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CHANGE IN RATE

Description	Present	Proposed	Proposed with Swachh Bharat Cess
Service Tax (including EC & SHEC)	12.36%	14.00%*	16%
Excise Duty (including EC& SHEC)	12.36%	12.50%**	NA
Custom duty (including EC& SHEC)	28.85%	29.44%**	NA

* (effective date to be notified)

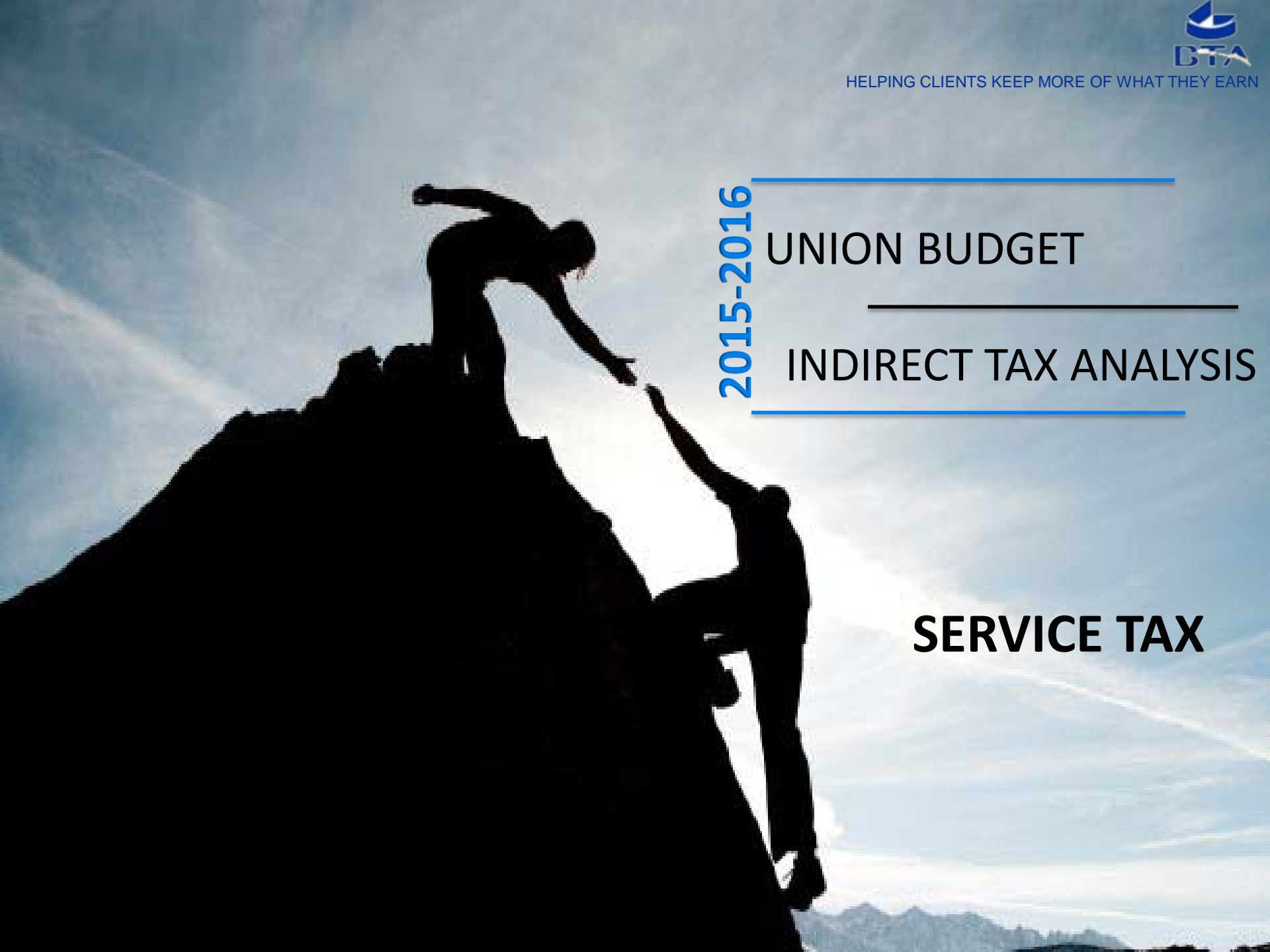
** (effective from 01.03.2015)

