Dear Professional colleagues,

At the outset I wish to thank and congratulate the members who are associated with Hyderabad Branch since its inception and It is my privilege to be the Chairman of our Hyderabad Branch in the Golden Jubilee Year. We shall be celebrating this Golden Jubilee year with various activities. I on behalf of Hyderabad Branch of SIRC of ICAI invite all the members to come forward and join the hands to celebrate this Golden Jubilee year and make the celebrations a grand success.

All the Members after completion of Bank Audit, may be in a relaxed mood and planning to spend their time with families after hectic schedule of year end and Bank Audit. I wish you all a good time. I am happy to inform you that ICAI is seeking the opinion of the members with regard to relaxation of rule with reference to the admission of students to Articleship. So, I request all the members to go through the website and newsletter and give their suggestions in this regard duly sparing their valuable time without fail.

CBDT is also asking our feed back with reference to TDS related problems, Form 26 AS credit problems in our day to day practice, not on case to case basis, but on a policy basis. I request you to give your feedback. Please give your suggestions/comments on Direct Tax Code Bill, TDS matters and Issues in CPC filing to the email dtc@icai.org. On issues in New Schedule VI under Companies Act you are requested to give feed back to the Corporate Laws Committee of ICAI.

Seminar on Non Profit Organisations held on 29th April 2011 the speakers, who are renowned in that area, have enlightened the members with their knowledge and those present were immensely satisfied.

We are trying to get the best possible speakers/ resource persons and request all the members to plan their attendance and enroll in advance to make the arrangements in a better manner.

Two Certificate courses i.e. Certificate of Valuation and Certificate of International Taxation have been announced by ICAI in COE, Hyderabad which will be starting in the month of May 2011. Members interested are requested to enroll for the above courses directly with ICAI, New Delhi, the details are elsewhere given in the newsletter.

As we are well aware about the space constraint at the Present Branch Premises, we are not able to cope up with the needs of the Students and Members. To cater these needs we are looking for land to have new branch premises with the help of State Government since the land cost in Hyderabad is major concern. In this connection we request the members having contacts with Ministers and the State Government officials to extend their help to procure 3 to 5 acres of land for the Hyderabad Branch.

We are yet to receive response from the Members for our appeal to send their suggestions for improving the quality of programs/ activities conducted by the Branch. But we strongly feel that a lot can be done to improve the quality of the programs/ activities and we are striving our level best to do the same and request you also to contribute to that effect.

We extend our deep condolence to the bereaved Sri Satya Saibaba Fraternity. He has done memorable social service to the needy people by establishing good educational institutions, Hospitals , Providing water facility to the Rural areas and construction of Houses in the flood affected areas in Orissa etc.

Bhagawan Sri Sathya Sai Baba is the embodiment of selfless love and his life is a saga of selfless love for the humanity. Talking about the nature of Love, He says, "Love is God, God is Love. Where there is love, there, God is certainly evident. Love more and more people; love them more and more intensely; transform the love into service; transform the service into worship… that is the highest sadhana. There is no living being without that spark of love; even a mad man loves something or somebody intensely. You must recognise this love as but a reflection of the Premaswaroopa that is your reality, of the God who is residing in your heart. Without that spring of love that bubbles in your heart, you will not be prompted to love at all."

An appeal for Magnanimous Contribution to the Chartered Accountants Benevolent Fund:

You all are aware that CABF generates its corpus from the contributions received from the members of the Institute by way of yearly subscription as life membership fee or voluntary contribution. This fund is providing financial assistance and lump sum grant to members/ families of deceased member helping them with maximum possible financial aid. We appeal to the Members to come forward and contribute generously for this noble cause.

We once again remind you to ensure the payment of membership fee and Certificate of Practice fees in time.

We bring to the notice of all the members about Parivartan Offer "Get Windows 7 Enterprise Upgrade, Office 2010 Professional Plus and Core Cals @ 799 + Taxes" and Unique Document Identification Number for Practicing Chartered Accountants which are initiated by ICAI.

Members are requested to go through the ICAI website www.icai.org for further details about the above two offers.

