



GURUGRAM BRANCH OF NIRC
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
set up by an act of parliament

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Dear Professional Friends,

Namaskar,

With Great Zeal and Enthusiasm We welcome Navrataras and upcoming Festival Season of Dusshera, Karva Chauth and then Diwali. Hope this will add victorious milestones in your professional and personal life. My Bright colours dominate in your life this year

Post July the focus/burden has been increased due to GST compliances and day to day announcements for changes in GST law. To abreast the members with the filing of GST returns and transitional forms and other amendments, Group discussions are being organized on week basis so that any query related to the same is being sorted out.

The audit season has also started and the new reporting requirements is crucial post demonetization. To equip members with latest updates and developments in the accounting and auditing field a seminar on CARO, Audit and Auditors under Companies Act has been organized by our branch which has got overwhelming response from members.

Our Branch has also organized Seminar on Newly Incorporated Law for banking industry i.e Insolvency and Bankruptcy code and another one to regulate real estate industry RERA (Real Estate Regulation Act) which has been attended by large number of members.

We are also happy to Announce that We are hosting a 3 Days Residential Workshop on GST organized by Indirect Taxes committee of ICAI at Shimla for which the details have been sent through mail to all the members so members are hereby requested to join in big numbers to make the programme successful.

The due date of GST return filing and Income Tax returns/Tax Audit has been extended till 31st oct 2017. Let's plan our work well in advance to complete it within timelines so as to enjoy Diwali and other Festival with our family and friends.

Wishing all respected members and students a busy season ahead.



CA. Sandeep Garg
(Chairman)
Gurugram Branch of NIRC
of ICAI

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Dream Big: Dreams transform into thoughts and thoughts result in action. Let your Dreams be bigger than your fears, your actions louder than your words and your faith more vehement than your feelings. In the words of our beloved past president of India Dr. A.P.J. Abdul Kalam **"Dream is not what you see in sleep, Dream is something which doesn't let you sleep"**. I appeal all my members and students to Dream. Dreams are the seeds of change. Nothing ever grows without a seed and nothing ever changes without a dream. Dream on, move on and change the world.

Dear Professional Colleagues,

Our Institute is a creation of statute. We derive our strength from it and discharge the responsibilities placed on us by regulators and tax authorities. The period July to September is a busy time for every CA whether in practice or in service. The task of finalizing a balance sheet, filing tax returns etc. happens during this period and to top it all-important festivals demand our time. As usual this was a busy month with a number of academic activities for the Members and Students. Gurugram Branch has organised a number of seminars on various subjects like on ICDS, Tax Audits & Benami Transactions, CARO, Audit & Auditor under Companies Act 2013 and Analysis & Regulatory issues under GST. Various Group Discussions were also conducted on topics such as 'E-Way Bill Provision under GST' and GSTR-2. Also the Branch is organizing a residential Workshop for Members on Goods and Service Tax on 1st, 2nd & 3rd October 2017 at Kandaghat. The Branch has always strived and proven its mantle by walking the extra mile in its quest to ensure that each and every Member and Student across the entire Region is up to date with relevant information either through the elite galaxy of our expert members, who are always graciously ready to share their wide vista of knowledge and experience. As Benjamin Franklin once said, "An investment in knowledge pays the best interest." However, merely making the right investment is not enough. It needs to be nurtured and tended to constantly in order to reap rich dividends.

Knowledge enhancement is the key to our existence and unless we update we would become obsolete. Whether in practice or in industry, every one among us shall enhance the horizon of our knowledge so that the professional within us continue to serve the Nation with quality. It is rightly said, "Success is a journey and not a destination". Although, we professionals enjoy a premium position in the business and the economic world, there is always a scope for adding value to oneself both in terms of profile and knowledge. As Chartered Accountants, we have always followed the path of Justice, we are confident that all of us have positive outlook of the future. We need to play our part to rededicate ourselves to the growth of our nation

Let me take this opportunity to wish you all a very Happy 'Navratri', and believe that the festival will strengthen the bond and unity. The joyous, festive mood will continue further in the forthcoming festivals. In light of the transformation, and the positivity associated with it, I would like to end on this note: "Change is hard at first, Messy in the Middle & Gorgeous at the end..." – Robin Sharma



Manish Goyal

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MCA has notified 40 Indian Accounting Standards (Ind ASs) vide its notification dated February 16, 2015 and March 30, 2016. Indian Accounting Standards are the set of converged accounting standards notified by the MCA which are in line with IFRS as issued by the IASB but subject to certain carve outs (differences) as notified by the MCA. Ind AS are almost similar to the IFRS but with few carve outs so as to make them suitable for Indian Economic Environment. A carve out essentially means that certain requirements of an accounting standard under IFRS will not be adopted.

