



**The Malad
Chamber of
Tax
Consultants**

MNW/I75/2021-23

Total Pages 12

Price ₹ 5/-

42 Years

MCTC Bulletin

"Every Passing Minute is Another Chance to Turn it Around"

E-mail: maladchamber@gmail.com

Website : www.mctc.in

Regd. Office : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064. Mobile : 7039006655
Admn. Office : C/o. Brijesh Cholera : Shop No. 4, 2nd Floor, The Mall, Station Road, Malad (W), Mumbai-400 064

Vol. 1, No. 11

For members & private circulation only

May, 2022



President's Communique

Dear Members

It is heartening to see things coming back to normalcy after a hiatus of two years. People are enjoying their long awaited and much deserved vacations/outings which will give not only fresh dose of positive energy to them but also help getting the tourism industry back on its feet.

Crude oil prices and recent inflation figures are worrisome and hopefully will be brought in control soon by the aggressive policies being planned and put in force by the central government. Early resolution of the Ukraine – Russia conflict will also help a lot in this regards.

The Supreme Court judgement giving legality to on Section 148 notices issued between April and June 2022 has amused the professional brothers as to the consequences. A session to explain the same was conducted in association with AIFTP – West Zone on 14th May 2022. The session was well attended and learned speaker, Senior Advocate Shri Feroz B. Andhyarujina explained the issue with conviction.

I request you to kindly take advantage of the opportunity of joining the three study circles formed by the chamber – one each on direct tax, indirect tax and capital market.

I also request you to kindly participate in the 'Gift a Membership' drive of the chamber and help spread the benefits of the chamber to as many tax professionals as possible.

Also, humble request to please donate eyes and inspire people to donate eyes.

नेत्रदान से आएगी क्रांति, जरूरतमंद के घर आएगी सुख-शांती।

Regards

CA Jignesh Savla
President

Do you know?



All donor eyes are acceptable irrespective of the donor's age, including eyes of premature/still-born babies.

Request: Members please send your Mobile No & Email ID to update list of life members.
Please send message on 7039006655 or email to maladchamber@gmail.com

For Queries & Submission of Forms for Membership/Seminar please contact any of the following Office Bearers:

Name	Designation	Contact Nos.	E-mail
Jignesh Savla	President	9820260070	cajigneshsavla@gmail.com
Ujwal Thakrar	Vice-President	9819946379	ujwalthakrar@gmail.com
Khyati Vasani	Hon. Treasurer	9833288584	khyativasani@yahoo.com
Jitendra Fulia	Hon. Secretary	9820997205	jitendrafulia@rediffmail.com
Rajen Vora	Hon. Secretary	9819807824	vora.rajen@rediffmail.com

Life Membership Fees ₹ 2,500



The Malad Chamber of Tax Consultants

Regd. Office : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064.

Admn. Office : C/o. Brijesh Cholerra : Shop No. 4, 2nd Floor, The Mall, Station Road, Malad (W), Mumbai-400 064

Mobile : 7039006655 **E-mail**: maladchamber@gmail.com

NOTICE OF ELECTION

To
The Members,
The Malad Chamber of Tax Consultants

The Election of the President and Twelve Members of the Managing Committee for the ensuing year 2022-23 shall take place on Sunday 03rd July, 2022 at 10.00 am Virtually on Zoom Platform to transact the following business.

Nominations in the prescribed form should be filed so as to reach not later than 6.00 p.m. on Wednesday, 15th June, 2022.

FOR THE MALAD CHAMBER OF TAX CONSULTANTS

Sd/-

RAJEN VORA / JITENDRA FULIA
(HON. SECRETARIES)

Place: Mumbai

Dated: 16th May 2022

1. Members in arrears of membership subscription shall not be entitled to contest the election or to propose or second any candidate for the election or to vote at the election.
2. Withdrawal of nomination for the elections can be made by the candidate on or before 6.00 p.m. of Saturday, 25th June, 2022.
3. The Managing Committee has appointed Shri J. D. Rawal and Shri Ramesh Gandhi as Election Committee members for the election of the President and 12 Managing Committee Members.
4. Nomination for the post of President and Managing Committee Members may please be collected and sent to the office of Shri Brijesh M. Cholera, Shop No. 4, 2nd Floor, The Mall, Station Road, Malad-West, Mumbai-400064.
5. The voting, if required, will commence at 10.00 a.m. and end at 10.30 a.m.



