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NEWS CLIPPINGS –11-01-2018

Biz meet to showcase local garments trade	Times of India https://timesofindia.indiatimes.com/city/kolkata/biz-meet-to-showcase-local-garments-trade/articleshow/62423026.cms

: With an aim to double the export in the next three years, the state has decided to showcase Metiabruz as a hub for ready-made garments at the Bengal Global Business Summit (BGBS) to be held this month. The initiative is a strategic effort to give a boost to this unorganized sector that contributed nearly 28% to 35% to the state export, but is now facing a major slump following demonetisation and implementation of GST. "Bengal is the leader in ready-made garments in the country. Metiabruz contributes to the bulk of these garments supplied across the city . We have made elaborate plans to facilitate traders there so that they can export their products to even foreign countries," an official of the MSME department said.

According to a source in the finance department, Bengal's garments export turnover grew to Rs 53,649 crore in 2016-17 against Rs 47,857 crore in 2015-16 and is likely to cross the Rs 1lakh crore mark by 2020-21. "Due to GST and demonetisation three major sectors for export — leather, garments and jewellery — saw a huge setback and we have a fear that it might have an impact on the export market. We are trying to showcase the garments industry so that they can overcome the slump," the official said. The industry directly and indirectly involves 2 crore people, with a financial involvement of more than Rs 10000 crore. "There are some big players who are mainly into export. Condition is pathetic for small and medium scale traders and manufacturers," President of West Bengal Garments Manufacturing Association, Samsuddin Mondal, said.

World Bank projects 7.3% growth for India	The Hindu http://www.thehindu.com/business/Economy/world-bank-projects-73-growth-for-india/article22413893.ece

'Enormous potential backed by reforms, when compared with other economies'

India's growth rate in 2018 is projected to hit 7.3% and 7.5% in the next two years, according to the World Bank, which said the country has "enormous growth potential" compared to other emerging economies with the implementation of comprehensive reforms. India is estimated to have grown at 6.7% in 2017 despite initial setbacks from demonetisation and the Goods and Services Tax (GST), according to the 2018 Global Economics

Prospect released by the World Bank here.

“In all likelihood, India is going to register higher growth rate than other major emerging market economies in the next decade. So, I wouldn’t focus on the short-term numbers. I would look at the big picture for India and big picture is telling us that it has enormous potential,” Ayhan Kose, director, Development Prospects Group at the World Bank, told PTI in an interview.

‘China, slow’

He said in comparison with China, which is slowing, the World Bank is expecting India to gradually accelerate. “The growth numbers of the past three years were very healthy,” said Kose, author of the report. India’s economy is likely to grow 7.3% in 2018 and then accelerate to 7.5% in the next two years, the bank said. China grew at 6.8% in 2017, 0.1% more than that of India, while in 2018, its growth rate is projected at 6.4%. And in the next two years, the country’s growth rate will drop marginally to 6.3 and 6.2%, respectively.

To materialise its potential, India needed to take steps to boost investment prospects, Kose said.

There are measures underway to do in terms of non- performing loans and productivity, he said. “On the productivity side, India has enormous potential with respect to secondary education completion rate. All in all, improved labour market reforms, education and health reforms as well as relaxing investment bottleneck will help improve India’s prospects,” Kose said. India has a favourable demographic profile which is rarely seen in other economies, he said. “In that context, improving female labour force participation rate is going to be important,” he said.

Confusion reigns on GSTR-1 filing deadline	**The Hindu** http://www.thehindu.com/todays-paper/tp-business/confusion-reigns-on-gstr-1-filing-deadline/article22415358.ece

No extension of Jan. 10 deadline, says govt; technical glitches dog online tax filers

A combination of last-minute filers, glitches on the Goods and Services Tax Network portal, and confusion surrounding the final deadline for filing the GSTR-1 form meant that people faced several hurdles in filing their returns for the April to November period.

January 10 was the deadline for filing GSTR-1 forms for the July to September quarter for taxpayers with a turnover up to Rs. 1.5 crore and for the July to November period for taxpayers with a turnover above Rs. 1.5 crore.

Fake notification

Following the circulation of a fake notification on social media claiming that the government had extended the deadline to January 15, the government was forced to issue a clarification that the original deadline stood. “The last date for filing of return in form GSTR-1, for different classes of taxpayers for the relevant periods… remains January 10, 2018,” the Finance Ministry said in a statement. “There has been no further extension of date for filing return in form GSTR-1. Taxpayers may note that there is a fake notification regarding extension of date being circulated on social media.” “What is happening is that since today is the last day for filing GSTR-1 for quite a long period, this is a very crucial date,” said Aditya Singhania, deputy general manager, Taxation at Taxmann, one of the official GST Suvidha Providers. “But at this juncture, with the GSTN portal not functioning properly, with only three or four successful logins out of ten attempts, people are unable to file their returns.”

“In the midst of this, when a fake notification gets circulated in the market, then the tax filers naturally get affected by this,” Mr. Singhania added. “This is creating a big problem.”