In this article a summary of significant differences between Ind AS and IFRS under Asset Group is provided.

International Accounting Standard 2 *Inventories*

1. Elimination of option on recognition of inventories as an expense based on function-wise classification
Paragraph 38 of IAS 2 dealing with recognition of inventories as an expense based on function-wise classification, has been deleted keeping in view the fact that option provided in IAS 1 to present an analysis of expenses recognised in profit or loss using a classification based on their function within the entity has been removed.

In Ind AS 2 this option has been deleted since Ind AS 1 permits only nature-wise classification of expenses.

International Accounting Standard 16 *Property, Plant and Equipment*

1. Elimination of option to reduce the government grant in arriving at the carrying amount of property, plant and equipment.

IAS 16 provides in relation to the measurement of

cost, the carrying amount of an item of property, plant and equipment may be reduced by government grants in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

In Ind AS 16, Paragraph 28 has been deleted since Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, does not permit the option of reducing the carrying amount of an item of property, plant and equipment by the amount of government grant received in respect of such an item, which is permitted in IAS 20.

International Accounting Standard 17 *Leases*

1. Measurement of land and building classified as investment property and valued at fair value model.

As per paragraph 18-19 of IAS 17, Separate measurement of the land and buildings elements is not required when the lessee's interest in both land and buildings is classified as an investment property in accordance with IAS 40 and the fair value model is adopted.

Not Applicable since Ind AS 40, Investment Property, prohibits the use of fair value model. Accordingly, paragraph 18-19 of Ind AS 17 has been deleted.

2. Treatment of escalation of lease rentals due to the general inflation

No guidance under IFRS

Paragraphs 33 and 50 of Ind AS 17 have been modified to provide that where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals shall not be straight lined.



International Accounting Standard 20 ***Accounting for Government Grants and Disclosure of Government Assistance***

1. Elimination of option to measure the non-monetary government grants at nominal value
IAS 20 gives an option to measure non-monetary government grants either at their fair value or at nominal value.

Ind AS 20 requires measurement of such grants only at their fair value. Thus, the option to measure these grants at nominal value is not available under Ind AS 20.

2. Elimination of option to present grants as deduction in arriving at the carrying amount of the asset.

IAS 20 gives an option to present the grants related to assets, including non-monetary grants at fair value in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Ind AS 20 requires presentation of such grants in balance sheet only by setting up the grant as deferred income. Thus, the option to present such grants by deduction of the grant in arriving at the carrying amount of the asset is not available under Ind AS 20.

International Accounting Standard 23 ***Borrowing Costs***

1. Guidance on exchange difference arising from foreign currency eligible for capitalization

IAS 23 provides no guidance as to how the adjustment prescribed in paragraph 6(e) is to be determined.

However in Ind AS 23, paragraph 6A is added to provide the guidance on the exchange difference arising from foreign currency eligible for capitalization.

“Para 6A. With regard to exchange difference

required to be treated as borrowing costs in accordance with paragraph 6(e), the manner of arriving at the adjustments stated therein shall be as follows:

(i) the adjustment should be of an amount which is equivalent to the extent to which the exchange loss does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency.

(ii) where there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment should also be recognised as an adjustment to interest.”

International Accounting Standard 36 ***Impairment of Assets***

1. Impairment of the Investment Property measured at fair value

IAS 36 is not applicable regarding impairment of Investment Property that is measured at fair value.

Under Ind AS 36 it's not applicable since the fair value measurement option is not available under Ind AS 40. Therefore paragraph 2(f) is deleted in Ind AS 36 as Ind AS 40 requires cost model.

International Accounting Standard 38 ***Intangible Assets***

1. Acquisition of an Intangible asset by way of a government grant

IAS 38, Intangible Assets, provides the option to an entity to recognise both asset and grant initially at fair value or at a nominal amount plus any expenditure that is directly attributable to preparing the asset for its intended use.

Ind AS 38 allows only fair value for recognising the intangible asset and grant in accordance with Ind AS 20.



2. Amortisation of intangible asset arising from service concession arrangement in respect of toll road

Not applicable under IFRS

Intangible assets recognised for service concession arrangements in respect of toll road under IGAAP up to the period ending immediately before the beginning of the first Ind AS reporting period can be amortised as per the policy adopted under IGAAP.

“Paragraph 7AA has been inserted to scope out the entity that opts to amortise the intangible assets arising from service concession arrangements in respect of toll roads recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS reporting period as per the exception given in paragraph D22 of Appendix D to Ind AS 101.”

International Accounting Standard 40 *Investment Property*

1. Elimination of option to recognise investment properties at fair value.

IAS 40 permits both cost model and fair value model (except in some situations) for measurement of investment properties after initial recognition.

