

@ **MYSORE**

*Celebrate The Royal Heritage of the City*





# ZEN STORY

Sometimes a story can teach much more than entire philosophical treatise.

A soldier named Nobushige came to Hakuin, and asked: "Is there really a paradise and a hell?"

"Who are you?" inquired Hakuin.

"I am a samurai," the warrior replied.

"You, a soldier!" exclaimed Hakuin. "What kind of ruler would have you as his guard? Your face looks like that of a beggar."

Nobushige became so angry that he began to draw his sword, but Hakuin continued: "So you have a sword! Your weapon is probably much too dull to cut off my head."

As Nobushige drew his sword Hakuin remarked: "Here open the gates of hell!"

At these words the samurai, perceiving the master's discipline, sheathed his sword and bowed.

"Here open the gates of paradise," said Hakuin.

03 # Naada Habba -  
Mysore Dussehra  
Celebrations



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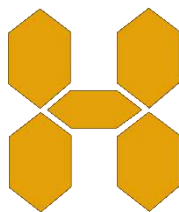
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**M**ysore Dussehra is one of the biggest and prominent festivals of Karnataka. The festival is celebrated for a period of ten days in the month of September or October. In Karnataka, the festival is also known by the name 'Nadahabba'. The festival signifies the victory of good over evil. It is also considered the day when Goddess Chamundeshwari killed the demon king Mahishasura after a fierce battle. The festival is celebrated in a very splendid manner with plenty of performances depicting the rich culture and tradition of the state

organized in the great Durbar Hall of the Maharaja's Palace.

### History and Rituals behind the Celebration

This magnificent festival is celebrated in Karnataka for more than 400 years. The very first celebrations were started by the Vijayanagar Kings in the 15th century. According to the legends, in the ancient times, the city of Mysore was ruled by the Mahishasura, a buffalo-headed demon king. In his kingdom, he punished the people who worshipped the Gods. The Gods then sought the help of the

Goddess Parvati, who incarnated in earth as Chamundeshwari Devi. She fought a very brutal battle with the demon and in the end, slew him on top of the Chamundi Hill situated near the city. After killing Mahishasura, the Goddess decided to stay on the hill. Therefore, the hill and city are known as Chamundi Hill and Mysore respectively.





## An Awe-Inspiring Spectacle to Behold

This grand festival of Karnataka fills the people with great enthusiasm and happiness. The Mysore Palace is illuminated with the lights that captivate the attention of the people. The celebration of the festival generally starts with the royal couple of the palace offering a special puja in the Chamundi Temple, perched on the top of Chamundi Hill. After the puja is over, a special royal assembly is organized inside the palace.

During the festival, plenty of dance performances and

music concerts are organized in various parts of the city. The events depicting the vibrant culture of Karnataka attract a large number of people both Indian and foreigners. A dussehra exhibition is also held where the people can purchase various kinds of jewelry items, handicraft clothes, stunning ornaments and eat lip-smacking dishes. The children can have a fun-filled time by enjoying amusement rides.

However, the main highlights of the festival are beautifully decorated elephants, camels and horses walking together in a procession. During the process, the idol of the

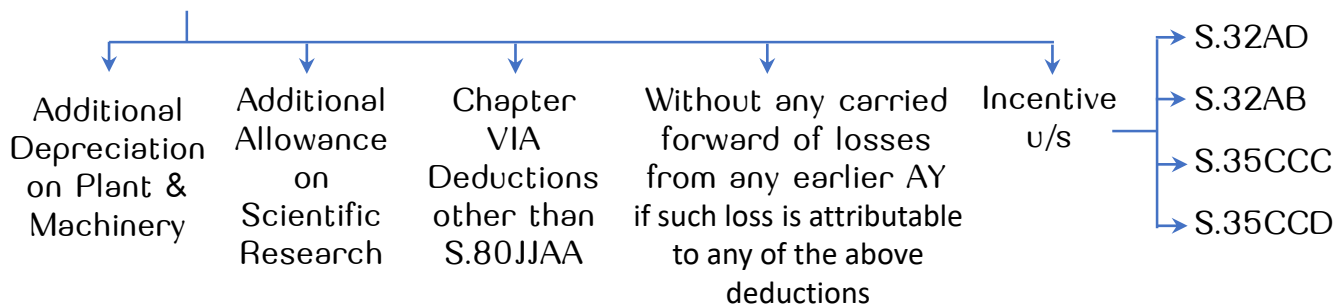
Goddess Chamundeshwari is installed on a golden mantapa (a temple made up from wood, steel, gold or silver). The mantapa is placed on the top of an elephant. Vibrant music bands and people take part in the procession that ends in an enchanting destination known as Bannimantap. Here, the royal couples worship the 'Bann' tree. It is believed that the Pandavas used the tree to hide their weapons during the one-year period of Agyatvas. The last day of the dussehra celebration is known as 'Vijayadashami' with a torch light parade held at the Bannimantap.