The other problem seems to be the systemic issue of tax filers waiting till the last date to file their returns, which overloads the portal. While some said that this was a major problem, others said the portal downtime was not a significant issue. “There have been two broad problems with the GSTN portal,” Archit Gupta, founder and CEO of Cleartax said. “The first is that people are having trouble logging onto the portal, and the second is that the data, once uploaded, is not reflecting on the site.”

“For most of the taxpayers, the clients are sharing their information at the last moment, so consultants are finding it very difficult to file their returns on the last date,” Mr. Singhania added.

Govt may exceed direct tax collection target of FY18 Budget estimates	**Business Standard** http://www.business-standard.com/budget/article/govt-may-exceed-direct-tax-collection-target-of-fy18-budget-estimates-118011100043_1.html

Buoyed by the 18.2 per cent rise in direct tax collections in the first nine months of fiscal year 2017-18, the Central Board of Direct Taxes (CBDT) is confident about achieving its collection target for the current financial year. The apex body has even set itself a target of crossing the Rs 10-trillion milestone. The Union Budget had estimated direct tax collection at Rs 9.8 trillion for the current financial year, which was internally raised by Rs 200 billion in the last quarter, sources said.

"As things stand now, we will definitely reach the collection target. The collection, under all categories such as personal tax, advance tax, and tax deduction at source (TDS), are showing good results,” said a senior CBDT official. Official data revealed net direct tax collection surged 18.2 per cent year-on-year to Rs 6.56 trillion during the April-December period. This is 67 per cent of the full-year direct tax collection target. Net tax collection stood at Rs 5.54 trillion in the corresponding period the previous year, which represented 65.3 per cent of the total direct tax collections in FY17.

To achieve the Rs 9.8-trillion budgeted target, tax collections need to grow at 10.6 per cent in the March quarter. A confident income tax (I-T) department thinks it is achievable as the 18.2 per cent growth in the first nine months has considerably boosted its morale, the sources said.

The CBDT had a meeting last week with tax sleuths across the country to discuss measures so that the current momentum of collection can be maintained. The CBDT is said to have asked all principal and chief commissioners of 18 jurisdictions to come up with innovative techniques and achieve the target.

Taxmen have been asked to stress on cash collection out of tax arrears and current tax demand raised by the tax department. Data stated that only 25 per cent of tax arrears had been collected so far from the total annual revenue collection.

Similarly, the tax department has achieved only 1.5 per cent of revenue demand raised against the overall target of 20 per cent. The CBDT has categorically directed its tax officials to be aggressive on advance tax and TDS (tax deducted at source) payers and start enquiring about the status of the payments.

Further, tax officials have been asked to dispose of high tax demand cases so that they are confirmed and then enforced collection in a time-bound manner. Tax officials were told to attach property/assets of tax evaders, and fast-track the auction of property, wherever applicable.

On the scrutiny front, the CBDT wants the I-T department to identify and pursue more cases under the Benami Transactions (Prohibition) Act, which could help them catch domestic tax evaders. According to the orders, tax officials will now conduct extensive operations, especially in cases identified after demonetisation.

Khadi ties up with retailers to enter shopping malls	**Times of India** https://timesofindia.indiatimes.com/business/india-business/khadi-ties-up-with-retailers-to-enter-shopping-malls/articleshow/62437145.cms

Khadi has finally entered shopping malls in tieup with retail chains, in what is seen as an attempt to tap the middle-class market it has been losing to Patanjali.

Last week, Khadi made a beginning through a tie-up with retailer Globus to launch Khadi Korner, a shopin-shop concept, at an outlet in Noida. The plan is to move to Chennai, Varanasi and Ahmedabad later this month. Next month, Khadi & Village Industries Commission (KVIC) will go for a similar launch in Mumbai in tie-up with Cotton Bazaar. Discussions are underway with Shoppers Stop and Big Bazaar too, sources told TOI.

For years, KVIC had stayed away from shopping malls as it didn't have the financial muscle to spend anywhere between Rs 2-5 lakh a month on leasing space. So, it came with a different model, where it will have a revenue-share arrangement with retailers, which could range between 10% and 20% of the sales.

Gone are the days when loyal customers travelled long distances to reach khadi bhandars. Today, availability is one key focus area and we want to be available at the doorstep," said KVIC chairman V K Saxena. The initial experiment in Noida is for a fortnight but, Saxena said, the initial sales numbers are promising. On Sunday, sales were estimated at around Rs 28,000, just a fraction of the over Rs 25 lakh that the flagship store in Delhi's Regal Building notched. The sales staff at the Noida Khadi Korner, however, said things could be better starting with a more prominent banner at the entrance. In addition, they complained that the space allocated is not too prominent.

Currently, what's on offer are garment and cosmetics but depending on the feedback more products could be added. Over the last few years, Ramdev's Patanjali, which was pushing for a tieup with KVIC, has massively ramped up its presence in shopping malls, especially through the franchisee route and has eaten into the government-backed entity's market for products such as spices and honey.