The Malad Chamber of Tax Consultants

Regd. Office : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064.

Admn. Office : C/o. Brijesh Cholerra : Shop No. 4, 2nd Floor, The Mall, Station Road, Malad (W), Mumbai-400 064

Mobile : 7039006655 **E-mail:** maladchamber@gmail.com

NOTICE OF ANNUAL GENERAL MEETING

To
The Members,
The Malad Chamber of Tax Consultants

Notice is hereby given that 43rd ANNUAL GENERAL MEETING of THE MALAD CHAMBER OF TAX CONSULTANTS will be held on Sunday, 03rd July, 2022 at 10.45 a.m. on Zoom Platform Virtually to transact the following business :

AGENDA

1. To read and confirm minutes of the last Annual General Meeting held on 04th July, 2021.
2. To receive and adopt Audited Statement of Accounts of the Chamber for the year ended 31-03-2022 along with Auditors Report and Annual Report of the Managing Committee for the period from 04.07.2021 to 03-07-2022.
3. To appoint auditors for the year 2022-23 and to fix their honorarium.
4. To declare results of the election of the President and Twelve Members of the Managing Committee for the year 2022-23.
5. To transact any other business with the permission of the Chair.

FOR THE MALAD CHAMBER OF TAX CONSULTANTS

Sd/-

RAJEN VORA / JITENDRA FULIA
(HON. SECRETARIES)

Place: Mumbai

Dated: 16th May 2022

Registered Office: B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (West), Mumbai-400 064.

Notes

1. The report of the Managing Committee, Auditor's Report and Audited Statements of Account will be emailed to all separately and same will be available on our website. However, on request in writing, the same will be sent to the members.
2. If there is no quorum by 10.45 a.m., the meeting will be adjourned for half an hour and the adjourned meeting shall be held at the same place with the same agenda and the members present will form the quorum.
3. The queries, if any, on Accounts and Annual Report should be sent at least 3 days before the day of A.G.M. at the Administrative office c/o: Shri Brijesh Cholera, Shop No. 4, 2nd Floor, The Mall, Station Road, Malad (W), Mumbai-400064
4. Any member desiring to move any resolution at the Annual General Meeting should send the proposed resolution at the above administration office on or before 30th June, 2022.

DIRECT TAX CASE LAWS

Compiled by CA Rupal Shah
(Partner at RHDB & Co LLP)



Jetha Properties (P.) Ltd. vs. CIT

Citation: [2022] 136 taxmann.com 384, Bombay HC, 9 December 2021

Expenditure on raising floor height of warehousing – revenue expenditure

Facts:

Assessee Company was a warehouse keeper in an area that is prone to water logging during monsoons. The Company's biggest tenant was Bombay Dying Co. which occupied 90% of its area. Due to water logging certain goods of the tenant were damaged and the tenant cautioned the Company that if it did not take any measures for water logging it would vacate the premises. On the advice of Chief Engineer of the Tenant, the assessee raised the floor height of its warehouse by 18 inches so that monsoon water would not enter its premises by incurring expense of Rs 10 Lakhs.

During assessment, Company claimed this expense as revenue expenditure whereas AO treated this as capital expenditures and disallowed the expense. The contention of assessee company is that by incurring this expenditure, no new asset came into existence.

Company further contended that as the expenditure was incurred only at the instance of the Customer to meet specific requirement of the Customer and the purpose and object of incurring this expenditure was to ensure continuity of business with the Customer and that to at enhanced rates, the expenditure should be allowed as revenue expenditure.

On the other hand, Department submitted that if the expenditure incurred was with a view to bring into existence advantage of enduring nature, it cannot qualify for deduction as revenue expenditure but should be considered as a capital expenditure.

The view of the AO was upheld by CIT(A) and ITAT both.

Held:

From Ballimal Naval Kishore, it is quite clear that the test to be borne in mind is that as a result of the expenditure, which is claimed as an expenditure for repairs what is really being done is to preserve and maintain an already existing asset.

In Dalmia Jain & Co. Ltd. the Apex court held where the expenditure laid out for the acquisition or improvement of a fixed assets is attributable to capital, it is a capital expenditure but if it is incurred to protect the trade or business of the assessee then it is a revenue expenditure.

In the present case, Appellant by spending the amount of Rs. 10,70,000/- did not bring into existing any new asset. The expenditure was incurred wholly and solely to ensure that the existing business with the tenant, which was offering attractive returns to Appellant, was continued uninterrupted. Thus, the expenditure so incurred is related to the carrying on or conducting of ware-house business of Appellant and hence, it should be regarded as an integral part of the profit earning process.