Regarding service tax point of taxation rules the members may note that among other professionals Chartered Accountants are also allowed to pay Service tax on receipt basis.

We once again request the members to come forward to contribute articles and present papers of their interested subjects. Members who are interested in teaching may give their names to the Branch for conducting of student classes on a regular basis.

Your's sincerely,

A. Venkateswara Rao

CA . Adusumilli Venkateswara Rao
Chairman
chairman@icaihyd.org

Place : Hyderabad
Date : 30.04.2011

AN OVERVIEW OF REVISED SCHEDULE VI

CPE CREDIT 3 HOURS

Day & Date	:	Monday, 9th May 2011
Time	:	5.30 p.m to 8.30 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	CA B. GANESH
Delegate Fee	:	₹ 100/-

CORPORATE GOVERNANCE - CLAUSE 49

CPE CREDIT 3 HOURS

Day & Date	:	Monday, 16th May 2011
Time	:	5.30 p.m to 8.30 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	CA B. GANESH
Delegate Fee	:	₹ 100/-

DISCUSSION ON POINT OF TAXATION ON SERVICE TAX

CPE CREDIT 3 HOURS

Day & Date	:	Friday, 13th May 2011
Time	:	5.30 p.m to 8.30 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	CA V.S SUDHER
Delegate Fee	:	₹ 100/-

HIGHLIGHTS OF TALLY. ERP 9 - AUDITOR EDITION

CPE CREDIT 3 HOURS

Day & Date	:	Saturday, 21st May 2011
Time	:	5.00 p.m to 8.00 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	CA P. SAMBA MURTHY
Delegate Fee	:	₹ 100/-

XBRL - FINANCIAL REPORTING LANGUAGE

CPE CREDIT 6 HOURS

Day & Date	:	Saturday, 14th May 2011
Time	:	9.30 a.m to 5.30 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	EMINENT SPEAKERS
Delegate Fee	:	₹ 600/-

IMPLICATIONS OF FEMA-NRI TRANSACTIONS

CPE CREDIT 3 HOURS

Day & Date	:	Saturday, 28th May 2011
Time	:	5.30 p.m to 8.30 p.m
Venue	:	**Parvataneni Brahmayya Memorial Hall,** Branch Premises, Hyderabad
Speaker	:	CA G. MURALI KRISHNA
Delegate Fee	:	₹ 100/-

CPE Teleconference programmes

Date	Topic	Time	Speaker
13.5.2011	INDAS	11am to 1pm	**CA. Amartjit Chopra & CA. Manoj Fadnis**
26.5.2011	Direct Tax Code	11am to 1pm	**Faculty's name will be intimated**

Activities held in the Month of April 2011

Sl.No.	Date of the Programme	Name of the Programme	CPE hrs
1	15-4-2011	Teleconference on XBRL	2 hrs
2	22-4-2011	E TDS Returns, Legal & Procedural issues	3 hrs
3	23-4-2011	TDS on Payments to Non Residents	2 hrs
4	25-4-2011	FEMA out bound Investment policy & procedures	2 hrs
5	29-4-2011	Seminar on Non Profit Organisations (i) Mode of formation and the laws Governing NPOs (ii) Issues in Taxation of NPOs	6 hrs
6	29-4-2011	CPE Teleconference on Ethical Standards	2hrs
		Total	**17hrs**

Campus Placement Programme for Newly Qualified Chartered Accountants

Exclusively structured for Small & Medium sized Enterprises (SMEs) & the Small and Medium sized CA Firms

Date of candidate registration : **26th April, 2011 to 28th April, 2011**

Opening of database for Companies: **3rd May 2011**

Campus Interview Dates

Centres	Dates
Bangalore, Chennai, Kolkata, Mumbai and New Delhi	18th & 19th May, 2011
Ahmedabad, Indore, Kanpur, Ludhiana , Pune, Chandigarh, Coimbatore, Hyderabad , Jaipur & Nagpur.	19th May, 2011

Last date for Company Registration for all the centres	2nd May 2011 **(Upto 05:00 PM)**
Last date for Shortlisting by Companies for all the centres	12th May 2011 **(Upto 05:00 PM)**
Consent sending by Candidates	15th May - 16th May 2011 **Upto 11:00 AM (Morning)**

Organisations intending to recruit Newly Qualified Chartered Accountants through the scheme given below are requested to get in touch with Secretary, Committee for Members in Industry, Indraprastha Marg, New Delhi - 110002, Tel. No. (011) 30110548/549 E-mail: placements@icai.org, mii@icai.org ; Fax- +91(11) 30110583 (or) Placement Coordinator, at Tel +91(11) 30110450 or log on to www.cmii.icai.org or http://www.icai.org .

