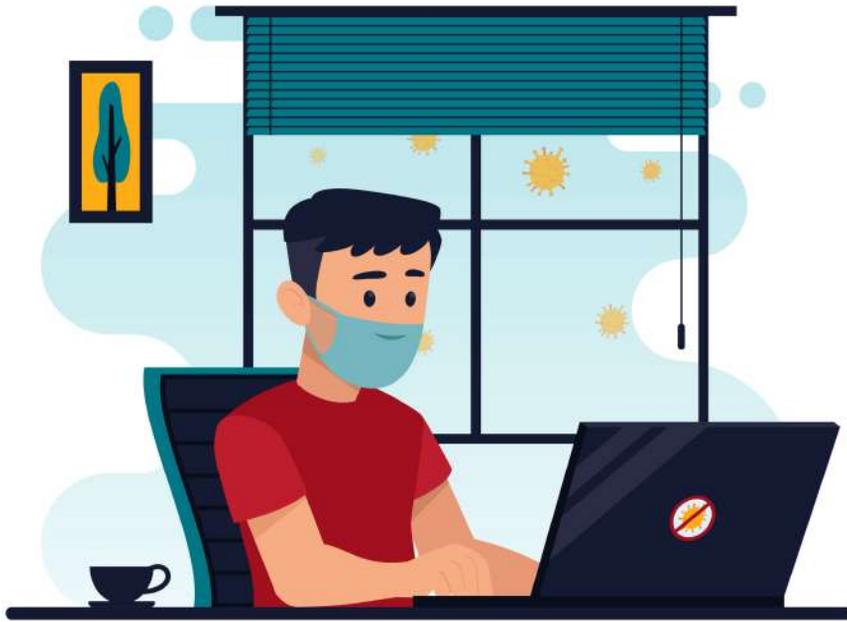
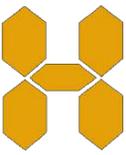


*h*Hive

Volume 07 ** May 2020 ** Issue 05



STAY SAFE @WORK



Staying healthy and safe at work is important. No matter what your job, it is important to reduce your risks of injury and illness at work. Here are some tips:

- Stop handshaking
- Clean hands at the door
- Avoid touching faces
- Disinfect surfaces
- Increase ventilation
- Use videoconferencing
- Assess risks of travel
- Strengthen screening
- Limit food sharing

