



Dr. Shivakumara Swamiji
the 'walking God' who left no one behind



2019

Happy New Year!

On this 12th January 2019, we would be completing 5 years as HIVE. Over the past five years, we have been privileged to work with some amazing clients. Thanks to all of our families, clients and colleagues for the support over the last five years. As we move into year six, we continue to be excited about the firm and about the opportunities that still await all of us.

Over these years, we have moved to a bigger space, we have expanded our team, we have increased our client base and we are consistently working on the betterment of our systems and deliverables.

12th January, which is the birth anniversary of Swami Vivekananda, who will remain as an inspiration for us always. As quoted by him, "Things do not grow better; they remain as they are. It is we who grow better, by the changes we make in ourselves." We would like to grow better and stronger this year with all the support. We are proud of how far we have come and we have faith in how far we are going.

Wish you all a very happy and prosperous new year. We wish you luck, prosperity, health and more success.

#Contents



03

Walking God

06

Income Tax Returns & Processing

08

Case Study Hive

10

GST Series – Non Resident Tax Payers

11

time to relish with By2Coffee

$\log_{10} 0.1 = 1.9775$
 $\log_{10} 0.05 = 1.8936$
 $\log_{10} 2 = 2.0799$
 $\lambda = 113.5^\circ$

Organic acid
 N_2
 $NH_3 (NH_4^+)$
 OH
 $|$
 $P=O$
 $||$
 O

$1 \text{ mol} = 50\% \text{ } \gamma$
 $7 \sim 10 \text{ total}$

$ATP + H_2O \rightleftharpoons ADP + H_3PO_4 + E$

$\sin(\lambda_1 - \lambda_2)$

50%
 5%
 20%
 35%

2100
 2650
 1450
 30
 250
 390
 1200 → 500
 700
 360
 420
 500
 1600 (-)
 4700
 3000
 2000
 1000

$\log_{10} x + \log_{10} y = \log_{10}(xy)$
 $\log_{10} x - \log_{10} y = \log_{10}(x/y)$

1 mol
 $C_6H_{12}O_6$
 $N=14$
 $(N_2) / \text{mol}$
 $14 \times 2g$
 $1 \text{ mol} = 180g$

$P_1(x_1, y_1, z_1) P_2(x_2, y_2, z_2)$
 $(x_1 - x_2)^2 + (y_1 - y_2)^2 + (z_1 - z_2)^2$

27% 71% 68% 3%
 34% 62% 68% 32%

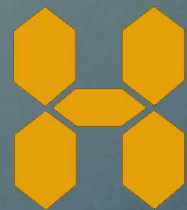
Mathematical geography

$2391020.0009 = 2.39109 = 2.39109$

36° 40° 44°



GIVING DIRECTION TO YOUR DREAMS



CONTACT US:

CALL: 080-4202 4038
 WEBSITE: www.hiveconsultants.in
 EMAIL: info@hiveconsultants.in



Walking God

Generations of doctors, engineers, teachers, businessmen and working professionals from various fields remember Shivakumara Swami, the seer of Siddaganga mutt who passed away on 21-Jan-2019, as a champion of the downtrodden. At a time when higher education was beyond the reach of the poor and underprivileged, the seer strove to make it accessible to those in need, irrespective of their religion and caste.

People revered him as 'Trividha Dasohi' — the one who provided education, food, and spiritual guidance. Dr. Shivakumara Swami, popularly known as 'Nadedaduva Devaru' [Walking God], was initiated