REQUEST TO OFFER VIEWS/SUGGESTIONS ON THE DRAFT RECOMMENDATIONS OF THE GROUP CONSTITUED TO REVIEW ENTRY REQUIREMENT FOR CA COURSE

Review of Entry Requirement for Chartered Accountancy Course

As per the Chartered Accountants Regulations in force at present, persons desirous of joining the chartered accountancy course have to pass Common Proficiency Test (CPT), irrespective of whether they have passed Senior Secondary (10+2) Examination or graduation or any other qualification recognised as equivalent thereto. It may be noted that all along as per the previous scheme of education and training, graduation with prescribed percentage of marks were allowed directly to enrol for the CA Intermediate level and join articled training. Accordingly, the general feeling among the parents, students is that graduates and professionals of sister institutes, viz. Cost Accountants and Company Secretaries may be exempted from appearing in the CPT and such persons be allowed to join IPCC and straight away commence their articles training.

The above matter was considered by the Council at its 304th meeting held on 21st, 22nd and 23rd March, 2011 and it was decided to constitute a Group of Council members to review Entry Requirement for CA Course under my Convenorship and submit its recommendations to the Council for its consideration at its meeting scheduled to be held in May, 2011. The Group has conducted its two meetings and has finalised its draft recommendations as annexed herewith with the following objectives:-

- To provide independent route of entry to the Chartered Accountancy Course without affecting the existing Scheme of Education and Training.
- To provide an opportunity to graduates and other professionally qualified students to pursue CA Course.
- To encourage students to enrol for articles training at an early date and thus, enhance enrolment of articles substantially.

The Group has decided to expose its draft recommendations to the Council Members, Past Presidents, Past Council Members, Regional Councils, their Branches and CPE POUs for a period of 21 days for their suggestions/views/comments, if any, thereon. The Group would consider the same at its next meeting and finalise its recommendations for being considered by the Council.

May I request you to kindly peruse the attached draft recommendations of the Group and offer your valuable views/suggestions/comments thereon at the earliest and latest by 9th May, 2011 either by post or by e-mail at- psdos@icai.org; rajeshbhalla@icai.org for consideration by the Group.

The Institute of Chartered Accountants of India
New Delhi
Draft Recommendations of the Group constituted to Review the Entry Requirement for Chartered Accountancy Course

Proposal I: Exemption to Graduates/CWAs/CSs from appearing in Common Proficiency Test (CPT)

The Group felt that the present scheme of 10+2 examination or its equivalent as the minimum entry qualification is quite appropriate as this is the stage when a student generally decides about the career which he/she wants to pursue. In the present scheme, the entry level is only through the CPT route. However, it was felt that the graduate students who intend to pursue the Chartered Accountancy Course should be given exemption so as to give due consideration to the knowledge gained by them during their degree course. Keeping in view of the fact that a large number of students join the Chartered Accountancy course through the graduation stream having varying degrees of educational standards in different subjects or combination of subjects or having different nomenclatures like Bachelor of Business Administration (BBA), Bachelor of Business Finance (BBF), Bachelor of Management Studies (BMS), Bachelor of Business Economics (BBE), etc, it was recommended that graduates who have studied any three full papers of 100 marks each out of Accounting, Auditing, Law, Economics, Management and Taxation may be considered as "Commerce Graduates".

Recommendation of the Group

Common Proficiency Test (CPT) may be exempted for candidates who –

(i) are commerce graduates/post-graduates and have studied any three full papers of 100 marks each out of Accounting, Auditing, Law, Economics, Management and Taxation and passed the graduate/post-graduate examination by securing in the aggregate a minimum of 50% of the total marks.