Ind AS 40 permits only the cost model.

2. Prohibition on the treatment of property interest held in an operating lease as investment property

IAS 40 permits treatment of property interest held in an operating lease as investment property, if the definition of investment property is otherwise met and fair value model is applied. In such cases, the operating lease would be accounted as if it were a finance lease.

Ind AS 40 prohibits the use of fair value model hence this treatment is prohibited in Ind AS 40.

International Accounting Standard 41 *Agriculture*

Ind AS 41 is similar to IAS 41 apart from different terminology used in Ind AS.

International Financial Reporting Standard 5 *Non-current Assets Held for Sale and Discontinued Operations*

1. Presentation of discontinued operations in the separate income statement

IFRS 5 has options to present the items of profit or loss of discontinued operations in a separate income statement and other comprehensive income or in one single statement containing both as IAS 1 permits both methods of presentation.

However, in IND AS 105 the requirements regarding presentation of discontinued operations in the separate income statement, where separate income statement is presented under paragraph 33A have been deleted.

This change is consequential to the removal of option regarding two statement approach in Ind AS

1. Ind AS 1 requires that the components of profit or loss and components of other comprehensive income shall be presented as a part of the statement of profit and loss.

2. Clarification inserted on conditions for classification of a non-current asset (or disposal group) as held for sale.

IFRS 5 does not provide any such clarification.

Paragraph 7 of Ind AS 105 prescribes the conditions for classification of a non-current asset (or disposal group) as held for sale. A clarification has been added in Paragraph 7 that the non-current asset (or disposal group) cannot be classified as held for sale, if the entity intends to sell it in a distant future.



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It is a general presumption that if an entity holds 50% or more voting rights of another entity then it can be further evaluated for assessing if any Control (for consolidation purposes) exists over the investee. However Ind-As -110 “Consolidated Financial Statements” para B 41-42 defines situation where even an entity holds less than 50% of the voting rights of another entity, it can still have a current ability to direct the relevant activities of the investee. This concept is widely known as “De-facto control” (as used in IASB issued IFRS -10 whereas in Indian version of Ind-As -110 does not use this word however provisions are almost same as per IFRS standard). Unlike in current Indian accounting system there is no such concept.

As per Ind-As 110 the situation has been defined in the standard as below –

The investor’s voting rights

Para -B41 “An investor with less than a majority of the voting rights has rights that are sufficient to give it power when the investor has the practical ability to direct the relevant activities Unilaterally”.

Para- B42 “When assessing whether an investor’s voting rights are sufficient to give it power, an investor considers all facts and circumstances, including:

(a) the size of the investor’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders, noting that:

- (i) the more voting rights an investor holds, the more likely the investor is to have existing rights that give it the current ability to direct the relevant activities;
- (ii) the more voting rights an investor holds relative to other vote holders, the more likely the investor is

to have existing rights that give it the current ability to direct the relevant activities;

(iii) the more parties that would need to act together to outvote the investor, the more likely the investor is to have existing rights that give it the current ability to direct the relevant activities;

Para 10- “An investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities, ie the activities that significantly affect the investee’s returns”.

Let’s discuss this concept by taking an example:

“Company A” holds 40% voting shares of “Company B” and rest 60% of Voting shares are being hold by individual investors in very large numbers.

Now we will look into this concept in a very crisp and practical manner which can provide glimpse of the concept to understand this in a better way –

1. We have a situation where standard says that an entity will have power over other entity when it has current ability (refer Para 10 above) to direct the “relevant activities” (as defined in Ind-As 103- “Business Combinations”) of an investee which essentially means that existing rights which can in substance direct these relevant activities to conclude as power ,
2. In such type of situations, assuming that other 60% shareholders widely spreaded and each of such shareholder are holding very small number of shares individually and does not get into the process of voting collectively to vote out the decisions of Company A which holds 40% of the voting rights, then it can be an indication that Com-



pany A (which holds 40%) can have power over the investee,

3. The past meeting records/ attendances/ quorums would provide substance about the fact mentioned above and one has to see if the decisions are being taken by Company A itself as other shareholders has not voted in full or not voted collectively against the Company A, then one can draw a conclusion that Company A which holds 40% of voting share has current ability to direct the relevant activities of the Investee,
4. Standard states that while making such type of analysis related to “de facto”, One has to carefully examine if there are any contractual arrangements/ agreements between shareholders which gives Company A (in our example) the power to vote in all activities without being interfered by other small investors (in the examples 60% small investors) then one can draw a conclusion that because of this agreement even Company A holds less than 50% of voting rights, it still has current ability to direct relevant activities of the Company B and control exits,
5. The standard uses the word “current ability” to direct the investee’ s relevant activities which means that in case of our example above,

suppose rest 60% is being hold by ONE individual investor but he/ she usually act as passive, then we simply cannot conclude that because of the rest 60% shareholder (held by One shareholder) does not use its vote in past meetings and all decisions are being taken by Company A (holding 40% shares) then Company A has power over Company B because this individual shareholder is having “CURRENT ABILITY” and we cannot just conclude because he is acting passively,

Based on the guidelines above provides overall idea/ approach for a reader about the possibility of having control over an investee even voting rights are being held by less than 50%. However there has to be careful assessment of all contractual arrangements between shareholders and /or all potential (e.g. call/ put options etc) voting rights together with past history of meetings compositions while taking decisions over control.