2015-2016

UNION BUDGET

INDIRECT TAX ANALYSIS

SERVICE TAX



NEW PROVISION FOR DISPUTED POSITION

- The term “**consideration**” has been amended to inter alia include all reimbursable expenditure or cost incurred and charged by the service provider, in the course of providing or agreeing to provide a taxable service
- Decision of Delhi High Court in the case of **Intercontinental Consultants & Technocrats Pvt. Ltd vs. UOI - 2013 (29) S.T.R. 9 (Del.)** is no more applicable
- New definition of term “Government” has been introduced to mean -
“the Departments of the Central Government, a State Government and its Departments and a Union territory and its Departments, but shall not include any entity, whether created by a statute or otherwise, the accounts of which are not required to be kept in accordance with article 150 of the Constitution or the rules made there under;

(effective from the date the Finance Bill receives the assent of the President)

BROADENING TAX BASE

- Exemption in respect of services provided to the Government, a Local Authority etc. by way of construction, erection, commissioning, etc. of a civil structure/other original works, to be used for non business or non commerce purpose has been withdrawn
- Hitherto exemption in relation to services by way of construction, erection, commissioning, or installation of Original works pertaining to an Airport or Port has been withdrawn
- Exemption to transportation of food stuff by rail, or vessels or road will be limited to food grains including rice and pulses, flour, milk and salt. Transportation of agricultural produce is separately exempt, and this exemption will continue

(effective from 01.04.2015)

BROADENING TAX BASE

➤ Service of an “aggregator” has been brought within the taxable ambit of service tax

➤ “Aggregator” means:

“a person, who owns and manages a web based software application, and by means of the application and a communication device, enables a potential customer to connect with persons providing service of a particular kind under the brand name or trade name of the aggregator;

BROADENING TAX BASE

- Any process amounting to manufacture or production of goods is covered under the Negative List. However, such list is being pruned to exclude any service by way of carrying out any processes for production or manufacture of alcoholic liquor for human consumption. Consequently, Service Tax shall be levied on contract manufacturing/job work for production of potable liquor for a consideration
- All services provided by the Government or local authority to a business entity, except the services that are specifically exempted, or covered by any another entry in the Negative List, shall be liable to service tax

(effective from the date the Finance Bill receives the assent of the President)

NEW EXEMPTION

- GTA services from place of removal to land custom station
- Ambulance service for transportation of patient
- Life Insurance Service provided under the scheme of Varishtha Pension Bima Yojna
- Services by way of re-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables
- Service provided by a Common Effluent Treatment Plant Operator for treatment of effluent

(effective from 01.04.2015)

NEW EXEMPTION

- Service provided by way of exhibition of movie by the Exhibitor (theatre owner) to the Distributor or Association of Persons consisting of such exhibitor as one of its members
- Service provided by way of admission to a Museum, Zoo, National Park, Wild Life Sanctuary and a Tiger Reserve

AMENDMENT IN REVERSE CHARGE PROVISION

Description	Changes	Person Providing Service	Person liable to pay service tax except Service Provider
In respect of services provided or agreed to be provided by a mutual fund agent or distributor, to a mutual fund or asset management company	Inserted	NIL	100%
In respect of services provided or agreed to be provided by a selling or marketing agent of lottery tickets to a lottery distributor or selling agent	Inserted	NIL	100%
In respect of services provided or agreed to be provided by way of supply of manpower for any purpose	Previous	25%	75%
	Current	NIL	100%

(effective from 01.04.2015)

AMENDMENT IN REVERSE CHARGE PROVISION

Description	Changes	Person Providing Service	Person liable to pay service tax except Service Provider
In respect of any service provided or agreed to be provided by a person involving an aggregator in any manner	Inserted	NIL	100%

(effective from 01.03.2015)

