

THE BARRISTER

by S.B. Jain and Associates

The latest legal updates, news and views

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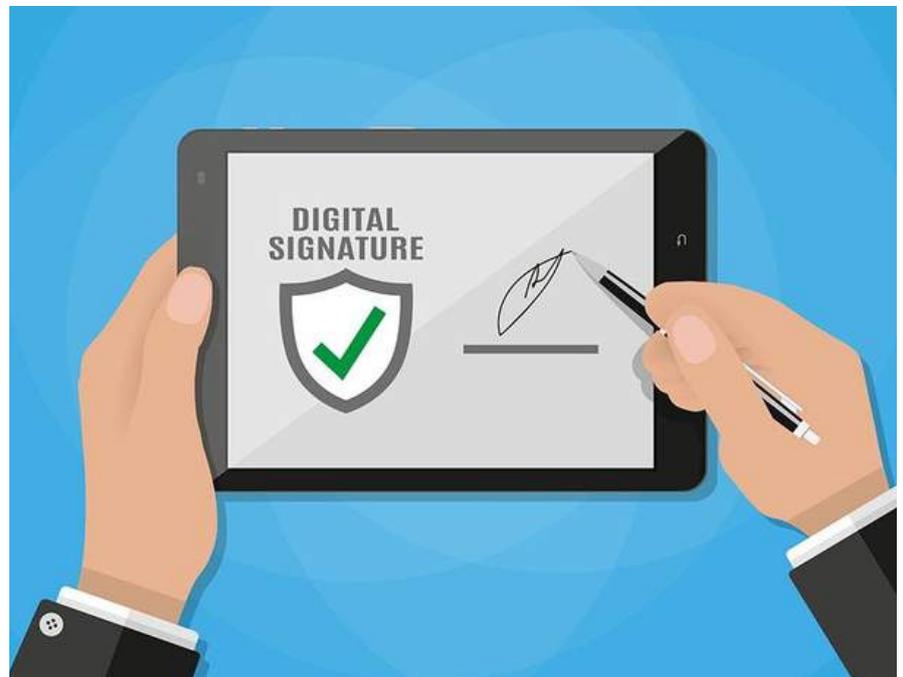
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What are Digital Signatures?

A digital signature is exactly what it sounds like a modern alternative to signing documents with paper and pen.

It uses an advanced mathematical technique to check the authenticity and integrity of digital messages and documents. It guarantees that the contents of a message are not altered in transit and helps us overcome the problem of impersonation and tampering in digital communications.

Read more on page 6

CORPORATE AFFAIRS



Login Process for V3 Portal

Stakeholders are requested to use their V2 user ID and password to log into the new V3 portal, and then upgrade to a business user. Once upgraded the email ID of the V2 account will automatically become the login ID for V3 and password will remain the same, which can be then changed as required.

LIC IPO

If media reports are to go by, the initial public offer (IPO) of Life Insurance Corporation of India (LIC) would open on May 4 and close on May 9. Most of the investment roadshows have concluded and LIC is expected to soon receive final commitments from the global investment community, multiple sources with knowledge of the matter.



TAXATION



Crypto Tax/Other Virtual Digital Assets Tax

One of the biggest announcements of Budget 2022-23 was the taxation of crypto gains. The budget brought in clarity concerning the levy of income tax on crypto assets. The crypto asset tax regime in India will gradually roll out in the financial year (FY) starting April 01, 2022. Provisions on the 30% tax will also be effective at the start of the fiscal year 2022-23 while those related to the 1% TDS will come into effect from July 1, 2022. Furthermore, if you receive a present in the form of bitcoin or any virtual digital asset, it will be taxed as a gift.

VDA losses can't be offset by VDA gains

While computing tax, losses experienced from one type of virtual digital asset (VDA) cannot be offset against gains from any transaction involving another VDA. This means that investors will have to pay a 30% tax on whatever gains they make, and losses will not be deducted from the final taxation amount if they trade various tokens.





GSTR-1 enhancements

- Removal of 'Submit' button before filing : The present two-step filing of GSTR-1/IFF involving 'Submit' and 'File' buttons will be replaced with a simpler single-step filing process.
- Consolidated Summary : Taxpayers will now be shown a table-wise consolidated summary before actual filing of GSTR-1/IFF. This consolidated summary will have a detailed & table-wise summary of the records added by the taxpayers. This will provide a complete overview of the records added in GSTR-1/IFF before actual filing.

