



newsletter

Advocates

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VAT, Income Tax and Service Tax

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Dear Friend & Valued Reader,

Greetings for the day!

I am sure you might have enjoyed reading our 3rd Newsletter which was sent to you in the first/second week of April, 2015. Firstly, I would like to convey my sincere gratitude to the readers for sending their valuable inputs and suggestions which has been taken into consideration. I look forward to your continued help by way of your valuable comments/suggestions/critical inputs which would encourage us and will also give us a new opening to improve upon the future issues of our Newsletter.

You will appreciate that from time to time, we are upgrading our website to make it more informative and you may like to visit our website for the latest updates, etc. Further, you will be happy to note that all our Newsletters are also available at our website.

I along with my entire team look forward to your critical views/comments and suggestions on this issue of Newsletter and how our Team can continue to serve you in a more useful and effective way. I look forward to your words of support by way of yours views/comments which will definitely give us a new thrust to our future issues of the Newsletter.

With warm regards - Mohit Malik, Editor

Important Notice:

This is brought to the knowledge of our valued readers and clients that the quarterly sales tax return for the period **April - June 2015** is due and the last date for filling of the same is **31st July 2015**. As we have already intimated you that department has started **e-services** and this quarter return needs to be filed online; so please arrange to send the sale/purchase details in excel templates in **PEN DRIVE** urgently, to enable us to file your sales return. Return filling tool is available at www.haryanatax.gov.in

List of Holidays to be observed by Sales Tax department during July - September 2015

17th August, 2015, Monday Teej

23rd September, 2015, Wednesday Shahidi Diwas

List of Forms of Templates to be as Sales & Purchase list prescribed for filling return.

Form Name	Template Name	Type of Transaction & Templates Applicability
Sale		
LS-1	TEMPLATE-VAT-RETURN-R1-LS1-INVOICE_WISE_DETAIL_OF_SALE	Sale outside the state out of goods purchase outside state
LS-2	TEMPLATE-VAT-RETURN-R1-LS2-INVOICE_WISE_DETAIL_OF_PURCHASE	Sale of goods by transfer of documents during their movement (E-I/E-II Sale)
LS-2	TEMPLATE-VAT-RETURN-R1-LS2-INVOICE_WISE_DETAIL_OF_SALE	Normal Interstate/Central Sale, not covered under above
LS-3	TEMPLATE-VAT-RETURN-R1-LS3-INVOICE_WISE_DETAIL_OF_SALE	Sale in course of Import into India (Highseas Sale)
LS-4	TEMPLATE-VAT-RETURN-R1-LS4A-INVOICE_WISE_DETAIL_OF_SALE	List of Export of goods outside India (Out of goods purchase against D-2 & H Form)
LS-4	TEMPLATE-VAT-RETURN-R1-LS4B-INVOICE_WISE_DETAIL_OF_SALE	List of Export of goods outside India (Direct Export) not covered under above LS4A
LS-4	TEMPLATE-VAT-RETURN-R1-LS4C-LIST-OF_SALE	List of sale of Indirect Export (agst. D-2 & H Form)
LS-7	TEMPLATE-VAT-RETURN-R1-LS7-LIST_OF_GOODS_EXPORTED	Stock Transfer Outside State against Form F
LS4A	TEMPLATE-VAT-RETURN-R1-LS4ATAB-INVOICE_WISE_DETAIL_OF_SALE	List of Taxfree/Expemted Sale within State
LS4B	TEMPLATE-VAT-RETURN-R1-LS4BTAB-INVOICE_WISE_DETAIL_OF_SALE	List of sale of goods in the state to EOU, STP, SEZ, DMRC
LS-6	TEMPLATE-VAT-RETURN-R1-LS6TAB-DETAIL_OF_SALE	List of goods consigned for sale to agents (who are VAT Dealers) in the state
LS-9A	TEMPLATE-VAT-RETURN-R1-LS9A1-LIST_SHOWING_SALE_OF_GOODS	Local sale to Registered Dealer at Full Rate
LS-9B	TEMPLATE-VAT-RETURN-R1-LS9B1-LIST_OF_PURCHASE_OF_GOODS	Local sale to Registered Dealer at Lower Rate (agst. D-1 etc.)
LS-9C	TEMPLATE-VAT-RETURN-R1-LS9C-LIST_SHOWING_SALE_OF_GOODS	Local sale to unregistered dealer/consumer at full rate
LS-10	TEMPLATE-VAT-RETURN-R1-LS10A-LIST_OF_RETURN_OF_GOODS_SOLD	List of Return of Goods Sold
LS-10	TEMPLATE-VAT-RETURN-R1-LS10B-LIST_OF_ESCALATION_IN_PRICE	List of escalation in price of goods sold
LS-10	TEMPLATE-VAT-RETURN-R1-LS10C-LIST_OF_DE-ESCALATION_IN_PRICE	List of De-escalation in price of goods sold
Purchase		
LP-1	TEMPLATE-VAT-RETURN-R1-LP1-LIST_OF_PURCHASE_OF_GOODS_PURCHASED	Purchased outside state (for sale outside state)
LP-2	TEMPLATE-VAT-RETURN-R1-LP2-LIST_OF_PURCHASE_OF_GOODS	List of purchase of goods in course of export (agst. D-2, agst. H)
LP-3	TEMPLATE-VAT-RETURN-R1-LP3A-INVOICEWISE_LIST_OF_PURCHASE_OF_GOODS	Invoicewise list of purchases of goods - sold by transfer of documetns during their movement
LP-3	TEMPLATE-VAT-RETURN-R1-LP3B-INVOICEWISE_LIST_OF_PURCHASE_OF_GOODS	Interstate purchases not covered under above LP-3
LP-4	TEMPLATE-VAT-RETURN-R1-LP4-LIST_OF_PURCHASE_OF_GOODS	List of purchase of goods in course of import
LP-5	TEMPLATE-VAT-RETURN-R1-LP5-LIST_OF_GOODS_IMPORTED	List of goods import into the state (Stock received from outside state)
LP-6	TEMPLATE-VAT-RETURN-R1-LP6-LIST_OF_GOODS_RECEIVED	List of goods received for sale from other VAT dealer in the state
LP-7	TEMPLATE-VAT-RETURN-R1-LP7A1-LIST_SHOWING_PURCHASE_OF_GOODS	List of Local Purchcases from registered dealer at full rate
LP-7A	TEMPLATE-VAT-RETURN-R1-LP7B1-LIST_OF_PURCHASE_OF_GOODS	List of Local Purchcases from registered dealer at Lower rate (D-1 etc.)
LP-7B	TEMPLATE-VAT-RETURN-R1-LP7C1-LIST_SHOWING_PURCHASE_OF_GOODS	List of showing purchase from Lumpsum dealers
LP-7C	TEMPLATE-VAT-RETURN-R1-LP7D1-LIST_SHOWING_PURCHASE_OF_GOODS	List of showing purchase from unregistered dealer without payment of tax
LP-8	TEMPLATE-VAT-RETURN-R1-LP8A-LIST_OF_RETURN_OF_GOODS_PURCHASED	List of Return of Goods purchased
LP-8	TEMPLATE-VAT-RETURN-R1-LP8B-LIST_OF_ESCALATION_IN_THE_PRICE	List of escalation in price of goods purchased
LP-8	TEMPLATE-VAT-RETURN-R1-LP8C-LIST_OF_DE-ESCALATION_IN_THE_PRICE	List of De-escalation in price of goods purchased