AMENDMENT IN ABATEMENT PROVISION

Description	Rate & Condition	
	Earlier	Proposed
Transport of goods by rail	30%	30%
	NIL	CENVAT credit on inputs, capital goods and input services, used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004
Transport of passengers, with or without accompanied belongings by rail	30%	30%
	NIL	CENVAT credit on inputs, capital goods and input services, used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004

(effective from 01.04.2015)

AMENDMENT IN ABATEMENT PROVISION

Description	Rate & Condition	
	Earlier	Proposed
Transport of passengers by air, with or without accompanied belongings - <i>other than economy class</i>	<p>40%</p> <p>CENVAT credit on inputs and capital goods used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004</p>	<p>60%</p> <p>CENVAT credit on inputs and capital goods used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004</p>

(effective from 01.04.2015)

PENALTY & RECOVERY

Particulars	Current	Proposed
<p>Section 73(4A)</p> <p>Applicable in case of fraud, collusion etc. determined during audit/investigation proceedings</p> <p><i>(before issuance of SCN)</i></p>	<p>Reduced penalty of 1% per month upto maximum of 25% of duty, if true and complete details of transactions are available on specified records</p> <p>Payment is made and intimated to the central excise officer</p>	<p>Omitted</p>

(effective from the date the Finance Bill receives the assent of the President)

PENALTY & RECOVERY

Particulars	Current	Proposed
Section 76 Cases not involving fraud or collusion etc.	Higher of Rs. 100 per day or 1% per month of the duty, for the failure to pay service tax, within due date	<p>Penalty not to exceed 10% of the duty amount</p> <p>No penalty if duty and interest paid within 30 days of service of SCN</p> <p>25% of penalty imposed, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p>

(effective from the date the Finance Bill receives the assent of the President)

PENALTY & RECOVERY

Particulars	Current	Proposed
<p>Section 78</p> <p>In case of fraud, collusion etc.</p> <p><i>(after issuance of SCN)</i></p>	<p>Penalty equal to 100% of the duty</p> <p>Reduced penalty of 50%, if true and complete details of transactions are available on specified records</p> <p>25% of penalty imposed, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p>	<p>Penalty equal to 100% of the duty amount</p> <p>Penalty equal to 15% of duty, if duty, interest and penalty paid within 30 days of service of SCN</p> <p>Penalty equal to 25% of duty, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p>
<p>Section 80</p> <p>Waiver of penalty</p>	<p>Provides for waiver of penalty under Section 76 and Section 77 in certain circumstances</p>	<p>Omitted</p>

(effective from the date the Finance Bill receives the assent of the President)

MISCELLANEOUS

- The procedure of obtaining service tax registration has been revamped. In this regard Order No. 1/15-ST, dated 28.2.2015, has been issued, prescribing documentation, time limits and procedure for registration. It has also been prescribed that henceforth registration for single premises shall be granted within two days of filing the application *
- Transition provision has been made whereby penalty under the amended provision of Section 76 and 78 would apply, for cases where SCN has been served but no order passed, before the date of enactment of the Finance Bill, 2015**

* (effective from 01.03.2015)

** (effective from the date the Finance Bill receives the assent of the President)



2015-2016

UNION BUDGET

INDIRECT TAX ANALYSIS

CENVAT AND EXCISE

CENVAT CREDIT – TIME LIMIT

- Increase in time limit for taking CENVAT credit on inputs and input services from the present **six months to one year***
- Cenvat credit in respect of inputs and capital goods sent directly by supplier on direction of manufacturer or service provider to the job worker admissible*
- Cenvat credit on inputs admissible even if such goods are transferred from **one job worker to subsequent job worker**, subject to the condition that the inputs or product produced are received back within 180 days*
- Time limit for receipt of capital goods from the job worker premise has been increased from **180 days to 2 yrs***
- Disparity in treatment and timing of cenvat credit in respect of full reverse charge and partial reverse charge has been aligned **

**(effective from 01.03.2015)*

*** (effective from 01.04.2015)*

CENVAT CREDIT – RULE 6

- As per Rule 6, cenvat credit attributable to exempted product is not allowed
- Disputes arose with respect to treatment of cenvat credit attributable to non-excisable product, as these were not exempted product
- The law has been amended to provide reversal of proportionate cenvat credit even with respect to non–excisable goods
- Value of non-excisable goods shall be the invoice value