04 # The Restart

#Contents

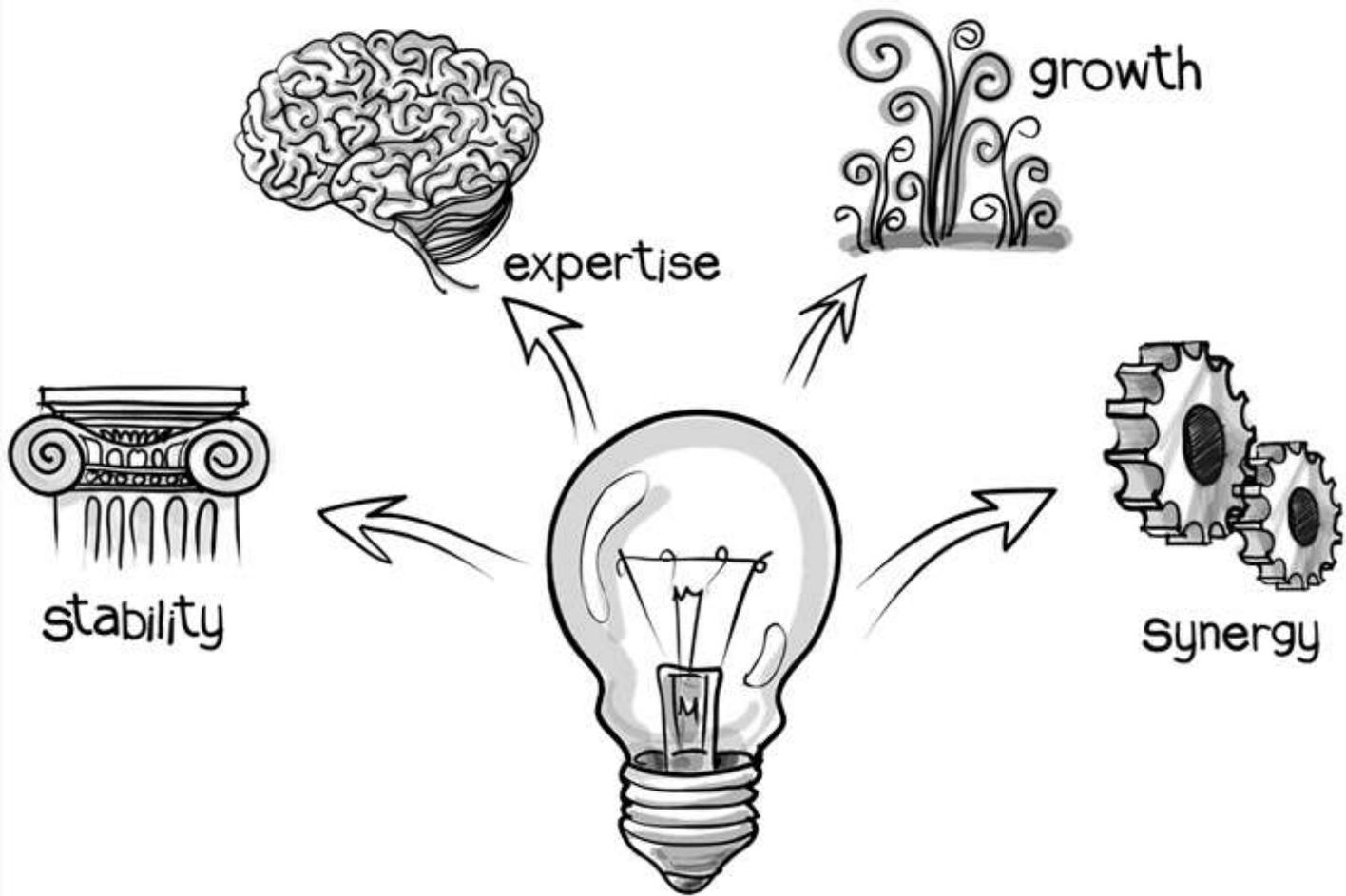
07 # Understanding Form 26AS

09 #Case Study Hive

11 # GST Series - 24

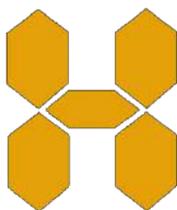
12 # By2Coffee





WE ARE SOLUTION FOCUSED

AND NOT SOLUTION FORCED



CONTACT US:

CALL: 080-4202 4038

WEBSITE: www.hiveconsultants.in

EMAIL: info@hiveconsultants.in



THE RESTART

As governments plan to announce the end of lockdown, a new phase in the COVID-19 pandemic is upon us. It is a time for hope but also for caution. The end of the lockdown will not spell a return to the old “normal”, nor will it be universal. The opening will take different shapes, with different countries, different regions, and different business sectors opening up in different ways and at differing speeds. The virus remains hidden and the ability to contain its spread will dictate what happens next; any resurgence will likely bring about renewed restrictions.

Companies will now need to take a holistic approach to restart. This article focuses on some of the key actions.

CREATING A DETAILED RELAUNCH MAP

The crisis has shattered many of the assumptions and tools that business leaders rely on for decision-making, but for the restart, they will need to define a solid framework for action in a highly volatile environment.

The best approach is to develop a detailed relaunch map—country by country, site by site, segment by segment, customer by customer, and product by product—in order to prioritize recovery opportunities. This will also enable business leaders to get a head start on reassessing investments and prospects for changing the geography of their value chains. It may be appropriate to freeze some planned or ongoing projects until the company has the capacity to reassess them.

The restart plan will need to be tested against such scenarios and include options for a fluid reallocation of resources if necessary.

PROVIDING CUSTOMERS SAFETY

Emerging from lockdown, clients will be more vigilant about health and increase their demands on safety. Companies will need to provide products and services that adhere to the most rigorous health and safety conditions and be able to show or explain them to clients.

- Define conditions for a safe experience for customers.
- Proactively communicate about measures implemented

SAFEGUARDING THE HEALTH OF EMPLOYEES

Many employees are eager to return to work, but many are also worried about being able to do so safely. Companies will need to both reassure employees about safety and find ways to motivate them in a post-lockdown world.

- Ensure employee safety in the workplace
- Extend protection measures to employees outside the office
- Remobilize employees

REVIVING DEMAND

One imperative for businesses will have revive their customer base. They will have to stimulate demand, guarding against any risk of distorting price models or, worse, fueling a deflationary spiral. More than ever, it will be important to win on several fronts:

- Identify and capture pockets of profitable growth.
- Adopt tactical pricing
- Help core clients with solvability.
- Optimize the marketing mix.

Reset.
Readjust.
Restart.
Refocus.

As many times as you need to. Just don't quit.