It is highly judgmental area and require regular updates/ re-assessment in case any situations changes. One has to look into all related facts and patterns before concluding this type of assessment based on this concept. Reader are requested not to take this article as any kind of advise and should evaluate all relevant factors of each individual cases separately

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Meaning of reverse acquisition

When proposed acquirer (who intends to Control some entity) does not want its share to be listed but intends to become listed company then, in legal terms it will be like listed company is buying shares of non-listed company however from an accounting perspective the deal will be treated as reverse acquisition as non-listed company is controlling a listed company and accordingly accounting will be done.

Accounting guidance on reverse acquisition

Para 18 of Ind-AS 103 "Business Combination" states that "The acquirer shall measure the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values" which means that acquirer need to get all assets and liabilities at Fair value of an acquiree into its balance sheet and hence it is very important to identify who is actually Acquirer and needs to fulfill the requirement of control gained by acquirer over the acquiree as per Ind-AS 110 "Consolidated Financial Statements" and accordingly para B-19 to B-27 of Ind-AS 103 will applied for accounting of such reverse acquisition.

Hence, the specific guidance on Reverse acquisitions is given under Ind AS 103 which was missing in AS 14, Accounting for Amalgamations under Indian GAAP. Going by the guidance given under Business combination standard, The Legal Acquiree will be the Accounting Acquirer and Legal acquirer will become accounting acquiree.

Practical example on Reverse Acquisition accounting

Reverse acquisition accounting by its nature is complex and needs to understand the situation and documents in proper manner. Let's understand the re-

verse acquisition accounting with the help of below example.

Assuming B "legal acquirer" will acquire A "legal acquiree" under reverse acquisition where B is an unlisted entity and A is a listed entity.

Particulars	A In Rs
Non-current assets	1,300
Current assets	500
Total assets	1,800
Equity and liabilities	
Equity	
Equity share capital	
100 Ordinary Shares @ Rs. 3/Share	300
60 Ordinary Shares @ Rs. 10/Share	-
Other equity	800
	1,100
Non-current liabilities	400

Balance sheets of A and B immediately before the business combination

Other information

(a) On March 31, 2017, A issues 2½ shares in exchange for each ordinary share of B. All of B's shareholders exchange their shares in B. Therefore, A issues 150 ordinary shares in exchange for all 60 ordinary shares of B.

(b) The fair value of each ordinary share of B as at March 31, 2017 is Rs.40. The quoted market price of A's ordinary shares at that date is Rs.12.

(c) The fair values of A's identifiable assets and liabilities at March 31, 2017 are the same as their carrying amounts, with the exception of non-current assets. The fair value of A's non-current assets at March 31, 2017 is Rs.1,500.



Determination of cost of business combination

As a result of the issue of 150 ordinary shares by A, B's shareholders own 60 per cent of the issued shares of the combined entity (i.e. 150 shares out of 250 issued shares). The remaining 40 per cent are owned by A's shareholders. If the business combination had taken place in the form of B issuing additional ordinary shares to A's shareholders in exchange for their ordinary shares in A, B would have had to issue 40 shares for the ratio of ownership interest in the combined entity to be the same. B's shareholders would then own 60 out of the 100 issued shares of B and therefore 60 per cent of the combined entity.

As a result, the cost of the business combination is Rs.1,600 (i.e. 40 shares each with a fair value of Rs.40).

Measuring goodwill

Goodwill is measured as the excess of the cost of the business combination over the net fair value of A's identifiable assets and liabilities. Therefore, goodwill is measured as follows:

	Amount (In Rs.)
Cost of the business combination	
Net fair value of A's identifiable assets and liabilities:	
Non-current assets	1,500
Current assets	500

Consolidated balance sheet as at March 31, 2017 Post acquisition

Cost of the business combination
Net fair value of A's identifiable assets and liabilities:
Non-current assets
Current assets
Non-current liabilities
Current liabilities
Goodwill

Conclusion:

Under old regime of Indian GAAP, there were no specific guidance on Reverse merger and acquisition kind of arrangements but Ind AS 103 has specifically covered accounting guidance in such area. The companies where Ind AS is applicable needs to follow the relevant guidance given under the standard which leads to uniformity in accounting across the industry in presence of available guidance.