CENVAT CREDIT – RECOVERY OF CREDIT

- Earlier in case cenvat credit was **taken but not utilised**, there was no penal consequences
- However, Rule 14 and Rule 15 has been amended to provide penal consequences even in case cenvat has been wrongly taken but not utilized
- The amended penal provision, as proposed in the Finance Bill shall apply in the above cases
- In respect of wrong utilization of cenvat credit, interest was payable from the date of utilization.
- A formulae has been prescribed for computation of such interest from the date as if disputed Cenvat Credit never existed.

(effective from the date the Finance Bill receives the assent of the President)

PENALTY & RECOVERY

Particulars	Current	Proposed
<p>Section 11A(5), (6), (7)</p> <p>In case of fraud, collusion etc. determined during audit/investigation proceedings</p> <p>If true and complete details of transactions are available on specified records</p>	<p>Penalty of 50% of duty, if SCN issued</p> <p>Reduced penalty of 1% per month, upto maximum of 25% of duty, if duty, interest and penalty paid before issuance of SCN</p>	<p>Omitted</p>

PENALTY & RECOVERY

Particulars	Current	Proposed
Section 11AC	<p>In cases of fraud, collusion etc.</p> <p>Penalty equal to 100% of the duty</p> <p>Reduced penalty of 50%, if true and complete details of transactions are available on specified records</p> <p>25% of penalty imposed, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p>	<p>In cases not involving fraud, collusion etc.</p> <p>Penalty not exceeding 10% of the duty or Rs.5000 whichever is higher</p> <p>No penalty if duty, interest paid either before issue of SCN or within 30 days of issue of SCN</p> <p>25% of the penalty imposed, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p> <p>In cases of fraud, collusion etc.</p> <p>Penalty equal to 100% of the duty amount</p> <p>Penalty equal to 50% of duty, in case where the details of transactions are recorded [Period involved - 8.4.2011 - upto the date of assent to the Finance Bill, 2015]</p> <p>Penalty equal to 15% of duty, if duty, interest and penalty paid within 30 days of communication of SCN</p> <p>Penalty equal to 25% of duty, if duty, interest and penalty paid within 30 days of the date of communication of order of the Central Excise officer</p>

(effective from the date the Finance Bill receives the assent of the President)

PENALTY & RECOVERY – SCN ISSUED, NO ADJ.

Proceedings in the pending show cause notices can be closed as under;

- On payment of duty, interest and penalty @ 15% of the duty in cases **involving** fraud, collusion, willful mis-statement, etc. and
- On payment of duty and interest in cases **not involving** fraud, collusion, willful mis-statement, etc.,

within 30 days of the Finance Bill, 2015 receiving the assent of the President

- However, for cases, where **no order has been passed** till enactment of Finance Bill, reduced penalty@ 25% of duty or 25% of penalty imposed, as the case may be, will be payable, if the duty, interest and penalty is paid within 30 days of communication of the adjudication order

MISCELLANEOUS

- Registration process in Central excise is being simplified. Registration within 2 days.
Post verification of documents and premises *
- Penal provision for delay in filing of returns has been increased upto Rs. 20,000/-*
- Amended provision of Section 11A and 11AC applicable, in case no SCN has been issued before the date of enactment of Finance Bill**
- In case where recovery of interest(only) is in dispute, the relevant date would be *“the date of payment of duty to which such interest relates”***

* (effective from 01.03.2015)

** (effective from the date the Finance Bill receives the assent of the President)

CHANGES IN EXCISE RATE

- The effective rate of Clean Energy Cess is being increased from Rs. 100 per ton to Rs. 200 per ton
- Excise duty on sacks and bags of polymers of ethylene, other than for industrial use, is being increased to 15%
- All goods falling under Chapter sub-heading 2101 20, including iced tea, are being notified under section 4A of the Central Excise Act for the purpose of assessment of Central Excise duty with reference to the Retail Sale Price with an abatement of 30%
- Goods, such as lemonade and other beverages, are being notified under section 4A of the Central Excise Act for the purpose of assessment of Central Excise duty with reference to the Retail Sale Price with an abatement of 35%.
- Excise duty of 2% without CENVAT credit or 6% with CENVAT credit is being levied on condensed milk put up in unit containers. Condensed milk is also being notified under section 4A of the Central Excise Act for the purpose of valuation with reference to the Retail Sale Price with an abatement of 30%