The expenditure, therefore, cannot be treated as capital expenditure but should be treated as revenue expenditure.

Cases referred to:

Ballimal Naval Kishore v. CIT [1997] 90 Taxman 402/224 ITR 414

Dalmia Jain & Co. Ltd. v. CIT [1971] 81 ITR 754, SC

K. V. Sridhar vs. ITO

Citation: [2022] 137 taxmann.com 313, ITAT Bangalore, 16 February 2021

Amount received for foregoing right in the Will of father – whether capital receipt of chargeable to tax.

Facts:

After demise of father, assessee filed a suit for partition and separate possession of his share of properties belonging to father. Assessee received from his mother a consolidated amount of Rs. 1.60 crores as per decree of Court in full satisfaction of his right, title and interest in properties of family. Court passed a decree in terms of compromise agreement between parties

According to Assessing Officer, all properties of father were given to mother under will and belonged to her absolutely - Thus, assessee had no rights whatsoever over property and therefore, sum of Rs.1.60 crores received by assessee from his mother was in nature of income chargeable to tax in hands of assessee.

On first appeal, CIT(Appeals) also held that said receipt fell within category of income specified in section 56(2)(vii)(a).

On second appeal before the Hon'ble ITAT,

Held:

The provisions of section 56(2)(vii)(a) will apply only when any sum of money is received, without consideration, the aggregate value of which exceeds fifty thousand rupees. Admittedly, the assessee received the sum of Rs.1.60 crores for giving up his rights over some of the items of the suit properties. The fact that all the items of suit properties were bequeathed to the assessee's mother under the will of KKV cannot be the basis to hold that the assessee did not have any rights whatsoever. The assessee had a right to question the validity of the will and had in fact filed the suit for partition and separate possession of his share of the suit properties. He gave up his rights to contest the will and in return received Rs.1.60 crores and a shop at Avenue Road. Therefore, the sum in question cannot be said to have been received without consideration.

It is therefore held that sum received by the assessee in the facts and circumstances of the case cannot be brought to tax. The addition made is therefore directed to be deleted.

The appeal of the assessee is allowed.



DIRECT TAXES - Law Update

Haresh P. Kenia



❑ **CBDT MADE RETURN FILING MANDATORY WHERE TURNOVER, TDS/TCS OR SAVING BANK DEPOSITS EXCEED CERTAIN LIMITS**
NOTIFICATION NO. 37/2022/F. NO. 370142/01/2020-TPL (PART 1) DATED 21-4-2022

CBDT has notified additional conditions U/s 139(1) for compulsory return filing under following situations:

1. Turnover or Receipts from business exceeds Rs 60 Lakhs ;Or
2. Gross Receipts from Profession Exceeds Rs 10 Lakhs ;or
3. TDS and TCS during the year exceeds Rs 25000 (Rs 50000 for resident above age of 60 years); or
4. Deposit in savings bank account is Rs 50 Lakhs or more.

❑ **INCOME-TAX (EIGHTH AMENDMENT) RULES, 2022 - AMENDMENT IN RULES 2F AND 8B; SUBSTITUTION OF FORM NO. 5B; INSERTION OF FORM NO. 5BA**

NOTIFICATION G.S.R. 275(E) [NO. 28/2022/F. NO. 370142/4/2022-TPL], DATED 6-4-2022

The above notification has been issued to enable the Infrastructure Debt Fund to issue, —

- (i) Rupee denominated bonds or foreign currency bonds in accordance with the directions of Reserve Bank of India and the relevant regulations under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended from time to time; or
- (ii) Zero coupon bonds in accordance with rule 8B

Consequential amendments and substitutions have been done in Rule 2F and 8B. Further Form no 5B has been substituted and Form No 5BA has been inserted.

❑ **E-DISPUTE RESOLUTION SCHEME, 2022**

NOTIFICATION S.O. 1642(E) [NO. 27/2022/F. NO. 370142/5/2022-TPL-PART1(PART1)], DATED 5-4-2022

The E-Dispute Resolution Scheme 2022 has been notified as above in exercise of the powers conferred by sub-sections (3) and (4) of section 245MA of the Income-tax Act, 1961.