(ii) are non-commerce graduates/post-graduates who have passed the graduate/post-graduate examination by securing in the aggregate a minimum of 55% of the total marks in the examination,

(iii) have passed the Final examination conducted by the Institute of Cost and Works Accountants of India or by the Institute of Company Secretaries of India, set up under the Cost and Works Accountants Act, 1959 (23 of 1959) or the Company Secretaries Act, 1980 (56 of 1980) respectively.

Views/Suggestions/Comments

Proposal II: **(i) Candidates who are exempted from CPT be allowed direct entry to articleship; or**

(ii) Enrolment to Articleship after passing either of the Groups of IPCC Exam.

The issue deliberated upon was whether such students who are exempted from appearing CPT should be allowed direct entry to articleship without waiting to clear IPCC Group I as is being the case of CPT qualified students, who have to clear Group I of IPCC before commencement of their articleship. Members were of the opinion that providing the abovementioned persons direct entry to articleship would not be fair to the CPT cleared students. It was also felt that earlier when the abovementioned persons were allowed direct entry to join articleship, though there were a huge number of articles but the requisite quality for articleship was missing. Therefore, if the abovementioned persons would also be allowed to commence articleship only after passing either of the Groups of IPCC examination, then the quality of students would improve. Also, non-commerce graduates do not have prior exposure to subjects such as income-tax, accounting, auditing etc which are part of the IPCC syllabus, and thus it would be difficult for them to integrate their theoretical knowledge with practical training. Hence it was felt that such students should not be allowed direct entry to articleship.

The Group further noted that the requirement for commencement of articles only after passing Group I of IPCC examination might be restricting the number of students joining the practical training. The Group also noted that the Council, at one of the meetings held last year, has allowed PE-I students, who have passed either of the Groups of PE-II, to commence their articleship. Hence, it was considered that students may be allowed to enter into practical training after passing either of the Groups of IPCC.

Recommendation of the Group

It was decided to recommend that both graduates as well as CPT passed students would be allowed to commence their articleship only after passing either of the Groups of IPCC Examination.

Views/Suggestions/Comments

Proposal III: Provisional Registration for Students pursuing Graduation

The Group felt that for attracting the students who are pursuing their Graduation course, students may also be allowed to register for IPCC Course provisionally during their final year of graduation. This was considered keeping in mind the fact that the graduate students are late entrants to the Chartered Accountancy course and should be given an opportunity to appear for the IPCC Examination as soon as they appear in their graduation course. All such students will have to undergo theoretical education for a period of 9 months as per the present scheme. But they should be allowed to register for articles only after submission of satisfactory proof of their having passed the graduation course and either of the Groups of IPCC Examination.

Recommendation of the Group

It was decided to recommend the students pursuing their final year of graduation, to be allowed for provisional registration to the IPCC course. All such students will have to undergo theoretical education for a period of 9 months as per the present scheme. But they should be allowed to register for articles only after submission of satisfactory proof of their having passed the graduation course and either of the Groups of IPCC Examination.

Views/Suggestions/Comments

Signature________________________

Name ________________________

Place:____________

M.No.________________________

POST BUDGET CHANGES IN SERVICE TAX

The Point of Taxation Rules, 2011 notified through Budget Notification No. 18/2011 ST dated 1st March, 2011 led to a number of issues which the Government assured would be looked into. Some relief has been extended and many of the areas of difficulty have been addressed. The important point is that the rules are applicable from 1.4.2011 itself unless the service provider opts to continue with the old system for 3 months. In that case there may be some accounting issues and requirement to maintain the parallel records.

