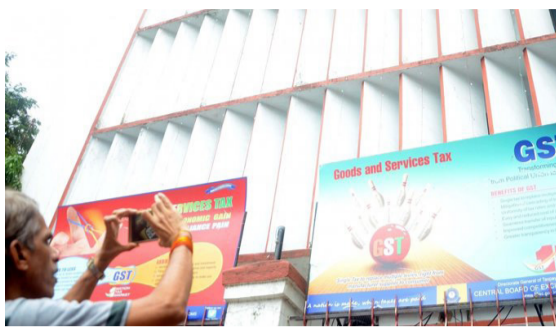


## Centre to raise Rs 46Kcrore as interest on late filing of GST



Agencies

**NEW DELHI:** The government has discovered a new revenue stream to make up for the shortfall in GST collection and is looking to collect Rs 46,000 crore as interest on late payment of tax.

Tax experts disputed the number saying government had promised to hand-hold the taxpayers at the time of migration to the new indirect tax regime by waiving off interest and penalties for filing their tax returns. Further, it has now resorted to extremely harsh measures to boost its tax kitty.

Moreover, the levying of interest would trigger huge litigations with taxpayers challenging the demand.

A.K. Pandey, Special Secretary and Member, Central Board of Indirect Taxes and Customs in a letter to all the principal chief commissioners and central tax commissioners has said that the law cast liability on the taxpayers to assess and pay the interest on delayed payment of tax.

"Further, interest payable on such delayed payment of tax can be recovered under the provisions of section 79 of the CGST Act read with section 75 (12) which provides for various methods by which the proper officer shall proceed to recover any amount which is payable to the government," Pandey said in his letter seen by IANS.

As per the letter, the Principal ADG (systems) on Feb 1, 2020 generated and shared the GSTIN wise list of the registered persons who have not discharged the due interest liability while filing their GSTR 3B returns belatedly. On perusal of said report, it was observed that the interest amounting to Rs 45,996 crores remains unpaid to the government on account of delayed payment of tax.

The report has been shared on SFTP portal for initiating the process of recovery of such unpaid interest as per the provisions of section 79 read with section 75 (12) of the CGST Act.

But, in the meantime, doubts have been raised by the field formations whether the interest has to be paid on the gross tax liability or on the net cash liability.

"In this regard, the provisions of Section of Section 50 are very clear that interest liability is required to be paid on the tax liability that is paid belatedly, either through cash or through utilization of input tax credit (ITC). In other words, interest is required to be paid on total tax amount of tax liability as shown in Form GSTR 3B," the CBIC letter said.

"In view of the above, you are requested to look into the issue personally and to urge field formations under your jurisdiction for making recovery of applicable interest from identified taxpayers and to furnish weekly report of GSTIN wise recovery of interest made in this regard," it directed.

Rajat Mohan, Senior Partner, AMRG & Associates said that the move is against the taxpayers who had been promised hand-holding and support at the time of roll-out of the GST.

"It is demotivating for the taxpayers. If at all, the government wants to levy interest on delayed payment of tax it should be on net tax liability and not the gross tax liability," he said.

A senior state GST officer said that the letter had been received but expressed reservations over the way the amount of interest on late payment of tax has been arrived.

## Income Tax team detains man after recovering cash from him

**SRINAGAR:** Income Tax sleuths detained a man at Srinagar Airport after they recovered Rs 3 lakh from him.

Official sources told Kashmir News Trust that a man coming from Delhi to Srinagar was stopped at Srinagar Airport and during frisking, Rs 3 lakh was recovered from his possession.

Income Tax sleuths detained him for questioning. Police sources identified the man as Imtiyaz Ahmed Dar, a resident of Rangpora Srinagar. (KNT)



## LPG Price Hiked By Rs 144.5 Per Cylinder

Agencies

**NEW DELHI:** Cooking gas LPG price on Wednesday was hiked by a steep Rs 144.5 per cylinder due to spurt in benchmark global rates of the fuel.

But to insulate domestic users, the government almost doubled the subsidy it provides on the fuel to keep per cylinder outgo almost unchanged.

LPG price was increased to Rs 858.50 per 14.2 kg cylinder from Rs 714 previously, according to a price notification of state-owned oil firms.

This is the steepest hike in rates since January 2014 when prices had

gone up by Rs 220 per cylinder to Rs 1,241.

Domestic LPG users, who are entitled to buy 12 bottles of 14.2-kg each at subsidised rates in a year, will get more subsidy.

The government subsidy payout to domestic users has been increased from Rs 153.86 per cylinder to Rs 291.48, industry officials said.

For Pradhan Mantri Ujjwala Yojana (PMUY) beneficiaries, the subsidy has increased from Rs 174.86 to Rs 312.48 per cylinder.

After accounting for the subsidy that is paid directly into the bank accounts of LPG users, a 14.2-kg cylinder would cost Rs 567.02 for

domestic users and Rs 546.02 for PMUY users.