❑ **INCOME-TAX (SEVENTH AMENDMENT) RULES, 2022 - INSERTION OF RULES 44DAA, 44DAB, 44DAC & 44DAD AND FORM NO. 34BC**

NOTIFICATION G.S.R 274(E) [NO. 26 /2022/F.NO. 370142/05/2022-TPL-PART 1(PART1)], DATED 5-4-2022

The above notification has been issued to enable the setting up of Dispute Resolution Committee and its working.

❑ **EPFO RELEASES CIRCULAR CLARIFYING COMPUTATION OF TAXABLE INTEREST RELATING TO CONTRIBUTION IN A PROVIDENT FUND EXCEEDING SPECIFIED LIMIT**

HO NO WSU/6(1) 2019/INCOME TAX/PART-1 (E-33306)/4581 DATED 06/04/2022

By above circular, the entire interest on PF account shall be segregated into taxable and non-taxable interest components through accounting software and TDS will be deducted on taxable interest component.

❑ **INCOME-TAX (SIXTH AMENDMENT) RULES, 2022 - INSERTION OF RULE 21AAA AND FORM NO. 10-EE**

NOTIFICATION G.S.R. 256(E) [NO. 24/2022 [F. NO. 370142/7/2022-TPL], DATED 4-4-2022

The above notification has been issued by CBDT in exercise of the powers conferred by section 89A, read with section 295 of the Income-tax Act, 1961 for taxation of income from retirement benefit account maintained in a notified country.

❑ **CBDT EXTENDS LAST DATE FOR FILING FORM NO. 10AB FOR SEEKING REGISTRATION OR APPROVAL UNDER SECTION 10(23C), 12A OR 80G OF THE INCOME-TAX ACT, 1961**

PRESS RELEASE, DATED 31-3-2022

On consideration of difficulties in electronic filing of Form No.10AB as stipulated in Rule 2C or 11AA or 17A of the Income-tax Rules, 1962, the Central Board of Direct Taxes (CBDT), extends the last date for electronic filing of Form No.10AB.

The application for registration or approval under section 10(23C), 12A or 80G of the Act in Form No.10AB, for which the last date for filing falls on or before 29th September, 2022, is extended to 30th September, 2022.

❑ **CENTRAL GOVERNMENT RELAXES PROVISIONS OF TCS UNDER SECTION 206C (1G) OF THE INCOME-TAX ACT, 1961 IN RESPECT OF NON-RESIDENT INDIVIDUALS VISITING INDIA**

PRESS RELEASE, DATED 31-3-2022

Section 206C (1G) of the Income-tax Act, 1961 ("the Act") provides for collection of tax by a seller of an overseas tour programme package from a buyer, being a person purchasing such package, at the rate of 5% of the amount of the package.

Representations were received from domestic tour operators who were facing difficulties in collection of tax from non-resident individuals visiting India who were booking overseas tour package from such domestic tour operators. Since such persons may not have a PAN, tax is required to be collected at higher rates. Further, such non-residents may find it difficult to furnish their ITR and claim refunds.

In order to remove such difficulties, the Central Government, in exercise of powers conferred under section 206C (1G) of the Act, has specified that the provisions of the said section shall not apply to a buyer being an individual who is not a resident in India in terms of clause (1) and clause (1A) of section 6 of the Act and who is visiting India. Hence, a domestic tour operator is not required to collect tax on sale of overseas tour package to non-resident individuals visiting India.

❑ **FACELESS INQUIRY OR VALUATION SCHEME, 2022**

NOTIFICATION S.O. 1468 (E) [NO. 19/2022/F. NO. 370142/15/2022-TPL], DATED 30-3-2022

The above notification has been issued in exercise of the powers conferred by sub-sections (1) and (2) of section 142B of the Income-tax Act, 1961, the Central Government has notified the above scheme.

❑ **INCOME-TAX (THIRD AMENDMENT) RULES, 2022 - AMENDMENT IN RULES 114 AND 114AAA**

NOTIFICATION G.S.R. 229(E) [NO. 17/2022/F. NO. 370142/14/2022-TPL], DATED 29-3-2022

The above notification has been issued by CBDT in exercise of the powers conferred by sections 139AA and 234H, read with section 295 of the Income-tax Act, 1961

Every person who, in accordance with the provisions of sub-section (2) of section 139AA, is required to intimate his Aadhaar number to the prescribed authority in the prescribed form and manner, fails to do so by the date referred to in the said sub-section, shall, at the time of subsequent intimation of his Aadhaar number to the prescribed authority, be liable to pay, by way of fee, an amount equal to, —

- (a) Five five hundred rupees, in a case where such intimation is made within three months from the date referred to in sub-section (2) of section 139AA; and
- (b) one thousand rupees, in all other cases.