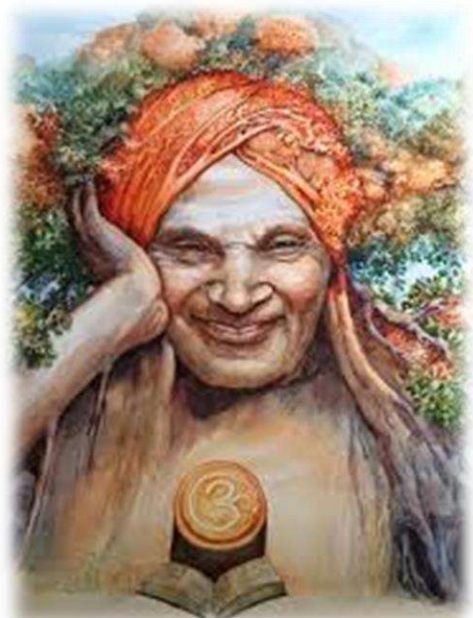
into Viraktha Ashrama in 1930. Before becoming a seer, he was called Shivanna. He was born on April 1, 1908, at Veerapura in Magadi taluk of Ramanagaram district.

He completed his primary education at the rural anglo-vernacular school in Nagavalli and graduated from the government high school in Tumakuru in 1927. He then enrolled at Central College, Bangalore University, where he studied physics and mathematics as optional subjects, but was unable to get his degree as he was made the successor of Uddana Shivayogi Swami in 1930.

In 1941, at the age of 33, he assumed full responsibility of the mutt. At the time, the Gurukula had a student strength of 200 and was

struggling for resources.

Undeterred by the odds, the young seer went with his 'jolige' to villages on foot to collect foodgrains and vegetables from people to feed the hungry at the mutt. Farmers and others were generous in their donation of funds, foodgrains, vegetables and fruits — a tradition that continues to this day.





English Classes

For more than 50 years, he instructed students and taught them English. "As many students were from rural areas, they were not familiar with the language. The seer would hold special classes from 6 a.m. to 7 a.m. for class 10 students," said Dr. Channabasappa. Former students remember the seer's insistence that they learn to spell correctly.

Today, more than 8,000 students are given food, accommodation and education, irrespective of their religion, caste and creed, at the mutt. Pilgrims and visitors are served food for free at the mutt.

Social Work

- Gurukula houses more than 10,000 children and is open to children from all religions who are provided free food, education, and shelter. The pilgrims to the mutt also receive free meals.
- Under his guidance, an annual agricultural fair is held for the benefit of the local population.
- The Government of Karnataka announced the institution of Shivakumara Swamiji Prashasti from 2007, the centennial birth anniversary of Swamiji.
- A.P.J. Abdul Kalam, the former President of India, visited him at Tumkur and praised the initiatives of Swami in education and humanitarian work.

Awards and Recognition

- In recognition of his humanitarian work, he was conferred with an honorary degree of Doctor of Literature by the Karnataka University in 1965.
- On his centenary in 2007, the Government of Karnataka awarded Swami the prestigious Karnataka Ratna award, the highest civilian award of the state.
- In 2015 the Government of India awarded him the Padma Bhushan.
- In 2017, the Government of Karnataka and his followers sought Bharat Ratna for him for his social service.



ITR is the summation of the Incomes earned by the assessee during the Previous year. Now that, we have already filed our ITR's for the year 2017-18 understanding the ITR processing is important, to ensure filing of returns are processed without errors. Such processing of the ITR by the Income Tax Department is called as Assessment.

With millions of tax returns filed every year, there was a need to automate this process of assessment of these tax returns or else it would be a never ending task to be carried out by the Income-tax department. Hence CBDT introduced a scheme of centralised processing of these returns to determine the tax liability or refund.

