade & Anti-Dumping, Banking, Insurance, Project & Finance and FEMA, Internal Audit, Information Technology, Direct Tax, Companies Act 2013, Restructuring of Business, MIS, Management Accounting & Advanced Techniques for Cost Reduction and Value Addition. Etc.

Further, we have already made a representation to the Hon'ble Sugar Commissioner, Maharashtra state to issue Cost audit orders for those cooperative sugar factories whose Cost Audit is yet to be completed

I had the privilege along with CMA Kailash R. Gandhi, Immediate Past Chairman to attend the 75th Birthday Celebrations of the Institute which was graced and given by the special address of Shri Ramnath Kovind, Hon'ble President of India on 14th July 2018 at Vigyan Bhawan, New Delhi. WIRC Office along with Thane had organized live webcasting for the event. Students, members and staff of WIRC attended the programme in large numbers.

WIRC in its pursuit of continuous professional development had organized the three CEPs during the period from July 2018 onwards.

WIRC in association with Pimpri-Chinchwad Chapter is organising the "CMA Football League 2018" on 12th August 2018 at Kakade Park, Chinchwad, Pune. I congratulate CMA Mahendra Bhombe, Chairman Pimpri- CHinchwad Chapter and his team who arranged this sports event. I wish the event a grand success and request all members / students to participate in large numbers.

WIRC has also successfully organized the 3rd batch the educational course on "Securities or Financial Assets "of Registered Valuers Organization of ICMAI from 23-29th July, 2018.

I am also thankful to the Institute for extending the due date of admission for the CMA course to 7th August, 2018 based on our representation and considering the release date of results of Mumbai University. We hope we can get maximum admission for the extended period.

I sincerely appeal all members from Industry & Service Sector as well as in Practice be active in the professional development activities. Your suggestions in this regard will be guiding force to my team.

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I would like to congratulate on behalf of council Editor of "WIRC Bulletin CMA Harshad Deshpande and editorial board for initiative taken since 2015,

1. ISSN No- The International Standard Serial Number (ISSN) is an internationally accepted code which identifies the title of serial publications.
2. Cover Page - The lay out cover page was changed in order to improve the look of the Bulletin and easy accessibility
3. Introduction of New Authors - The CMA Professionals were encouraged to send the articles & write ups which added to the different perspectives from experienced professionals.
4. Mobile Edition - The Bulletin was circulated on Whats up groups in order to give the readers the flexibility to go through the bulletin at his own convenient time and improved circulation.
5. Blogs - The Articles are now uploaded in Blog format on WIRC website which enables the viewers to interact and post feedbacks /queries to authors. Since we started the with Blog the hits of WIRC website which were around 8,000 has shooted up to over 50,000 in very short time.
6. Special Editions - we had released GST special edition which received very good response. We also made special edition at the time of National Seminar which was held at Mumbai in Feb 2018.

I am sure new Editor of "WIRC Bulletin CMA Kailash Gandhi and members of editorial board will continue this initiative in more dynamic way.

I also congratulate and wish a very happy retirement life to Shri Bhaskar T. Kanade, Asst. Administrative Officer of WIRC who had served the Institute for 36 years.

Wish all the Students and Members very Happy Independence Day,Parsi New Year, Bakri Id and other occasion during the month.

With Warm Regards

CMA Laxman Pawar

COMMITTEES OF THE COUNCIL FOR 2018-2019

Constituted at the 295th WIR Council Meeting held on 17-07-2018

Sl. No.	COMMITTEE	Sl. No.	NAME	POSITION
1	Executive Committee	1	CMA Laxman D. Pawar	<i>Chairman</i>
		2	CMA Pradip H. Desai	<i>Member</i>
		3	CMA Shriram N. Mahankaliwar	"
		4	CMA Harshad S. Deshpande	"
		5	CMA Kailash R. Gandhi	"
		6	CMA Debasish Mitra	"
		7	CMA P. V. Bhattad	"
2	Finance Committee	1	CMA Laxman D. Pawar	<i>Chairman</i>
		2	CMA Pradip H. Desai	<i>Member</i>
		3	CMA Shriram N. Mahankaliwar	"
		4	CMA P. V. Bhattad	"
		5	CMA Debasish Mitra	"
3	Students, Members & Chapter Co-ordination Committee	1	CMA Shriram N. Mahankaliwar	<i>Chairman</i>
		2	CMA Kailash R. Gandhi	<i>Member</i>
		3	CMA P. V. Bhattad	"
		4	CMA Debashish Mitra	"
		5	CMA Neeraj Joshi	"
		6	Mr. Prashant Prajapati	<i>Students Representative (Final - Postal)</i>
		7	Mr. Tirth Mithiya	<i>Students Representative (Final - Oral)</i>
4	Professional Development Committee	1	CMA Debasish Mitra	<i>Chairman</i>
		2	CMA Harshad S. Deshpande	<i>Member</i>
		3	CMA Shriram N. Mahankaliwar	"
		4	CMA Amit A. Apte	"
		6	CMA P. V. Bhattad	"
		7	CMA Dinesh Birla	<i>Co-opted</i>

Sl. No.	COMMITTEE	Sl. No.	NAME	POSITION
5	CPD Committee (Continuing Professional Development Committee)	1	CMA Harshad S. Deshpande	<i>Chairman</i>
		2	CMA Debasish Mitra	<i>Member</i>
		3	CMA Rahul Dugal	<i>Co-opted</i>
A	Editorial Board	1	CMA Kailash R. Gandhi	<i>Editor</i>
		2	CMA Pradip H. Desai	<i>Member</i>
		3	CMA Shrenik Shah	<i>Member</i>
		4	CMA Sameer Gupte	<i>Member</i>
		5	CMA Soumen Dutta	<i>Member</i>
B	Task Force - State Govt. Representation	1	CMA Harshad S. Deshpande	<i>Chairman</i>
		2	CMA Shriram N. Mahankaliwar	<i>Maharashtra</i>
		3	CMA Rajendra Gore	<i>Maharashtra</i>
		4	CMA Arun Kumar	<i>Maharashtra</i>
		5	CMA Mahendra Bhombe	<i>Maharashtra</i>
		6	CMA S.N. Mundra	<i>Gujarat</i>
		7	CMA Bhanwar Lal Gurjar	<i>Gujarat</i>
		8	CMA Ashwin Dalwadi	<i>Gujarat</i>
		9	CMA Samir Rakshit	<i>Chattisgarh</i>
		10	CMA Arindam Goswami	<i>Chattisgarh</i>
		11	CMA Dipen Mehra	<i>Chattisgarh</i>
		12	CMA Rammohan Menon	<i>Goa</i>
		13	CMA Sudeep Saxena	<i>Madhya Pradesh</i>
		14	CMA Yogesh Chourasia	<i>Madhya Pradesh</i>
C	Task Force - Members in Practice (under PDP Committee)	1	CMA B. F. Modi	<i>PCMA</i>
		2	CMA Devendra Deore	<i>PCMA</i>
		3	CMA (Dr.) Anil Anikhindi	<i>PCMA</i>
		4	CMA Shrinivas Diddi	<i>PCMA</i>
		5	CMA Sameer Parkar	<i>PCMA</i>
		6	CMA Ashish Deshmukh	<i>PCMA</i>
		7	CMA Shirish Mohite	<i>PCMA</i>
		8	CMA Prashant Vaze	<i>PCMA</i>
		9	CMA Pradnya Chandorkar	<i>PCMA</i>
		10	CMA Amit Devdhe	<i>PCMA</i>
		11	CMA Subodh Mawalankar	<i>PCMA</i>
		12	CMA Mihir Vyas	<i>PCMA</i>
D	Task Force - Members in Industry	1	CMA Sanjay Mundade	<i>GE India Pvt. Ltd</i>
		2	CMA Pradeep Deshpande	<i>Faurecia India Pvt. Ltd</i>
		3	CMA Vivek Chavan	<i>Mahindra & Mahindra Ltd</i>
		4	CMA R.B. Kothari	<i>Uttar Gujarat Vij Co. Ltd</i>
		5	CMA Rajendra Kumar Rathi	<i>Reliance Industries</i>
		6	CMA Chaitanya L. Mohrir	<i>Accenture</i>
		7	CMA Vivek G. Bhalerao	<i>TCS</i>
		8	CMA Suresh Vishnu Sasane	<i>MSPGC Ltd</i>
		9	CMA Hetal Shah	<i>Cadila Healthcare Ltd</i>
		10	CMA Shailesh Daga	<i>Aditya Birla Group</i>
		11	CMA B. N. Agarwal	<i>Bhilai Steel Plant</i>
		12	CMA Rajesh Shukla	<i>Tata Motors</i>
		13	CMA Bibekananad Pradhan	<i>Raymonds Ltd</i>
		14	CMA Sumit Bahadur	<i>Electronic & Power Control Co.</i>
		15	CMA Amit Khole	<i>Atlas Copoco</i>
		16	CMA H. C. Shah	<i>Sadbhav Engineering</i>
E	Task Force - Women Empowerment	1	CMA Poonam Shah	<i>Member</i>
		2	CMA Madhura Joshi	<i>Member</i>
		3	CMA Shilpa Parkhi	<i>Member</i>
		4	CMA Kalyani Dongre	<i>Member</i>
		5	CMA Manisha Taiyal-Agarwal	<i>Member</i>
		6	CMA Minal Sonje	<i>Member</i>
		7	CMA Varsha Limaye	<i>Member</i>
		8	CMA Nanda Barde	<i>Member</i>
		9	CMA Padma Ganesh	<i>Member</i>
		10	CMA Heena Oza	<i>Member</i>

(Chairman, WIRC of ICAI will be permanent invitee of all the Committees, except Executive & Finance Committee)



Tech Startups and Accounting

CMA Anil Kshatriya

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Successful entrepreneurs are good strategists. They have foresight to spot future trends. They have insights to commercialize and execute ideas. But most entrepreneurs might have little or no exposure to system of accounting their business transactions. Growing number of technology startups are ideated by technical specialists with expertise in their area of interest. The big questions are - is there a serious need for them to know the importance of accounting at the start-up stage? Does lack of accounting exposure affect the way business decisions are made in a newly established innovative venture? How can knowledge of accounting make difference to the management of start-ups?

Technopreneurs (technology driven entrepreneurs or simple techies) stay tuned to the technical side of their business. Fund raising and capital investment decisions taken by young entrepreneurs with limited exposure to accounting systems might lead to disastrous consequences for the entity. There is often little or no information available in public domain about the role played by external experts in such decision making process. Therefore though the entrepreneur(s) might employ or appoint agencies to look into accounting data, this in itself may affect decision making process. It is a good idea for a technopreneur to become his or her own accountant and look at numbers with more confidence.

When the business is in its early stage, record keeping to measure accrual profit is barely a priority. All that Startups are looking for at this stage is 'Cash'. But as the business grows and fund raising goes into its second or third round, the need for comprehensive record-keeping sets in. Often accounting is confused with book-keeping or journalizing. Well, gone are the good old days when as a small player you could get away with simple income and expenses kind of transactions. Today's modern enterprises need much more robust and comprehensive records. As the company is privately held, these records are not for filing of statutory papers but for decision making.

Let us take a simple example of calculating the total cost of a product which is sold by an e-commerce company through its portal. Apparently the cost is simple a summation of 'cost of buying the product' plus 'cost of logistics incurred to buy the product.' There can be many other important elements of total cost which the firm might not take into account and therefore end-up miscalculating the total cost. Several overheads which are incurred at firm level also need to be allocated and apportioned to products without which the actual difference between its selling price and total cost cannot be correctly estimated. Well, does this really matter for the business? Indeed, a lot. The ecommerce industry operates on thin margins. Each player struggles to grab the share of the hyper competitive market. Any misunderstanding or misinformation will lead you towards irreversible mistakes and losses.

Proper accounting helps in scenario planning and budgeting. Forecast of cash inflows and cash outflows is essential for keeping the firm financially fit and healthy. Investors not only

expect good returns from their investment but also want the business to create a scalable model for opportunities present in the market. What this means is that investors are willing to absorb shocks of initial losses if they are convinced about the 'on track' performance by the startup. This 'keeping things on track' is possible only when the founders know all the vital signs. This gives investors' confidence about effectiveness of actions which propose to use their invested funds.

So what are the vital signs? Which information should new businesses value? The answers vary across different forms of new enterprises but the underlying phenomena of utility for forward looking insights remains constant. In a typical information and internet technology driven model the most valuable information happens to be a Unit Level (popularly known as Unit Economics). For a brick and mortar, capital intensive and asset heavy model the economic logic unit level does not necessary hold good. Because in an asset heavy model there is a timing difference between cash outflows (which happen at a point of time) and cash inflows (which happen over a period of time). This is what is generally discusses as Capital Budgeting problem. Due to timing difference traditional businesses like producing goods (rather than services) used Net Present Value and Internal Rate of Return as their primary diagnostic measure before deciding to invest into project. Well, even a tech startup needs NPV calculations to begin with but it cannot moderate its operations simply by looking at NPV or IRR numbers. Then what is the primary metric for technopreneurs? They use something simpler called as BEP or Break-Even. Break-Even Point is a point in business life-cycle where the firm's revenues equal its total costs. It is a point where the firm has recovered all its fixed costs. Technically it is a ratio of Fixed Costs to Unit Contribution Margin. Unit Contribution is the difference between Selling Price and Variable Expenses. Anything sold after Break-Even generates profit. Faster the recovery of fixed costs, closer the firm gets to BEP. For many companies it takes long gestation periods to Break-Even as the Unit Contribution Margins are wafer thin in today's hyper-competitive scenario. A good knowledge of these basic accounting tenets go a long way in making tech-startups wiser in their commitment to fixed costs.