REBOOTING OPERATIONS AND SUPPLY CHAIN

The optimal restart of operations requires returning to the market at the desired speed to serve the demand accumulated during lockdown—but without going faster than the pace of recovery. At the same time, one must consolidate their company’s competitive position. Several prerequisites must be met:

- Secure the supply chain on strategic procurement
- Strengthen the company’s ability to anticipate and meet demand
- Set out a phased recovery, site by site.
- Reassure all partners about operational reliability

SHIFTING IT AND TECHNOLOGY TO RESTART MODE

The importance of digital to customers, suppliers, and to the entire economy has rapidly accelerated—and executives must speed up their digitization plans. On the technology front, three priority actions must be launched to ensure a successful restart:

- Accelerate digital transformation to serve new customer and employee needs.
- Improve data-driven decision making and data availability
- Rethink the portfolio of IT projects and technology spending

STEERING THE RESTART WITH CARE

A successful restart will require addressing a large number of interdependent issues simultaneously. Companies will have to plunge into a new phase of the restart with many unknowns that will remain nebulous for a long time. They may be far from having all their operational capabilities. They will lack links in their supply chain and have only restricted access to their various markets. Moreover, they will have to live under the shadow of a resurgence of the epidemic with new confinement measures. In our experience, embracing these actions can help them value-assure the restart. Further, the transition to a “next normal” will require them to reinvent their business models, even as they continue to respond effectively to the aftershocks of the crisis.



What?

Form 26AS, is also called as Annual Information Statement provided by Income Tax Department, It is a consolidated tax statement which has all tax related information (TDS, TCS, Refund etc) associated with a PAN. It is consolidated from various sources, wherever the PAN of the assessee is mentioned at the time of reporting



the Tax deduction or Financial Transactions. It helps assessee cross-verify income earned, tax deducted at source (TDS) and tax deposited during a given financial year.

Structure of Form 26AS

The Form 26AS (Annual Tax Statement) for an Assessment Year is divided into parts described below

Part	Particulars
A	<p>Details of Tax Deducted at Source (All amount values are in INR)</p> <ul style="list-style-type: none"> ○ This Section will have the Taxes Deducted from the assessee's Incomes. ○ The Section wise reporting of the Taxes deducted helps us to define the nature of Income and head of Income for considering in the ITR ○ Tax Deducted by each Deductor is shown separately under different tables
A1	<p>Details of Tax Deducted at Source for 15G/ 15H</p> <ul style="list-style-type: none"> ○ Transactions of income as well as tax deductions reported by financial institutions such as banks where the individual has submitted Form 15G/15H. ○ TDS in these cases would be zero (because you have submitted 15G/15H). It enables to keep a track of all the interest gain which has not been taxed
A2	<p>Details of Tax Deducted at Source on Property related transactions</p> <ul style="list-style-type: none"> ➤ This Section will reflect the following <ul style="list-style-type: none"> ○ Details of the Property sold & purchased during the year which attract TDS ○ TDS on Rent of Property, if not covered under Part A above ○ TDS on payment to resident contractors and professionals if not covered under Part A above ➤ This information is newly introduced in the recent past where in the TDS is deducted by the deductor not having TAN (i.e non business assesses)
B	<p>Tax Collected at Source (TCS)</p> <ul style="list-style-type: none"> ○ TCS by the seller - on sale of specified category of goods. ○ TCS Rate vary for each category of goods



Part	Particulars
C	Details of Tax Paid (other than TDS or TCS) <ul style="list-style-type: none"> Information of all the taxes paid voluntarily by the assessee for respective year.
D	Details of Paid Refund <ul style="list-style-type: none"> Information of the Income Tax refunds issued during the respective year. If more than one refund is received during the year, the year wise list of refunds issued along with the interest paid on such refund will be reported.
E	Details of Annual Information Returns (AIR) Transaction <ul style="list-style-type: none"> This section will show up the details if any high value transaction, such as investment in property and mutual funds, such transactions are automatically reported to IT Department by banks and other authorities through AIR.

New Form-26AS relating to FY 2020-21 shall contain the following information:

- ❖ Information relating to tax deducted or collected at source (TDS or TCS)
- ❖ Information relating to specified financial transaction (SFT)
- ❖ Information relating to payment of taxes
- ❖ Information relating to demand and refund
- ❖ Information relating to pending proceedings
- ❖ Information relating to completed proceedings
- ❖ Any other information in relation to Rule 114-1(2)

Booking Status

F - Final	O - Over Booked	U - Unmatched	P - Provisional
When amt deposited in bank matches payment details mentioned by taxpayer in statement filed	When amt deposited in bank matches payment details mentioned - but remains overclaimed	When payment details cannot be matched or found in OLTAS	Govt. deductors - When details do not match with G-OLTAS