Tax on Provident Fund

If the employee's contribution to the Employees' Provident Fund (EPF) account exceeds Rs 2.5 lakh in the previous financial year 2021-22, then the interest earned on the excess contribution will be taxable in his/her hands. To calculate the interest that will be taxable in the hands of an employee, a new EPF account will be created. This new tax on interest was proposed by Finance Minister Nirmala Sitharaman in her budget address for 2021-22.

PROVIDENT FUND



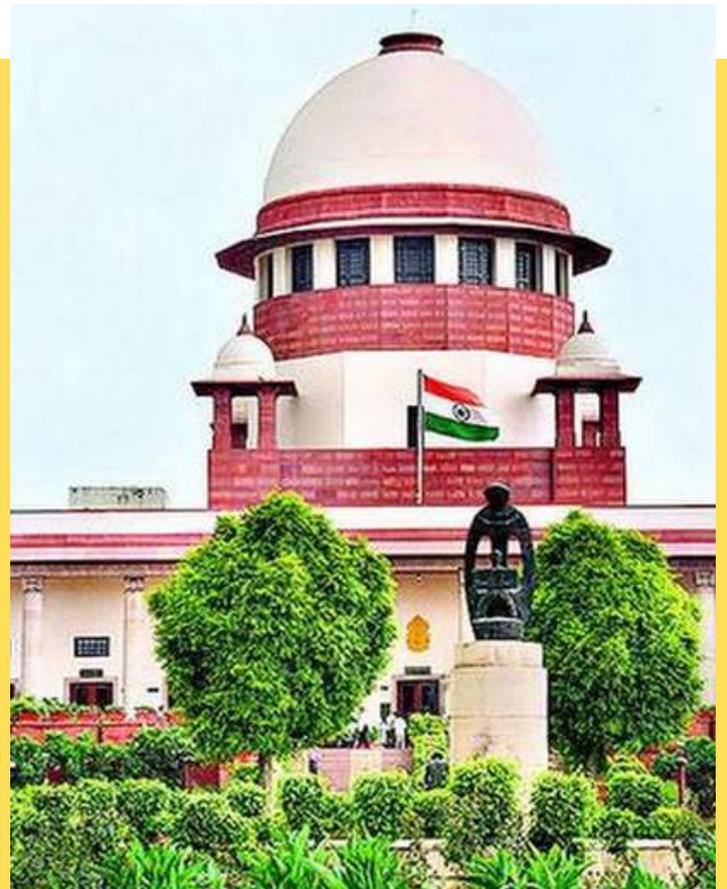
Conveyance Allowance Is Not Part Of 'Wages'

The ESI Court held that the "conveyance allowance" paid to the employees is not included in the definition of "wages" under Section 2(22) of the Employees' State Insurance Act, 1948. The Madras HC set aside the said order by allowing the appeal filed by ESI Corporation. The High Court held that all remuneration paid or payable in cash and the additional remuneration, if any paid at intervals not exceeding two months are liable for assessment for the purpose of determining the contribution payable. The High Court also termed the view taken by ESI Court as 'perverse' observing that if such interpretation is given the employers would unnecessarily take undue advantage and evade the payment to be paid under the ESI Act.

