



E-Newsletter

# BHUJ BRANCH

OF  
WESTERN INDIA REGIONAL COUNCIL  
OF

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
(Setup by an Act of Parliament)

“OLD WAYS  
WON'T OPEN  
NEW  
DOORS”

For Private Circulation Only

E-Newsletter – July - 2017



You can't be without passion. Passion means the possessiveness to be the best.  
A. R. Rahman

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CA Bhavée Thacker

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## Chairperson's Message

Dear Collogues

The month of July is raining with fresh water and fresh Act – GST. The whole of India is worried how to deal with GST and then with Rains. There is a Joy of Rains as India is a agricultural Country we wait for Rains and even a Joy that is un expressed of GST as right now the People are busy in understanding the Change.

On this, the professional are busy and running on hectic schedules of completing the Income Tax Returns to be filed on Due Dates, Service Tax Returns , TDS Returns, GST Registrations and what not.

This July we also celebrated CA Day on July 1 with bundle of activities, launch of New Curriculum for students and Message from our beloved Prime Minister Shri Narendra Modi.

GST Study circle was active in the month of June and July 2017 discussing various topics and reaching its ends. It was a healthy discussion enriching the knowledge of many.

This newsletter we have tried to present the extract from the Ocean of GST.

Wishing you all Happy Monsoon and Great Time Ahead on the GST and Audit Season!!!

Thank you very much.

CA Bhavée Thacker

Chairperson

# TRANSITIONAL PROVISIONS IN GST WHERE RETURNS ARE BEING FILED

By CA Vruxi Mahek Shah

B.Com. CS

This article tells about carrying forward of the amount of CENVAT credit. But the eligible amount of carrying forward of CENVAT credit is what is shown in return. The said return should be furnished by him under the existing law as prescribed. The said return should be for the period ending with the day immediately preceding the appointed day what means the date on which the GST law shall come into force i.e.1/07/2017.

Person is eligible to take the above said CENVAT credit only if he is registered person. This intending registered person should not opt for paying tax under composition levy. So if person opts for paying tax under composition levy, he can not carry forward CENVAT credit.

If ANY person wants to carry forward the above said CENVAT credit he has to fulfill ALL following conditions.

- 1) The person should be registered under both the law.
- 2) He should not opt for paying tax under composition levy
- 3) The above said amount of CENVAT credit should be also be admissible in GST Act as input tax credit.
- 4) The person is required to furnish ALL returns in Existing Law. These returns should pertain to the period of SIX Months ending on the date when GST Act comes into force. It means he has to file all the required return for the period of 1/1/2016 to 30/6/2017 .

Additional Condition for registered manufacturer is below:

- 1) The goods manufactured and cleared by above manufacturer should not fall under any exemption notification issued by government, under GST law. It means if Manufacturer's good is falling under above said exemption notification, he can not carry forward CENVAT credit even if he has satisfied all above conditions.

140(2)

Question arises in mind that if GST Law will come into force, shall we entitle to take UNAVAILED CENVAT credit in respect of capital goods as it is not carried forward in return, alike aforesaid CENVAT credit in Subsection 1 of this provision??

Yes, the person shall be entitled to take the credit of unavailed CENVAT credit only on fulfilment of applicable conditions. .

In current provisions regarding availment of CENVAT credit in respect of capital goods, allow registered person to take part of CENVAT credit in the first year and remaining part in the second year. So in this case if second year falls under GST law, Person has not availed CENVAT credit in respect of capital goods yet. Now GST provision has inserted beneficial provision to give entitlement to take credit of Unavailed CENVAT credit in respect capital goods.

Following (ALL) Conditions have to be fulfilled to take credit of unavailed CENVAT credit in respect of capital goods.

- 1) The person should be registered in both the laws.
- 2) He should not opt to pay tax under composition levy.
- 3) Only that amount of CENVAT credit in respect of capital goods is allowed to take which is admissible as CENVAT credit under existing law but not

shown in return furnished by such person for the period ending with the day immediately preceding the appointed day.