What makes successful startups different from others is the ability of its founders to think in a holistic fashion. When faced with challenges these are people who get into details by putting themselves into the shoes of their customers. And for that they rely on data and not merely instincts. In a volatile world instinct can help only temporarily. For long-term edge new businesses must enhance their ability to generate and use critical data for leveraging their other resources. A good accounting and control system pays-off both by helping sound decision making as well as cross referencing information for future use. So, don't wait for any statutory demand as it might be too late for you to bring your house back in order. ■



How to pass Valuation Exams on Asset Class Financial Assets

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The concept of valuation has gained momentum now-a-days. Valuation is not an exact science. Mathematical certainty is not demanded nor is it possible. It involves a decision-making process by using different methods to determine the price one is willing to pay or receive to affect the sale of a business. It is based upon assumptions, method and the data considered by the Valuer. Moreover, Value is also dependent upon the other circumstances like demand, availability, uniqueness etc. A fair valuation is spirit of the valuation process.

The first great landmark in the long and tortuous intellectual struggle with the riddle of value was laid by the philosophers of the Athenian Academy in the 4th century BC. It was Aristotle (384-322) who held that the source of value was based on need, without which exchange would not take place. Originally, it was he who distinguished between value in use and value in exchange- 'of everything which we possess, there are two uses; For example, a shoe is used to wear and it is used for exchange'.

Valuation which is an opinion, is the key factor of decision of every transaction. Take it business or individual, valuation has its form and necessity depending upon the transaction. Often, we have question like "is it worth". It can be defined in a number of different ways, and without carefully defining the term, the results of the valuation can become meaningless.

The difference between the price, cost, and value of a product or service is very negligible, perceived and subtle. When we talk about price it refers to the money which we have to pay to acquire the same. Cost refers to the amount spent or incurred to manufacture the product or service in question.

Importance of Valuation and Valuation of Asset Class Financial Assets

Valuations are widely used and relied upon in financial and other markets, whether for inclusion in financial statements, for regulatory compliance or to support secured lending and transactional activity.

Valuation of assets, as a field of work is vast and diverse. There are a number of valuer's associations around the world that are engaged in the process of standardising the methods and approaches to valuations of assets.

Valuations have become much more important in today's times, than they ever were. The business world undergoes changes with the number of re-organisations of companies. Besides, various laws require a reliable estimate of values of business and its assets for calculating tax liabilities and other purposes.

The Central Government delegated its powers and functions under section 247 of the Companies Act, 2013 to the Insolvency and Bankruptcy Board of India (IBBI) and specified the IBBI as the Authority under the Companies (Registered Valuers and Valuation) Rules, 2017. Consequently, w. e. f. 1st October, 2018, for conducting valuations required under the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016, a person is to be registered with the IBBI as a registered Valuer. For registering with IBBI, a person has to pass valuation examination as per prescribed syllabus.

There are many methods prescribed for valuation under different statutes. Securities Exchange Board of India (SEBI) has prescribed ICDR 2009, LODR-2015, Mutual Fund Regulations-1996, Share based Employee Benefits Regulation 2014, SAST Regulation 2011, Delisting Regulations & ESOP

Valuation methods as per the objectives their statute. Similarly, RBI & FEMA has also prescribed similar methods under FEMA (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2017, Foreign Direct Investment (Pricing Guidelines), Direct Investment by Residents in Joint Venture/ Wholly Owned Subsidiary abroad, Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks, guidelines on Sale of Stressed Assets by Bank and SARFESI Act, 2002.

However, under Insolvency & Bankruptcy Code 2016 read with Companies (Registered Valuers and Valuation) Rules, 2017, the Valuer not only be abreast of all these to reach at correct valuation of asset as per circumstances of the case but also be aware of relevant Economic, Financial aspects of the business to have the optimum value of underlying assets. Since many a times a Valuer has to use his discretion to reach at estimated value. The discretion should be used by him within the parameters of prescribed law only. Valuer should be aware of his ethics and standards.

Income Tax plays a very vital role in asset valuation. Whether cessation of liability shall be subject to Income Tax or not! How to calculate Capital Gain on transfer of non-current Assets! Whether MAT is applicable on book profit! How Double Taxation Avoidance Agreement (DTAA) be interpreted! Whether losses be allowed to be adjusted or carry forward etc!

Syllabus for the exam on Valuation of Asset Class Financial Assets

The syllabus may seem to be vast, but it can be tackled with correct approach and some smart reading and memorising techniques.

Let us cover the topics under the syllabus prescribed for the asset class Securities or Financial Assets.

The first chapter is based on Economics, covering National Income Accounting, Fiscal and Monetary Policy and Understanding the Business Cycle. Importance of National Income accounting can be remembered as PDC or Post-Dated Cheque (Policy formulation, effective Decision making, international economic Comparison)

Stages of business cycle can be remembered as REP DRT (REPresentation at Dispute Resolution Tribunal) (Recession, Expansion, Peak, Depression, Recovery, Trough).

Finance and financial management is something what is done in every day lives, at home or at business. Financial management is procurement of funds and their effective utilisation in business.

There are various types of finances, based on their purpose, sources and term.

Professional Ethics and Standards covers what is the acceptable behaviour for a valuation professional. They are covered under the Companies (Registered Valuers and Valuation) Rules, 2017.

The model code of conduct is recommended for the registered valuers. It can be easily remembered as ICIGI PRO (Intergrity & Fairness, Confidentiality, Independence & Disclosure of Intrest, Gifts & Hospitality, Information Management, Professional Competence & Due care, Remuneration, Occupation Employability & Restrictions.)

Analysis of financial statements covers study of incomes, expenses, assets and liabilities, performance, capital structure, credit and cash flow analysis.

To cover this part, various accounting standards need to be studied. There are various techniques and methods of financial statement analysis, a few of which are very simple, while the others are not so simple.

The topic on general laws covers all the laws that may in some way be related to the valuation of Financial Assets.

The Companies (Registered Valuers and Valuation) Rules, 2017 lists out the valuation standards and provisions related to registered valuers organisation and registration of valuers and procedures related thereto.

The Indian Contract Act, 1872 and the Sale of Goods Act, 1930 are the simplest acts possible. A read through the text will give a fair idea of the terms used and that is the only thing in the whole of these acts.

The Indian Contract Act is based on English Law and was passed by the British India. It came into effect from 1st September, 1872. The Act originally had 266 Sections, it had wide scope and included.

- General Principles of Law of Contract- Sections 01 to 75
- Contract relating to Sale of Goods- Sections 76 to 123
- Special Contracts- Indemnity, Guarantee, Bailment & Pledge- Sections 124 to 238
- Contracts relating to Partnership- Sections 239 to 266

But at later stages the Provisions relating to the Sale of Goods and Partnership were restructured and separate Acts were enacted, the Sale of Goods Act, 1930 and the Indian Partnership Act, 1932. This legislation governs the contracts enforced in India. So, at present only the below sections are in force.

- General Principles of Law of Contract- Sections 01 to 75
- Special Contracts- Indemnity, Guarantee, Bailment & Pledge- Sections 124 to 238

The Sale of Goods Act, 1930 was enacted to govern and amend all the laws relating to the Sale of Goods in India. It is a kind of contract act which came into existence on 1st July, 1930. It is a contract whereby the seller transfers or agrees to transfer the property in the goods to the buyer for price.

The Transfer of Property Act, 1882, came into force on July 1, 1882. The Act is divided into 8 Chapters, 137 Sections and 1 Schedule. This Act, covers the transfer of both movable and immovable properties transferred in India.

The Act deals with the following types of transfers.

- Transfer of property by act of parties (movable / immovable)
- Mortgages of Immovable Property and Charges
- Leases of Immovable Property
- Exchanges
- Gifts
- Transfers of Actionable Claims

The Indian Stamp Act, 1899 is a fiscal statute laying down the law relating to tax levied in the form of stamps on instruments recording transactions. Stamp Duty is a form of tax that is levied on the documents. Historically, a physical stamp had to be attached to or impressed upon the document to denote that stamp duty has been paid before the document became legally effective. Modern versions of the tax no longer require physical stamp duty.

The general provisions related to the Income Tax Act, 1971, like the heads of income, applicability of tax to various assesseees and clubbing and set off are covered under this section of the syllabus, while the specific sections related to valuation are covered under the section i of the syllabus.

Corporate Insolvency Resolution and Corporate Liquidation sections of the Insolvency and Bankruptcy Code, 2016 are to be studied. These are covered in Part II of the Act. Part II contains VII chapters covering sections from S. 4 to S. 77.

The section dealing with the laws and regulations can be mastered by reading and understanding the bare acts of the relevant laws.

The next section is on the overview of valuation. It covers the abcs of valuation. The basic concepts, like the meaning of value and purpose of valuation, the purpose and process of valuation and documentations. It is an important section, as it lays down the foundation for the ways to tackle work that will be taken up in future. If the basics are clear, the foundation becomes strong. And a strong foundation is necessary for a strong building.

Next is the valuation approaches and methodologies. There are no approaches and methods specified by any authorities in India. But as per the international practices and the standards laid down by the International Valuation Standards Board, there are three approaches to Valuation, namely, Cost, Income and Market approach. There are different methods prescribed under each approach, based on the asset to be valued and the information available regarding the same.

The most important part of the syllabus, which covers 33% weightage is the Application of valuation. This section covers the practical aspects for the valuation of business, fixed income securities, option valuation, intangible assets and valuations specific to certain situations.

This section can be mastered through experience shared by peers and seniors, reading of various business articles and newsletters and applying all the knowledge and experience gained through the years by an individual. Reading of valuation standards issued by various authorities will also be useful. The laws relevant to the valuation of financial assets include the financial reporting, relevant sections of the Companies Act, various regulations of SEBI, RBI and FEMA and certain provisions of the Income Tax Act.

The financial reporting and the Companies Act sections can be easily tackled. The regulations by various authorities might seem lengthy and confusing but reading them over and over and mastering them is very essential, not only for clearing the exams, but for taking up and successfully completing valuation assignments related to financial assets.

The last portion of the syllabus and the paper will be the case studies. The case studies are put up to evaluate the candidate of the level of his knowledge and to check his ability to apply the knowledge gained in practical situations.

Paper Pattern and types of Questions

The exam for the valuation of the Financial assets will be conducted online. The paper will have objective multiple choice questions and all the questions are compulsory. There is negative marking of 25% of marks assigned question, for every incorrect answer. Minimum passing percentage is 60.

The registrations for the exams are open. Exams are being conducted at a number of locations of the country and is available on every working day.

The number of questions on each topic will depend on the weightage assigned to it in the course module. As mentioned earlier, the syllabus is vast, but not difficult to cover, if tackled correctly. Expertise can be gained only once you begin the journey as a beginner. To reach the level of an expert, reading as much as possible on the topic is very essential. Reading includes reading of all the available books, act, rules, regulations, reports, websites, judgements and any articles available on the topic. Attending programs and seminars and discussions with peers also help in increasing one's insight into the topic.

All the best to all the aspirants who wish to be registered valuers!



Concept Note: Free issue of materials to Contractors

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Before we start : Company X has been awarded a contract by Maharashtra State Road Development Corporation Limited (MSRDC) for construction of 'Versova Bandra Sea Link (VBSL)' on 'Turn Key' (EPC) basis. As an EPC contractor, X is required to procure materials and services and execute all such works for completion of projects as per the design specified. X to raise bill on MSRDC as per agreed Billing Break-Up (BBU) on 'Works Contract' basis. X is the Principal Contractor for the project.

Issue to address: In executing the contract, X has to appoint various sub-contractors who will execute the works under the supervision of principal contractor. While executing such work, two situations may arise.

- a) Required materials for executing the work will be in the scope of the sub contractor and/or
- b) Materials will be supplied by the principal Contractor to sub contractors.

The second aspect is addressed as 'Free Issue of Materials'(FIM). We have to address the GST provisions in such cases.

Understanding GST Provisions: Our Billing to Customer will be on 'Work Contract Basis'. Similarly, our subcontractors will also bill us on 'Work Contract basis'. So firstly, we need to understand the concept of 'work contract' service under GST Law.

As per section 2(119) "works contract" means a contract for building, construction, fabrication, completion, erection, installation, fitting out, improvement, modification, repair, maintenance, renovation, alteration or commissioning of any immovable property herein transfer of property in goods (whether as goods or in some other form) is involved in the execution of such contract;

From the above definition, it is clear that this contract fulfills the conditions of 'Work Contract'.

Now we need to understand the taxability aspects of 'Work Contract'.

Charging Section : Section 9 of CGST Act is the charging section. As per Section 9(1) 'there shall be levied a tax called the central goods and services tax on all intra-State supplies of goods or services or both and collected in such manner as may be prescribed and shall be paid by the taxable person.'

So, in GST 'Supply' is the charging point of tax.

Now we need to understand the 'scope of supply' as specified in Section 7 and schedules I (Transfer without consideration)

As per section 7 'Supply' includes 'all forms of supply of goods or services or both such as sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;'

Analyzing the above provisions it is clear that two conditions are required to be fulfilled for charging GST.

- a) There must be a consideration for such supply and
- b) Such supply shall be made in the course or furtherance of business.

There is one exception where Tax will be charged even if supply is made without consideration. As per Schedule I of Section 7 of CGST Act, Supply of goods or services or both between 'related persons' or between 'distinct persons' as specified in section 25, when made in the course or furtherance of business is subject to tax liability.