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Supply is wider term used in GST law as the GST is based on Supply only. Now the question arises what is supply. Supply is transfer of goods and services on which GST will be imposed. Supply has been elaborated in IGST law whether the supply is interstate supply or Intra-State supply. This is important aspect of GST because if the supply is IntraState, then CGST and SGST will be attracted otherwise if the supply is Inter State then IGST will be levied. To understand whether the transaction is Inter State or Intra-State or Import or Export, it is important to understand the provision of Place of Supply which has been provided in Section- 10 to 14 of the IGST Law. Place of Supply has been defined in Section 2 [86] of CGST Law as follows; "Place of supply " means the Place of supply as referred to in chapter- V of the IGST Act.

Place of Supply of Goods other than supply of goods imported in to or exported from India [Section -10]

Situation	Place of Supply
1.Movement of goods by supplier or recipient.	Where the movement of goods terminate for delivery to recipient.
2. where the goods are delivered to recipient or any person on the direction of third person by way of transfer of title or otherwise, it shall be deemed that third person has received the goods	shall be principal place of business of third person not recipient. Look at the Annexure '1' below
3. where there is no movement of goods either by supplier or recipient	Location of such goods at the time of delivery to recipient
4. where goods are assembled or installed at site	Shall be where the goods are assembled or installed
5. where the goods are supplied on board a conveyance, like vessel, aircraft, train or motor vehicle	Shall be goods where taken on board

GST is understood as "destination based consumption tax" but there is no provision which declare this fact. We find that the destination principal of GST is full captured. The law maker has declared , in each case of supply , its destination of supply.

Section 2(93) "recipient" of supply of goods or services or both, means—

- where a consideration is payable for the supply of goods or services or both, the person who is liable to pay that consideration;
 - where no consideration is payable for the supply of goods, the person to whom the goods are delivered or made available, or to whom possession or use of the goods is given or made available; and Place of Supply of Goods and Services in IGST Law
 - where no consideration is payable for the supply of a service, the person to whom the service is rendered, and any reference to a person to whom a supply is made shall be construed as a reference to the recipient of the supply and shall include an agent acting as such on behalf of the recipient in relation to the goods or services or both supplied;
- Annexure ' 1 ' Supply Involved movement of goods and delivered to person on the instruction of third person First Leg**

Case	Location of supplier	Location of recipient	Principal place of business of Third Party	Type of tax
1	Ahmedabad	Ahmedabad	Chandigarh	IGST at Ahmedabad
2	Ahmedabad	Mumbai	Ahmedabad	CGST at Ahmedabad
3	Ahmedabad	Bangalore	Bangalore	IGST Ahmedabad
4	Ahmedabad	Haridwar	Haridwar	IGST at Ahmedabad



Case	Location of supplier	Location of recipient	Principal place of business of Third Party	Type of tax
1	Ahmedabad	Ahmedabad	Chandigarh	IGST at Chandigarh
2	Ahmedabad	Mumbai	Ahmedabad	IGST at Ahmedabad
3	Ahmedabad	Bangalore	Bangalore	CGST at Bangalore
4	Ahmedabad	Haridwar	Haridwar	CGST at Haridwar



Example :

In the above diagram – A is sending goods to C on the instruction of B . For the leg-1 bill will be raised from Delhi to Gurgaon on IGST. On the second leg B will bill to B from Gurgaon to Delhi on IGST .

Where Supply does not involve movement of goods

Case	Location of supplier	Location of recipient	Location of Goods	Place of Supply	Type of tax
1	Delhi	Gurgaon	Gurgaon	Gurgaon	IGST at Delhi
2	Gujrat	Gurgaon	Faridabad	Faridabad	IGST at Gujrat
3	Tamil Nadu	Kerala	Tamil Nadu	Tamil Nadu	CGST at Tamil Nadu

Place of supply of Goods import into and export from India [Section -11]

- Place of supply of goods imported in to India shall be the location of importer.
- Place of supply of goods exported from India shall be the location outside India.