4) The such credit of CENVAT credit in respect of capital goods should also be admissible in GST Law as input tax credit.

#### Section 140 (1) of SGST

This subsection entitles the person, being registered in both the laws, to take credit of VAT, and entry tax, if any. Above said credits should have been carried forward in return by the registered person furnished by him in existing law. The return in which credits should be carried forward pertains to the period ending with the day immediately preceding the appointed day

But if eligible registered person falls under any of the following circumstances, he is not eligible to carry forward such above said credits:

1) If said amount of credit is not admissible in existing or GST Law or both.

2) The person is compulsorily required to furnish ALL applicable returns in Existing Law. These returns should pertain to the period of SIX Months ending on the date when GST Act comes into force. It means he has to file

all the required return for the period of 1/1/2016 to 30/6/2017.

3) The registered person sells goods under notification :  
- (GHN-51) GST-2001 S.49 (355) TH, dated the 31st December, 2001 or  
- (GHN-24) VAT-2013/S.40 (1) (8) –TH, dated the 11th October, 2013 or  
- any other notifications.

Such registered person is claiming refund of VAT paid in relation to goods sold under above said notification , he is not entitled to take such amount of credit of VAT of which refund has claimed.

4) -If Registered person has made any claim relating to section 3, section 5(3), section 6, section 6A or section 8(8) of CST Act, 1956, then such person is not entitled to carry forward credit which is attributable to any of the above said section.

-The extent of amount of credit not available in relation to any of the above said section is the amount which is not substantiated as per rule 12 of CST (Registration and Turnover) Rules,1957.

(But when abovesaid amount gets substantiated as per prescribed manner, it will not lapse and the registered person will get that much of credit refunded as per relevant provisions.)

# NATURE OF SUPPLY UNDER GST

By CA Jalpa V.Thacker

Under GST, it is very important to determine the nature of supply. It's only after determining the same we can make sure the tax that is to be collected & paid. In case nature of supply is in interstate – IGST on the said transaction & in case it is intrastate-both CGST & SGST will apply.

Location of supplier	Location of recipient	Section
Gujarat	Gujarat	Section 8- Intra state supply (CGST & SGST)
Gujarat	Maharashtra	Section 7- inter state supply (IGST)

Under section 7 interstate suppliers, goods/services where the location of supplier & place of supply are in two different states or two different union territory shall be treated as a supply of goods/services in the course of interstate trade/commerce.

Supplies of goods/services imported into territory water of India are also interstate trade /commerce.

Some special situation is given in sub section 5 under which supply shall be treated in the course of interstate trade/commerce. Which are explained below

- 1) when the supplier is located in India & place of supply is outside India.
- 2) To or by SEZ developer or a SEZ units.
- 3) In the taxable territory not being an intastate supply &not covered elsewhere in this section.

Section 8 deals with interstate supply of goods/services where the location of supplier & place of supply are in same states or same union territory But Few exception are there which shall not be treated as intrastate supply like

- 1) Supply of goods/services to or by SEZ developer or a SEZ units.
- 2) Goods imported into territory of India till they cross the customs frontier of India
- 3) Supplies made to tourist

section 15

Section 9 deals with supplies in territorial waters.

- 1) Where the location of such supplier is in territorial waters, the location of such supplier or
- 2) where the place of supply is territorial water, the place of supply shall for purposes of this act be deemed to be in the coastal state or union territory where

the nearest point of the appropriate baseline is located.

While determining the levy of taxes based on place of supply, two things are considered namely- 1.Location of supplier 2. Place of supply

Location of supply of services is defined as registered place of business or fixed establishment or when supply is made from more than one location of establishment, most directly concerned with the provision of supply & in absence of all this usual place of resident of supplier.

Location of supplier of goods is not defined in law as to leave it to the facts of each case to determine the location of supplier of goods.