CHANGES IN EXCISE RATE

- Excise duty of 2% without CENVAT credit or 6% with CENVAT credit is being levied on peanut butter
- Excise duty on chassis for ambulances is being reduced from 24% to 12.5% subject to actual user condition
- Concessional excise duty of 6% on specified goods for use in the manufacture of electrically operated vehicles and hybrid vehicles, presently available upto 31.03.2015, is being extended upto 31.03.2016
- Duty of excise on cigarettes is being increased by 25% for cigarettes of length not exceeding 65 mm and by 15% for cigarettes of other lengths etc.
- Excise duty on cut tobacco is being increased from Rs. 60 per kg to Rs. 70 per kg
- Excise duty on wafers for manufacture of integrated circuit (IC) modules for smart cards is being reduced from 12% to 6%, subject to actual user condition
- Excise duty on inputs for use in the manufacture of LED drivers and MCPCB for LED lights, fixtures and lamps, is being reduced from 12% to 6%, subject to actual user condition

CHANGES IN EXCISE RATE

- Excise duty on pig iron SG grade and Ferro-silicon-magnesium for manufacture of Cast components of wind operated electricity generators is being fully exempted, subject to certification by MNRE in this regard
- Excise duty structure of NIL without CENVAT credit or 12.5% with credit is being prescribed for solar water heater and system
- Excise duty on round copper wire and tin alloys for manufacture of Solar PV ribbon for manufacture of solar PV cells is being fully exempted subject to certification by Department of Electronics and Information Technology
- Excise duty on leather footwear (footwear with uppers made of leather of heading 4107 or 4112 to 4114), of Retail Sale Price of more than Rs. 1000 per pair is being reduced from 12% to 6%
- Tariff rate of excise duty on goods falling under Chapter sub-heading 2523 29 (Cement other) is being increased from Rs. 900 per ton to Rs. 1000 per ton
- Duty of excise on “waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured” falling under Chapter sub-heading 2202 10 is being increased from 12% to 18%



2015-2016

UNION BUDGET

INDIRECT TAX ANALYSIS

CUSTOMS

PENALTY & RECOVERY

Particulars	Current	Proposed
Section 28(5) In cases involving fraud, collusion etc	25% of the duty specified in the SCN provided duty, interest & penalty has been paid within 30 days of receipt of notice.	15% of the duty specified in the SCN provided duty, interest & penalty has been paid within 30 days of receipt of notice.
Transitional Provision	-	All pending cases where SCN has been issued but order determining duty has not been passed shall be deemed to be concluded if the duty, interest and penalty (as discussed above) is paid in full within 30 days from the day the finance bill receives the Assent of the President.
Section 112(b)(ii)/114(ii) Penalty for Improper Importation / Improper Exportation of dutiable goods other than prohibited goods	Maximum 100% of duty	Maximum 10% of Duty 25% of penalty imposed in the Order, if paid with duty & interest within 30 days.

(effective from the date the Finance Bill receives the assent of the President)

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

CHEMICAL & PETROCHEMICAL INDUSTRY

Description	Chapter Sub-Heading	Current	Revised
Ulexite Ore	2528	2.5%	Nil
Liquefied Butanes	2711 13 00	5%	2.5%
Isoprene	2901 24 00	5%	2.5%
Styrene	2902 50 00	2.5%	2%
Ethylene Dichloride	2903 15 00	2.5%	2%
Vinyl Chloride Monomer	2903 21 00	2.5%	2%
Anthraquinone	2914 61 00	7.5%	2.5%
Butyl Acrylate	2916 12 10	7.5%	5%

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

FERTILIZER INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Sulphuric Acid	2807 00 10	7.5%	5%^