Section 2[5] Export of Goods means “ with its grammatical variation and cognate expression, means taking goods out of India” **Section 2[10] Import of goods means** “ with its grammatical variation and cognate expression, means bringing goods to India from place outside India”

Place of supply of Services where the location of supplier of services and location of recipient of services is in India. [Section -12]



Situation	Place of Supply
1. Except the specific services mentioned below , the place of supply of services to registered person	Shall be the location of such person
2. Except the specific services mentioned below , the place of supply of services to unregistered person	Location of recipient of services where the address exist Location of supplier otherwise
3.a] services in relation to immovable property including services by Architect, interior decorator, surveyor, engineers, estate agent, grant of right to use immovable property for carrying out or co-ordination of construction work b] lodging accommodation by hotel, inn, guest house, home stay, club or campsite, house boat or other vessel c] accommodation in immovable property for marriage or reception or matter related therewith , official, social , cultural , religious or business function including service for such functions. d] ancillary to above services in a, b and c	Location of Immovable property, boat or vessel If immovable property, boat or vessel is located outside India then location of the recipient. If the services are provided in more than one State, proportion of service provided in each State.
4. restaurant and catering service, personal grooming , fitness, beauty treatment, health services including cosmetic and plastic surgery	Where the services are actually performed
5. training and performance appraisal	Location of registered person. Location where the service are performed in case of unregistered person.
6. Admission to cultural, artistic, sporting ,scientific, educational or entertainment event or amusement park or any other place	Where the event is actually held
7. organizing of a cultural, artistic, sporting ,scientific, educational or entertainment including supply of services to exhibition, conference, fair, celebration or similar events	If to registered person, location of such person Other than registered person, place of such event actually held If event is held outside India then location of the recipient If the services are provided in more than one State, proportion of service provided in each State
8. transportation of goods including by mail or courier	In case to registered person, location of such person. Otherwise , location where the goods are handed over.
9. Transportation of passenger	In case to registered person, location of such person Otherwise , place where person embark on conveyance for continuous journey Return journey shall be treated as separate journey
10. services on board a conveyance such as vessel, aircraft, train or motor vehicle	First scheduled departure point of the conveyance
11. telecommunication including data transfer, broadcasting, cable and DTH television services a] fixed line, leased circuit , internet lease circuit, cable or dish antenna- b] Mobile connection for telecommunication, internet on post paid basis- c] Mobile connection for telecommunication, internet and DTH on pre-paid basis- i] through selling agent or reseller or distributor of SIM or recharge voucher ii] by any person to the final subscriber d] any other case other than b and c above	Where it is installed Billing Address Address of seller , reseller or distributor as per the record of supplier Where prepayment is received or voucher is sold Address of recipient as per the record of supplier Where the address of the recipient is not known , location of supplier. If prepaid service or recharge is made on internet banking, address of recipient.
12. banking and other financial services including stock broking	Location of recipient of services, if recipient location not known then location of supplier
13. Insurance services	In case to registered person, location of such person. Otherwise , location of the recipient of services.
14. advertisement service to State Govt. or Central Government, statutory body or local authority for identifiable States and the value of such supply identifiable to each State	Proportion to amount attributable to service provided by way of dissemination in the respective State as per the contract.



Place of Supply of services where the location of the supplier or location of recipient is out of India. [Section -13]

Situation	Place of Supply
1. Except the specific services mentioned below	Location of recipient of services where the address exist Location of supplier otherwise
2.a] Goods required to be made available for providing services to the supplier of services Where services are provided from remote location by way of electronic means b] services supplied to individual, represented either as recipient of service or person acting on behalf of recipient which required the physical presence of receiver.	Location where the services are performed. Location where the Goods are situated. This clause shall not apply in services supplied in respect of goods temporarily imported in to India and are exported after repair. Location where the service are performed
3. services in relation to immovable property including services in this regard by expert and estate agent, supply of hotel accommodation by hotel, inn, guest house, home stay, club or campsite, grant of right to use immovable property, services for carrying out or coordination of construction work, including Architect or interior decorator.	Location of Immovable property.
4. admission to or organizing of a cultural, artistic, sporting, scientific, educational or entertainment, exhibition, conference, fair, celebration or similar events	Where the event is actually held
5. where the services referred to in 2,3 and 4 is supplied at more than one location, including in taxable territory	Location shall be taxable territory where the greatest proportion of service is provided.
6. where the services referred to in 2,3,4 and 5 is supplied at more than one State	Proportion to amount attributable to service provided by way of dissemination in the respective State as per the contract



7.a) Service by banking company or financial institution or non banking finance company b) Intermediary services c) hiring of means of transport including yacht other than aircraft and vessel up to one month.	Location of Supplier
8. transportation of goods including by mail or courier	Place of Destination
9. Transportation of passenger	Where the passenger embark on conveyance for continuous journey.
10. services on board a conveyance such as vessel, aircraft, train or motor vehicle	First schedule departure point of the conveyance
11.a) service of " online information and Database access or retrieval " b) for the purpose of this sub section, person receiving such services shall be deemed to be located in taxable territory, if following two condition are being satisfy i) location of address presented by the recipient via internet ii) payment settle by recipient by any card has been issued in taxable territory iii) billing address of recipient of service is in taxable territory iv) internet address protocol of the device used by recipient is in taxable territory v) the bank of recipient of service is in taxable territory vi) country code of SIM used by recipient of service is in taxable territory vii) location of the fixed land line use by recipient is in taxable territory	Location of recipient of services

- Import of goods and services in to India shall be treated as interstate trade or commerce.
- Supply of Goods or Services from India to place outside India shall be treated as Inter State trade or commerce.
- Supply of goods or services to SEZ developer or SEZ unit shall be treated as Inter State trade or commerce.
- Any supply of goods or services which is not an Intra State supply shall be treated as Inter State Trade or Commerce.