So, combined reading of the above provisions, it is clear that three conditions to full fill for charging GST

- a) Supply to be made or agreed to be made for consideration.
- b) Such supply should be in the course or furtherance of business.
- c) Supply without consideration will be considered as supply provided it is occurred between 'related person' or between 'distinct persons'.

In this Contract, though the FIM is in the course or furtherance of business, principal contractor and subcontractors are neither related person nor distinct person.

Whether the FIM will be made or agreed to be made for a consideration will depend upon the conditions of contract. There can be two situations for FIM.

- A) It is provided without considerations (FOC basis) [Contract has to specify that FIM will be on FOC basis] and
- B) It is provided on deemed consideration [when contract does not specifically mention the provision of material on FOC basis]
 - A. It is provided without considerations (FOC basis): As the material is given to a distinct / unrelated person with out consideration, GST will not be applicable on such FOC materials. Value of such FOC material shall not be included in the Invoice Value raised by the Sub-Contractor.
 - B. It is provided on deemed consideration: If there is no upfront agreement with the subcontractors regarding such FIM supply, same may be considered as payment

of consideration. Valuation will of such FIM will have to be made as per Section 15 of CGST Act. Such value will form part of the invoice value raised by sub-contractors. Subcontractor will charge GST on full value including FIM. Principal Contractor is entitled to avail Input credit of GST paid on purchase of such materials.

Treatment and GST on FIM : Let us understand the above concept with an Example. MSRDC is the Customer for the project. X is the principal contractor and X is one of the sub contractor.

A. Situation 1: Contract specifies that Supply of Cement for say Rs 1,00,000 will be given as FOC basis to X by X without consideration. X has acquired such Cement by paying GST of Rs 21,875/- (Basic Value Rs 78,125 + GST Rs 21875). For such FOC Materials, X will not change anything. Now billing pattern and GST implication will as follows.

- 1) X not to charge anything for such FOC to X. No invoice is required to be raised.
- 2) X will not add value of such FOC while billing on X.
- 3) X will bill to MSRDC as per the BBU between MSRDC and X.
- 4) X will claim Input credit of such GST paid on purchase of Cement. Input credit of GST paid on the invoices raised by X will also available.

B. Situation 2: Contract does not specify that supply will be on FOC Basis. In that case value (determined as per Section 15) of such supply will be included in the invoice value raised by subcontractor. Now billing pattern and GST implication will be as follows.

1. X needs to raise an invoice on X for such FOC say for Rs 1,00,000 (assuming no Margin added)

2. X will have output GST liability of Rs 21,875/- and can avail Input credit of Rs 21,875/-.
3. X will add such value in their invoices and GST will be charged by GST on entire Invoice Value.
4. X will bill to MSRDC as per the BBU between MSRDC and RAX.
5. Input credit of GST paid on the invoices raised by X will also available to X.

C. Situation 3: Equipment or Materials given on returnable basis.

In some cases, equipments or materials are given to the contractor on returnable basis. No consideration is charged for them. If the materials/equipments are replenished/returned by the contractor, no GST is leviable on the transaction as supply without consideration between unrelated persons are not taxable supply (Sect 7 of CGST Act).

But if consideration for the same is charged from the contractor by way of deduction from the bill of the contractor, it will be considered as taxable supply. Consideration in the form of deduction form invoice will be considered as value of such taxable supply and GST will be charged.

Conclusion:

1. Transaction without consideration between Principal Contractor and subcontractors does not come under the ambit of GST as this is between unrelated/distinct persons.
2. If Contract specifies that FIM will be on FOC basis no GST will be applicable.
3. If contract remains silent, it will be considered as deemed supply and GST will be applicable on such supply. Valuation will be done on the basis of Section 15 of CGST Act. ■

CMA FOOTBALL LEAGUE-2018

**WIRC in association with The ICAI - Pimpri-Chinchwad-Akurdi Chapter
organises**

CMA Football League-2018

5-A-Side Match of 10 Minutes

Date & Timing : Sunday, 12th August 2018 at 9.00 a.m.

Venue : Football Ground, Behind Podar International School, Chinchwad, Pune-33

Prizes for Winner & Runner Team

The Award Ceremony will be held immediately after Final Match at the hands of Member of Parliament,
Mr. Amar Sable & Managing Director of MNGL Mr. Tambekar

Submit your team entries by whatsapp to Organizing Committee by 8th August 2018

CMA Mahendra Bhombe : 99702 88273

WIRC PD Number : 88281 77346



What is eWay Bill? e-way Bill Rules & generation process explained

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All States require to use e-way bills for Intra-state movement of goods

1. E-way bill requirement for Intra State movement of goods in Delhi began from 16th June 2018.
2. E-way bill operations are compulsory for intra-state movement of goods for all states except Delhi with effect from 3rd June 2018.
3. Eway bill operations are compulsory for intra-state movement of goods for Andaman & Nicobar, Chandigarh, Dadra & Nagar Haveli, Daman & Diu, Lakshadweep, Maharashtra and Manipur from 25th May 2018.
4. e-way bill operations are enabled on trial basis for the intra-state movement of goods for Odisha from 23rd May 2018.
5. Roll out of e-Way Bill system for intra-State movement of goods in the States / Union Territory of Arunachal Pradesh, Madhya Pradesh, Meghalaya, Sikkim and Puducherry from 25th April 2018.

On EWay bill generation

1. Now multi-vehicle updation is possible for the e-way bill. Know more
2. In case of 'Bill To' & 'Ship to', now consignor (seller) or consignee (buyer) either of them can generate Eway bill

1. What is an e-Way Bill?

EWay Bill is an electronic way bill for movement of goods which can be generated on the eWay Bill Portal. Transport of goods of more than Rs. 50,000 (Single Invoice/bill/delivery challan) in value in a vehicle cannot be made by a registered person without an e-way bill.

Alternatively, Eway bill can also be generated or cancelled through SMS, Android App and by Site-to-Site Integration (through API).

When an e-way bill is generated a unique e-way bill number (EBN) is allocated and is available to the supplier, recipient, and the transporter.

2. When Should eWay Bill be issued?

eWay bill will be generated when there is a movement of goods in a vehicle/ conveyance of value more than Rs. 50,000 (either each Invoice or in (aggregate of all Invoices in a vehicle/ Conveyance)

- In relation to a 'supply'
- For reasons other than a 'supply' (say a return)
- Due to inward 'supply' from an unregistered person

For this purpose, a supply may be either of the following:

- A supply made for a consideration (payment) in the course of business
- A supply made for a consideration (payment) which may not be in the course of business
- A supply without consideration (without payment) In simpler terms, the term 'supply' usually means a:
 1. Sale - sale of goods and payment made
 2. Transfer - branch transfers for instance
 3. Barter/Exchange - where the payment is by goods instead of in money

Therefore, eWay Bills must be generated on the common portal for all these types of movements.

For certain specified Goods, the e-way bill needs to be generated mandatorily even if the Value of the consignment of Goods is less than Rs. 50,000:

1. Inter-State movement of Goods by the Principal to the Job-worker by Principal/ registered Job-worker,
2. Inter-State Transport of Handicraft goods by a dealer exempted from GST registration
3. Who should Generate an eWay Bill?
 - **Registered Person** - Eway bill must be generated when there is a movement of goods of more than Rs 50,000 in value to or from a Registered Person. A Registered person or the transporter may choose to generate and carry e-way bill even if the value of goods is less than Rs 50,000.
 - **Unregistered Persons** - Unregistered persons are also required to generate e-Way Bill. However, where a supply is made by an unregistered person to a registered person, the receiver will have to ensure all the compliances are met as if they were the supplier.
 - **Transporter** - Transporters carrying goods by road, air, rail, etc. also need to generate e-Way Bill if the supplier has not generated an e-Way Bill.
 - Unregistered Transporters will be issued Transporter ID on enrolling on the e-way bill portal after which Eway bills can be generated.

Who	When	Part	Form
Every Registered person under GST	Before movement of goods	Fill Part A	Form GST EWB-01
Registered person is consignor or consignee (mode of transport may be owned or hired) OR is recipient of goods	Before movement of goods	Fill Part B	Form GST EWB-01
Registered person is consignor or consignee and goods are handed over to transporter of goods	Before movement of goods	Fill Part B	The registered person shall furnish the information relating to the transporter in Part B of FORM GST EWB-01
Transporter of goods	Before movement of goods		Generate e-way bill on basis of information shared by the registered person in Part A of FORM GST EWB-01
An unregistered person under GST and recipient is registered	Compliance to be done by Recipient as if he is the Supplier.		<p>1. If the goods are transported for a distance of fifty kilometers or less, within the same State/ Union territory from the place of business of the consignor to the place of business of the transporter for further transportation, the supplier or the transporter may not furnish the details of conveyance in Part B of FORM GST EWB-01.</p> <p>2. If supply is made by air, ship or railways, then the information in Part A of FORM GST EWB-01 has to be filled in by the consignor or the recipient</p>

Note: If a transporter is transporting multiple consignments in a single conveyance, they can use the form GST EWB-02 to produce a consolidated e-way bill, by providing the e-way bill numbers of each consignment.

- If both the consignor and the consignee have not created an e-way bill, then the transporter can do so * by filling out PART A of FORM GST EWB-01 on the basis of the invoice/bill of supply/delivery challan given to them.

4. Cases when eWay bill is Not Required

In the following cases it is not necessary to generate e-Way Bill:

1. The mode of transport is non-motor vehicle
2. Goods transported from Customs port, airport, air cargo complex or land customs station to Inland Container Depot (ICD) or Container Freight Station (CFS) for clearance by Customs.
3. Goods transported under Customs supervision or under customs seal
4. Goods transported under Customs Bond from ICD

to Customs port or from one custom station to another.

5. Transit cargo transported to or from Nepal or Bhutan
6. Movement of goods caused by defence formation under Ministry of defence as a consignor or consignee
7. Empty Cargo containers are being transported
8. Consignor transporting goods to or from between place of business and a weighbridge for weighment at a distance of 20 kms, accompanied by a Delivery challan.
9. Goods being transported by rail where the Consignor of goods is the Central Government, State Governments or a local authority.
10. Goods specified as exempt from E-Way bill requirements in the respective State/Union territory GST Rules.
11. Transport of certain specified goods- Includes the list of exempt supply of goods, Annexure to Rule 138(14), goods treated as no supply as per Schedule III, Certain schedule to Central tax Rate notifications. (PDF of List of Goods).

Note: Part B of e-Way Bill is not required to be filled where the distance between the consigner or consignee and the transporter is less than 50 Kms and transport is within the same state.

5. Status of Implementation across India

Inter-State movement of goods has seen rise in numbers of generation of e-way bills ever since its implementation began from 1st April 2018.

State-wise implementation of e-way bill system has seen a good response with all the States and Union Territories joining the league in the generation of e-way bills for movement of goods within the State/UT.

However, reliefs have been provided to people of few States by way of exempting them from e-way bill generation in case of monetary limits falling below threshold amount or certain specified items. For Instance,

Tamil Nadu has exempted people of its State from the generation of e-way bill if the monetary limit of the items falls below Rs. One Lakh. To know more of such reliefs for other States/UTs, visit commercial tax websites for each of such States/UTs.

6. How to generate eWay Bill

E-Way Bill can be generated on the e-Way Bill Portal. All you need is a Portal login. For a detailed step-by-step guide on e-Way Bill Generation check out our article - Guide to generate e-Way Bill online.

7. Validity of eWay Bill

An e-way bill is valid for periods as listed below, which is based on the distance travelled by the goods. Validity is calculated from the date and time of generation of e-way bill-

Type of conveyance	Distance	Validity of EWB
Other than Over dimensional cargo	Less Than 100 Kms	1 Day
	For every additional 100 Kms or part thereof	additional 1 Day
For Over dimensional cargo	Less Than 20 Kms	1 Day
	For every additional 20 Kms or part thereof	additional 1 Day

Validity of Eway bill can be extended also. The generator of such Eway bill has to either four hours before expiry or within four hours after its expiry can extend Eway bill validity.

8. Documents or Details required to generate eWay Bill

1. Invoice/ Bill of Supply/ Challan related to the consignment of goods
2. Transport by road - Transporter ID or Vehicle number
3. Transport by rail, air, or ship - Transporter ID, Transport document number, and date on the document.

Pune Central CEP Study Circle

"GST overview, special aspects & updates and road forward from here on" Pune Central CEP Study Circle has conducted its 30th study circle program on 28th July 2018 at Audio Visual Hall, Brihan Maharashtra College of Commerce, Shivajinagar, Pune on a subject "GST overview, special aspects & updates and road forward from here on".

In this program CMA V. S. Datey was Speaker for the first session. He has taken overview of various aspects on GST implemented by the Government. Also he expressed his opinion on special aspects in GST Law, GST notifications, rules & regulations. He also covered GST updates till the month of July 2018.

"GST - Road forward from here on" was a subject of CMA Rahul Renavikar, who was Speaker for the second session of the program. CMA Rahul Renavikar briefed about road ahead for GST Law. He explained his practical opinion on GST topics such as various amendments proposed by the Government in GST Law, modification of reverse charge mechanism, new return filing norms and issuance of consolidated debit / credit notes covering multiple invoices and composite scheme etc.

Also newly elected office bearer of WIRC-ICAI, Chairman CMA L. D. Pawar & Treasurer CMA Harshad Deshpande were present for this program. All present CMA members felicitated both the office bearers.