## Tax on income of certain domestic companies

**Concessional Tax Rate of 22%** (excluding surcharge & cess) subject to condition:

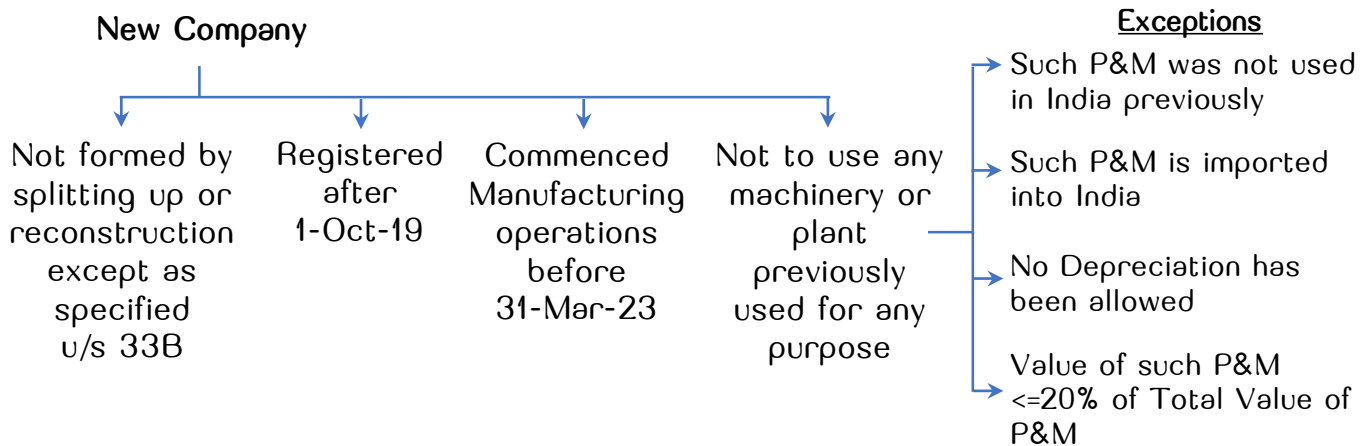
Such Company not to avail any exemption/ incentive



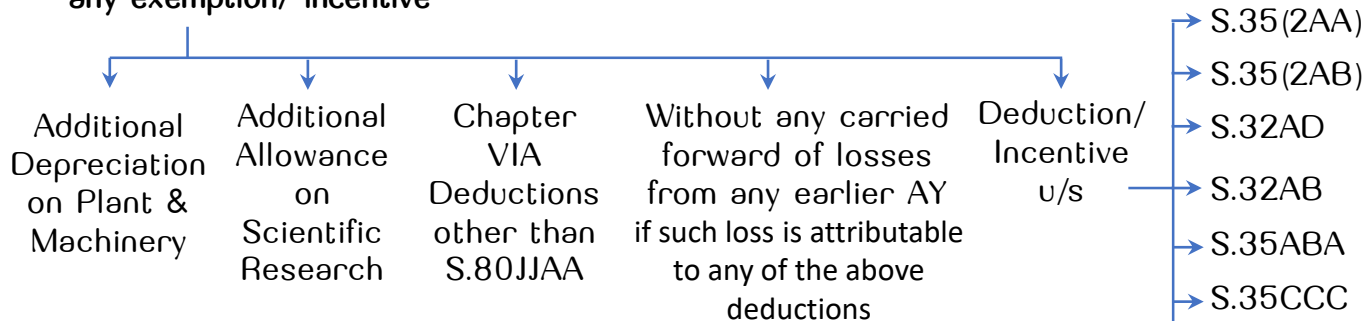
- ❖ Option needs to be exercised before filing of return. Once exercised, it cannot be revoked.
- ❖ MAT will not be applicable to such Companies.

