

## International &amp; National News

## GST Council to discuss annual return forms on July 21; experts expect reconciliation with ITR

**Agency  
New Delhi, July 8,**

The format for annual returns and audit is likely to be approved by the GST Council in its meeting on July 21 and industry experts expect that there could be some reconciliation with annual ITR returns as the government aims to check tax evasion. Goods and Services Tax (GST) was rolled out on July 1, 2017, and this is the first year when businesses will have to file annual returns (GSTR-9) for 2017-18 fiscal year by December 31, 2018.

Also those businesses with turnover of more than Rs 2 crore will have to file audit reports along with the annual returns.

The revenue officers have prepared a draft of the annual returns form, which will be deliberated by the all powerful GST Council chaired by Union Finance Minister and comprising state finance ministers as members, in its meeting on July 21. The GST Network, which manages the IT backbone for the new indirect tax regime will thereafter finalise the software to enable businesses to file the returns.

Tax experts said they expect the annual returns form to be in line with that in the erstwhile Value Added Tax (VAT) regime, with some columns for reconciliation with Income Tax

returns and audit report. They expect the forms to be made available online by October, so that the returns could be filed within the December due date.

Deloitte India Partner M S Mani said: "Considering the fact that the key objective of GST is to expand the tax base, it is expected that the GST annual return would require some information related to annual accounts and income tax returns, in addition to the details which were required to be submitted in the erstwhile VAT annual returns".

They expect that in the VAT era, assessments were made on the basis of annual returns and the same process should be followed in the GST regime as well.

Experts said the businesses might commit some error in the monthly returns filed and those could get corrected in the annual returns and hence assessment should be on the basis of annual returns.

EY India Tax Partner Abhishek Jain said: "Given the first year of GST, the industry would expect the Annual Return format to be simple and if possible only require PAN based data reconciliation with the financials and not state wise or GSTIN wise data reconciliation with financials. The said demand essentially being on account of most company IT systems not being

configured to extract state wise financials".

Under the VAT regime, businesses were required to file returns in every state where they are registered and hence linking their annual returns with that of the same filed under IT returns was not feasible.

AMRG & Associates Partner Rajat Mohan said: "Some of the Industry expectations are online forms with least manual intervention seeking selected information, clarity on the need for annual state-wise financial statements and finally, deferment of GST audits in the first year".

But, with GST being PAN based registration, it would be easier to reconcile the sales and purchases with that reported in IT returns.

As per the IT return forms notified by the income tax department, businesses filing ITR-4 (Presumptive Income From Business & Profession) will have to give information regarding turnover/gross receipt reported for GST as well as GST Identification Number (GSTIN). Besides, in ITR-6 which is to be filed by companies, businesses have to specify GST paid or refunded or credit outstanding.

Over 1.14 crore businesses are registered under the GST regime. Of these, about 18 lakh businesses have opted for composition scheme.

## CBI looks for banking, tax experts to help probe into multi-crore scams

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New Delhi, Jul 8**

The Central Bureau of Investigation (CBI), which is probing the over Rs 13,000 crore Punjab National Bank scam as well as other financial frauds, has sought deputation of banking and tax experts from other ministries with an offer of good monetary incentives. According to an official communication sent by the CBI to finance and other key ministries, the agency has asked for officers on deputation as advisor (banking), senior advisor (foreign trade or foreign exchange), deputy advisor (foreign trade or foreign exchange) and senior

advisor (taxation) on deputation.

Those selected will initially be given short-term contract with the premier investigation agency, it said.

These posts are to provide technical assistance and expertise in probing cases involving banking, foreign trade and foreign exchange, taxation and to supervise the work of other technical officer working in the agency, the letter routed to various ministries said.

"It may be noted that the officers coming on deputation to CBI are entitled for a special security allowance at the rate of 20 per cent on the pay," it said. The communication, however, said the candidates who

apply for the post will not be allowed to withdraw their candidature subsequently. The CBI is looking into various big-ticket fraud cases in banks besides other complex cases related to foreign trade and taxation. Among the prominent ones is the over Rs 13,000-crore fraud in the PNB allegedly committed by jeweller Nirav Modi and his uncle Mehul Choksi, the promoter of Gitanjali Gems.

The CBI had some time back also booked top officials of two public sector banks, a former CMD of the IDBI Bank, former Aircel promoter C Sivasankaran, his son and companies controlled by him in connection with a Rs 600-crore loan fraud in the

IDBI.

The CBI had on Friday arrested two senior retired officers of the Bank of India in connection with alleged loan fraud of Rs 2,654 crore by Vadodara-based Diamond Power Infrastructure Ltd. (DPIIL) in the bank. Some former top RBI officials are also under the scanner of the CBI for alleged financial frauds.