WIRC CEP REPORT

WIRC organised the following CEPs during the month.

- CEP on "Financial Instruments - Recognition, Measurement and Disclosures under Ind AS 32, Ind AS 107, Ind AS 109, Ind AS 113" was organised on 8th July 2018 at Thane SMFC - CA Sachin Khopde, Reliance Industries was the speaker. CMA Debasish Mitra, Chairman CPD Committee was present on the occasion.
- CEP on "SME IPO and Due Diligence" was organised on 28th July 2018 at WIRC Office. Mr. Deepak Jain and Mr. Dharmendra Kumar Vyas were the speakers.
- CEP on "Related Party Transactions - Perspectives from Companies Act, SEBI & Cost Audit" was organised on 3rd August 2018 at WIRC Office. CS Gaurav Pingle, Practising Company Secretary, was the speaker.



Solutions by GST Council on the difficulties faced by Trade & Industries

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28th GST Council Meeting was held on 21st July 2018 under the chairmanship of Hon. Finance Minister Shri Piyush Goyal and following major decisions were taken:

1. It would be noted that multiple reliefs from GST taxation have been provided to following categories of services -
 - (i) Agriculture, farming and food processing industry,
 - (ii) Education, training and skill development,
 - (iii) Pension, social security and old age support.
2. Hotel industry has been given major relief by providing that the rate of tax on accommodation service shall be based on transaction value instead of declared tariff.
3. Services provided in sectors like banking, IT have been provided relief by exempting services supplied by an establishment of a person in India to any establishment of that person outside India [related party].
4. As a green initiative, GST on supply of e-books has been reduced from 18 to 5%.
5. The major recommendations w.r.t. change in Law are as detailed below:
 - Upper limit of turnover for opting for composition scheme to be raised from Rs. 1 crore to Rs. 1.5 crore. Present limit of turnover can now be raised on the recommendations of the Council.
 - Composition dealers to be allowed to supply services (other than restaurant services), for upto a value not exceeding 10% of turnover in the preceding financial year, or Rs. 5 lakhs, whichever is higher.
 - Levy of GST on reverse charge mechanism on receipt of supplies from unregistered suppliers, to be applicable to only specified goods in case of certain notified classes of registered persons, on the recommendations of the GST Council.
 - The threshold exemption limit for registration in the States of Assam, Arunachal Pradesh, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand to be increased to Rs. 20 Lakhs from Rs. 10 Lakhs.
 - Taxpayers may opt for multiple registrations within a State/Union territory in respect of multiple places of business located within the same State/Union territory.
 - Mandatory registration is required for only those e-commerce operators who are required to collect tax at source.
 - Registration to remain temporarily suspended while cancellation of registration is under process, so that the taxpayer is relieved of continued compliance under the law.
 - The following transactions to be treated as no supply (no tax payable) under Schedule III:
 - a. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India;
 - b. Supply of warehoused goods to any person before clearance for home consumption; and
 - c. Supply of goods in case of high sea sales.
- Scope of input tax credit is being widened, and it would now be made available in respect of the following:
 - a. Most of the activities or transactions specified in Schedule III;
 - b. Motor vehicles for transportation of persons having seating capacity of more than thirteen (including driver), vessels and aircraft;
 - c. Motor vehicles for transportation of money for or by a banking company or financial institution;
 - d. Services of general insurance, repair and maintenance in respect of motor vehicles, vessels and aircraft on which credit is available; and
 - e. Goods or services which are obligatory for an employer to provide to its employees, under any law for the time being in force.
- In case the recipient fails to pay the due amount to the supplier within 180 days from the date of issue of invoice, the input tax credit availed by the recipient will be reversed, but liability to pay interest is being done away with.
- Registered persons may issue consolidated credit/debit notes in respect of multiple invoices issued in a Financial Year.
- Amount of pre-deposit payable for filing of appeal before the Appellate Authority and the Appellate Tribunal to be capped at Rs. 25 Crores and Rs. 50 Crores, respectively.
- Commissioner to be empowered to extend the time limit for return of inputs and capital sent on job work, upto a period of one year and two years, respectively.
- Supply of services to qualify as exports, even if payment is received in Indian Rupees, where permitted by the RBI.
- Place of supply in case of job work of any treatment or process done on goods temporarily imported into India and then exported without putting them to any other use in India, to be outside India.
- Recovery can be made from distinct persons, even if present in different State/Union territories.
- The order of cross-utilisation of input tax credit is being rationalised.
6. It has also been decided to waive the late fee payable for delayed filing of return in such cases. Such taxpayers are required to first file the returns on payment of late fees, and the waiver will be effected by way of reversal of the amount paid as late fees in the cash ledger under the tax head.
7. GST Rates have been rationalized and majority items having the GST rate @28% has been brought down to 18%. Changes in the law will take place to CGST Amendment Bill & IGST Amendment Bill in the parliament and SGST Bill in the respective state assembly. Decision taken in the GST Council Meeting has been already implemented suitable notification will be issued. Summary of the same is given below :
 - **Amendment to Notification 11/2017 Central Tax Rate**

Sr.No.of Notfn 11/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
7(i)	Supply of Food and beverage services provided by a restaurant, eating joint including mess, canteen	<p>Supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or drink, where such supply or service is for cash, deferred payment or other valuable consideration, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, other than those located in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of seven thousand five hundred rupees and above per unit per day or equivalent.</p> <p>Explanation.- "declared tariff" includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.</p>	<p>(i) Supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, other than those located in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of seven thousand five hundred rupees and above per unit per day or equivalent.</p> <p>Explanation 1.- This item includes such supply at a canteen, mess, cafeteria or dining space of an institution such as a school, college, hospital, industrial unit, office, by such institution or by any other person based on a contractual arrangement with such institution for such supply, provided that such supply is not event based or occasional.</p> <p>Explanation 2. This item excludes the supplies covered under item 7(v).</p> <p>Explanation 3. "declared tariff" includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.</p>	5%	5%	27th July 2018	<p>Specific clarification has been given that supply at canteen, mess, cafeteria, or dining space of school, college, hospital, industrial unit, office by such institution or any contractor engaged by the institution shall attract GST @ 5%.</p> <p>Further it is clarified that supply of foods or any drink for any specific occasion/ event shall apply GST @ 18% .</p> <p>In other words, the person who is providing ready to eat food and serving at the place of canteen, will be considered as outdoor caterer and will attract 18% GST rate.</p>
7(ia)	Supply of Food and beverage services provided by the Indian Railways	–	Supply, of goods, being food or any other article for human consumption or any drink, by the Indian Railways or Indian Railways Catering and Tourism Corporation Ltd. or their licensees, whether in trains or at platforms.	5%	5%	27th July 2018	<p>New provision. Supply of food and any drink by Indian Railways or Indian Railways Catering and Tourism Corporation Ltd. or their licensees shall apply GST @ 5% This is welcome provision to negate the decision of Advance Ruling Authority, Delhi.</p>
7(v)	Supply of Food and beverage at Exhibition Halls, Events, Conferences, Marriage Halls and other outdoor or indoor functions	Supply, by way of or as part of any service or in any other manner whatsoever in outdoor catering wherein goods, being food or any other article for human consumption or any drink (whether or not alcoholic liquor for human consumption), as a part of such outdoor catering and such supply or service is for cash, deferred payment or other valuable consideration.	Supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, at Exhibition Halls, Events, Conferences, Marriage Halls and other outdoor or indoor functions that are event based and occasional in nature.	18%	18%	27th July 2018	<p>The provision has been made more specific. Supply of Food and beverage at Exhibition Halls, Events, Conferences, Marriage Halls and other outdoor or indoor functions shall attract GST @ 18%</p>

Sr.No.of Notfn 11/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
7(ii), (vi), (viii)	–	Explanation- "declared tariff" includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.	the words "declared tariff" wherever they occur, the words "value of supply" shall be substituted	–	–	27th July 2018	Now, Rate of tax shall be charged by the hotel industry based on actual transaction value rather than declared tariff rate. It means, for determination of rate below Rs. 7500/- or above Rs. 7500/- will be based on the transaction value appearing on the tax invoice.
9(vi)	Multimodal transportation of goods.	Goods transport services other than (i), (ii), (iii), (iv) and (v) above	Multimodal transportation of goods. Explanation- (a) "multimodal transportation" means carriage of goods, by at least two different modes of transport from the place of acceptance of goods to the place of delivery of goods by a multimodal transporter; (b) "mode of transport" means carriage of goods by road, air, rail, inland waterways or sea; (c) "multimodal transporter" means a person who, - (A) enters into a contract under which he undertakes to perform multimodal transportation against freight; and (B) acts as principal, and not as an agent either of the consignor, or consignee or of the carrier participating in the multimodal transportation and who assumes responsibility for the performance of the said contract.	18%	12%	27th July 2018	GST @ 12% shall be applicable for transport of goods by transporter through more than 2 modes of transport. Welcome move by the government to avoid litigation especially to consider composite supply or mixed supply for determination of rate prior to this amendment.
22	Supply consisting only of e-book.	Telecommunications, broadcasting and information supply services.	Supply consisting only of e-book. Explanation - For the purposes of this notification, "ebooks" means an electronic version of a printed book (falling under tariff item 4901 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975)) supplied online which can be read on a computer or a hand held device.	18%	5%	27th July 2018	New provision has inserted. Rate of tax has been reduced for supply of "e-books" means an electronic version of a printed book from 18% to 5% [Notification 13/2018 Central Tax Rate dated 26/07/2018] and [Notification 14/2018 Integrated Tax Rate dated 26/07/2018]

[Notification 13/2018 Central Tax Rate dated 26/07/2018] and [Notification 14/2018 Integrated Tax Rate dated 26/07/2018]

• **Amendment to Notification 12/2017 Central Tax Rate**

Sr.No.of Notfn 12/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
4	Services provided by Government or Governmental authority	Services by Central Government, State Government, Union territory, local authority or governmental authority by way of any activity in relation to any function entrusted to a municipality under article 243W of the Constitution	Services by governmental authority by way of any activity in relation to any function entrusted to a municipality under article 243W of the Constitution	Nil	Nil	27th July 2018	No exemption shall be available for services provided by Central Government, State Government, Union territory, local authority w.r.t. function entrusted to a municipality under article 243 W of the Constitution such as preparation of plans for economic development and social justice etc.

Sr.No.of Notfn 12/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
5	Services provided by Government or Governmental authority	Services by a Central Government, State Government, Union territory, local authority or Governmental Authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the constitution	Services by Governmental Authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the constitution	Nil	Nil	27th July 2018	No exemption shall be available for services provided by Central Government, State Government, Union territory, local authority w.r.t. function entrusted to a Panchayat under article 243 G of the Constitution preparation of plans for economic development and social justice etc.
9D (New Entry)	Old age homes run by Government/ an entity registered under section 12AA of the income tax act	–	Services by an old age home run by Central Government, State Government or by an entity registered under section 12AA of the Income-tax Act, 1961 (43 of 1961) to its residents (aged 60 years or more) against consideration upto Rs. 25,000 per month per member, provided that the consideration charged is inclusive of charges for boarding, lodging and maintenance	18%	Nil	27th July 2018	Exemption has been provided for Old age homes run by Government charitable trust w.e.f. 27/07/2018.
10A (New entry)	Works contract Services supplied by electricity distribution utilities to farmer or agriculturalist for agricultural use	–	Services supplied by electricity distribution utilities by way of construction, erection, commissioning, or installation of infrastructure for extending electricity distribution network upto the tube well of the farmer or agriculturalist for agricultural use.	18%	Nil	27th July 2018	Construction, erection, commissioning or installation of electricity distribution network upto the tube well of the farmer for agricultural use
14	Services provided by hotel etc.	Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having declared tariff of a unit of accommodation below one thousand rupees per day or equivalent.	Services by a hotel, inn, guest house, club or campsite, by whatever name called, for residential or lodging purposes, having value of supply of a unit of accommodation below one thousand rupees per day or equivalent.	Nil	Nil	27th July 2018	The rate of tax in respect lodging/boarding at a hotel, inn, guest house, club or campsite shall be decided on the basis of value of service instead of declared tariff.
19A	Transportation of goods by an aircraft	Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India. Nothing contained in this serial numbers shall apply after the 30th day of September, 2018	Services by way of transportation of goods by an aircraft from customs station of clearance in India to a place outside India. Nothing contained in this serial numbers shall apply after the 30th day of September, 2019	Nil	Nil	27th July 2018	Exemption w.r.t. transportation of goods by an aircraft in case of export of goods has been extended up to 30th September 2019.
19B	Transportation of goods by a vessel	Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India. Nothing contained in this serial numbers shall apply after the 30th day of September, 2018	Services by way of transportation of goods by a vessel from customs station of clearance in India to a place outside India. Nothing contained in this serial numbers shall apply after the 30th day of September, 2019	Nil	Nil	27th July 2018	Exemption w.r.t. transportation of goods by vessel in case of export of goods has been extended up to 30th September 2019.
24A	Warehousing of minor forest produce	–	Services by way of warehousing of minor forest produce.	18%	Nil	27th July 2018	No GST shall be applicable on warehousing of bamboo, tendu leaves, canes, tusser, honey etc.