## Concessional rate of tax

**Concessional Tax Rate of 15%** (excluding surcharge & cess):



Such Company not to avail any exemption/ incentive



- ❖ Option needs to be exercised before filing of return. Once exercised, it cannot be revoked.
- ❖ MAT will not be applicable to such Companies.



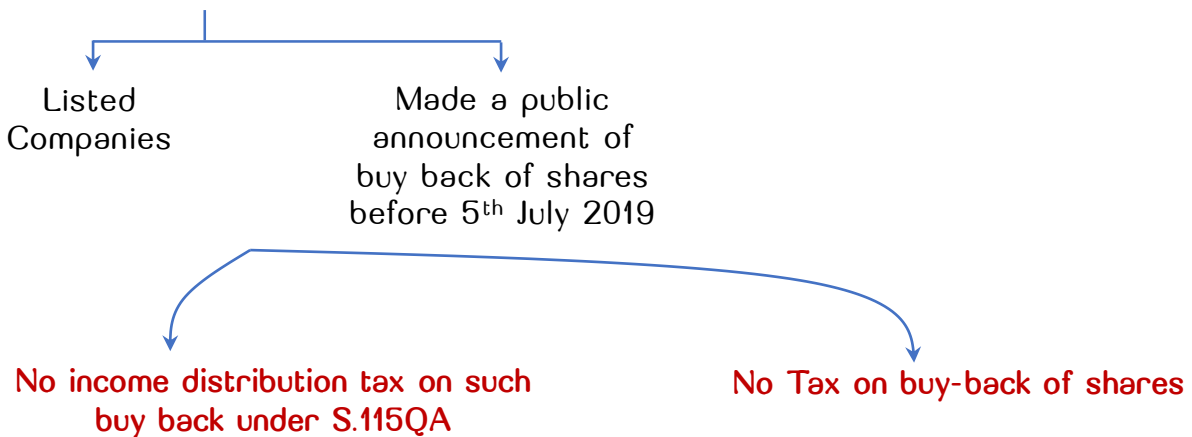
## Reduction in MAT Rate

***MAT rate has been reduced from 18.5% to 15% excluding surcharge & cess***

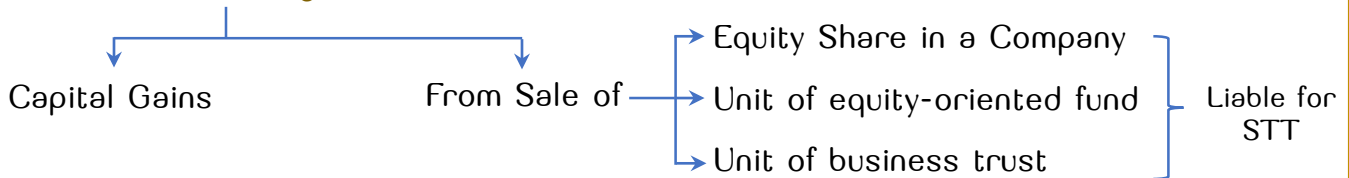
- ❖ Applicable for companies who continue to avail exemptions and incentives (as mentioned above)
- ❖ Such companies can opt for the concessional tax regime after expiry of their tax holiday/ exemption period.
- ❖ After the exercise of the option they shall be liable to pay tax at the rate of 22 percent and option once exercised cannot be subsequently withdrawn.