The government gave out 8 crore free LPG connections to poor women under PMUY to increase coverage of environment-friendly fuel in kitchens.

Normally, LPG rates are revised on 1st of every month but this time it took almost two weeks for the revision to take place - a phenomenon which industry officials said was due to approvals needed for such a big jump in subsidy outgo.

Others said the decision to defer the increase could have been because of assembly elections in Delhi. Delhi voted on February 8.

## Farmers without soil testing labs in different areas of Kashmir

**SRINAGAR:** Even as much of the state economy is based on agriculture, the government is yet to fulfill the basic needs of farmers in Kashmir.

In most of the areas farmers associated with agriculture fails to test their soil due to lack of soil testing laboratory in their areas.

Officials at agriculture department said that despite the department collecting soil samples from both irrigated as well as non irrigated grids. The soil testing results do not come quickly and take months together due to overload on the single soil testing laboratory in the districts.

A source from the agriculture department said that thousands of farmers even never test their soil due to lack of nearest soil testing facility. He said that the farmers feel it difficult to complete the documentation process, registration and eventually bring soil samples to the nearest agriculture office. The samples are taken to single and overburdened laboratory where soil samples are examined analysed and the results are conveyed to farmers after several months.

Farmers on the other hand complained that concerned authorities have failed to issue soil health cards to them. "There is no move from the government either to provide soil testing lab for our area or to provide us the soil health cards," said Aijaz Ahmad Parray, a farmer of Kupwara, adding, "I have many acres of land but I never received soil testing card due to which I never tested the soil."

South Kashmir's Pulwama district is also known as largest rice produc-



er of Kashmir after Kulgam district. However, the government has done nothing substantial in developing the agriculture setup of the district.

"I am associated with farming since past many decades but I never heard about soil testing. Most of the farmers have no idea about soil testing," said Abdul Rashid a farmer who claims to have 12 kanals of paddy land in Awantipora.

Another farmer Ghulam Mohammad of Tral said that he has to travel almost 20 kilometers to take sample to district soil testing center Pulwama. "Every farmer in our area cannot travel long distance to test the soil of his paddy land. It becomes hectic and expensive exercise," he added.

According to official data, Jammu and Kashmir has almost six technical controlled soil testing laboratories at various districts - Baramulla, Pulwama, Anantnag, Budgam and one direct controlled soil testing laboratory at Lalmandi, Srinagar.

Most of these laboratories are providing soil testing results in respect of major nutrients only. These laboratories lack sophisticated facilities for analysing micro-nutrients.

Soil testing methods were started in India in 1955-56 but the J&K Union Territory is yet to introduce it at various areas, affecting the agriculture production. Farmers complained that they are unaware of the soil testing methods which could have helped them use their land more judiciously. The farmers complained that concerned authorities have failed to generate awareness among them.

Farmers face a lot of difficulties in the absence of awareness. "Despite that we have got five soil testing laboratories in Kashmir, there is no concept of soil testing in our fields. Hence, the concerned departments must be proactive to inform farmers about the soil testing methods across Kashmir," a farmer Mohammad Ayoub said.

## India's industrial output slips by 0.3% in Dec

Agencies

**NEW DELHI:** Decline in manufacturing activity contracted India's December factory output by 0.3 per cent from a rise of 1.82 per cent in November and 2.5 per cent during the corresponding period of the previous year.

"The 'Quick Estimates of Index of Industrial Production' with base 2011-12 for the month of December 2019 stands at 133.5, which is 0.3 per cent lower as compared to the level in the month of December 2018," the Ministry of Statistics & Programme Implementation said.

"The cumulative growth for the period April-December 2019 over the corresponding period of the previous year stands at 0.5 per cent."

As per the data, the output rate of the manufacturing sector contracted by minus 1.2 per cent in December from a YoY rise of 2.9 per cent.

The output of other notable sector such as mining rose, whereas electricity slipped during the month under review.

According to the data, mining activity grew by 5.4 per cent from a YoY decline of (-) 1 per cent and the sub-index of electricity generation was lower by (-) 1 per cent from a rise of 4.5 per cent.

Among the six use-based classification groups, the output of primary goods, which has the highest weightage of 34.04, rose by 2.2 per cent.

The output of intermediate goods, which has the second highest weightage, zoomed 12.5 per cent.

While consumer non-durables output fell by (-) 3.7 per cent, similarly, the consumer durables declined (-) 6.7 per cent.

Output of infrastructure or construction goods decreased by (-) 2.6 per cent, similarly, capital goods' production receded by (-) 18.2 per cent.

In terms of industries, 16 out of the 23 industry groups in the manufacturing sector showed negative growth during the month under review as compared to the corresponding period of the previous year.

"The industry group 'manufacture of computer, electronic and optical products' has shown the highest negative growth of (-) 24.9 per cent followed by (-) 20.3 per cent in 'manufacture of machinery and equipment n.e.c.' and (-) 15.5 per cent in 'printing and reproduction of recorded media'," the Ministry said.