Sr.No.of Notfn 12/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
31A (New Entry)	Services by Coal Mines Provident Fund Organization	–	Services by Coal Mines Provident Fund Organization to persons governed by the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948 (46 of 1948)	18%	Nil	27th July 2018	No GST shall be applicable on administrative fees paid in case of Coal Mines Provident Fund Organization
31B (New Entry)	Services by National Pension System (NPS) Trust	–	Services by National Pension System (NPS) Trust to its members against consideration in the form of administrative fee	18%	Nil	27th July 2018	No GST shall be applicable on administrative fees paid in case of National Pension System (NPS)
34A (New Entry)	Services of guaranteeing the loans taken by Governments or PSUs	–	Services supplied by Central Government, State Government, Union territory to their undertakings or Public Sector Undertakings (PSUs) by way of guaranteeing the loans taken by such undertakings or PSUs from the financial institutions.	18%	Nil	27th July 2018	No GST shall be applicable on charges paid for guaranteeing the loans where Central Government, State Government, Union territory etc. has provided guarantee on the loans taken by undertakings or PSUs
36A	Services by way of reinsurance of the insurance schemes	Services by way of reinsurance of the insurance schemes specified in serial number 35 or 36	Services by way of reinsurance of the insurance schemes specified in serial number 35 or 36 or 40	Nil	Nil	27th July 2018	Reinsurance availed by the Central Government, State Government, Union territory shall be exempt from GST
47A (New Entry)	Services by FSSAI to Food Business Operators	–	Services by way of licensing, registration and analysis or testing of food samples supplied by the Food Safety and Standards Authority of India (FSSAI) to Food Business Operators.	18%	Nil	27th July 2018	Services provided by FSSAI w.r.t. licensing, registration and analysis or testing of food samples has been exempted.
55A (New Entry)	Services for artificial insemination of livestock	–	Services by way of artificial insemination of livestock (other than horses).	18%	Nil	27th July 2018	Exemption has been provided for artificial insemination of livestock (other than horses)
65B (New Entry)	Services supplied by a State Government to ERCC to collect royalty	–	Services supplied by a State Government to Excess Royalty Collection Contractor (ERCC) by way of assigning the right to collect royalty on behalf of the State Government on the mineral dispatched by the mining lease holders. Explanation- "mining lease holder" means a person who has been granted mining lease, quarry lease or license or other mineral concession under the Mines and Minerals (Development and Regulation) Act, 1957 (67 of 1957), the rules made thereunder, or the rules made by a State Government under sub-section (1) of section 15 of the Mines and Minerals (Development and Regulation) Act, 1957. Provided that at the end of the contract period, ERCC shall submit an account to the State Government	18%	Nil	27th July 2018	Services of assigning the right to collect royalty on the mineral dispatched by the mining lease holders on behalf of State Government to Excess Royalty Collection Contractor (ERCC) has been exempted.

Sr.No.of Notfn 12/2017	Particulars	Existing Provision	New Provision	Existing Rate	New Rate	Effective Date	Comment
			and certify that the amount of goods and services tax deposited by mining lease holders on royalty is more than the goods and services tax exempted on the service provided by State Government to the ERCC of assignment of right to collect royalty and where such amount of goods and services tax paid by mining lease holders is less than the amount of goods and services tax exempted, the exemption shall be restricted to such amount as is equal to the amount of goods and services tax paid by the mining lease holders and the ERCC shall pay the difference between goods and services tax exempted on the service provided by State Government to the ERCC of assignment of right to collect royalty and goods and services tax paid by the mining lease holders on royalty"				
77A (New Entry)	Services provided by an unincorporated body or a non-profit entity to its members	–	Services provided by an unincorporated body or a non-profit entity registered under any law for the time being in force, engaged in,- (i) activities relating to the welfare of industrial or agricultural labour or farmers; or (ii) promotion of trade, commerce, industry, agriculture, art, science, literature, culture, sports, education, social welfare, charitable activities and protection of environment, to its own members against consideration in the form of membership fee upto an amount of one thousand rupees (Rs 1000/-) per member per year.	18%	Nil	27th July 2018	Services provided by an unincorporated body or a non-profit entity to its members has been exempted.
Explanation	–	–	(iv) For removal of doubts, it is clarified that the Central and State Educational Boards shall be treated as Educational Institution for the limited purpose of providing services by way of conduct of examination to the students.	-	-	27th July 2018	New explanation has been added.

[Notification No. 14/2018 Center Tax Rate dated 26/7/2018] and [Notification No. 15/2018 Integrated Tax Rate dated 26/7/2018]

• **Amendment to Notification 13/2017 Central Tax Rate**

Sr. No. of Notfn. 13/2017	Category of Supply of Services	Supplier of service	Recipient of Service	Comment
11 (New Entry)	Services supplied by individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm to bank or non-banking financial company (NBFCs)	Individual Direct Selling Agents (DSAs) other than a body corporate, partnership or limited liability partnership firm	A banking company or a non-banking financial company, located in the taxable territory	Addition new type of service under specified category of RCM

[Notification No. 15/2018 Central Tax Rate dated 26/07/2018] & [Notification No. 16/2018 Central Tax Rate dated 26/07/2018]

• [Notification Amendment to Notification No.14/2017-Central Tax (Rate) dated 28th June 2017

Sr. No.	Particulars	Existing Provision	New Provision	Comment
Opening Para	Services by Government Authority	Activities or transactions undertaken by the Central Government or State Government or any local authority in which they are engaged as public authority, shall be treated neither as a supply of goods nor a supply of service, namely:- "Services by way of any activity in relation to a function entrusted to a Panchayat under article 243G of the Constitution."	Activities or transactions undertaken by the Central Government or State Government OR UNION TERRITORY or any local authority in which they are engaged as public authority, shall be treated neither as a supply of goods nor a supply of service, namely:- "Services by way of any activity in relation to a function entrusted to a Panchayat under article 243G of the Constitution OR A MUNICIPALITY UNDER ARTICLE 243W of the Constitution"	Now the services by way of any activity in relation to function entrusted to a Panchayat or a Municipality by Union Territory will also not be treated neither as a supply of goods nor a supply of service. Now the wordings Union Territory and Municipality is newly added w.e.f. 27th July 2018

[Notification No.16/2018-Central Tax (Rate) dated 26th July 2018]

• Amendment to Notification No.11/2017-Central Tax (Rate) dated 28th June 2017

Sr. No.	Particulars	Existing Provision	New Provision	Comment
3 (vi) (a)	Composite supply of works contract to the Central Government, State Government or Union Territory or Local Authority	(vi) Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, provided to the Central Government, State Government, Union Territory, [a local authority, a Governmental Authority or a Government Entity] by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of - (a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession;	(vi) Composite supply of works contract as defined in clause (119) of section 2 of the Central Goods and Services Tax Act, 2017, provided to the Central Government, State Government, Union Territory, [a local authority, a Governmental Authority or a Government Entity] by way of construction, erection, commissioning, installation, completion, fitting out, repair, maintenance, renovation, or alteration of - (a) a civil structure or any other original works meant predominantly for use other than for commerce, industry, or any other business or profession; "Explanation. - For the purposes of this item, the term 'business' shall not include any activity or transaction undertaken by the Central Government, a State Government or any local authority in which they are engaged as public authorities."	It means rate of 12% for this serial number will be available for a civil structure or any other original works for the use by the Central Government, a State Government or any local authority in which they are engaged as public authorities. This rate of tax for uses other than mentioned above will not be available. i. e. for non-public use.

[Notification No.17/2018-Central Tax (Rate) dated 26th July 2018]

• Amendment to Notification No.5/2017-Central Tax (Rate) dated 28th June 2017

Sr. No.	Particulars	Existing Provision	New Provision	Comment																
Opening Para	W.r.t. Inverted Duty Structure refund	No refund of unutilised input tax credit shall be allowed, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods (other than nil rated or fully exempt supplies) for Sr.No.1 to 15.	No refund of unutilised input tax credit shall be allowed, where the credit has accumulated on account of rate of tax on inputs being higher than the rate of tax on the output supplies of such goods (other than nil rated or fully exempt supplies) for Sr. No. 1 to 15. "Provided that,- (i) nothing contained in this notification shall apply to the input tax credit accumulated on supplies received on or after the 1st day of August, 2018, in respect of goods mentioned at serial numbers 1, 2, 3, 4, 5, 6, 6A, 6B, 6C and 7 of the Table below; and (ii) In respect of said goods, the accumulated input tax credit lying unutilised in balance, after payment of tax for and up to the month of July 2018, on the inward supplies received up to the 31st day of July 2018, shall lapse."	Now the Inverted Duty Structure refund of unutilized ITC on supplies received after 1st Aug 2018 in respect of following goods will be available. <table border="1"> <thead> <tr> <th>HSN</th> <th>Description of Goods</th> </tr> </thead> <tbody> <tr> <td>5007</td> <td>Woven fabrics of silk or of silk waste</td> </tr> <tr> <td>5111 to 5113</td> <td>Woven fabrics of wool or of animal hair</td> </tr> <tr> <td>5208 to 5212</td> <td>Woven fabrics of cotton</td> </tr> <tr> <td>5309 to 5311</td> <td>Woven fabrics of other vegetable textile fibres, paper yarn</td> </tr> <tr> <td>5407, 5408</td> <td>Woven fabrics of manmade textile materials</td> </tr> <tr> <td>5512 to 5516</td> <td>Woven fabrics of manmade staple fibres</td> </tr> <tr> <td>5608</td> <td>Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials.</td> </tr> </tbody> </table>	HSN	Description of Goods	5007	Woven fabrics of silk or of silk waste	5111 to 5113	Woven fabrics of wool or of animal hair	5208 to 5212	Woven fabrics of cotton	5309 to 5311	Woven fabrics of other vegetable textile fibres, paper yarn	5407, 5408	Woven fabrics of manmade textile materials	5512 to 5516	Woven fabrics of manmade staple fibres	5608	Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials.
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Sr. No.	Particulars	Existing Provision	New Provision	Comment
				5801 Corduroy fabrics. 5806 Narrow woven fabrics, other than goods of heading 5807; narrow fabrics consisting of warp without weft assembled by means of an adhesive (bolducs) 60 Knitted or crocheted fabrics [All goods] This will be a great relief for textile industry and they will be entitled for applying the refund for accumulated credit on account of inverted duty structure.

[Notification No.20/2018-Central Tax (Rate) dated 26th July 2018]

- **Exemption on supplies of handicraft goods as is in excess of the rate specified in following table w.e.f. 27th July 2018:**

Sr. No.	Chapter, Heading, Subheading or Tariff item	New Description of Goods	Existing Rate	New Rate	Comment
1	W.3406	Handcrafted candles	12%	12%	No change
2	4202 22, 4202 29, 4202 31 10, 4202 3190, 4202 32, 4202 39	Handbags including pouches and purses, jewellery box	18%	12 %	Decrease in GST rate by 6%
3	4416, 4421 99 90	Carved wood products, art ware/decorative articles of wood (including inlay work, casks, barrel, vats)	12 %	12 %	No change
4	4414 00 00	Wooden frames for painting, photographs, mirrors etc.	18%	12 %	Decrease in GST rate by 6%
5	4420	Statuettes & other ornaments of wood, wood marquetry & inlaid, jewellery box, wood lathe and lacquer work [including lathe and lacquer work, ambadi sisal craft]	12 %	12 %	No change
6	4503 90 90 4504 90	Art ware of cork [including articles of sholapith]	18%	12 %	Decrease in GST rate by 6%
7	4601 and 4602	Mats, matting and screens of vegetable material, basketwork, wickerwork and other articles of vegetable materials or other plaiting material, articles of loofah (including of bamboo, rattan, canes and other natural fibres, dry flowers (naturally dried), articles thereof, ringal, raambaan article, shola items, Kouna/chumthang (water reeds) crafts, articles of Water hyacinth, korai mat]	12 %	5 %	Decrease in GST rate by 7%
8	4823	Articles made of paper mache	5 %	5 %	No change
9	5607, 5609	Coir articles	5 %	5 %	No change
10	5609 00 20, 5609 00 90	Toran, Doorway Decoration made from cotton yarn or woollen yarn and aabhala (mirror) with or without hanging flaps	12%	5 %	Decrease in GST rate by 7%
11	57	Handmade carpets and other handmade textile floor coverings (including namda/gabba)	12%	5%	Decrease in GST rate by 7%
12	5804 30 00	Handmade lace	12%	5 %	Decrease in GST rate by 7%
13	5805	Hand-woven tapestries	12%	5 %	Decrease in GST rate by 7%
14	5808 10	Hand-made braids and ornamental trimming in the piece	12%	5 %	Decrease in GST rate by 7%
15	5810	Hand embroidered articles	5 %	5 %	No change
16	6117, 6214	Handmade/hand embroidered shawls of sale value not exceeding Rs. 1000 per piece	5 %	5 %	No change
17	6117, 6214	Handmade/hand embroidered shawls of sale value exceeding Rs. 1000 per piece	5 %	12 %	Increase in rate by 7%