Processing of Income Tax Returns

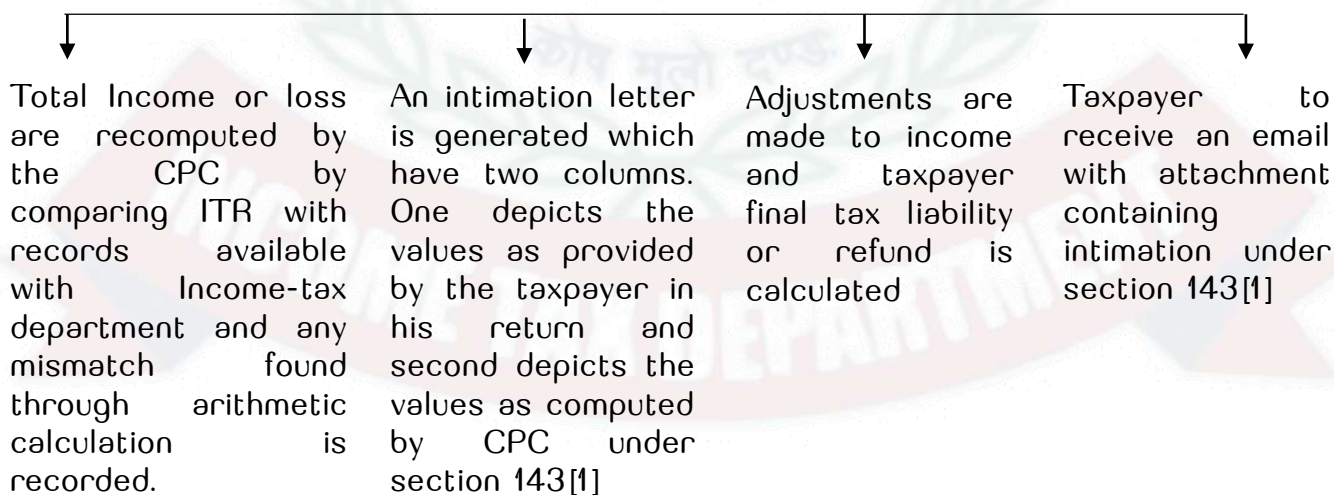
The Processing of ITR's is governed under the provisions of Sec 143 of Income Tax Act. The Assessment of ITR is done in two stages,

- Preliminary Assessment Done under section 143[1] of Income-tax Act 1961:
- Scrutiny Assessment done under section 143[2] of Income Tax Act, 1961

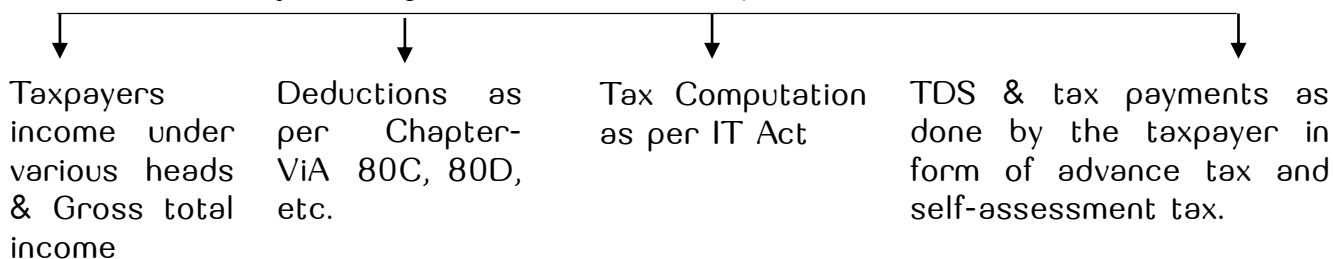
Preliminary Assessment

- Completely computerized and automated
- CPC validates the tax returns filed by the taxpayer based on the records available with the tax department
- Generates a intimation in case any kind of mismatch is found

Various steps carried out by the CPC processor are as below:



Four major categories under this comparison





Kinds of Intimation under Section 143[1] of Income-tax Act 1961:

Intimation with no demand or no refund

This generally takes place when returns filed by the taxpayer is accepted as it is without carrying out any kind of adjustment.

Refunds are automatically transferred to taxpayer's account while demand notice wait for taxpayer to fulfil his tax liability.