Important notifications/amendments during the past quarter:

Notification no.	Date of Notification	Brief summary
No. 15/ST-1/H.A. 6/2003/S.59/2015	15/06/2015	Amendment in Schedules B and C of Haryana VAT Act, 2003 (w.e.f. 1 st April, 2015)
No.16/S T-2/C.A.74/1956/S .13/2015	18/06/2015	Amendment in the Central Sales Tax (Punjab) Haryana Rules, 1957: Any dealer registered under the Act shall apply to the authority, to whom he made his application for registration, for the grant of declaration of Forms C, F, H and I prescribed under the CST Rules stating his demand and details of such declaration forms already in hand and also the date on which and the number in which he was last issued the declaration forms. In case the officer is satisfied with the requisition of the dealer that the forms are genuine and reasonable he may issue him as many declaration forms as he deems fit on prior payment of charges. In case the officer has reason to suspect that the declaration forms are likely to be misused by the dealer, he may, call upon the dealer to furnish such security/surety to guard against the misuse of the same.
No. 18/ST-1/H.A. 6/2003/S.59/2015.	15/07/2015	Rate of tax on diesel has been increased from 11.5% to 16.4%.

Clarification issued by Department

Clarification issued on dated 15th June, 2015 regarding the rate of tax on sale of “flavoured milk” under the Haryana VAT Act, 2003. As per the clarification “flavoured milk” is not covered by any of the entries in the schedules appended to the Act and hence liable to be taxed as unclassified goods at the rate of 12.5% as also held by the Haryana Tax Tribunal.

Important Judgments of various Authorities:

Retrospective amendment in rate notification – Beyond the powers of State Government (2015) 51 PHT 127 (P&H)

Modification of clarification u/s 56(3) of HVAT Act – High Court held in exercise of its writ jurisdiction is competent to modify the clarification and stay the recovery till the matter is properly adjudicated. Hamdard Laboratories vs. State of Haryana (2015) 51 PHT 100 (P&H)

Processing and supply of photographs, photo prints and photo negatives whether sale or service – held that after 46th amendment of Constitution, clause 29A of Article 366 empowered the state legislature to segregate the goods part of the works contract and impose sales tax thereupon. That part of processing and supplying of photographs, photo prints and photo negatives, which have ‘goods’ component exigible to sales tax held to be constitutionally valid. State of Karnataka vs. M/s Pro Lab & others etc. (2015) 50 PHT 402 (SC) (FB)

Developers and builders held are works contractors and the agreement between the developers/builders/promoters held are works contractors and the agreement between the developers/builders/promoters and the prospective purchasers to construct a flat and thereafter sell the same with some portion of land, authorizes the State to impose VAT thereon. CHD Developers Ltd., Karnal vs. State of Haryana (2015) 51 PHT 100 (P&H)

Maintainability, when alternative remedies of appeal is available – Plethora of case law is a pointer to the proposition that wherever alternative remedies are available, the writ court should be loath in interfering in such matters. But when vires of Act and Rules are challenged in the writ petitions, the court cannot shut its door of its entry to the High Court and be compelled to go before the authorities concerned. CHD Developers Ltd., Karnal vs. State of Haryana (2015) 51 PHT (P&H).

VAT held is leviable on transfer of property in goods involved in execution of works contract and not on works contract. CHD Developers Ltd., Karnal vs. State of Haryana (2015) 51 PHT (P&H)

Battery charger – Apex court held that battery charger sold along with the mobile/cell phone cannot be held to be composite part of cell phone but is an independent product. Which can be sold separately, without selling the cell phone. State of Punjab vs. Nokia India Pvt. Ltd. (2015) 50 PHT (SC)

MOHIT MALIK

Chief Editor

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