Place of supply is most crucial factor because the chargeability whether of intra state or interstate depends on it. In case place of supply is wrongly determined, it may have vast implications as per the provision of section 77.

There are 3 important concept that is to be kept in mind. 1.Taxable Event i.e. Supply 2.Time of supply of Goods/Services. 3.Place of supply of Goods/Services. Place of supply is the registered place of business of recipient.

Place of supply of goods is broadly divided into two categories. Section 11 deals with supplies outside india & section 10 deals with supplies within india.

Import	Place of supply location of importer
Export	Place of supply location outside india

### Section 10- supplies within india.

#### Place of Supply of Goods

<u>Particulars</u>	<u>Place of Supply of Goods</u>
1) Supply involves movement of goods	Where movement terminate for delivery
2) Where the supply involves a movement, on the direction of a third party	Principal place of business of 3 <sup>rd</sup> person of goods
3) Where supply does not involve movement of goods.	Location of goods at the time of delivery
4) Installation / assembly at site	Place of such installation or assembly
5) Where the goods are supplied on board a conveyance.	- Location at which goods are taken on board.
6). In any other case(not covered above)	Determined by the parliament along with recommendations of the Council.

Section 12,13,14 deals with place of supply of service .

### Section 11- supplies outside india

**Nature of supply & place of supply are important to for identify the right kind of tax applicable in each case.**

# ***SOCIAL MEDIA – A NEW PLATFORM FOR MARKETING AND ITS IMPACT.***

*By Jgar Jbbanputra  
MCA*

During different instant era's different methods of communications has developed. Social media has become the means of statement in the 21't century, enabling us to express our idea, method in a absolute new way. This way of message have also have a huge impact on corporation , where they have realize that without a accurate plan and social media approach they have no chance to stand out in the rapidly changing digital freedom . To guarantee a successful crowd on social media the companies need to obtain different marketing theories into concern so that they can enhance their product in different aspect. The sudden growths of community websites, such as Twitter, Facebook and LinkedIn, have direct the world into a new era of social media. If Facebook were a country, it would be third largest, next to China and India. Social media plays a crossbreed role in the endorsement. It allows companies to speak to their clients and, at the same time, it allows customers to talk to one another. Shaping consumers discussions to ensure they are aligned to the organization's goals is the firm's best importance. So now it is new rule for company marketing on the social web.

## **Introduction:**

Marketing is a well developed mechanical discipline and is regularly varying its rules according to the requests and development taking place in and around it. To establish itself in the new eta, it has begun adapting the new methods of qualities to come to terms with the new paradigms of trade. The job of promotion in the growth of business is intact but the way it was executed is radically altering due to contributions made by satellite communication and extensively developed scientific devices. Social Media is best defined in the context of the previous business media model. Traditional media such as television, news papers, radio and magazines are in one direction static show technologies. New technology has made it simple for anyone to create and most highly, issue their own content. A blog position, tweet or youtube video can be twisted and viewed by millions almost for free. Advertisers don't have to reimburse publishers or distributors huge sums of money to embed their messages and they can make their own interesting content that viewers will flock to. Social media comes in many forms and the eight most popular are: Blogs, Microblogs, Social Networks, Media - Sharing Sites, Social Book marking and selection Sites, analysis Sites, forum and effective Worlds

## **TECHNOLOGY AND ITS IMPACT ON BUSINESS**

Over the past 40 years, there has been a drastic swing in how business is conducted and how people collaborate.

The preface of private computers, the Internet, and e-commerce have had a great impact on how businesses function and endorse. Some of the best-known examples include technology-driven companies such as Microsoft, eBay,



Amazon and Google. Finally' the explosive growth of the smart phone market and mobile computing is affecting the strategy, as social media connectivity is becoming easier and is helping social media glow even faster.