Intimation determining demand

This kind of adjustments are made under Section 143[1] when discrepancy is found in the return and tax liability is arrived.

where the return filed is found without any discrepancy

Intimation determining refund

This kind of intimation is issued when the interest or tax is to be refunded to taxpayer. This may happen with two scenarios,

adjustments are made under section 143[1] results in refund

आय कर विवरण INCOME TAX COMPUTATION (IN RUPEES)				
क्र. संख्या Sl.No.	विवरण Particulars	विवरण देने वाले स्रोत Reporting Heads	आयकर: प्रमाणित किया गया As Provided by Taxpayer in Return of Income	खंड 143(1) के अनुसार As Computed Under Section 143(1)
1	रोजगार से आय INCOME FROM SALARY		0	0
2	घर सम्पत्ति से आय INCOME FROM HOUSE PROPERTY		0	0
3	व्यापार या कृषि से प्राप्त लाभ INCOME FROM BUSINESS OR PROFESSION		3,32,870	3,32,870
4	पूंजी लाभों से आय INCOME FROM CAPITAL GAINS		0	0
5	अन्य स्रोतों से आय INCOME FROM OTHER SOURCES		1,19,740	1,19,740
6	अंदरूनी संचालन: INTRA HEAD ADJUSTMENTS		NA	0
7	कुल: अंदरूनी संचालन के बाद TOTAL (AFTER INTRA HEAD ADJUSTMENTS) 7=(1+2+3+4+5)+6		4,52,610	4,52,610
8	वर्तमान वर्ष के नुकसान का वर्तमान वर्ष के हटौती LOSSES OF CURRENT YEAR SETOFF AGAINST 7		0	0
9	पिछले वर्षों के नुकसान का वर्तमान वर्ष के हटौती BROUGHT FORWARD LOSSES SET OFF AGAINST 7		0	0

Communication Reference No. CPC/3819/A3/1861202112					
आय कर विवरण Sl.No.	विवरण Particulars	विवरण देने वाले स्रोत Reporting Heads	आयकर: प्रमाणित किया गया As Provided by Taxpayer in Return of Income	खंड 143(1) के अनुसार As Computed Under Section 143(1)	आदेश की तिथि Date of order
10	कुल आय (गुणित) GROSS TOTAL INCOME 10=7.(8+9)			4,52,610	30-10-2018
11	विशेष दर से कर योग्य आय पर प्रभावी विशेष दर से आयकर INCOME CHARGEABLE TO TAX AT SPECIAL RATE UNDER SECTION 115BEE	11(i)		0	
12	विशेष दर से कर योग्य आय पर प्रभावी विशेष दर से आयकर INCOME CHARGEABLE TO TAX AT SPECIAL RATE OTHER THAN 115BEE	11(ii)		0	
13	अनुच्छेद VI के अंतर्गत कुल हटौती DEDUCTIONS UNDER CHAPTER VIA TOTAL DEDUCTIONS UNDER CHAPTER VIA			1,51,460	
14	अंतिम कुल आय TOTAL INCOME AFTER DEDUCTIONS 14=(10-12-13)			3,01,150	
15	कृषि, पशु चारा / वन के उत्पादन के लिए कृषि आय NET AGRICULTURAL INCOME/ ANY OTHER INCOME FOR RATE PURPOSE			0	
16	कुल आय AGGREGATE INCOME (14-15)			3,01,150	

Kinds of Adjustments that are done under Section 143[1]

Various kinds of adjustments that are done while evaluating the total income or loss by the CPC-

- o Arithmetic error as found in returns.
- o Error in inter-head/ intra head setoff of losses
- o Incorrect claim that is found from the information as provided by the taxpayer in his return when compared to information records with the Income-tax department. Eg. Mismatch in Income and TDS claim as compared with 26AS
- o Disallowance of set off loss which is found in that financial year is carried forward from the P.Y. while return is being filed beyond the due date.
- o Any kind of disallowance of expenditures which are indicated in the audit report however is not indicated in the returns form.