The ICAI in its Post-Budget Memorandum, 2011 on Indirect Taxes had urged that the rules may not be applied for those service providers who maintain the cash system of accounting and credit be allowed on accrual basis. These suggestions of ICAI have been accepted. An analysis of the recent amendments has been provided hereunder:

A. Changes in Point of Taxation Rules, 2011 [Notification 25/11 ST dated 31.03.2011]

(a) Point of Taxation

The summary of changes made in the point of taxation is as under:

i. The time when the invoice for the service provided or to be provided is issued.

ii. In terms of amended Rule 6 of the Service Tax Rules the invoice has to be issued, within 14 days from the completion of the service.

iii. In case the service is completed and invoice has not been issued within the said 14 days, then the date of completion would be point of taxation.

iv. In case of receipt of advance, to the extent of such amount, the point of taxation would be the date of receipt of advance.

v. In case of continuous supply service, that is service provided under a contract continuously for a period exceeding 3 months or notified services, the invoice has to be raised within fourteen days of the date of completion of each milestone of payment as per the contract.

vi. The point of taxation for continuous supply service shall be date of issue of the invoice (i.e, within 14 days from the date of completion of the milestone for payment as per the contract)

vii. In case invoice is not raised within 14 days of the completion of the milestone for payment, then such date of completion of milestone for payment shall be considered as point of taxation.

viii. In case of receipt of advance, to the extent of such amount the point of taxation would be the date of receipt of advance

(b) Summary of point of taxation in tabular form

Single Supply Service/other than Continuous Supply Service

Sl. No.	Scenario	Point of Taxation
1.	Invoice issued within 14 days from the completion of service	Date of invoice
2.	Service completed, but invoice **NOT** issued within 14 days	Date of completion of service
3.	Advance received before completion	Date of receipt to the extent of advance received
4.	Invoice issued before completion of service	Date of invoice

Continuous Supply Service

Sl. No.	Scenario	Point of Taxation
1.	Invoice issued within 14 days from the completion of milestone for payment	Date of invoice
2.	Invoice **NOT** issued within 14 days from the completion of milestone for payment.	Date of milestone for payment
3.	Advance received before completion of milestone for payment	Date of receipt to the extent of such advance
4.	Invoice issued before completion of milestone for payment	Date of invoice
5.	No milestone for payment agreed in the contract and no amount received till completion of service and invoice raised within 14 days from completion	Date of invoice
6.	No milestone for payment agreed in the contract and no amount received till completion of service and invoice not issued	Date of completion of service
7.	No milestone for payment and part amount received before completion	Date of such receipt to the extent of such amount

(c) Change of Rate

The change of rate would not only mean the change of rate by amendment in the Act, but would also cover change of rate by amendment in exemption notification. Further, it has also been clarified that it would also cover a change in abatement rate or value on which the duty needs to be computed.

(d) Payment on receipt basis continues in specified cases:

Date of receipt or payment of consideration would be the point of taxation in case of the following services:

i. Services listed in 3(1) of Export of Service Rules, 2005 if the amount is realized within the period prescribed by RBI. *However, if the amount is not realised within the specified period, then general rule of completion of service or date of issue of invoice, whichever is earlier would be applicable. If advance is received, to that extent, the date of receipt of advance would become taxable.*

ii. Person liable to pay service tax under reverse charge mechanism (Goods Transport Agency's services, sponsorship services and import of service) if the payment has been made within a period of 6 months from the date of invoice. *However, if the payment is not made within six months from the date of invoice, the general rule as explained above would be applicable. In case of import of services by associated enterprises, date of credit in the books of accounts of the person receiving the service or the date of making payment whichever is earlier would be the point of taxation.*

iii. Individual/proprietor/firms providing the following service:

(a) Architect's Services

(b) Interior Decorator's Services

(c) Practicing Chartered Accountant' s Services

(d) Practicing Cost Accountant' s Services

(e) Practicing Company Secretary' s Services

(f) Scientific or Technical Consultancy Services

(g) Legal Consultancy Services

(e) Transition provision

The Point of Taxation Rules would not apply to services provided or invoices raised prior to 01.04.2011.

Further, it is provided that for the services provided or invoices raised before 30th June 2011, the assessee may at their option continue to follow the existing system i.e., payment of service tax on receipt basis.

B. Changes in Service Tax Rules, 1994

(i) The provision for issuance of an invoice, bill or challan within 14 days from the date of completion is restored.

(ii) In case of continuous supply of service, an invoice, bill or challan, as the case may be, has to be issued within fourteen days from the date of completion of the milestone specified in the contract requiring the service receiver to make payment.