RENEWABLE ENERGY

Descriptions	Chapter Sub-Heading	Current	Revised
Evacuated tubes with Three layers of Solar Selective Coating	8419	Varying Rates	Nil^*
Active Energy Controller	8504	7.5%	5%^

^ The reduction in Duty is for production of Specified Goods

* The reduction in Duty is based on Actual User Condition

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

ELECTRONIC & HARDWARE INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Parts , components or accessories for use in manufacture of Tablet Computers and their subparts	Any Chapter	Varying Rates	BCD - Nil [^] * CVD – Nil
C- Block Compressor & Crank Shaft	8414 90 11	7.5%	5% [^]
Over Load Protector & Positive Thermal Co-Efficient	8536 20 90	7.5%	5% [^]
Specified components of CNC Lathe machines & Machining Centres	8537 10 00	7.5%	2.5%*
Ball Screws	8483 40 00	7.5%	2.5%*

[^] The reduction in Duty is for production of Specified Goods

* The reduction in Duty is based on Actual User Condition

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

ELECTRONIC & HARDWARE INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Linear Motion Guides and CNC Systems	8466 93 90	7.5%	2.5%*
Zirconia Compounds	2825 60 20	7.5%	5%^*
Cerium Compounds	2846 10 90	7.5%	5%^*
Zeolite	3824 90 90	7.5%	5%^*
Parts and Components of Cash Dispenser and Automatic Bank Note Dispenser	8473 40	7.5%	Nil
Water Blocking Tape	3919 90 90	10%	7.5%^*
EPDM	4002 70 00	10%	7.5%^*
Mica Glass Tape	6814 90 90	10%	7.5%^*
High Density Polyethylene	85	10%	Nil^*
Metal parts	7325	10%	7.5%^*

^ The reduction in Duty is for production of Specified Goods

* The reduction in Duty is based on Actual User Condition

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

ELECTRONIC & HARDWARE INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Parts and components of Digital Still Image Video Camera	85 or any Chapter	5%	Nil
Digital Still Image Video Camera	8525 80 20	10%	Nil
Organic LED TV Panels	8529	10%	Nil
Black Light Unit Module	8529	10%	Nil ^{^*}
Magnetron up to 1 KW	8540 71 00	5%	Nil ^{^*}
Parts and components of Digital Still Image Video Camera	85 or any Chapter	5%	Nil

[^] The reduction in Duty is for production of Specified Goods

^{*} The reduction in Duty is based on Actual User Condition

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

ELECTRONIC & HARDWARE INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Digital Still Image Video Camera	8525 80 20	10%	Nil
Organic LED TV Panels	8529	10%	Nil
Black Light Unit Module	8529	10%	Nil [^] *
Magnetron upto 1 KW	8540 71 00	5%	Nil [^] *

[^] The reduction in Duty is for production of Specified Goods

*The reduction in Duty is based on Actual User Condition

~ CVD Rate

REDUCTION IN BASIC CUSTOM DUTIES ON IMPORT

HEALTHCARE INDUSTRY

Descriptions	Chapter Sub-Heading	Current	Revised
Specified Goods for manufacture of Pacemaker	Any chapter	Varying Rates	Nil*~
Specified Goods for manufacture of Flexible Medical Video Endoscope	Any chapter	Varying Rates	2.5%
Artificial Heart	Any Chapter	5%	Nil

OTHERS

Descriptions	Chapter Sub-Heading	Current	Revised
Antimony Metal	8110 10 00	5%	2.5%
Antimony Waste & Scrap	8110 20 00	5%	2.5%

**The reduction in Duty is based on Actual User Condition*

~ CVD Rate

INCREASE IN BASIC CUSTOM DUTIES

Descriptions	Chapter Sub-Heading	Current	Revised
Metallurgical Coke	2704 00	2.5%	5%
Motor Vehicles for Transport of Ten or more persons	8702	10%	20%
Motor Vehicles for Transport of Goods	8704	10%	20%

INCREASE IN ROAD CESS

Descriptions	Chapter Sub-Heading	Current	Revised
Motor Spirit (Petrol)	2710	2 per litre	6 per litre~
High Speed Diesel Oil	2710	2 pre litre	6 per litre~