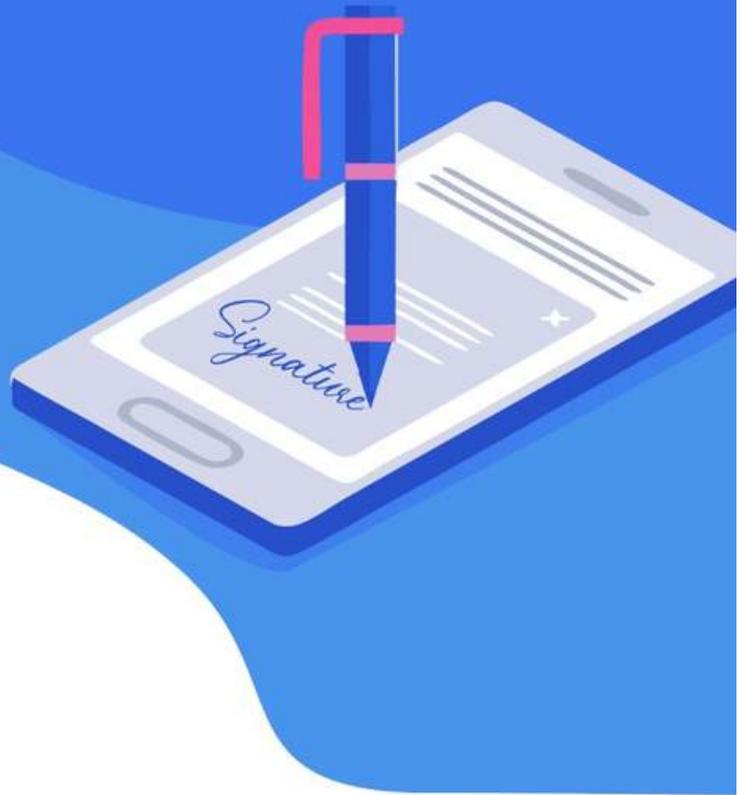


Anganwadi & ASHA Workers Can Be Inducted As Protection Assistants Under Domestic Violence Act, Suggests Supreme Court

While hearing a plea with respect to appointment of Protection Officers (POs) under the Protection of Women from Domestic Violence Act 2005 across the country, the Supreme Court, on Monday, noted it is not sufficient to only appoint POs, but to also provide them with assistance. It observed that in this regard, National Legal Services Authority (NALSA) is taking steps to appoint Protection Assistants in every district.



Digital Signature Certificate



CLASSES OF DIGITAL SIGNATURE CERTIFICATES

According to the new guidelines released by CCA, Capricorn CA can issue only Class 3 DSC to their clients. However, all the class 2 certificates purchased before will remain active and in use..

TYPE OF CERTIFICATES

- **Sign**

Sign DSC can only be used for signing documents. The most popular usage of is signing the PDF file for Tax Returns, MCA and other websites. Signing via DSC gives the assurance of not only the integrity of the signer but also the data. It is proof of untampered and unaltered data.

- **Encrypt**

Encrypt DSC can only be used to encrypt a document, it is popularly used in the tender portal, to help companies encrypt the documents and upload. You could also use the certificate to encrypt and send classified information. Encrypt DSC is fit for e-commerce documents, legal documentation and sharing documents that are highly confidential and contains information that needs to be protected. We are selling Encrypt certificate as a standalone product as well..



- **Sign & Encrypt**

Sign & Encrypt DSC can be used for both signing and encrypting. It is convenient for users who need to authenticate and maintain the confidentiality of the information shared. Its usage includes filing government forms and applications.

- **Class 3 Digital Signature Certificate**

We also offer class 3 digital signature certificates according to IVG guidelines which is considered as the most secure and the safest of all certificates. It is mainly used in matters of high security and safety such as e-filing, online trading, and e-commerce, where a huge amount of money or highly confidential information is involved.

Following are the main functions of Class 3 certificates -

- e-Tendering
- Patent and Trademark e-filing
- MCA e-filing
- Income Tax e-filing
- LLP registration
- Customs e-filing
- e-Procurement
- e-Bidding
- e-Auction
- GST Application filing



Documents Required for Digital Signature

- Address Proof (Aadhar Card/ Voter Id Card/Passport/Driving License)
- PAN Card
- Applicants Photograph
- Mobile No. and Mail ID

(These Documents requirements are only for Class 3 Individual Digital Signature. Documents requirement may differ for any other type of DSC)

Where to Apply For Digital Signatures :

We can help you!

Get your Digital Signature Certificate in just one Click visit www.bizsimple.com or mail required documents to dsc@sbjainandassociates.com.