The induction of financial expert in the agency will help in expediting probe in financial crime cases, they said.

During 2017, the CBI had registered 939 regular cases and 137 preliminary enquiries. As many as 9,383 cases were pending in various courts at the end of the year.

## PNB's big wilful defaulters' dues fall to Rs 15,354 cr in June

**Agency  
New Delhi, Jul 8**

Dues from big wilful defaulters of Punjab National Bank fell by 0.87 per cent to Rs 15,354.52 crore on June 30 compared to previous month, the bank data has showed. The data on big wilful defaulters is pertaining to those borrowers who took loan of Rs 25 lakh and above from the public sector lender. Such borrowers had an outstanding of Rs 15,490 crore at the end of May 2018.

For financial year ended March 2018, the bank's balance sheet had closed with big wilful defaults owing Rs 15,171.91 crore.

PNB suffered a standalone net loss of Rs 12,282.82 crore on 2017-18, as against a profit of Rs 1,324.80 crore in 2016-17. The major defaulters included Kudos Chemie Ltd - Rs 1301.82 crore; Kingfisher

Airlines Rs 597.44 crore; J&S Infrastructure Rs 410.96 crore; VMC Systems Rs 296.08 crore; MBS Jewellers Rs 266.17 crore; Tulsii Extrusion Rs 175.41 crore and Arvind Remedies Rs 158.16 crore.

Among others included ICSA (India) Ltd Rs 134.76 crore; Bhawani Industries Rs 106.66 crore; Indu Projects Rs 102.83 crore; BBF Industries Rs 101 crore. These borrowers took loan from PNB as part of a consortium lending from various banks.

The defaulters who took loan solely from PNB were: Winsome Diamonds and Jewellery - Rs 899.70cr; Forever Precious Jewellery & Diamonds - Rs 747.97 crore; Zoom Developers - Rs 410.18 crore; Apple Industries Rs 248.34 crore; Mahua Media Pvt Ltd - Rs 104.86 crore and Shree Sidhahi Ispat Rs 165.98 crore.

Among others were: Rupana Papers Rs 100.49 crore; Surya Vinayak Industries Rs 133.96 crore; Vishal Exports Overseas Rs 98.39 crore; Ramsarup Nirman Wires Rs 148.10 crore; Ramsarup Lohh Udyog Rs 129.34 crore; Rupana Papers Rs 100.49 crore and Rana Alloys Rs 78.90 crore.

The banking sector, particularly state-owned lenders, is grappling with mounting non performing assets (NPAs) or bad loans as also a host of scams and frauds. NPAs in the banking sector stood at Rs 8.31 lakh crore as of December 2017.

The total bad loan write-off by the public sector banks stood at over Rs 1.20 lakh crore in the last fiscal, with SBI bearing the burnt at Rs 40,196 crore, nearly 25 per cent of the total write-offs during 2017-18.

This was followed by Canara

Bank (Rs 8,310 crore), Punjab National Bank (Rs 7,407 crore) and Bank of Baroda (Rs 4,948 crore).

Scam-hit PNB, which has suffered a fraud of Rs 14,357 crore allegedly carried out by celebrity jewellery designer Nirav Modi and his associates, witnessed a sharp deterioration in its asset quality with gross loans mounting to 18.38 per cent of gross advances at the end of March 2018, as against 12.53 per cent a year ago. Net NPAs were also soared to 11.24 per cent against 7.81 per cent year ago.

In absolute terms, the gross NPAs of PNB surged to Rs 86,620 crore in the fourth quarter last fiscal as compared to Rs 55,370 crore in same quarter previous year. Similarly, the net NPA also rose to Rs 48,684.29 crore from Rs 32,702 crore at the end of March 2017.

## Court sends separatist Aasiya Andrabi, 2 others to 10-day NIA custody

**Agency  
New Delhi, July 8,**

Aasiya Andrabi and two other Kashmiri separatists were today handed over by a Delhi court to the National Investigating Agency (NIA) for 10 days' custodial interrogation in connection with a case of allegedly waging war against the country.

Amid tight security, the trio, who were brought here from Srinagar, were produced before District and Sessions Judge Poonam Bamba. During the in-camera proceedings, the judge allowed the plea of the NIA that Andrabi, who is chief of the banned outfit Dukhtarane-Milat, and others were required to be quizzed as investigation has revealed that by their activities in cyber space they "are running a concerted campaign to solicit support" from terrorist entities from Pakistan.

The NIA had sought the custody of Andrabi and her two associates — Sofi

Fehmeeda and Nahida Nasreen—for 15 days.

The lawyers, who were associated with the case, were allowed inside the court room and they briefed the waiting media about the court proceedings.

The case was registered against the three women in April this year.

Seeking their custody, the NIA said, "The present investigation has so far revealed that the accused persons are found involved in the conspiracy and acts to severely destabilize the sovereignty and integrity of India.