"On the other hand, the industry group 'manufacture of basic metals' has shown the highest positive growth of 14.2 per cent followed by 13.2 per cent in 'manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials' and 5.9 per cent in 'manufacture of leather and related products'."

## High food, fuel prices push Jan retail inflation to 7.59%

Agencies

**NEW DELHI:** Retail inflation jumped to over five-and-a-half-year high of 7.59 per cent in January on persistently high prices of vegetables, pulses and protein-rich meat and fish, government data showed on Wednesday.

The Consumer Price Index (CPI)-based inflation was 7.35 per cent in December 2019. It had stood at 1.97 per cent in January 2019.

The earlier high was in May 2014 when the CPI-based inflation was 8.33 per cent.

The overall food inflation during January this year stood at 13.63 per cent, slightly lower than 14.19 per cent in the previous month, showed the data released by the National Statistical Office under the Ministry of Statistics and Programme Implementation.

Food inflation, however, had contracted in January 2019 with a print of (-) 2.24 per cent.

Inflation in vegetables spurt to 50.19 per cent in January this year, while that for pulses and products, it rose to 16.71 per cent. Among protein-rich items, prices of meat and fish went up by 10.50 per cent during the month, while egg prices were higher by 10.41 per cent against the year-ago period. The food and beverages category showed an inflation print of 11.79 per cent, according to the data.

Housing turned costlier by 4.20 per cent in January 2020,

while for fuel and light, the inflation print was 3.66 per cent.

"The internals of the food inflation are worrying, given a broad-based uptick across categories that tend to be sticky, such as proteins, and a narrower-than-expected reduction in inflation for vegetables."

"Moreover, the fairly broad-based rise in the core inflation to 4.1 per cent in January 2020, driven by various services, is a cause for concern," said Aditi Nayar, principal economist, ICRA.



Nayar added that regardless of the level of retail inflation, the stance of the RBI for the monetary policy is likely to be retained as accommodative, for as long as the MPC considers the output gap to be negative. "The timing and magnitude of the next rate cut will depend on how quickly inflation appears to be reverting back towards 4 per cent," Rahul Gupta, head of research (currency), Emkay Global Financial Services, said, "It is the consecutive second month that the CPI has breached upper band of the RBI's inflation target."

### NEWS MAKERS

## Coronavirus: Indian Electronics Staring at Shutdown Over Virus Outbreak, Says ICEA

Agencies

**NEW DELHI:** Pankaj Mohindroo, Chairman of Indian Cellular And Electronics Association (ICEA) on Wednesday said that the Indian electronics industry is staring at a shutdown due to the outbreak of the coronavirus in China and its eventual impact on trade.

Speaking at an event, Mohindroo said that although some factories in China have opened, it needs to be seen whether workers actually turn up.

There have been concerns over the impact of the spread of the virus across sectors in India including aviation and electronics.

China plays a major role in the Indian electronics industry as India imports a major part of the components from its



northern neighbour. In the case of smartphones too, majority of the components are imported from China.

The outbreak of coronavirus in Wuhan, China has impacted trade and several in-

dustries across many countries.

The death toll due to novel coronavirus infection rose to 1,113 as of Tuesday and the overall confirmed cases on the Chinese mainland has touched 44,653 cases.

## JK Tourism Deptt promotional campaign reaches Pune, Bangalore

Houseboat owners offer 30% discount for tourists as goodwill gesture

**SRINAGAR:** To popularize its snow capped mountains, scenic destinations and host of adventure activities, Jammu and Kashmir Tourism Department continued its promotional campaign in major metropolitan cities of Pune and Bangalore.

Scores of tourism players from Karnataka attended the road show and linked with their counterparts from J&K to create business opportunities for themselves in the tourism sector.

While highlighting

the unmatched tourism products of Jammu and Kashmir, Additional Secretary Tourism Naresh Kumar urged tourism players present on the occasion to take advantage of the business opportunity and collaborate and partner with the tourism players of J&K.

"Jammu and Kashmir is completely safe for tourism and especially for female tourists," he emphasized and added that thousands of the tourists both domestic and foreign continue to visit J&K and are at the mo-

ment enjoying their stay at world-famous winter and ski destination of Gulmarg. Also speaking on the occasion, Chairman Houseboat Owners Association Abdul Hamid Wangnoo gave a detailed presentation on the historical background of the houseboats of Kashmir, their unique charm and art and craft that set them apart from the rest.

He said tourists intending to visit Kashmir and staying in beautiful and comfortable houseboats will be given 30 percent discount as a goodwill

gesture. At Pune, Director SKICC Javed Bakshi drew attention of the tourism players to the varied tourism products of Jammu and Kashmir including the immense potential in Meetings, Incentives, Conferences and Exhibitions (MICE) Tourism, Golf and Adventure Tourism.

The roadshow at Pune was organized by the J&K Tourism Department in collaboration with Pahalgal Hotel and Restaurant Owners Association (PHAROA).