On one hand, Government has made filing of ITR's mandatory for all tax payers, on the other hand it has taken the right step to process the same irrespective of the level of income and taxes. Thus, every return which has been filed electronically, shall be processed by the CPC and intimation shall be sent out to the assessee.

WRITE TO US @ BHIVE@HIVECONSULTANTS.IN, FOR ANY QUERIES WITH RESPECT TO UNDERSTANDING OF YOUR INTIMATION U/S 143(1) RECEIVED FROM IT DEPARTMENT.



DCIT v. Ganesh Khand Udyog Sahakari Mandali Ltd. [Surat Trib]

Co-operative society enjoys special status that it has own individuality and distinctness in the scheme of the IT Act. A Co-operative society is a voluntary AOP, it is economic institution formed for social purpose and not motivated by entrepreneurial profits by distinguishing it from the association of business. Therefore, the provisions of section 40A[2][b] would not apply to co-operative society. Hence, no disallowance under that section can be made in the assessment of co-operative society



DCIT v. IBM India [P.] Ltd. [Bangalore Trib]

If there is no provision in DTAA to tax fees for Technical Services, payment made by assessee to avail technical service of its AE, would be taxed as per article 7 but in absence of PE in India, said income was not chargeable to tax in India.

Unifac Management Services [I] P] Ltd. v. DCIT [Mad HC]

Scope of section 43B and section 36[1][va] are different and thus, there is no question of reading both provisions together to consider as to whether assessee-employer is entitled to deduction in respect of sum belatedly paid towards employee's PF contribution, and therefore, for considering such question, application of section 36[1][va] read with section 2[24][x] alone is proper course

BCCI v. ITO [Mum Tri]

Where assessee trust claimed expenditure towards travel expenses of its office bearer claiming that he had gone to Delhi to pursue application of assessee under section 10[23] before CBDT, since assessee had not furnished details along with corresponding invoices and vouchers in respect of such visit of its office bearer and, thus, failed to justify such travel expenditure, Assessing Officer had correctly disallowed same

Microfinish Valves [P.] Ltd. v. ACIT [Bangalore Trib]

Deemed dividend can be assessed only in hands of a person who is a shareholder of lender company and not in hands of a person other than a shareholder

Periar Trading Company [P.] Ltd. v. ITO [Mum Tri]

Conversion of cumulative compulsory convertible preference shares [CCPS] into equity shares could not be considered as transfer within meaning of section 2[47]



ANGEL TAX

- The requirement of 'Merchant Banker Valuation' has been done away with for recognised startups
- For claiming exemption u/ s 56[2][viib], the approval from Inter-Ministerial Board is no longer required. Instead, DIPP shall send the applications seeking exemptions to the CBDT. CBDT shall approve or reject within 45 days.
- The application for approval shall be made in Form-2 to DIPP along with the specified documents therein.
- The application can be made by a recognised startup, either for shares already issued or for a proposed investment.

GST Council [32nd Meeting]

❑ **GST Registration**

Basic exemption limit for suppliers of goods will be increased from Rs 20 lakhs to Rs 40 lakhs. However, this limit remains Rs 20 lakhs for suppliers of services. For the special category States, the limit for registration is currently at Rs 10 lakhs is increased up to Rs 20 lakhs.

❑ **New Composition scheme for Services providers**

Those suppliers rendering either independent services or providing a mixed supply of goods & services with a turnover of up to Rs 50 lakhs p.a in the preceding financial year, can join this scheme. The Tax rate is fixed at 6% 3% CGST +3% SGST]

❑ **Changes to existing Composition scheme**

- Increase in the limit to opt into the scheme will be increased up to Rs 1.5 crore effective from 1st April 2019.
- Tax to be paid Quarterly and GST Returns to be filed annually.