REDUCTION IN SPECIAL ADDITIONAL DUTY

Descriptions	Chapter Sub-Heading	Current	Revised
Naphtha	2710	4%	2%
Styrene	2903 50 00	4%	2%
Ethylene Dichloride	2903 15 00	4%	2%
Vinyl Chloride Monomer	2903 21 00	4%	2%
Melting Scrap of Iron or Steel, Stainless Steel scrap	7204	4%	2%
Copper Scrap, Brass Scrap	7404	4%	2%
Aluminous Scrap	7602	4%	2%
All goods except PCB for manufacture of ITA bound goods	Any Chapter	4%	Nil*

* The reduction in Duty is based on Actual User Condition

REDUCTION IN SPECIAL ADDITIONAL DUTY

Descriptions	Chapter Sub-Heading	Current	Revised
Specified Goods for manufacture of Pacemaker	Any Chapter	4%	Nil*
All goods for manufacture of LED Driver and MCPCB for LED lights and Fixtures & LED Lamps	Any Chapter	4%	Nil*

** The reduction in Duty is based on Actual User Condition*

AMENDMENT IN CUSTOM TARIFF RATES

Chapter Heading	Description	Tariff Rate		Effective Rate as per Notification No. 12/2012 dated 17.03.2012 as amended
		Current Rate	Revised Rate*	
2701 12 00	Bituminous Coal	55%	10%	No change
72	Iron and Steel	10%	15%	No change
73	Articles of Iron & Steel	10%	15%	No change
8702	Motor Vehicles for the transport of Ten or more persons	10%	40%	Increased from 10% to 20%
8704	Motor Vehicles for the transport of Goods	10%	40%	Increased from 10% to 20%

MEGA POWER PROJECTS

- In case of imports for a project for which the certificate regarding Mega Power Project is provisional, the exemption is available subject to condition that importer furnishes a bank guarantee or a fixed deposit for a term of 36 months or more. The period of 36 months have been extended to 66 months.



2015-2016

UNION BUDGET

INDIRECT TAX ANALYSIS

COMMON CHANGES

COMMON CHANGES

- The facility of Advance Ruling is being extended to all resident firms and will include LLP, sole proprietorship, one person company etc. *
- Provisions have been made for issuance of digitally signed invoices and preservation of records in electronic form by a manufacturer/service provider. The conditions and procedure in this regard shall be specified by the CBEC *
- Provisions have been made for initiating recovery proceedings without service of SCN, in case service tax due is self assessed, declared in the return, but remains unpaid, by way of attachment of property, adjustment of money owing by the department etc.**
- Cases remanded to adjudicating authority for fresh adjudication or decision not entitled for Settlement Commission **

* (effective from 01.03.2015)

** (effective from the date the Finance Bill receives the assent of the President)



2015-2016

UNION BUDGET

INDIRECT TAX ANALYSIS

GOODS & SERVICE TAX

GST IMPLEMENTATION

- Finance Minister in budget speech mentioned about 1st April 2016 time line.
- No Road Map specifically for GST announced which was expected.
- Challenges Ahead for GST
 - ❑ Constitutional Amendment Bill
 - ❑ Draft Legislature & Place of Supply Rules
 - ❑ IT & Administrative Challenges

INDUSTRY EXPECTATION IN BUDGET

- This was last Budget, if GST was to be introduced from 1st April 2016.
- Numerous recommendations provided in Pre Budget Memorandum were missed
 - ☐ Pre deposit for filing Appeal
 - ☐ Significant disparity between Interest on demand and refund
 - ☐ Treatment of Commission received in foreign exchange – POP Rules
 - ☐ Herculean compliance under Reverse Charge Mechanism
 - ☐ Restriction on availment of Cenvat credit on Civil works
 - ☐ Treatment of Drawings & Design chargeable to Customs & Service Tax
 - ☐ Payment of Service Tax under RCM on import of service through CENVAT



// THANK
YOU



HELPING CLIENTS KEEP MORE OF WHAT THEY EARN BTA