GST ADVANCE RULING

Compiled by Jaideep P. Sonpal, Advocate

Writer is regular contributor to www.taxconsult.online



Applicant's Name : Khera Trading Company

Citation : Advance Ruling No. HAR/HAAAR/2018-19/06

The Haryana Appellate Authority of Advance Ruling (AAAR) bench held that 18% Goods and Service Tax (GST) is payable on pizza topping as pizza topping is not pizza.

THE AAAR, WHILE UPHOLDING THE AAR'S RULING- observed that "pizza topping" is a product made out of mozzarella cheese, vegetable oil, and milk solids as main ingredients, with premixes of emulsifiers and stabilizers." The mozzarella cheese is blended with other ingredients and heated to the required degree. After heating, the material is transferred to a mould with the requisite capacity for packing the product into pouches containing smaller quantities (1 kg and 200 g). These pouches are sealed and packed in an outer carton. The product cannot be termed "processed cheese."

However, there is no doubt that, being an edible preparation for human consumption, it would merit classification under Chapter 21, i.e., "Miscellaneous Edible Preparations." Once the chapter is decided, a careful examination of different entries under Chapter 21 reveals that the quest for appropriate classification rests finally at 2106 90 99, the residual entry, as the product itself does not find a specific place anywhere else in Chapter 21.

"We thus conclude that the impugned product, viz., "Pizza Topping," would merit classification as "Food preparations not elsewhere specified or included" under Chapter Heading 2106 of the schedule to the Customs Tariff Act, 1975," the AAAR added and GST will be chargeable @18%.

Conclusion: An applicant can apply for advance ruling even before taking up a transaction (proposed supply of goods or services) or in respect of a supply which is being undertaken. The only restriction is that the question being raised is already not pending or decided in any proceedings in the case of applicant. An advance ruling pronounced by AAR or AAAR shall be binding only on the applicant and on the concerned officer or the jurisdictional officer in respect of the applicant. This clearly means that an advance ruling is not applicable to similarly placed other taxable persons in the State.

GST High Court Decisions:

1. Gujarat High Court gave GST relief to homebuyers, plot purchasers & real estate investors in Munjaal Manishbhai Bhatt Vs. UOI

Under GST law in India, GST is applicable on purchase of under-construction real estate. It may be noted that the GST is leviable on the entire contract value minus the value of land. However, there is a mandatory deeming fiction which provides that 1/3rd of the total amount charged as attributable towards sale of land, irrespective of the actual value of land.

The constitutional validity of this deeming fiction has been challenged in multiple high courts, finally the Gujarat High Court has come out with the first judgment in this regard in favour of the taxpayers. Gujarat High Court held that the provision granting mandatory one third deduction towards the value of land for computing value liable for GST in case of purchase of under construction property as unconstitutional. It hold that such mandatory deduction is not sustainable in cases where the value of land is clearly ascertainable or where the value of the construction service can be derived with the aid of valuation rules. Where such values are not available, such mandatory one third deduction towards the value of land can still be availed.

2. No notice served prior to Inspection of Premises: Delhi HC sets aside Order of cancellation of GST Registration in Micro Focus Software Solutions India Private Limited Vs UOI

The Delhi High Court has set aside the order of cancellation of GST registration due to No notice served prior to inspection of premises. The petitioner, Micro Focus Software Solutions