As per Section 2[6] Export of services means ;

- Supplier is located in India
- Recipient of service is located outside India
- Place of supply is out of India
- Payment of such services is received in convertible foreign exchange
- Supplier of service and recipient of service is not merely distinct person in accordance with explanation 1 of Section- 8

As per Section 2[11] the import of service shall means ;

- Supplier of service is located out of India
- Recipient of service is located in India
- Place of supply of service is in India

Special provision for payment of tax by supplier of online information data base access retrieval [OIDAR] – Section -14

Supply of OIDAR service by person located in Non taxable territory to person non taxable online , the supplier of services shall be liable for payment of IGST on such supply of services.

Supplier of such service shall for the payment of IGST , take single registration under the Simplified Registration Scheme. Any person representing such person may also get registration on his behalf and pay taxes. If the supplier does not have any presence or representative , may appoint such person and pay taxes.

Disclaimer :

The contents of this article are solely for information and knowledge and does not constitute any professional advice or recommendation. Author does not accept any liability for any loss or damage of any kind arising out of this information set out in the article and any action taken based thereon.

Group Discussion on “GST impact and implications for Real Estate Sector” & “Returns under GST”



Topic : Group Discussion on “GST impact and implications for Real Estate Sector”
& “Returns under GST”

Audience : Members

Led By : CA. Vishal Tayal & CA. Mohit Singhal

Date & Day : 04th & 08th August 2017, Friday

Seminar on "Insolvency and Bankruptcy Code and Real Estate (Regulation & Development) Act"



Topic : Seminar on "Insolvency and Bankruptcy Code and Real Estate (Regulation & Development) Act"

Audience : Members

Led By : CA. Ravinder Agarwal & CA. Gaurav Agrawal

Date & Day : 05th August 2017, Saturday

Annual General meeting of the Members (for year 2016-17)



Topic : Annual General meeting of the Members (for year 2016-17)

Audience : Members

Date & Day : 12th August 2017, Saturday



Led By : CA. Vishal Tayal | Date & Day : 12th August 2017, Saturday



Independence Day 2017



Audience : Members

Date & Day : 15th August 2017, Tuesday



Topic : Seminar on "Analysis and Regulatory issues under GST"

Audience : Members

Led By : CA. Sanjay Agrawal & CA. Ashish Chaudhary

Date & Day : 25th August 2017, Friday





Overview of 'Lite Bite Foods' and Validity

'Lite Bite Foods' is one of the largest & most dynamic Food & Beverage retail company in the country, with over 14 core brands & 6 Franchise brands under its umbrella. We have 95 operational outlets in India, Bangkok, Singapore, Abu Dhabi, Dubai & United States of America & with a plan of opening 31 new outlets company aims to become one of the largest Food & Beverage players in India by 2016. Currently we have a strong presence in Malls, High Streets, Airports, Multiplexes, Office complexes, Hotels and other high footfall locations.

Our awarded hero brands are Punjab Grill, Zambar, Fresco Co, Asia 7, Street Foods By Punjab Grill, Baker Street, Artful Baker, Pino's, Flamez & Roasted, Naashto, American Tandoor, Savour (Outdoor Catering Brand), Clink, Bottoms Up. We also run Franchise stores of Subway, KFC, Pizza Hut, Burger King, and Café Istanbul.

We invite all are members to avail this opportunity at their restaurants.

The Terms and Conditions offered will be as follows:

1. Fine Dining Restaurants & Casual Dining Restaurants will offer 15% discount on food & soft beverage. The restaurant covered under this policy will be:
 - a) Punjab Grill
 - b) Asia Seven
 - c) Zambar- Coastal Kitchen
 - d) Fresco
 - e) Bottoms Up
2. Quick Service Restaurants will offer 10% discount on food. The restaurant covered under this policy will be:
 - a) Baker Street
 - b) Pino's
 - c) Street Foods by Punjab Grill
 - d) Subway
 - e) Asia Seven Express
 - f) Zambar Express

- All Discount OFFER(s) are NOT applicable on Festivals and Public Holidays.