[Note: The effective changes to GST Composition scheme for both suppliers of goods and services will apply from 1st April 2019

❑ **Consensus received for charging calamity cess in Kerala**

Kerala has been given an approval to charge Disaster/ calamity cess of up to 1% on all the intra-state supplies of goods and services within Kerala, for up to two years

❑ **GST Rate cuts**

- No changes in GST Rates until Revenue spikes, recommended by the GST council
- No GST rate cut on sale of under construction flats. Instead, a 7 member group of ministers is formed to study the implications of reducing the rates from 12% to 5% on supply of such under construction properties.
- Further, No GST rate cuts on the Private lottery distributions. A Group of ministers will be formed with representatives from developing and selling states

❑ **Free Accounting and Billing Software** - to be given to Small Taxpayers by GSTIN

❑ **Recommendations of GST Council on reduction of GST Rates**



GST NON RESIDENT TAX PAYER (NRTP)

What?

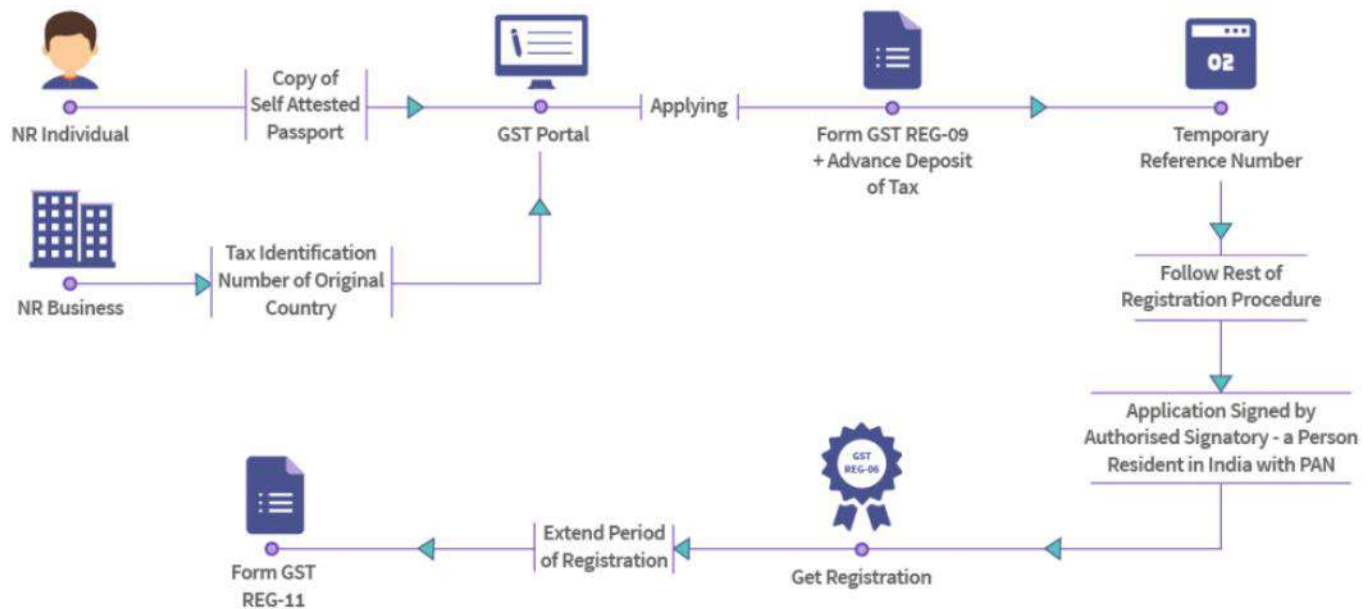
If you are a non-resident and plan to set up a business here, then you must register under GST. Please read our article on the GST provisions applicable to non-residents to understand the requirements for GST filing by NRIs.

NRTP?

“Non-resident taxable person” means any person who occasionally undertakes transactions involving supply of goods or services or both, whether as principal or agent or in any other capacity, but who has no fixed place of business or residence in India.

- has to compulsorily take registration
- no threshold limit for registration
- cannot opt for composition levy.

How to Register?