India Private Limited received a show-cause notice stating that not being found functioning or existing at the given address. The petitioner in response to show cause notice replied that from December 2019 month onwards, the company discontinued its business operations in Delhi and therefore, had not renewed the lease agreement. However, the company did not apply for cancellation of GST registration on grounds of practical business challenges. The petitioner further submitted before the department through its reply that the company is in the process of preparing and filing Form GSTR-9 and GSTR-9C for FY 2018-19 which is due for filing by 31 December 2020 and would apply for cancellation of registration suo-moto post-filing of GSTR-9 and GSTR-9C for FY 2018-19 and furnishing of refund claim against excess payment of tax made during FY 2018-19. The respondent without considering the reply canceled the GST registration of the company. The aggrieved petitioner applied for revocation of cancellation, which was also dismissed by the department. Hence the petitioner filed a writ petition against the order of the department for cancellation of GST registration and against the dismissal of the application for revocation of such cancellation. Mr Harish Bindumadhavan, advocate appears on behalf of the petitioner submitted that there has been a complete violation of principles of natural justice. As per Rule 25 of the Central Goods & Service Tax Rules, 2017, before carrying out a physical inspection, notice had to be given to the petitioner. The counsel for the appellant further submitted that no such notice was given to the appellant. The division bench presided by Mr. Justice Rajiv Shakdher and Ms. Justice Poonam A. Bamba has observed that the petitioner, admittedly, filed a reply, in which reasons were set out as to why the petitioner wished to continue with its registration. When the GST registration cancellation order was passed, the concerned officer had with him the reply filed by the petitioner. But there is no reference to the said reply or the reasons set out therein, in the cancellation order. The High Court further observed that the order whereby the application for revocation was rejected shows that an inspection was carried out on the premises of the petitioner. Rule 25 requires an inspection to be done in the presence of the person whose property is being inspected; it was not done as the petitioner had no notice of the inspection. The High Court, for the foregoing reasons, set aside the cancellation of GST registration and dismissal of the application for revocation of cancellation.

3. Bonafide mistake in selection of wrong vehicle in E-Way Bill: Gujarat HC orders to release detained goods in Dhabriya Polywood Ltd Vs UOI :

In a significant ruling, the Gujarat High Court has quashed the detention order noting that there was a bonafide mistake in the selection of the wrong ODC vehicle type while generating the e-way bill. The petitioner, M/sVaibhavi K Parikh observed that the goods were moved by a truck whose registration number was also correct. The only mistake in this case was the selection of the wrong ODC vehicle type while generating the e-Way Bill. The division bench of Justice J.B. Pardiwala (as then was) and Justice Nisha M. Thakore observed that the goods were in transit with all the necessary documents, including the E-way bill generated from the GST portal. The bench observed that the CBIC circular makes it clear that in case a consignment of goods is accompanied with an invoice or any other specified document and also an e-way bill, the proceedings under Section 129 of the CGST Act may not be ordinarily initiated, more particularly, in the situation, as highlighted in para 5 of the circular. "We are of the view that the goods of the writ applicant fall within Clause 5 of the circular referred to above. The manner in which the writ applicant has proceeded so far and also having regard to the fact that very promptly he brought to the notice of the authority concerned and admitted its mistake, we would like to give the writ applicant some benefit of doubt," the bench said. Allowing the writ petition, the bench held that "The impugned notice issued by the respondent No.3 in Form GST MOV – 07 dated 12th April 2022 is hereby quashed and set aside. Consequently, the order of detention passed by the respondent in view of the aforesaid, this writ application succeeds and is hereby allowed. The impugned notice issued by the respondent No.3 in Form GST MOV – 07 dated 12th April 2022 is hereby quashed and set aside."

Other GST Updates

GSTN on Jugaad Mode: Reporting 6% rate in GSTR-1

A new tax rate of 6% IGST or 3% CGST+ 3% SGST has been introduced on certain goods vide Notification No. 02/2022 dated 31st March 2022. Changes are being made on the GST portal to include this rate in GSTR-1. As a temporary measure, taxpayers who have to report goods at this rate may do so by reporting the entries in the 5% heading and then manually increasing the system computed tax amount to 6%. This can be done by entering the value in the 'Taxable value' column next to 5% tax-rate and then increasing the system computed tax-amount to 6% IGST or 3% CGST + 3% SGST in the 'Amount of Tax' column under the relevant Table, namely B2B, B2C or Export, as applicable. This will ensure that correct tax amount is reported in GSTR-1. Meanwhile, this rate will be made available on the GST portal shortly.



STUDENTS' CORNER

BLACKROCK – WORLD'S BIGGEST INVESTMENT MANAGEMENT COMPANY

Compiled by Harsh Joshi



BlackRock Inc, an American Investment Management Corporation, is considered to be the World's largest asset manager with more than USD 10 trillion worth of assets under its management.

How does it make money?

The firm offers investment and technology services to retail and institutional clients all over the globe. It is the parent company of iShares group of ETFs (World's Largest ETF provider)

Background

BlackRock was formed in 1988 by Larry Fink and other seven co-founders and within months, the company's assets reached USD 2.7 Billion. In the year 2000, BlackRock launched BlackRock Solutions (the analytics and risk management division of BlackRock Inc) which created the Aladdin System – a Risk Management platform which analyses and tracks investors' portfolios. As of 2020, it managed USD 21.6 trillion in assets.