## Others

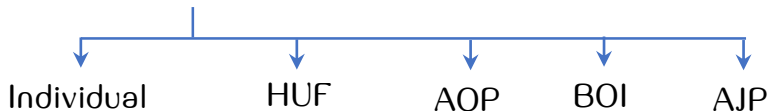
### Taxation on Buy Back



### No Enhanced Surcharge



**No enhanced surcharge on the above income in the hands of**





PCIT v. Abhijit Bhandari [Mad HC]

S.54F relief available on purchase of two adjacent flats if same were converted into single unit after purchase.



Mahatma Gandhi Charitable Society v. CIT [Ker HC]

Execution of a contract by assessee as awarded by Indian Railways for purpose of cleaning train coaches and railway stations is a purely commercial and business activity and not a charitable activity

ITO v. Kantilal G. Kotecha [Mum Trib]

No penalty U/s 271(1)(c) if assessee was in bona fide belief that purchase of new property was within time limit as prescribed U/s 54 as it being a case of disallowance of claim of deduction under section 54 on account of genuine difference of opinion between assessee and Assessing Officer, impugned penalty order was to be set aside

DCIT v. Delhi Tourism Transportation [Del Trib]

Where assessee had claimed credit for tax deducted at source on interest income from bank, yet it had not declared corresponding interest income to tax, in view of fact that assessee was regularly following mercantile system of accounting, interest income in question was liable to be taxed in assessment year in question itself and, thus, impugned addition made by Assessing Officer was to be confirmed.

Global Entropolis Vizag)[P.] Ltd. v. ACIT [Blore Trib]

Approval fee payable by assessee, engaged in business of developing residential township and providing infrastructure services, for renewal of construction plan and electricity license to VUDA, which was a State Government authority constituted to regulate development of city and large scale construction projects, would fall under category of 'fees' as stated in section 43B

Shree Laxmi Estate [P.] Ltd. v. ITO [Mum Trib]

Where Assessing Officer rejected depreciation claimed by assessee-company on motor car on ground that said car was purchased in name of director of company, in view of fact that car was Purchased in name of a director in order to reduce incidence of indirect taxes, levies etc., however, it was duly reflected in balance sheet of assessee-company, impugned order passed by Assessing Officer was to be set aside







## GST Council [37<sup>th</sup> Meeting]

### ❑ Reduction in GST Rates

Particulars	Rate
Dry Tamarind/ Plates and cups made up of leaves, flowers or bark	Exempted
Precious/ semi-precious stones, natural or synthetic	0.25%
Marine fuel, Wet stone grinder	5%
Polyethylene/ polypropylene bags and sacks, strips	12%
Caffeinated beverages	28%
Rail locomotives, coaches, vans, parts etc.	12%
Small motor vehicle for persons with orthopedic physical disability	18%
Tax on hotel accommodation (tariff of <7,500/ - per day)	12%
Tax on hotel accommodation (tariff of >7,500/ - per day)	18%
Professional services relating to mining of petroleum or natural gas	12%
Job work in general	12%
Job work related to bus body building	18%
Job work in relation to diamond	1.5%

### ❑ Reverse Charge Mechanism

Following services shall attract payment of tax under Reverse Charge mechanism.

- Copyright services provided by Music composer, photographer, artist, or the like or author shall attract tax on reverse charge basis
- Renting of motor vehicle to body corporate
- Services of lending of securities under Securities Lending Scheme, 1997 “Scheme”)of Securities and Exchange Board of India “SEBI”.

### ❑ Services by way of grant of alcoholic liquor license:

It has been notified that “Service by way of grant of alcoholic liquor license, against consideration in the form of license fee or application fee or by whatever name it is called” shall neither be treated as supply of goods nor supply of services.

### ❑ Others

- GST Benefit of “Export against supply by Nominated agency” scheme has been extended to silver and platinum in addition to Gold.
- Aerated water has been excluded from the benefit of composition scheme.
- Certain supply of goods to Food and Agricultural Organization have been exempted.



## BLOCKED CREDITS-2

### Travel



ITC is not available on travel benefits extended to employees such as leave or home travel concession.

*For Example, ABC Ltd. offers a travel package to its employees for personal holidays. ITC on GST paid by ABC Ltd. for the holiday package will not be allowed.*

\*\* ITC will be allowed for travel for business purposes.