Sr. No.	Chapter, Heading, Subheading or Tariff item	New Description of Goods	Existing Rate	New Rate	Comment
18	6802	Carved stone products (e.g., statues, statuettes, figures of animals, writing sets, ashtray, candle stand)	12%	12%	No change
19	6815 99 90	Stone art ware, stone inlay work	18%	12%	Decrease in GST rate by 6%
20	6912 00 10 6912 00 20	Tableware and kitchenware of clay and terracotta, other clay articles	12%	12%	No change
21	6913 90 00	Statuettes & other ornamental ceramic articles (incl blue potteries)	12%	12%	No change
22	7009 92 00	Ornamental framed mirrors	18%	12%	Decrease in GST rate by 6%
23	7018 10	Bangles, beads and small ware	5%	5%	No change
24	7018 90 10	Glass statues [other than those of crystal]	18%	12%	Decrease in GST rate by 6%
25	7020 00 90	Glass art ware [incl. pots, jars, votive, cask, cake cover, tulip bottle, vase]	18%	12%	Decrease in GST rate by 6%
26	7113 11 10	Silver filigree work	3%	3%	No change
27	7117	Handmade imitation jewellery (including natural seeds, beads jewelry, cardamom garland)	3%	3%	No change
28	7326 90 99	Art ware of iron	18%	12%	Decrease in GST rate by 6%
29	7419 99	Art ware of brass, copper/ copper alloys, electro plated with nickel/ silver	18%	12%	Decrease in GST rate by 6%
30	7616 99 90	Aluminium art ware	18%	12%	Decrease in GST rate by 6%
31	8306	Bells, gongs and like, non-electric, of base metal; statuettes, and other ornaments, of base metal; photograph, picture or similar frames, of base metal; mirrors of base metal; (including Bidriware, Panchloga artware, idol, Swamimalai bronze icons, dhokrajali)	12%	12%	No change
32	9405 10	Handcrafted lamps (including panchloga lamp)	18%	12%	Decrease in GST rate by 6%
33	9401 50, 9403 80	Furniture of bamboo, rattan and cane	18%	12%	Decrease in GST rate by 6%
34	9503	Dolls or other toys made of wood or metal or textile material [incl wooden toys of sawantwadi, Channapatna toys, Thanjavur doll]	12%	12%	No change
35	9504	Ganjifa card	12%	12%	No change
36	9601	Worked articles of ivory, bone, tortoise shell, horn, antlers, coral, mother of pearl, seashell other animal carving material	12%	12%	No change
37	9602	Worked vegetable or mineral carving, articles thereof, articles of wax, of stearin, of natural gums or natural resins or of modelling pastes etc, (including articles of lac, shellac)	12%	12%	No change
38	9701	Hand paintings drawings and pastels (incl Mysore painting, Rajasthan painting, Tanjore painting, Palm leaf painting, basolietc)	12%	12%	No change
39	9703	Original sculptures and statuary, in metal, stone or any other material	12%	12%	No change

[Notification No. 21/2018 -Central Tax (Rate) dated 26th July 2018 & Notification No.22/2018-Integrated Tax (Rate) dated 26th July 2018]

Notification No.18/2018-Central Tax (Rate):

The notification seeks to amend Notification No.1/2017-CGST Rate effectively changing GST rates on certain goods

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	HSN	Existing Rate	New Rate	Effective Date	Comments
102A-Schedule 1	Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)	Ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol).	2207	18%	5%	27th July 2018	In order to promote blending of ethyl alcohol with petrol, GST rate on same has been reduces.
123-Schedule 1	Ecaussine and other calcareous monumental or building stone alabaster [other than marble and travertine]	Ecaussine and other calcareous monumental or building stone alabaster [other than marble and travertine], other than mirror polished stone which is ready to use	2515(Except 2515 1210, 2515 1220, 2515 1290) or 6802	5%	5%	27th July 2018	Mirror polished stones are removed from GST rate of 5%. Now it will attract 18%.
170A-Schedule 1	Fertilizer grade phosphoric acid	Fertilizer grade phosphoric acid.	2809	12%	5%	27th July 2018	In order to reduce the overall cost of fertilizers, GST rate on phosphoric acid has been reduced to 5%
215-Schedule 1	All goods [other than coconut coir fibre] including yarn of flax, jute, other textile bastfibres, other vegetable textile fibres; paper yarn.	All goods [other than coconut coir fibre] including yarn of flax, jute, other textile bastfibres, other vegetable textile fibres; paper yarn including coir pith compost put up in unit container and bearing a brand name.	5305 to 5308	–	5%	27th July 2018	The underlined words have been added. Coir pith compost other than those put up in unit container and bearing a brand name are exempt.
219-Schedule 1	Coir mats, matting, floor covering	Coir mats, matting, floor covering and handloom durries	5705	5%	5%	27th July 2018	In order to promote Handloom durries, the GST on same is reduced to 5%.
219A-Schedule 1	Corduroy Fabrics, velvet fabrics	Corduroy Fabrics, velvet fabrics [All goods]	5801	5%	5%	27th July 2018	-
222-Schedule 1	Article of apparel and clothing accessories, knitted or crocheted, of sale value not exceeding Rs 1000 per piece.	Article of apparel and clothing accessories or cap/topi, knitted or crocheted, of sale value not exceeding Rs 1000 per piece	61	5%	5%	27th July 2018	Caps and topi of sale value upto Rs. 1000/- are to be charged at GST rate of 5%.
225-Schedule 1	Footwear having a retail sale price not exceeding Rs.500 per pair, provided that such retail sale price is indelibly marked or embossed on the footwear itself.	Footwear having a retail sale price not exceeding Rs.1000 per pair, provided that such retail sale price is indelibly marked or embossed on the footwear itself	64	5%	5%	27th July 2018	For sale price upto Rs. 1000/- total GST rate applicable will be 5%.
264-Schedule 1	Biomass briquettes	Biomass briquettes or solid bio fuel pellets	Any Chapter	5%	5%	27th July 2018	Solid bio fuel pellets being a densified biomass has been added to list of goods taxable at 5%.
96A - Schedule 2	–	Bamboo flooring	4409	18%	12%	27th July 2018	In order to promote bamboo, its flooring is taxable at total GST of 12%
146	Other carpets and other textile floor coverings, whether or not made up; such as Mats and mattings including Bath Mats, where cotton predominates by weight, of Handloom, Cotton Rugs of handloom	Other carpets and other textile floor coverings, whether or not made up; such as Mats and mattings including Bath Mats, where cotton predominates by weight, of Handloom, Cotton Rugs of handloom except the items covered in 219 in Schedule I.	5705	12%	12%	27th July 2018	In order to promote Handloom durries, the GST on same is reduced to 5% and has been added as exception to this entry.
147	Woven pile fabrics and chenille fabrics, other than fabrics of heading 5802 or 5806	Entry omitted	5801	12%	NA	27th July 2018	–
185A	NA	Brass Kerosene Pressure Stove	7419 99 30	18%	12%	27th July 2018	–

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	Effective Date	Existing Rate	New Rate	Effective Date	Comments
195A	NA	Hand operated rubber roller	8420	–	12%	27th July 2018	–
206A	NA	Fuel Cell Motor Vehicles	87	–	12%	27th July 2018	To reduction air pollution from motor vehicles and to promote environment friendly vehicles, GST rate on Fuel Cell Motor Vehicles is kept at 12%.
231B	NA	Slide fastener	9607	–	12%	27th July 2018	–
235	Sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar articles, of any material under HSN 9619	All goods	96190030, 96190040, or 96190090	12%	12%	27th July 2018	All goods under HSN 96190030, 96190040, or 96190090 are made taxable @ 12%
25-Schedule III	Ethyl alcohol and other spirits, denatured, of any strength	Ethyl alcohol and other spirits, denatured, of any strength [other than ethyl alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol)]	2207	18%	18%	27th July 2018	Ethyl Alcohol supplied to Oil Marketing Companies for blending with motor spirit (petrol) has been removed from 18% slab and the same will be taxable @ 5%. This is done to promote OMC to increase procurement of ethyl alcohol.
52A	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium; solutions as defined in Note 4 to this Chapter	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in a non-aqueous medium; solutions as defined in Note 4 to this Chapter	3208	28%	18%	27th July 2018	Rate on paints and varnishes has been reduced to 18%.
52B	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium	Paints and varnishes (including enamels and lacquers) based on synthetic polymers or chemically modified natural polymers, dispersed or dissolved in an aqueous medium	3209	28%	18%	27th July 2018	Rate on paints and varnishes has been reduced to 18%.
52C	Other paints and varnishes (including enamels, lacquers and distempers); prepared water pigments of a kind used for finishing leather"	Other paints and varnishes (including enamels, lacquers and distempers); prepared water pigments of a kind used for finishing leather"	3210	28%	18%	27th July 2018	Rate on other paints and varnishes has been reduced to 18%.
54B	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings; non-refractory surfacing reparations for facades, indoor walls, floors, ceilings or the like.	Glaziers' putty, grafting putty, resin cements, caulking compounds and other mastics; painters' fillings; non-refractory surfacing reparations for facades, indoor walls, floors, ceilings or the like.	3214	28%	18%	27th July 2018	Rates have been reduces to 18%
137	Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, v-jointed, beaded, moulded, rounded or the like) along any of its edges or faces, whether or not planed, sanded or end-Jointed	Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, v-jointed, beaded, moulded, rounded or the like) along any of its edges or faces, whether or not planed, sanded or end-Jointed other than bamboo flooring]"	4409	18%	18%	27th July 2018	Bamboo flooring has been taxable at 12%.

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	Effective Date	Existing Rate	New Rate	Effective Date	Comments
177E	Worked monumental or building stone (except slate) and articles thereof, other than goods of heading 6801; mosaic cubes and the like, of natural stone (including slate), whether or not on a backing; artificially coloured granules, chippings and power, of natural stone (including slate) [other than statues, statuettes, pedestals; high or low reliefs, crosses, figures of animals, bowls, vases, cups, cachou boxes, writing sets, ashtrays, paper weights, artificial fruit and foliage, etc.; other ornamental goods essentially of stone]	Worked monumental or building stone (except slate) and articles thereof, other than goods of heading 6801; mosaic cubes and the like, of natural stone (including slate), whether or not on a backing; artificially coloured granules, chippings and power, of natural stone (including slate) [other than statues, statuettes, pedestals; high or low reliefs, crosses, figures of animals, bowls, vases, cups, cachou boxes, writing sets, ashtrays, paper weights, artificial fruit and foliage, etc.; other ornamental goods essentially of stone] except the items covered in Sl. No. 123 in Schedule I.	6802	18%	18%	27th July 2018	Rate on mirror polish stones has been kept at 18%.
253	Other articles of copper	Other articles of copper [other than Brass Kerosene Pressure Stove]	7419	18%	18%	27th July 2018	GST rate on Brass Kerosene stove has been reduced to 12%
319A	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 8415	Refrigerators, freezers and other refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading 8415	8418	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
321	Calendering or other rolling machines, other than for metals or glass, and cylinders therefore	Calendering or other rolling machines, other than for metals or glass, and cylinders therefor [other than Hand operated rubber roller]	8420	18%	18%	27th July 2018	Rate reduction from 28% to 18%.
341A	Household or laundry-type washing machines, including machines which both wash and dry	Household or laundry-type washing machines, including machines which both wash and dry	8450	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
376AA	-	Lithium-ion Batteries	8507 60 00	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
376AB	Vacuum cleaners	Vacuum cleaners	8508	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
376AC	Electro-mechanical domestic appliances, with self-contained electric motor, other than vacuum cleaners of heading 8508	Electro-mechanical domestic appliances, with self-contained electric motor, other than vacuum cleaners of heading 8508 [other than wet grinder consisting of stone as a grinder]	8509	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
376AD	Shavers, hair clippers and hair-removing appliances, with self-contained electric motor	Shavers, hair clippers and hair-removing appliances, with self-contained electric motor.	8510	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
378A	Electric instantaneous or storage water heaters and immersion heaters; electric space heating apparatus and soil heating apparatus; electro thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers;	Electric instantaneous or storage water heaters and immersion heaters; electric space heating apparatus and soil heating apparatus; electro thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers;	8516	28%	18%	27th July 2018	Rate reduction from 28% to 18%.

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	Effective Date	Existing Rate	New Rate	Effective Date	Comments
	electric smoothing irons; other electro-thermic appliances of a kind used for domestic purposes; electric heating resistors, other than those of heading 8545	electric smoothing irons; other electro-thermic appliances of a kind used for domestic purposes; electric heating resistors, other than those of heading 8545					
383C	–	Television set (including LCD or LED television) of screen size not exceeding 68 cm.	8528	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
401A	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological unit	Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile workshops, mobile radiological unit	8705	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
402A	Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicle.	Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicle.	8709	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
403A	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof [other than Self-loading or self-unloading trailers for agricultural purposes, and Hand propelled vehicles (e.g. hand carts, rickshaws and the like); animal drawn vehicles]"	Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof [other than Self-loading or self-unloading trailers for agricultural purposes, and Hand propelled vehicles (e.g. hand carts, rickshaws and the like); animal drawn vehicles]"	8716	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
446	Slide fasteners and parts thereof	Parts of slide fasteners	9607 20 00	18%	18%	27th July 2018	Rate reduction from 28% to 18%.
449AA	Scent sprays and similar toilet sprays, and mounts and heads therefor; powder-puffs and pads for the application of cosmetics or toilet preparation.	Scent sprays and similar toilet sprays, and mounts and heads therefor; powder-puffs and pads for the application of cosmetics or toilet preparation.	9616	28%	18%	27th July 2018	Rate reduction from 28% to 18%.
139-Schedule IV	Electric accumulators, including separators therefor, whether or not rectangular (including square)	Electric accumulators, including separators therefor, whether or not rectangular (including square) other than Lithium-ion battery	8507	28%	18%	27th July 2018	GST rate on Lithium-ion batteries has been reduces to 18%.
154-Schedule IV	Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio-broadcast receiver or sound or video recording or reproducing apparatus [other than computer monitors not exceeding 20 inches]	Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio-broadcast receiver or sound or video recording or reproducing apparatus [other than computer monitors not exceeding 20 inches, set top box for television and Television set(including LCD and LED television)of screen size not exceeding 68 cm].	8528	28%	28%	27th July 2018	TV below 68cm and monitors below 20 inches are made taxable at 18%.