(iii) If the amount of invoice is renegotiated due to deficient provision or in any other way changed in terms of conditions of the contract (e.g. contingent on the happening or non-happening of a future event), the tax will be payable on the revised amount provided the excess amount is either refunded or a suitable credit note is issued to the service receiver. **It does not cover bad debts.**

Further Board Clarification clearly says that this concession is not available for bad debts.

C. Change in the time of availment of CENVAT credit and value of trading service

(i) The CENVAT credit on input services can be availed on receipt of invoice. However, the payment has to be made within three months. This is effective from 01.04.2011 irrespective of the fact that the service provider may continue to pay service tax on receipt basis.

(ii) In case of service tax paid by the recipient of service on reverse charge basis, the credit can be taken on making payment of the value of service to the service provider and service tax to the Government.

(iii) If the payment is not made within three months, then the credit availed has to be reversed/paid. However the same can be taken back as credit on making payment.

(iv) If subsequent to payment made or invoice received, an amount is received back or credit note is received, when the value of service is renegotiated or altered for any reason the credit availed to that extent is required to be reversed/paid.

(v) Credit on the invoices issued prior to 01.04.2011 by the service provider would continue to be eligible only on payment basis and not on receipt of invoice.

(vi) Supplementary invoice, bill or challan issued by a provider of output service, which should be in terms of the Service Tax Rules, 1994 is also added as one of the documents on which credit can be availed. However if such invoice is raised by the service provider in cases where such additional amount of tax became payable by him on account of fraud or collusion or wilful mis-statement or suppression of facts or contravention of any of the provisions of the Finance Act or of the rules made thereunder with the intent to evade payment of service tax, then it would not be considered as eligible document for credit.

(vii) As regards to computation of proportionate credit or payment of 5% pertaining to trading goods, the rules have been amended to provide that the value of exempted service will be difference between the sale price and the cost of goods sold (determined as per the generally accepted accounting principles without including the expenses incurred towards their purchase) or 10% of the cost of goods sold, whichever is more. ■

Please send your suggestions/comments on

DTC Bill No, TDS matters, Issues in cpc filing

DTC@icai.org

Issues in New Schedule-VI Under Companies Act to corporate Laws committee of ICAI

SALES TAX COURT

Compiled by: **CA Satish Saraf**

INTER STATE SALE:

Movement of Goods from factory to branch out side the state pursuant to letters of allocation by purchaser and delivery of goods by branch to purchaser; transaction held as inter state sale and not branch transfer.

Hyderabad Engineering Industries V. State of Andhra Pradesh (2011) 39 VST 257 (SC).

AUDIT & ASSESSMENT:

It was held that, the authorization to audit under section 43 read with rule 59(1)(7) by itself does not enable audit officer to undertake assessment.

It was also held that, if the competent controlling and / or supervising authority like Deputy Commissioner issues separate orders authorizing assessment, it shall be open to such authorized officer to undertake assessment in accordance with Law.

Sri Balaji Flour Mills & others V. The Commercial Tax Officer - II, Chittore & others (2010) Writ Petition No: 855, Dt: 30-12-2010 - APHC.

APPEAL AGAINST ADVANCE RULING:

The applicant dealer who sought clarification can file an appeal to the Tribunal against the Advance Ruling given by the Advance Ruling Authority. If such advance ruling is applied to a non-applicant dealer, such dealer can directly file an appeal to the Tribunal directly. The advance Ruling is binding on all the officers / authorities in the Commercial Taxes Department.

Tirupathi Chemicals V. DCTO(VMU-1) (2010) 52 APSTJ 48 (APHC)

ASSIGNMENT OF A TRADE MARK OR LOGO:

Assignment of Trade Mark or logo which is incorporeal or intangible in nature can always be assigned by the proprietor while retaining the right to use it self. The consideration received for such assignment is amenable to tax as LEASE.

Nutrine Confectionery Company Private Limited V. State of Andhra Pradesh (2010) 52 APSTJ 37 (APHC)

EXCAVATORS:

The excavators which are used as construction equipment by the construction industries which use hydraulic power for excavating the earth, though required to register under the provision of The A. P. Motor Vehicles Act, 1939 are classifiable as machinery.