Input Tax Credit:

Input tax credit shall not be available in respect of goods or services or both received by a non-resident taxable person except on goods imported by him. The taxes paid by a non-resident taxable person shall be available as credit to the respective recipients.

Returns:

NRTP shall furnish return in FORM- GSTR-5. It shall include the details of outward supplies and inward supplies and shall pay the tax, interest etc., The Return shall be filed within twenty 20 days after the end of a calendar month or within seven days after the last day of the validity period of registration, whichever is earlier.

Refund:

The amount of advance tax deposited by a NRTP under, will be refunded only after the person has furnished all the returns required in respect of the entire period for which the certificate of registration granted to him had remained in force. Refund can be applied in the serial no. 13 of the FORM GSTR -5.

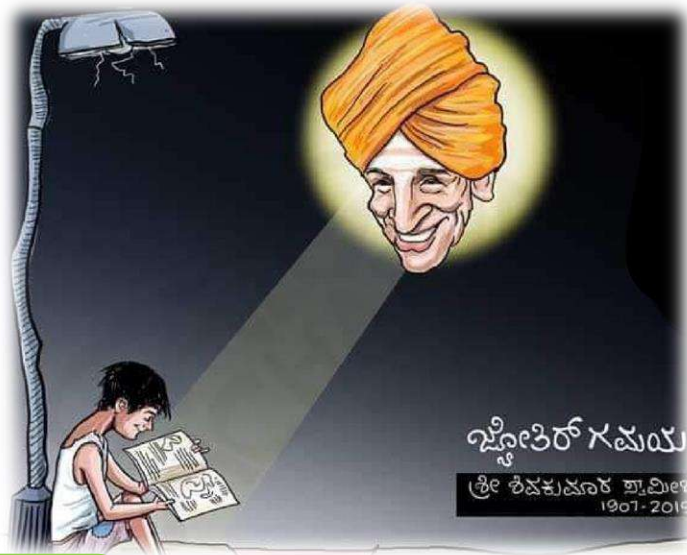
App of the Month -



Whether you're planning your next big travel adventure, searching for home design concepts, looking for fashion & fitness tips or checking out new recipes, find lifestyle inspiration on Pinterest. Good ideas start here!

Discover over 100 billion possibilities for every part of your life, from new recipes and trending food images to creative design ideas.

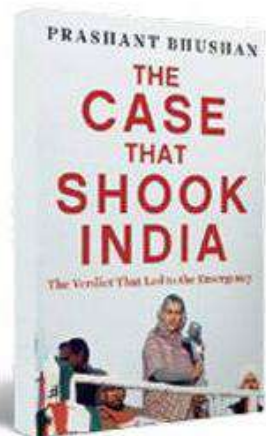
Click of the Month



Book of the Month -

The Case that Shook India

The Verdict That Led to the Emergency



- 328 pages
- Published in 2017
- Penguin Random House

On 12 June 1975, for the first time in independent India's history, the election of a prime minister was set aside by a high court judgment. The watershed case, Indira Gandhi v. Raj Narain,

acted as the catalyst for the imposition of the Emergency.

The author, advocate Prashant Bhushan, provides a blow-by-blow account of the goings-on inside the courtroom as well as the manoeuvrings outside it, including threats, bribes and deceit. As the case goes to the Supreme Court, we see how a ruling government can misuse legislative power to save the PM's election.

'Ambition is my drug, Success is the only cure'.

Natural Remedies

Milk + turmeric



An essential ingredient found in almost all Indian kitchens, turmeric has a strong antioxidant which helps in treating many health problems. Turmeric mixed in warm milk is a popular and effective way to fight against cold and cough. Drinking a glass of warm turmeric milk before sleeping helps in faster recovery from cold and cough.

Trivia



India has the largest postal network in the world with over 1, 55,015 post offices. A single post office on an average serves a population of 7,175 people. The floating post office in Dal Lake, Srinagar, was inaugurated in August 2011.