Notification No.19/2018-Central Tax (Rate)

The notification seeks to amend Notification No.2/2017-CGST (Rate) effectively amending the list of goods which are exempt under GST.

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	Effective Date	Existing Rate	New Rate	Effective Date	Comments
92A	NA	Sal leaves, siali leaves, sisal leaves, sabai grass.	1401	–	0%	27th July 2018	-
93B	NA	Vegetable materials, for manufacture of jhadoo or broomsticks.	1404 90 90	–	0%	27th July 2018	-
102A	De-oiled rice bran under HSN 2302	De-oiled rice bran. Explanation: The exemption applies to de-oiled rice bran falling under heading 2306 with effect from 25th January, 2018.	2306	–	0%	27th July 2018	The HSN has been rectified from 2302 to 2306.
114A	NA	Deities made of stone, marble or wood.	44 or 68	Multiple	0%	27th July 2018	GST on deities has been reduced to 0%
114B	NA	Khali Dona; Goods made of sal leaves, siali leaves, sisal leaves, sabai grass, including sabai grass rope.	46	–	0%	27th July 2018	Rate reduced to 0%
117	Rupee notes when sold to Reserve Bank of India.	Rupee notes or coins when sold to Reserve Bank of India or the Government of India.	48 or 4907 Or 71	–	0%	27th July 2018	Notes and coins sold to RBI or Government of India are made exempt.
132A	-	Coir pith compost other than those put up in unit container and, - (a) bearing a registered brand name; or (b) bearing a brand name on which an actionable claim or enforceable right in a court of law is available [other than those where any actionable claim or enforceable right in respect of such brand name has been foregone voluntarily, subject to the conditions as in the ANNEXURE I]	53	–	0%	27th July 2018	Now
146A	-	Sanitary towels (pads) or sanitary napkins; tampons.	96190010 or 96190020	12%	0%	27th July 2018	-
152	-	Rakhi (other than those made of goods falling under Chapter 71)	Any chapter except 71	Multiple	0%	27th July 2018	Rakhi other than those made of precious metals is made exempt.

02/2018-Compensation Cess (Rate)

The notification seeks to amend Notification No.1/2017- Compensation Cess (Rate) effectively amending rate of compensation cess on specified products.

Sr.No.in Notification	Description of Goods (Before Notification)	Description of Goods (After Notification)	Effective Date	Existing Rate	New Rate	Effective Date	Comments
41A	Coal rejects from Coal.	Coal rejects supplied by a coal washery, arising out of coal on which compensation cess has been paid and no input tax credit thereof has not been availed by any person.	27	Rs.400 per tonne	0%	27th July 2018	As ITC of compensation cess was not availed, the cess payable was an additional cost to coal washeries. Now the same has been rectified.
42B	-	Fuel Cell Motor Vehicles	87	Multiple	0%	27th July 2018	To promote environment friendly vehicles, compensation cess on Fuel cell vehicles has been reduced to 0.

Now, only 35 items remains in the highest tax slab. Rate of other 193 items have been reduced.

Schedule IV - 14%

Sr. No.	Chapter, Heading, Subheading or Tariff item	Description of Goods	CGST Rate
1.	1703	Molasses	14%
10.	2106 90 20	Pan masala	14%
12.	2202 10	All goods [including aerated waters], containing added sugar or other sweetening matter or flavoured	14%
13.	2401	Unmanufactured tobacco; tobacco refuse [other than tobacco leaves]	14%
14.	2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	14%
15.	2403	Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences [including biris]	14%
18.	2523	Portland cement, aluminous cement, slag cement, super sulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers	14%
46.	4011	New pneumatic tyres, of rubber [other than of a kind used on/in bicycles, cycle-rickshaws and three wheeled powered cycle rickshaws; and Rear Tractor tyres; and of a kind used on aircraft]	14%
47.	4012	Retreaded or used tyres and flaps	14%
114.	8407	Spark-ignition reciprocating or rotary internal combustion piston engine [other than aircraft engines]	14%
115.	8408	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)	14%
116.	8409	Parts suitable for use solely or principally with the engines of heading 8407 or 8408	14%
117.	8413	Pumps for dispensing fuel or lubricants of the type used in filling stations or garages [8413 11], Fuel, lubricating or cooling medium pumps for internal combustion piston engines [8413 30]	14%
119.	8415	Air-conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated	14%
122.	8422	Dish washing machines, household [8422 11 00] and other [8422 19 00]	14%
135.	8483	Transmission shafts (including cam shafts and crank shafts) and cranks (excluding crankshaft for sewing machine); gear boxes and other speed changers, including torque converters; flywheels and pulleys, including pulley blocks; clutches and shaft couplings (including universaljoints)	14%
139.	8507	Electric accumulators, including separators therefor, whether or not rectangular (including square) other than Lithiumion batter	14%
143.	8511	Electrical ignition or starting equipment of a kind used for spark-ignition or compression - ignition internal combustion engines (for example, ignition magnetos, magneto-dynamos, ignition coils, sparking plugs and glow plugs, starter motors); generators (for example, cut-outs of a kind used in conjunction with such engines	14%
151.	8525	Digital Cameras and video camera recorders [other than CCTV]	14%
154.	8528	Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radiobroadcast receiver or sound or video recording or reproducing apparatus [other than computer monitors not exceeding 20 inches, set top box for television and Television set (including LCD and LED television) of screen size not exceeding 68 cm]	14%
163A.	8701	Road tractors for semi-trailers of engine capacity more than 1800 cc	14%
164.	8702	Motor vehicles for the transport of ten or more persons, including the driver	14%
165.	8703	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 8702), including station wagons and racing cars [other than Cars for physically handicapped persons]	14%
166.	8704	Motor vehicles for the transport of goods [other than Refrigerated motor vehicles]	14%
168.	8706	Chassis fitted with engines, for the motor vehicles of headings 8701 to 8705	14%
169.	8707	Bodies (including cabs), for the motor vehicles of headings 8701 to 8705	14%
170.	8708	Parts and accessories of the motor vehicles of headings 8701 to 8705 [other than specified parts of tractors]	14%
173.	8711	Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars	14%
174.	8714	Parts and accessories of vehicles of headings 8711 and 8713	14%
176.	8802	Aircrafts for personal use	14%
177.	8903	Yachts and other vessels for pleasure or sports; rowing boats and canoes	14%
210.	9302	Revolvers and pistols, other than those of heading 9303 or 9304	14%
215.	9504	Video games consoles and Machines, article and accessories for billiards [9504 20 00], other games operated by coins, banknotes, i.e., casino games [9504 20 00] and others [other than board games of 9504 90 90]	14%
223.	9614	Smoking pipes (including pipe bowls) and cigar or cigarette holders, and parts thereof	14%
227.	9804	All dutiable articles intended for personal use	14%
228.	Any chapter	Lottery authorized by State Governments Explanation 1.- For the purposes of this entry, value of supply of lottery under sub-section (5) of section 15 of the Central Goods and Services Tax Act, 2017 shall be deemed to be 100/128 of the face value of ticket or of the price as notified in the Official Gazette by the organising State, whichever is higher. Explanation 2.- (1) "Lottery authorized by State Governments" means a lottery which is authorized to be sold in State(s) other than the organising state also. (2) Organising state has the same meaning as assigned to it in clause (f) of sub-rule (1) of rule 2 of the Lotteries (Regulation) Rules, 2010	14%

Minutes of the 59th Annual General Meeting of WIRC of The Institute of Cost Accountants of India held on 26th June 2018 at 5.30 p.m. at WIRC office premises

CMA Kailash R. Gandhi, Chairman, CMA Laxman D. Pawar, Vice Chairman, CMA Shriram N. Mahankaliwar, Hon. Secretary, CMA Harshad R. Deshpande, Treasurer were on the dais. CMA Kailash R. Gandhi chaired the meeting.

The Chairman welcomed the members. 61 Members were present in the meeting. As the required quorum as per the regulation was present, Chairman requested Hon. Secretary, to start the proceedings of the meeting as per the agenda.

Hon. Secretary requested members to observe two minutes silence as a mark of respect towards the departed soul of the deceased members during the year. As there were no practice followed in any of earlier council general meeting for audio/ video recording of the meeting, it was requested that there should not be any Unofficial Audio/Video recording of proceeding of meeting by any mode. It was also noted that there was no query/resolution received in WIRC office in respect of Annual Report & Accounts of WIRC for the year 2017-18 as per Regulation 139 of the Institute, hence meeting should proceed with Agenda as per the AGM Notice.

The Meeting started proceeding with Agenda :

1. To receive the Western India Regional Council's 59th Annual Report.

Hon Secretary read out the Agenda Item No.1 as mentioned above & informed the members that the 59th Annual Report of the Western India Regional Council of The Institute of Cost Accountants of India for the year 2017-18 is already circulated to all the members by post through it's publication in the WIRC bulletin for the Month of June 2018, to which all the members present in the meeting accepted & therefore, he put it for discussion before the Members in the meeting & to accord it's approval & adoption for it's receiving & read. Since there was no query in respect of the Annual Report, CMA Ashish Deshmukh (M/21108) proposed and CMA Mandar Jadav (M/39730) seconded the resolution.

"RESOLVED THAT the Fifty Ninth (59th) Annual Report of Western India Regional Council of The Institute of Cost Accountants of India for the year 2017-18, be and is hereby received".

The Resolution was passed unanimously.

2. To consider and adopt the Accounts of the Western India Regional Council for the year ended 31st March, 2018 together with the Auditor's Report thereon.

Hon. Secretary read out the Agenda Item No.2 as mentioned above & informed the members that the Accounts of the Western India Regional Council for the year ended 31st March 2018 together with the Auditor's Report thereon is already circulated to all the members by post through it's publication in the WIRC bulletin for the Month of June 2018, to which all the members present in the meeting accepted & therefore, he put it before the Members in the meeting & to accord it's consideration & approval for adoption.

Thereafter, CMA Kishore Bhatia (M/8241) proposed and CMA Akshay Shah (M/28018) seconded the resolution, after this CMA Sanjay Bhargave raised a query about the specific entry mentioned in schedule :-F-Current Assets : Claims receivable Rs. 21,58,741/-, to which even after the Proposing & seconded by members & late arrival of query as per the regulation, respecting the query asked by CMA Sanjay Bhargave Chairman asked the Treasurer, CMA Harshad Deshpande to answer the query, then Treasurer CMA Harshad Deshpande replied that this entry pertains to Op. balance and there is no change to this entry in the current year to the satisfaction of the members.

Further, as confirmed by the WIRC office Chairman directed Hon. Secretary to inform the members that there was no query/resolution received in respect of Annual Accounts of WIRC for the year 2017-18 as per Regulation 139 of the Institute, as well as the query raised in the meeting is answered & hence the resolution earlier proposed by CMA Kishore Bhatia (M/8241) and CMA Akshay Shah (M/28018) seconded was taken on record for adoption & approval.

"RESOLVED THAT the Audited Income and Expenditure account of the Western India Regional Council of The Institute of Cost Accountants of India for the financial year ended 31st March 2018 and the Balance Sheet as on date, together with the Auditor's Report thereon, be and are hereby adopted."

The resolution was adopted by voice vote.

3. To Appoint Auditors for the year 2018-19 and fix their remuneration.

Hon. Secretary read out the Agenda Item No.3 as mentioned above & informed the members that present Statutory Auditor has given his consent for reappointment as Auditor for the year 2018-19 & asked members to give their approval to his appointment.

The members CMA Rajendra Thakur (M/36188) proposed & CMA Dhananjay Kumar Vatsyayan (M/15064) seconded the Resolution.

"RESOLVED THAT M/s. K. R. Khare & Associates, Chartered Accountants be and are hereby appointed as Auditors to audit the Accounts of Western India Regional Council of The Institute of Cost Accountants of India for the year 2018-19 at remuneration of Rs. 50,000/- and lump sumout of pocket expenses of Rs.10,000/- & GST at applicable rate.

The resolution was adopted by voice vote.

4. To transact any other business as may be brought before the meeting with the permission of the Chair.

Hon. Secretary read out the Agenda Item No.4 as mentioned above & as there being no other business to be transacted, the Chairman asked CMALD.Pawar to propose the vote of thanks, CMA L.D.Pawar thanked the members & thereafter, Chairman declared the meeting as concluded.

Sd/-

(Kailash R. Gandhi)

Chairman, WIRC

CHAPTER NEWS

AHMEDABAD

Inauguration of New Batch & Prize Distribution Function

Chapter organized function on 12-07-2018 at Chapter office to felicitate meritorious students of Foundation, Inter & Final of Dec '17 examination. Prize distribution for first three students of each course alongwith inauguration of new oral coaching batch of Foundation, Inter and Final students. Chief Guest of the function Dr. R. K. Prusti expressed his views for development of CMA career in context of Indian Economy. His emphasis on hard work and accuracy in study for getting success. Felicitations of meritorious students by hands of Chief Guest & office bearers of Chapter. Vote of thanks proposed by CMA Haren P Bhatt.

CEP on Ind. AS 16 and Ind AS 36 on 14-07-2018

A CEP on Ind AS 16- Property, Plant & Equipment and Ind AS 36- Impairment of Assets was organized on 14th July 2018 at Chapter Premises. CMA K M Mehta, Vice Chairman of chapter welcomed the faculty CMA R B Kothari. CMA R B Kothari submitted the presentation and explained about applicability of Ind AS 16 Property Plant and Equipment & Ind AS 36 Impairment of Assets in detail i.e. scope and key definitions, recognition, measurement of recognition, measurement after recognition, depreciation, de-recognition, disclosures alongwith examples of Electricity & other industries etc.