Conflict of Interest?

BlackRock also has shares and voting rights in the biggest European companies in energy, oil, gas, food and finance. It also performs advisory and audit roles in Banks to provide advice under its arm of 'BlackRock Solutions' and at the same time, it is a major shareholder in these same banks. Since BlackRock gets access to highly sensitive information which could be valuable to BlackRock itself, this could act as conflict of interest. However, the company claims that it has established 'Chinese Walls' between its different arms.

ESG Promotion

In 2017, it started using its influence to promote ESG (Environment Social Corporate Governance) issues by means of letters to CEOs and shareholder votes, one of which caused ExxonMobil (responsible for 2% of World's gas emissions) to act on climate change.

Public Outlook

BlackRock has been criticized in the past for its investment in fossil fuel companies and investments in Chinese companies, some of which had been blacklisted by the US Government for human rights abuses. Due to its size and scope of its activities, it often has been called as the **world's largest shadow bank**.



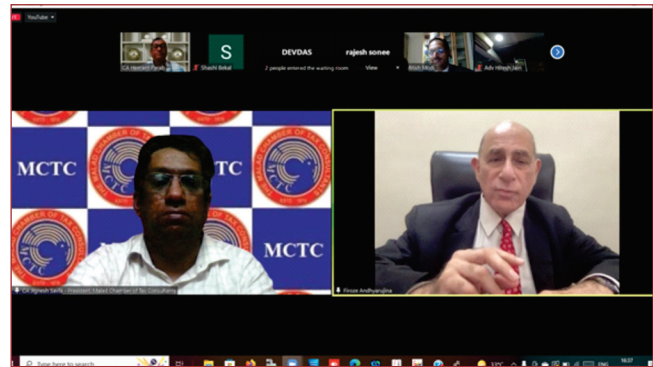
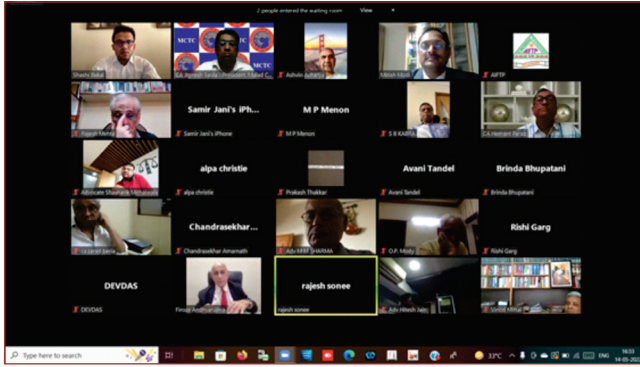


Follow us on Facebook:
www.facebook.com/themaladchamberoftaxconsultants
Subscribe to our YouTube Channel:
<https://www.youtube.com/c/themaladchamberoftaxconsultants>
Website: www.mctc.in

Scan the code below to avail Life Membership of MCTC



MEETING ON SUPREME COURT JUDGEMENT ON SECTION 148.



Disclaimer : Though utmost care is taken about the accuracy of the matter contained herein, the Chamber and/or any of its functionaries are not liable for any inadvertent error. The views expressed herein are not necessarily those of the Chamber. For full details the readers are advised to refer to the relevant Acts, Rules and relevant Statutes.

Printed by Kishor Dwarkadas Vanjara published by Kishor Dwarkadas Vanjara, on behalf of The Malad Chamber of Tax Consultants, and Printed at Finesse Graphics & Prints Pvt. Ltd., 309, Parvati Industrial Premises, Sun Mill Compound, Lower Parel, Mumbai-400 013. Tel. Nos.: 2496 1685/2496 1605 Fax No.: 24962297 and published at The Malad Chamber of Tax Consultants B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai-400 064. Adm. Off. Tel. 022-2889 5161

• Editor : Shri Kishor Vanjara

Associate Editor of MCTC Bulletin : Shri Brijesh M. Cholera

Posted at Malad ND (W) Post Office, Mumbai-400 064

Date of Publishing 3rd Week of Every Month
Date of Posting : 20th & 21st May, 2022

To

If undelivered, please return to :

The Malad Chamber of Tax Consultants,
B/6, Star Manor Apartment, 1st Floor,
Anand Road Extn., Malad (W),
Mumbai-400 064