Now let us understand the use of this 26AS Statement in filing of Income Tax returns:

- ❖ The Income as appearing in the 26AS, in Part A, should match to the Gross Income declared by the assessee, for example, the Gross Taxable Salary as reported in Income Tax return should match to the amount reported in 26AS, in case of any variation above 10%, the return goes under further verification for processing.
- ❖ The Interest Incomes reported under 26AS should be shown in the Income Tax return, avoiding the same will lead to raising of demand by Income Tax office.
- ❖ The Incomes reported in 26AS are segregated section wise, which can be identified and correlated to the Head of Income, hence if there is any mismatch in the heads of income as compared to the incomes reported under 26AS, Query will be raised by the Tax Authorities
- ❖ We must understand that the Tax deductions under various circumstances are kept at a very minimal rate like 1% or so, all these are mainly to get the transactions reported to Income Tax so that the income derived through such transactions does not go unreported
- ❖ The TCS rates are usually low, this is introduced by the Tax office to get the information of all the high value transactions and to ascertain the source of Income for performing such high value transactions.



Kartick Chandra Mondal v. PCIT [Kol Trib]

Investment should be made within six calendar months & not 180 days for claiming benefit of section 54EC

ACIT v. Saipem India Projects (P.) Ltd. [Chen HC]

Grant of non-exclusive non-transferable license in computer software with no right to sub-lease or transfer would fall within purview of 'Royalty' both under India Italy DTAA as well as under section 9(1)(vi) and would be chargeable to income-tax under provisions of Act

Agfa Healthcare NV v. DCIT [Mum Trib]

Where software was inseparable part of imaging equipments/ MRI machines sold, payment made to foreign AE on purchase of software would not be in nature of royalty

Nokia India (P.) Ltd. v. DCIT [Del Trib]

Discount offered by Nokia for supply of mobiles can't be treated as 'Commission' for purpose of Sec. 194H : The discount which was offered to distributors is given for promotion of sales. This element couldn't be treated as commission. Since there was absence of a principal-agent relationship, benefit extended to distributors couldn't be treated as commission under section 194H

Satish S. Prabhu v. ACIT [Mum Trib]

ITAT allowed section 54 deduction claimed first time during assessment proceedings : Merely where in return of income assessee did not offer capital gain on receipt of new residential flat against surrender of old flat but claimed deduction only during assessment that too under wrong section 54F, same would not disentitle him from availing deduction under section 54.

Ananda Social & Educational Trust v. CIT [SC]

A newly registered Trust is entitled for registration under section 12AA on basis of its objects, without any activity been undertaken

Empire Capital (P.) Ltd. v. ACIT [Mum Trib]

No addition towards notional rent if property remained vacant due to obstruction caused by ongoing metro project





ITO v. Durlabhbai Kanubhai Rajpara [SC]

High Court set aside reassessment proceedings on ground that no valid notice under section 148 could be issued against a dead person. SLP filed against said order was dismissed by Supreme Court.

Caprihans India Ltd. v. DCIT [Mum Trib]

Assessee had made the provision for leave encashment on actuarial basis, therefore, the same was in the nature of ascertained liability and hence not to be added back while computing book profit under MAT.

Adhiraj Pranay Shodhan HUF v. ITO [Ahem Trib]

Where assessee-HUF consisted of only two coparceners, viz., Karta and his son, on Karta dying intestate, son's share in HUF would become property of son's HUF, and father's share would come to son in his individual capacity and assessee-HUF would be taxable only in respect of half of properties acquired by HUF headed by Karta (father)

Updates

❖ **RBI extends time period for completion of remittances against import from 6 to 12 months**

[Circular No. A.P. (DIR Series) Circular No.33, Dated 22.05.2020]

In view of the disruptions due to outbreak of COVID- 19 pandemic, the RBI has decided to extend the time period for completion of remittances against such normal imports (except in cases where amounts are withheld towards guarantee of performance etc.) from six months to twelve months from the date of shipment for such imports made on or before July 31, 2020

❖ **RBI permits banks to extend moratorium on loan EMIs by another 3 months**

[Circular No DOR.No.BP.BC.71/ 21.04.048/ 2019-20 Dated May 23, 2020]

The repayment schedule for such loans as also the residual tenor, will be shifted across the board. Interest shall continue to accrue on the outstanding portion of the term loans during the moratorium period.

❖ **Indefinite extension of limitation period due to COVID 19 - Supreme Court**

Supreme Court passed an order recently in effect extending the period of limitation of all proceedings at all Courts/ Tribunals across the country including the Supreme Court, from 15th March, 2020, till an order to this effect is passed. The extension of this limitation period shall be irrespective of the limitation prescribed under the general law or Special Laws, whether condonable or not.