### A GENERAL SURVEY ABOUT THE USAGE OF SOCIAL MEDIA MARKETING

Over the past few years, 93% of the companies reported that they are using social media as a marketing tool, this figure shows the impact of social media marketing in today's world. According to survey report in 2011, time committed for using social media for marketing each week

Hours in week	%
0	2.9%
1 to 5	39%
6 to 10	23.9%
11 to 15	11.5%
16 to 20	7.9%
21 to 25	4.3%
26 to 30	2.9%
31 to 35	1.4%
36 to 40	2.5%
40+	3.7%

Experience is also a major concern in the usage of social media marketing, For people just beginning with social media, 59% spend 1 to 5 hours per week.

However, for folks who have been doing this for a few months or longer, most spend 6 hours or more per week on social media activities. A significant 47% of marketers who have more than 3 years experience spend at least 16 hours per week focused on social media activities. Age is also a major concern in the usage of social media marketing, There's a direct relationship between age and time spent on social media. The younger the marketer, the more time he or she spends on social media.

People aged 20 to 29 years spend more time than other age groups using social media marketing. 20 to 29-year-olds 41% spend 11+ hours weekly 30 to 39-year-olds 37% spend 11+ hours per week.

### Commonly Used Social Media Marketing Tools

Facebook 92%	Twitter 84%	LinkedIn 71%
Blogs 68%	YouTube 56%	Forums 24%
Foursquare 17%	MySpace: 6%	Social Bookmarking 26%

### Social media tools people want to learn

Facebook 70%	Blogs 69%	Social Bookmarking/news site 59%
Twitter 59%	LinkedIn 55%	YouTube or other video 55%
Geolocation(Foursquare) 46%	Forums 40%	Groupon 30%

## **MEDIA SHARING SITES**

Media sharing sites let you to upload your photos, videos and audio to a website that can be accessed from everywhere in the world. Most services have other social features such as profiles, commenting, etc. The most popular by far are YouTube (videos) and Flickr (pictures). Whether it's Pinterest, Instagram, Flickr or one of the many photo sharing sites popping up online, image-driven social media networks and sites are a great resource for B2B companies. Online marketing doesn't just consist of Facebook, or banners. Online marketing is about providing current and potential customers with interesting, informative content. This includes images. Because many photo sharing sites are free.

## **REVIEW SITES**

A review site is a website on which reviews can be posted about people, businesses, products, or services. These sites may use web 2.0 techniques to gather reviews from site users or may employ professional writers to author reviews on the topic of concern for the site. Early review sites included Epinions.com and Amazon.com. Review sites are generally supported by advertising. Some business review sites may also allow businesses to pay for enhanced listings, which do not affect the reviews and ratings. Product review sites may be supported by providing affiliate links to the websites that sell the reviewed items. With the growing popularity of affiliate programs on the Internet, a new sort of review site has emerged - the affiliate product review site. This type of site is usually professionally designed and

written to maximize conversions, and is used by ecommerce marketers. It's often based on a blog platform like Wordpress, has a privacy and contact page to help with SEO, and has commenting and interactivity turned off. It will also have an e-mail gathering device in the form of an opt-in, or dropdown list to help the aspiring e-commerce business person build an e-mail list to market to. These sites generally review e-books. Because of the specialized marketing thrust of this type of website, the reviews are not objective.

## **CONCLUSION**

Social media isn't about money or institutions. It isn't about stockholders making billions of dollars. It isn't about corporate ownership. Social media is about ordinary people taking control of the world around them and finding creative new ways to bring their collective voices together to get what they want. Social Media Marketing (SMM) is primarily internet-based but has similarities with noninternet-based, marketing methods like word-of-mouth marketing. SMM is the way of promoting a website, brand or business by interacting with or attracting the interest of current or prospective customers through the channels of social media. Facebook, Twitter and Youtube are the most popular social media that are widely used by the companies and the celebrities in promoting themselves and their brands. With the number of users rising each day in Facebook and other social networking sites, it is bound to bring in more customers for the business and much more promotions and marketing thus making social media, the better platform for marketing.

# Photo Gallery

## C.A. Day Celebration













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