"By their activities on cyber space they are running a concerted campaign to solicit support of Pakistani establishment which inter-alia includes arranging support from terrorist entities from Pakistan.

"Further investigation needs further investigation and for this purpose the interrogation of accused persons has become a necessity."

The three women have been

arrested for the offences under sections 147 (rioting), 148 (rioting armed with deadly weapon), 149 (unlawful assembly), 341 (wrongful restraint), 336 (endangering life of others), 307 (attempt to murder) and 120B (criminal conspiracy) of Ranbir Penal Code and under relevant provisions of Prevention of Damage of Public Property Act and Unlawful Activities Prevention Act.

Andrabi, who was in a prison in Srinagar after the Jammu and Kashmir High Court cancelled her bail last month, was brought here from Kashmir along with her associates.

The NIA, on directions of the Union Home Ministry, registered a case against them as well as the organisation, which is banned under the Unlawful Activities (Prevention) Act, 1967, in April this year.

According to the FIR, the "central government has received information that Aasiya Andrabi and her associates namely Sofi Fehmeeda and Nahida Nasreen are actively running a terrorist organization named as 'Dukhtarane-E-Milat' (DEM) which is proscribed under the First Schedule to the UAPA".

"They are using various media platforms to spread insurrectionary imputations and hateful speeches that endanger the integrity, security and sovereignty of India. DEM through Aasiya Andrabi openly advocates secession of Jammu and Kashmir from the Union of India and has also called for Jihad and use of violence against India," the FIR alleged.

## 'Race against time' to rescue Japan flood victims: PM

**Agency  
Mihara (Japan), Jul 8**

Japan's Prime Minister Shinzo Abe warned today of a "race against time" to rescue flood victims as authorities issued new alerts over record rains that have killed at least 48 people.

The torrential downpours have caused flash flooding and landslides across central and western parts of the country, prompting evacuation orders for more than two million people.

"Rescues, saving lives and evacuations are a race against time," Abe said as he met with a government crisis cell set up to respond to the disaster.

"There are still many people whose safety has yet to be confirmed," he added.

Top government spokesman Yoshihide Suga said the death toll after days of extreme weather now stood at 48, but this is expected to rise further, with local media saying more than 60 people were dead and dozens of others missing.

The rain has completely blanketed some villages, forcing desperate residents to take shelter on their rooftops with flood water swirling below as they wait for rescue. Over two million people have been told to evacuate, but the orders are not mandatory and

many remained at home, becoming trapped by rapidly rising water or sudden landslides.

The meteorological agency issued its highest level alert for two new regions on Sunday, while lifting the warnings for other areas where rains were subsiding.

In the town of Mihara, in the south of the Hiroshima region, a let-up in rain laid bare the devastation wrought by the downpours.

Roads were transformed into muddy flowing rivers, with dirt piled up on either side as flood water gushed around the wheels of stranded cars.

"The area became an ocean," said 82-year-old Nobue Kakumoto, a long-time resident.

"I'm worried because I have no idea how long it will stay like this," Several dozen residents descended into the village to inspect the damage after spending the night in a tiny shelter on higher ground.

Masanori Hiramoto, a 68-year-old farmer, didn't bother observing the Japanese custom of removing his shoes when he entered his ravaged home, the woven tatami mat floors carpeted with mud.

"I don't even know where to start cleaning. I don't know what is where," he told AFP.

Elsewhere, work crews tried to clear multiple small landslides that coated roads, rendering them virtually impassable.

"We are carrying out rescue operations around the clock," Yoshihide Fujitani, a disaster management official in Hiroshima prefecture, told AFP.

"We are also looking after evacuees and restoring lifeline infrastructure like water and gas," he added.

"We are doing our best." In western Okayama prefecture, rescue operations were underway to evacuate several hundred people including children and elderly people from a hospital, including by helicopter.

Those in the building became trapped when a nearby river burst its banks and flooded the area, and a nurse inside told local media there was no power or water, and food was running short.

"Around 1,000 people were seeking rescue by Sunday morning, but we don't yet have a complete picture of the disaster, which is enormous," Mitsunari Imawaka, a spokesman for the prefecture's disaster management office, told AFP.

"We are working hard to rescue them as quickly as possible. Time is running out.

### Marksheet Lost

I, the undersigned, Surjalata Takhellambam, have lost my marksheet for my class X, issued by Board of Secondary Education, Manipur bearing Roll no 33710 of 2014 and marksheet of my class XII (Science), issued by the Council of Higher Secondary Education Manipur, bearing Roll No. 9874 of 2016 on the way between Konung Mamang to D.M. College on July 5, 2018.

Finders are requested to hand over the same to the undersigned.

Sd/-  
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