REVERSE CHARGE MECHANISM - 3

Category of Service	Effective Date	Supplier	Recipient
Services provided by Business Facilitator (BF) to a banking company.	01/01/2019	<ul style="list-style-type: none"> ○ Business facilitator 	<ul style="list-style-type: none"> ○ A banking company, located in the taxable territory.
Services provided by an agent of Business Correspondent (BC) to Business Correspondent	01/01/2019	<ul style="list-style-type: none"> ○ An agent of Business Correspondent 	<ul style="list-style-type: none"> ○ A business correspondent, located in the taxable territory.
Security Services	01/01/2019	<ul style="list-style-type: none"> ○ Any person other than a body corporate. 	<ul style="list-style-type: none"> ○ A registered person, located in the "taxable territory."
Services supplied by any person by way of transfer of development rights or Floor Space Index (FSI) for construction of a project by a promoter.	01/04/2019	<ul style="list-style-type: none"> ○ Any person 	<ul style="list-style-type: none"> ○ Promoter
Long term lease of land (30 years or more) by any person against consideration.	01/04/2019	<ul style="list-style-type: none"> ○ Any person 	<ul style="list-style-type: none"> ○ Promoter
Copyright Service by a music composer, photographer, artist or the like	01/10/2019	<ul style="list-style-type: none"> ○ Music composer, photographer, artist, or the like 	<ul style="list-style-type: none"> ○ Music company, producer or the like, located in the taxable territory.
Copyright Service by Author	01/10/2019	<ul style="list-style-type: none"> ○ Author 	<ul style="list-style-type: none"> ○ Publisher located in the taxable territory
Services provided by way of renting of a motor vehicle provided to a body corporate.	01/10/2019	<ul style="list-style-type: none"> ○ Any person other than a body corporate, paying GST @ 5% on renting of motor vehicles 	<ul style="list-style-type: none"> ○ Any body corporate located in the taxable territory.

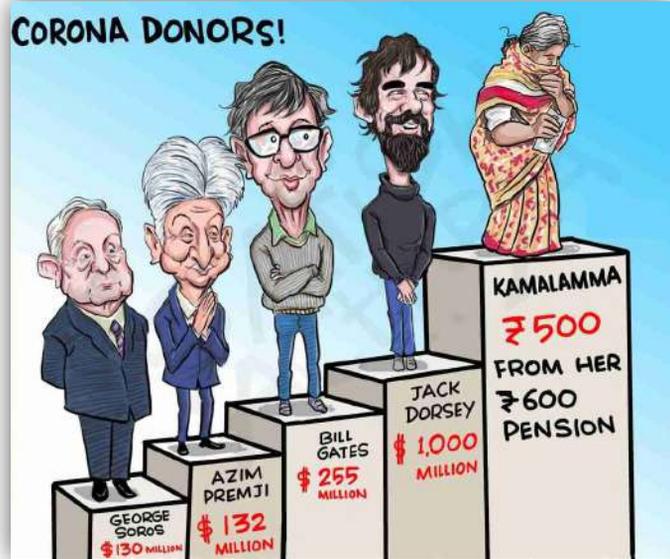
App of the Month -



Mitron is a free Short Video and Social Platform based out of Bengaluru, India. It is designed for people to showcase their innovative videos inline with our theme of light humor.

Mitron provides an easy and seamless interface for users to create, edit and share their videos, and at the same time browse through a library of top videos across the globe.

Click of the Month



Book of the Month -

Chanakya's Chant

Nothing can motivate you than yourself

Doctor's Diary

Chia Seeds



- o 384 pages
- o Published in 2009
- o Anchor

This is a thrilling novel that tells its readers about a sharp parallel story between two individuals. The author gives you an intricately woven plot that is set in

Chia seeds are among the healthiest foods on the planet. They're loaded with nutrients that can have important benefits for your body and brain.

Diets high in fiber have been linked to weight loss. Eating 30g of fiber daily may help you lose weight. Chia seeds have almost 10 grams of fiber.

These seeds also contain magnesium, that helps to keep cortisol level low and in turn uplifts your mood

two parallel worlds but is tied together by its two protagonists, namely Chanakya and Gangasagar.

Will Chanakya's ingenious ways bring about a drastic turn in the events of the nation? This captivating book answers just that through its exploration of Chanakya's ingenious and calculated moves that have altered the course of events in the past.

Trivia

It was the man from India, Vinod Dham, who invented pentium chips. These are the important revolution in modern computers.

