



## From the President

Dear Members

Finance Minister Arun Jaitley presented Union Budget 2018 in Parliament on 1st February 2018, the BJP Government's last full Budget before the 2019 Lok Sabha elections. Jaitley's budget allocated billions of dollars for rural infrastructure and unveiled a health insurance programme for around 500 million poor. The main focus of the Budget has been on farmer empowerment, health care schemes, infrastructure and ease of living for the common man. The FM has granted various tax benefits to senior citizens. This is a welcome step. The Budget 2018 has been a mixed bag for individuals, but positive for senior citizens as it will provide much-needed funds for their retired life.

The numbers presented in the budget in terms of growth in direct taxes and increase in the taxpayer base means that the Government's mission to crack down on the parallel economy, an aim which was put in the BJP Manifesto in 2014 ("By minimising the scope for corruption, we will ensure minimisation of the generation of black money") is leading to the right results.

Finance Bill has decided to introduce a 10% tax on long term capital gains on equities and equity oriented mutual funds exceeding ₹ 1 lakh. Although this measure looks like a shocker in the short-term, it simply brings equity investments at par with other investment options available in the country from a taxability perspective.

The Budget 2018 defied expectations that it will be a popular one on account of the elections next year. The crash in the mother market – the Dow Jones plunging by 2,200 points in 2 days – has unnerved equity markets globally. The sell-off in the US has led to a global sell off. Indian market was in tune with global markets in this down turn. Spike in interest rates in US and inflation concerns led to an initial sell-off. But this is the right time to churn the portfolio in favour of quality stocks. Time to go shopping!

The Government has proposed to amend the Income-tax Act to reduce interface between the I-T department and taxpayers by widening the scope of e-assessment for greater efficiency and transparency. According to me the Government should have a proper mechanism and infrastructure to handle e-assessment otherwise it will lead to more litigation.

This year Chamber had organised its first Debate Competition jointly with H R College of Commerce on 22nd January, 2018 about 14 colleges participated in the competition.

The Indirect Tax RRC at Udaipur was a successful event and appreciated by all participants. The Chamber team will be at its 41st RRC on direct tax at Amritsar between 22nd February,

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2018 and 25th February, 2018. Chairperson of RRC & SD Committee, Ms Charu Ved and her team is ready with full enthusiasm for welcoming all participants at Amritsar. This year too we have got overwhelming response of participants. Amritsar is a Holy city, the spiritual and cultural centre for all. The city is known for its rich cuisines, culture and Wagah Border being only 28 km away. Surely participant will have unique experience by itself.

Friends RRC is not merely about learning but it's an event where an individual takes a break from his daily routine practice and spends quality time with friends and colleagues. It is more about rejuvenating oneself and enriching knowledge from together irrespective of their seniority and designation to share their knowledge and wisdom with friends and colleagues. Fresh entrance to profession should be encouraged to attend RRC as they get a chance to interact with senior members and gain knowledge and develop their skills and personality. My best wishes to all the participants this RRC will be a worthwhile experience and broaden perspective.

Chamber is coming up with its National Moot Court in month of April for Law students jointly with Sir Jamshedji Kanga Moot in association with Government Law College and Rotary Club of Bombay.

Shri Dinesh Vyas Sr. Advocate passed away on 23rd January, 2018. He was a great person, always helpful and always the first one to stand up to situations. When the Chamber of tax Consultants honoured the highest taxpayers of Mumbai in the year 1996, he was one of the tax professionals who was conferred with such an honour. His vision about the tax laws and tax administration was published in the Journal of the Chamber (1996) August-P. 187. Shri Vyas has successfully appeared in numerous landmark decisions but, one outstanding appearance which will never be forgotten by the fraternity of ITAT is his appearance in the celebrated judgment of Hon'ble Supreme Court in the case of ITAT Through President vs. V.K. Agarwal – [1999] 235 ITR 175, where the independence and glory of ITAT has been affirmed. Shri Vyas will live forever and his memories will last long.

Our Core Group member Shri Satish Boob from Nashik passed away on 30th January, 2018. He was an active member of CTC and a cheerful personality. May the departed soul rest in peace.

The Special Story for the month is on "Finance Bill, 2018". I thank all the authors for sparing their valuable time and for their contribution to the Chamber's Journal for this month.

I end with a quote:

*'There is nothing called "Problem"  
it's just absence of an idea to find solution'.*

Jai Hind.

**AJAY R. SINGH**

*President*