Ph. No. 9560509134

FROM THE ARCHIVES

***M/s. Citizen Glass Company
versus
Commissioner of Sales Taxes, Delhi***

Present for the respondent: Mr. S.B. Jain

Date of order: 17.03.2003

FOR THE ASSESSMENT YEAR 2000-01, APPELLANT APPLIED FOR 'C' FORMS FOR Rs. 1,96,75,954/- PURCHASES IN BOOKS OF ACCOUNT TOTALLED AT RS.1,78,80,018/- DEALER EXPLAINED THAT CREDIT NOTES FOR RS. 16,95,926/- WERE RECEIVED FROM SELLING DEALER DUE TO RATE DIFFERENCE – ASSESSING AUTHORITY REFUSED TO ACCEPT THE EXPLANATION AND TAXED THE AMOUNT OF RS.16,95,926/- DEALER PREFERRED AN APPEAL. WHETHER DEALER'S EXPLANATION ABOUT CREDIT NOTES SHOULD HAVE BEEN ACCEPTED BY THE ASSESSING AUTHORITY. REMAND- D.C. HEARD THE APPEAL IN DETAIL AND EXAMINED BOOKS OF ACCOUNTS AND VOUCHERS-WHETHER REMAND ORDER PROPER. DY. COMMISSIONER EXAMINED THE CASE IN DETAIL AND REMANDED THE MATTER TO ASSESSING AUTHORITY WITH DIRECTION TO EXAMINE THE CASE THOROUGHLY INCLUDING GETTING NECESSARY VERIFICATION FROM ASSESSING AUTHORITY OF DISTRICT BHARUCH. AGGRIEVED BY ORDER OF D.C. DEALER PREFERRED AN APPEAL BEFORE THE TRIBUNAL RELEVANT MATERIAL WAS BEFORE THE D.C.AND, IF REQUIRED, IT COULD HAVE ASKED FOR MORE MATERIAL BUT IT SHOULD HAVE DISPOSED OF THE APPEAL ITSELF INSTEAD OF MAKING ORDER OF REMAND-THIS WAS THE APPROPRIATE COURSE TO FOLLOW.

BRIEF FACTS OF THE CASE:

THE APPELLANT APPLIED FOR ISSUE OF 'C' FORMS FOR RS.1,96,75,954/-, BUT THE PURCHASES IN THE BOOKS OF ACCOUNT TOTALED AT RS.1,75,80,018/-. THE DEALER STATED THAT CREDIT NOTES FOR RS.16,95,926/- WERE RECEIVED FROM THE SELLING DEALER ON VARIOUS ACCOUNTS, MAINLY RATE DIFFERENCE. THE ASSESSING AUTHORITY DID NOT ACCEPT THE EXPLANATION AND TAXED THE AMOUNT OF RS.16,95,926/- @ 12% AND ALSO IMPOSED PENALTY EQUAL TO TAX. AGGRIEVED BY THE ORDER OF THE ASSESSING AUTHORITY THE DEALER PREFERRED AN APPEAL BEFORE THE DEPUTY COMMISSIONER.

THE DEALER APPEARED BEFORE THE D.C. WITH THE BOOK OF ACCOUNTS AND VOUCHERS FOR THE CREDIT NOTES. THE ORIGINAL CREDIT NOTES HAD BEEN SUBMITTED BEFORE THE AA. IT WAS ARGUED THAT THE DEALER WAS MAINTAINING REGULAR STOCK REGISTERS AND NO QUANTITY OF GOODS IS SHOWN TO HAVE BEEN EITHER NOT RECORDED OR DEALT WITH OUTSIDE THE BOOKS. THE D.C. MADE A DETAILED ENQUIRY. HOWEVER, THE D.C. REMANDED THE MATTER WITH THE DIRECTION TO EXAMINE THE CASE THOROUGHLY INCLUDING GETTING NECESSARY VERIFICATION FROM THE A.A. OF M/S GUJARAT GUARDIAN LIMITED OF DISTRICT BHARUCH. AGGRIEVED BY THE ORDER OF THE D.C., THE DEALER PREFERRED AN APPEAL BEFORE THE TRIBUNAL AND PLEADED THAT WHEN ALL THE MATERIAL FOR DISPOSAL OF QUESTION IN ISSUE, I.E., WHETHER THE UNDER-REPORTING, IF ANY, OF PURCHASES COULD BE TAXED, WAS AVAILABLE WITH THE DC, IT WAS NOT PROPER FOR THE DC TO DIRECT THE REMAND. RELIANCE WAS PLACED UPON THE CASE OF ORIENT PAPER AND INDUSTRIES LTD. VS. STATE OF ORISSA, 83 STC 202.

HELD:

THAT THE ENQUIRY ORDERED BY THE D.C. IS MISDIRECTED AND THE ADDITION MADE BY THE STO IS NOT SUSTAINABLE. ORDER OF THE D.C. WAS SET ASIDE AND ADDITION MADE BY THE STO WAS DELETED. PENALTY IMPOSED WAS ALSO DELETED ON THE GROUND THAT IT HAS NO LEGS TO STAND.

CASES REFERRED:

- I) ORIENT PAPER & INDUSTRIES LTD. VS. STATE OR ORISSA, 83 STC 202 (ORISSA)*
- II) BEHL EXPORT PVT. LTD, VS. CST, 39 DSTC J-135*
- III) ITC LTD. VS. COMMISSIONER OF CENTRAL EXCISE, 2002 (14) ELT 4*

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