Other applicable Conditions:

- All Discount applicable on Saturdays and Sundays also.
- Discounts are only applicable on showing valid Membership Card/CA logo visiting card at the time on Dining.
- The menu prices at Outlets are subject to change without any prior notice.
- The conditions mentioned on the menu are applicable.
- Taxes and other Govt. levies are applicable.
- No other offers, exemptions or discount schemes can be clubbed with this corporate offer.
- Discounts are not applicable on Hard drinks & MRP products.
- Discount are not applicable at Airport/ railway/ Metro outlets.
- Mode of Payment-Cash / Credit Cards.



- Taxes and other Govt. levies are applicable.
- No other offers, exemptions or discount schemes can be clubbed with this corporate offer.
- Discounts are not applicable on Hard drinks & MRP products.
- Discount are not applicable at Airport/ railway/ Metro outlets.
- Mode of Payment-Cash / Credit Cards.

S.No	Outlet Name	Location	Outlet Landline No.	Address
1	ASIA 7	Ambience Mall	0124-4665571	Shop No. 318, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
2	BAKER STREET	Ambience Mall	0124-4665567	Shop No.16, Food Union, 3rd Floor, Ambience Mall, Gurugram.
3	FRESCO	Ambience Mall	0124-4665572	Shop No. 317, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
4	PINO'S	Ambience Mall	0124-4665495	Shop No. 14, 3rd Floor, Food Union, Ambience Mall, Gurugram.
5	PUNJAB GRILL	Ambience Mall	0124-4665478	Shop No. 319, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
6	SF by PG	Ambience Mall	0124-4665513	Shop No. 02, 3rd Floor, Food Union, Ambience Mall, Gurugram.
7	SF by PG	MGF Metropolitan Mall	0124-4222238	Shop No. 05, 3rd Floor, Food Court, MGF Metropolitan Mall, Gurugram.
8	SF by PG (Delivery Only)	Udyog Vihar	0124-4236633	Plot - 317 Udyog Vihar Phase - 4 Gurugram
9	SUBWAY	Ambience Mall	0124-4665515	Shop No. 04, 3rd Floor, Food Union, Ambience Mall, Gurugram.
10	SUBWAY	DT Mega Mall	0124-4015577	3rd Floor, Food Court, DT Mega Mall, Gurugram.
11	SUBWAY	Cyber Green	0124-4016962	Ground Floor, Food Court, Cybergreen Tower, DLF Phase-III, Gurugram.
12	SUBWAY	Fortis Hospital	0124-4039728	Fortis Hospital Sector 44, Gurugram Haryana
13	ZAMBAR	Ambience Mall	0124-4665639	Shop No. 310, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
14	ZAMBAR	Cyber Hub	91-8130450438	Ground Floor, Cyber Hub, Cyber City, Gurugram
15	STREET FOODS**	DLF City	9650278250	B-134-135 Lower Ground Floor, Super Mart 1, DLF City Phase IV, Gurugram.

**** New Corporate tie-up : 20% discount for CA students & Members**



♦ Feedback & Suggestions

Gurugram Branch will be happy to receive the feedback from you regarding the seminars/workshops and other activities organized by branch.

You may please send feedback at-

- ♦ Gurugram Branch of NIRC of ICAI requests the members & students to come forward & share the articles (Professional & other) to be published in the upcoming newsletter. The submissions may be sent to itticaigurgaon@gmail.com with the subject line (Article Newsletter).

Regarding	Email	Subject line
Seminars/Workshops	icaigurgaon@gmail.com	Sub: Seminar_____
Others	icaigurgaon@gmail.com Or arunaggarwalca@gmail.com	Feedback_____

Gurugram Branch Managing Committee for the Session 2017-18

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For CPT/IIPCC/Final under the existing scheme of CA Course

Last Date of registration On or before June 30, 2017

The role of a Chartered Accountant is evolving continually to assume newer responsibilities in a dynamic environment. In the given dynamic scenario, the potentiality of the Chartered Accountancy education system, to meet the diverse range of expectations of various stakeholders from the profession becomes the focal point.

The Institute of Chartered Accountants of India (ICAI) has formulated the Revised Scheme of Education and Training which is in sync with the requisites of the dynamic global business environment. In this scheme, the technical competence, professional skills, professional values, ethics and attitudes expected from a Chartered Accountant are being redefined and upgraded in order to gear up aspiring Chartered Accountants to take on new roles. The Revised Scheme of Education and Training for CA course will come into effect from July 1, 2017.

The students, who are eligible to register in the CPT/IIPCC/Final under the existing scheme, may register on or before June 30, 2017.

With effect from July 1, 2017, the registration in the CPT/IIPCC/Final under the existing scheme will discontinue.

Gurugram Branch of NIRC of ICAI

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