### Rent-a-cab, life insurance, health insurance



However, the following are exceptions,

- Services - made obligatory for an employer to provide its employee by any current law in force  
*For example, if a Company hires services according to a government rule it is mandatory to provide cab services to female staff in night shifts.*
- If the category is same for the inward supply and outward supply or it is a part of the mixed or composite supply  
*For example, ABC Travels lends out a car to XYZ Travels. Then XYZ Travels can claim ITC on the same.*

### Constructing an immovable property



- No ITC is available for goods/ services for construction of an immovable property on his own account. Even if such goods/ services are used in the course or furtherance of business, ITC will not be available.

*But this rule does not apply to plant or machinery. ITC is available on inputs used to manufacture plant and machinery for own use.*

*For Example-*

- *Ajay Steel Industries constructs an office building for its headquarters. ITC will not be available.*
- *Ajay Steel Industries also constructs a blast furnace to manufacture steel. ITC is available since it is a plant.*

### Works contract



- ITC shall not be available for any work contract services.
- ITC for the construction of an immovable property cannot be availed, except where the input service is used for further work contract services.

*For example, XYZ Contractors are constructing an immovable property. They cannot claim any ITC on the works contract. However, XYZ hires ABC Contractors for a portion of the works contract. XYZ can claim ITC on the GST charged by ABC Contractors.*

### No ITC in fraud cases

ITC will not be available for any tax paid due to fraud cases which has resulted into -

- Non or short tax payment or
- Excessive refund or

Fraud cases include fraud or willful misstatements or suppression of facts or confiscation and seizure of goods.

### No ITC on restaurants - not part of S.17[5]



*Notification No. 46/2017-Central Tax (Rate)*

- Standalone restaurants will charge only 5% GST but cannot enjoy any ITC on the inputs.
- However, restaurants as part of hotels with room tariffs exceeding Rs. 7,500 still continue pay 18% GST and enjoy ITC.

*For Example,*

- *McDonald's charges 5% GST and cannot claim any ITC.*
- *However, Taj's Grill by the Pool restaurant in Kolkata is a part of the Taj Bengal hotel and so it will charge 18% GST while enjoying ITC.*

## App of the Month -

### M-Parivahan



Provides Transport Service access to citizens through a mobile-based application. This app empowers citizen with instant access to various information, services and utilities related to the Transport Sector.

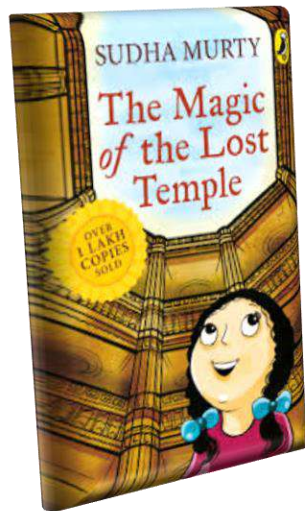
It is a genuine government app for all India RTO vehicle registration number search. It provides complete information about a car.

## Click of the Month



## Book of the Month -

### The Magic of Lost Temple



- o 164 pages
- o Published in 2015
- o Penguin Books India

City girl Nooni is surprised at the pace of life in her grandparents' village in Karnataka. But she quickly gets used to the gentle routine there and involves herself in a flurry of

activities, including papad making, organizing picnics and learning to ride a cycle, with her new-found friends. Things get exciting when Nooni stumbles upon an ancient fabled stepwell right in the middle of a forest. Join the intrepid Nooni on an adventure of a lifetime in this much

Beautiful things don't ask for attention...

## Natural Remedies

### Sea Salt



A sea salt scrub made at home will work just as well. Mix one cup of sea salt with 1/2 cup of a light massage oil. It's best to keep this scrub away from your more sensitive areas like your face and the back of your arms, though. It can be harsh on skin that doesn't require as much exfoliation.

## Trivia



### Lonar Lake

in Maharashtra - Formed by a Meteor

A 4-hour drive from Aurangabad and doubling best-kept secret, this lake was formed by a plummeting meteor about 52,000 years ago.