CEP on "Compliance under FEMA" on 21-07-2018.

A CEP on "Compliance under FEMA" was organized on 21st July 2018 at Chapter Premises. CMA Ashish Bhavsar, Chairman of Chapter welcomed faculty, members and students present. CMA Ashish Bhavsar offering memento to CMA Sureshkumar Johar. He explained export as current account transaction under FEMA. Discussed mode and manner of receiving export receivables or export value. He covered the advantages of setting off of export receivable against import payables which shall be valid and adequate compliance and discharge of EDF and BOE as per RBI guidelines.

CEP on "Practical aspects of RERA" on 28-07-2018

A CEP on "Practical aspects of RERA" was organized on 28th July 2018 at Chapter Premises. CMA Ashish Bhavsar, Chairman of Chapter welcomed faculty, members and students present. CMA Ashish Bhavsar offering memento to CMA Ramchandran. He explained briefly on the subject and submit presentation.

BHILAI

Chapter in association with SAIL - Bhilai Steel Plant organised one day Seminar on "Overview of GST - Complications & Compliance" on 7th July 2018. During the inaugural speech Shri M. Ravi CEO, Bhilai Steel Plant appreciated the initiative of Bhilai Chapter for organizing such a seminar on the most relevant topic. The seminar was organised under the able guidance of CMA B.P. Nayak, Chairman of Bhilai Chapter and Executive Director (Finance & Accounts), SAIL-Bhilai Steel Plant. The eminent speakers CMA V.S. Datey & CMA (Dr.) Sanjay Bhargave educated the participants on the topics of GST, Audit under GST and E-way Bill in very clear and easy manner. The proceedings of the seminar were nicely conducted by CMA Milton Ray.

NAVI MUMBAI

Managing Committee Members - 2018-19

CMA L. Prakash	<i>Chairman</i>
CMA Sirish Mohite.	<i>Vice Chairman</i>
CMA Vaidyanathan N. Iyer	<i>Secretary</i>
CMA Sushant J Ghadge	<i>Treasurer</i>

CEP - Registered Valuer- New Opportunity for CMA

Chapter conducted a CEP on "Registered Valuer- New Opportunity for CMA" on July 15, 2018 at K.B. Patil College, Vashi. The speaker for this event was CMA Harshad Deshpande, Practicing CMA & Treasurer, WIRC.

CMA Sirish Mohite, Vice Chairman of the Chapter, introduced the speaker to the audience and the programme commenced with the speaker elaborating on the concept of Valuation in India and across the globe.

The speaker examined the concept of Valuation wherein Value denotes the value of the underlying assets as on a particular date. This is critical for making strategic business decisions like Fund raising, mergers & acquisitions, sale/liquidation of businesses, strategic business decisions like family or shareholder's disputes, voluntary value assessment and to comply with regulatory or accounting requirements in India under RBI, Income Tax, Companies Act, SEBI laws etc. He then emphasised that "Registered Valuer" is defined in Chapter XVII of the Companies Act, 2013 to regulate the practice of Valuation of India to standardise the valuation in accordance with international practices.

The speaker then motivated the students & professionals to pursue valuation as a career option by interpreting the examination requirements, syllabus, scope, methods of valuation - Asset approach, Income approach & Market approach etc. Refer to www.ibbi.gov.in, www.rvoicmai.in, www.ivsc.orgetc for more details.

The lucid presentation & the interactive workshop came to an end with the speaker being felicitated by CMA Sirish Mohite, Vice Chairman of the Chapter & CMA Vaidyanathan Iyer, Secretary of the Chapter and the vote of thanks being proposed by CMA Vaidyanathan Iyer.

CEP on "Internal Audit of Corporate Marketing office"

Chapter organized a CEP on "Internal Audit of Corporate Marketing office" on 17th June 2018 at Karmaveer Bhaurao Patil College, Vashi. The speaker for the event was CMA Sirish Mohite, Practicing CMA. CMA Vivek Bhalerao, Chairman of PD Committee of the Chapter, introduced the speaker and the programme commenced with the speaker emphasizing on the importance of internal audit requirements for the organization.

The speaker highlighted how Internal Audit practice could keep practitioners staff engaged throughout the year. He also touched upon minute details of various aspects of marketing and marketing audit, on the subject of internal audit of corporate marketing office and role of CMA in conducting the audit. He explained various areas to be audited and checklist required to ensure the proper functioning of corporate marketing office.

In the concluding session, CMA Sirish Mohite highlighted that Internal Audit is the third line of defence for risk mitigation, first being the individual department execution, second being risk enterprise management which executes the departmental reports.

The session was very interactive and the speaker thanked all participants for making the session interesting with their questions and discussions. The programme came to an end with the felicitation of the speaker CMA Sirish Mohite, Vice Chairman of the Chapter and the vote of thanks made by CMA Sushant Ghadge and CMA Ajay Mohan, Committee member of Navi Mumbai Chapter.

PIMPRI-CHINCHWAD-AKURDI

Seminar held on 1st July 2018

Chapter celebrated "GST Day" on 1st July 2018 at CMA Bhawan, Pimpri. On the same day Chapter has conducted half day seminar on "Discussion on One Year of GST Implementation and Audit"

On this occasion, CMA Ashok Nawal eminent speaker spoke on the topic

and guided the audience. He focused on various aspects on GST implemented by the Government.

Inauguration of Oral Coaching Classes held on 14th July 2018

Chapter conducted inaugural function of 15th Batch of Oral Coaching classes on 14th July 2018 at CMA Bhawan. CMA Mahendra Bhombe has given information about PCA Chapter. Students from final year have given presentation about oral coaching and faculties of PCA Chapter. The whole presentation about the Chapter's activities started with video clip. CMA Ashish Deshmukh in his speech congratulates the students for choosing CMA option and guided them about future career after becoming CMA Professional.

CMA Pradeep Deshpande has given presentation on the topic "How to Crack the CMA Examination: He gave some tips about Examination.

Seminar held on 26th July 2018

Chapter has conducted seminar on "CMAs Role in New India 2022" on 26th July 2018 at CMA Bhawan, Morwadi Road, Pimpri 411018. On the same day PCA Chapter arranged felicitation of CMA L.D. Pawar who has been elected as Chairman of WIRC of ICAI.

CMA B. M. Sharma felicitated CMA L. D. Pawar for elected as the Chairman of WIRC by offering bouquet & memento and CMA Harshad Deshpande for elected as the Treasurer of WIRC by offering bouquet. CMA MahendraBhombe felicitated speakers CMA Harshad Deshpande, CMA R. B. Laddha and member CMA DhananjayVatsyayan by offering memento.

CMA Brij Mohan Sharma addressed the gathering and guided the audience. He congratulated CMA L. D. Pawar and said CMA Pawar will definitely stand for his commitment towards the growth and prosperity of CMA Professional. CMA L.D. Pawar in his speech expressed his gratitude for good wishes extended to him by all members from professions, members from industries, managing committee member, Staff & Students of PCA Chapter.

CMA R. B. Laddha in his speech gave the importance of CMAs in various fields. He was having more than 40 years of industrial experience in various fields such as Cost Accounts, Insurance, Excise, Stores & Logistics, Purchase, and Sales. CMA Harshad Deshpande in his speech highlighted on the Role of CMAs in various sectors like Government, Non-Government, Public & Private Industries. He also highlighted on the topic Audit under GST, IBC 2016, Audit under Co-operative Society, Internal Audit etc. CMA Dhananjay Vatsyayan, member of the Institute gave information on how people were managing their work during the mythological period in Mahabharata. He said that the role of cost accountant is always important everywhere either it was from mythological period or it is as per present work.

PUNE

CEP on "Understanding Financial Derivatives"

Chapter organized CEP on ""Understanding Financial Derivatives" on 21st July 2018 at M P Pandit Hall, Pune Chapter. CMA Manohar Dansingani was

speaker for the programme. CMA Chaitanya Mohrir, Treasurer, ICAI-Pune Chapter introduced & welcome the guests.

CMA Manohar Dansingani, Speaker CMA Manohar Dansingani expressed his views on "Understanding Financial Derivatives" to the participants.

Inauguration of Oral Coaching Classes- Pune

The Oral Coaching Classes for Session No.3, (January to June 2018), were inaugurated at various centers of Pune Chapter on 16th July 2018.

Career Counseling programs

Total 9 Career Counseling programs were held in July 2018 in various colleges in Pune.

Visit of Prof. Rodgers, from Ohio State University, USA to Pune Chapter

On 20th July 2018 Prof. Rodgers, from Ohio State University, USA visited Pune Chapter. CMA Meena Vaidya, Chairperson, ICAI-Pune Chapter, felicitated Prof. Rodgers. CMA Madhuvanti Sathe, former Chairperson, felicitated Dr. Nikhil Tambe, Director in India of Ohio State University.

The Discussion was held with members of Chapter about the needs of CMAs in terms of English and communication skills plus finishing skills, scope/opportunity for such courses for aspiring candidates of CMA accross India.

Welcome of newly elected President of ICAI for the year 2018-19 CMA Amit Apte.

Pune Chapter committee members welcomed newly elected President of ICAI for the year 2018-19, CMA Amit Apte.

SURAT SOUTH-GUJARAT

Continuous Education Programme on 23-06-2018

Chapter arranged a CEP on "Advance ruling under GST" on 23-06-2018 at Chapter Office. CMA Pankaj Kannaujjiya, Practicing Cost Accountant was the faculty. CMA K. C. Gupta, Managing Committee Member of the Chapter welcomes him. He explained his topic in a very lucid manner. Around 15 members participated in the programme.

Continuous Education Programme on 29-07-2018

Chapter arranged a CEP on "Audit under GST" on 29-07-2018 at Chapter Office. CMA (Dr.) Heena Sunil Oza, Chairperson of the Chapter welcomes the speaker CMA Dr. Ashish Thatte, Past Chairman WIRC and all the participants. CMA Thatte explained in detail how the system of audit under GST works. He cover the topic like Audit, Special Audit, applicability, exemptions, Returns, Reports, Registered Persons & other important terms of Audit under GST in a very lucid manner. He solved the queries of the members after the session. Around 62 members and final students including senior members from industries were present.

INAUGURATION OF WIRC ORAL COACHING CLASSES – WEDNESDAY, 11TH JULY 2018

Name of the Coaching Centre	Name of the Persons
Sydenham College, Churchgate	CMA Vinod Pancholi
N. M. College, Vile Parle	CMA Akshay Shah
St. Francis Institute of Management & Research, Borivali	CMA Ashwin Solanki
R. J. College, Ghatkopar	CMA Kishore Bhatia
Mulund College of Commerce, Mulund	CMA Padma Ganesh
Thane SMF Center	CMA Darshan Vora



CMA L. D. Pawar is being felicitated by CMA V. S. Datey and CMA Rahul Renavikar during the CEP organized by Pune Central CEP Study Circle on 28th July 2018



CMA Sirish Mohite being felicitated by CMA Ajay Mohan during the CEP organized by Navi Mumbai Chapter on 17th June 2018.



CMA Sirish Mohite & CMA Vaidyanathan Iyer, felicitating CMA Harshad Deshpande during CEP organised by Navi Mumbai Chapter on 15th July 2018.



CMA Debasish Mitra felicitating Mr. Sachin Khopde during CEP organised by WIRC at Thane SMFC on 8th July 2018



CMA Uday Joglekar felicitating Mr. Deepak Jain during CEP organised by WIRC on 28th July 2018 at WIRC Office.



CMA Rajesh Soni felicitating Mr. Dharmendra Vyas during CEP organised by WIRC on 28th July 2018 at WIRC Office



Felicitation of CMA Sureshkumar Johar by CMA Ashish Bhavsar, Chairman of Chapter during CEP organized by Ahmedabad Chapter on 21st July 2018.



CMA P H Desai felicitating Dr. R K Prusti during Prize Distribution function organized by Ahmedabad Chapter on 12th July 2018.



CMA Pankaj Kannaujiya is being felicitated by CMA K. C. Gupta during CEP organized by Surat South Gujarat Chapter on 23rd June 2018.



CMA Mohan Bhombe, felicitating CMA Ashok Nawal, during Seminar on GST organized by PCA Chapter on 1st July 2018



CMA Brij Mohan Sharma, Chief Guest & Past President of ICAI felicitating CMA L. D. Pawar, Chairman, WIRC of ICAI during Seminar organized by PCA Chapter on 26th July 2018.



CMA Brij Mohan Sharma, Chief Guest & Past President of ICAI felicitating CMA Harshad Deshpande, Treasurer, WIRC of ICAI

Farewell to Mr. Bhaskar Kanade, Asstt. Administration Officer from WIRC Staff on 31st July 2018



Glimpses of 295th Council Meeting held at Mumbai on 17th July 2018 for Election of New Office Bearers for the year 2018-19



Newly elected Chairman CMA L. D. Pawar is being congratulated by Mr. Ajai Das Mehrotra and all Council Members



New Office Bearers of 2018-19.



The Newly Elected Chairman accept the Post of Chairman at his Chamber.



Council Meeting in progress under the Chairmanship of CMA L.D. Pawar



Felicitation of CMA Laxman D. Pawar by WIRC Staff Members

To



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THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
WESTERN INDIA REGIONAL COUNCIL,
Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.