J. C. B. India Limited V. State of Andhra Pradesh (2010) 52 ASPTJ 75 (STAT, Hyd) ■

SEARCH AND SEIZURE UPDATE

Compiled by: CA HariAgarwal

1. **Notice under s. 143(2) - Time-limit of service of notice under s. 143(2) shall also apply in respect of assessments framed under s. 153A:-** Time-limit of service of notice under s. 143(2) shall also apply in respect of assessments framed under s. 153A and such time limit would start from the end of the month in which return is filed in response to notice issued under s. 153A/142(1) and, in case, no such notice as been issued, then, it shall be construed from the end of month in which return was filed - where the assessee has filed a letter stating that return of income filed under s. 139 may be treated as filed in response to notice under s. 153A, the time-limit for service of notice under s. 143(2) should be considered from the date of letter filed by the assessee and not from the date when the return of income was filed under s. 139.

   Dy. CIT vs. Sushil Kumar Jain (Ind) 48 DTR 185 (2010).

2. **Statement made at odd hours cannot be considered as voluntary statement -** Addition on basis of statement under section 132(4) by assessee recorded at midnight - Assessee later retracting and giving proper explanation for investment - Statement made at odd hours cannot be considered as voluntary statement - Addition not justified - Income-tax Act, 1961.

   Kailashben Manharlal Chokshi vs. CIT (Guj) 328 DTR 411 (2010).

3. **Survey - Discrepancy in stock and cash -** Addition on basis of statement made during survey - Assessee later contending that statement incorrect and that discrepancy reconciled as it was a mistake - Statement made under section 133A not conclusive proof - Assessee able to explain discrepancy in stock by production of relevant record - Addition to be deleted - Income-tax Act, 1961, s. 133A.

   CIT vs. Dhingra Metal Works (Delhi) 328 DTR 384 (2010).

4. **Income from undisclosed sources - Addition under S. 69 -** Unexplained investment in property - Fax message recovered during the search operation revealed that the cost of the property purchased by the assessee was Rs. 22,55,900 as against the declared payment of Rs. 13,40,630 - Assessee produced a subsequent letter said to have been written by the same employee B who had sent the fax message clarifying that the price mentioned in the fax message was wrongly overstated - AO did not accept the same and made addition on account of undisclosed investment in the property - Justified - Said letter dt. 25th Feb., 1992, was nothing but an afterthought and a created document to come out of the rigour of the fax message dt. 24th Feb., 1992, - Reading of the fax message leaves no iota of doubt that B was not only instrumental in arranging the deal of the property but was also authorised by the assessee to finalise the deal and that he was well aware of the prevailing market price of the property - Assessee's version is to be outrightly dis believed as there could not have been any occasion for B to write such a letter on the very next day to the assessee - Mere production of said letter purported to have been written by B is not enough to rebut the presumption under s. 132(4A) - If that letter was in existence at the time of search, the same would also have been seized or the position would have been explained by the assessee to the search party or to the department at the earliest - It was more than two years later and that too on being confronted by the AO that the assessee came out vide reply dt. 28th Dec., 1994 with this letter - Fact that he assessee had entered into agreement with the builder to buy two other apartments in the same building and transferred the same to an assignee at a lower price on 14th Feb., 1994, and the present case - Contention of the assessee that another property was available in the same building at a lower price is also untenable in view of the fact that it was on the sixth floor, whereas the property in question is on the first floor - Similarly, the fact that assessee's wife acquired some property, and the addition made by the AO has been deleted is not relevant to the present case - Addition wrongly deleted by Tribunal.

   CIT vs. Naresh Kumar Aggarwala (Delhi) 52 DTR 58 (2011).

5. **Authorisation under s. 132(1) - Validity vis-à-vis warrant in joint names/ group name -** In all the warrants the names of the assessees and the residential address of the assessees are given as place to be searched besides the head office of the "C" group of concerns which was also authorised to be searched under the same warrant - There is nothing wrong in authorizing search of a group of concerns by a warrant issued under s. 132 - what is required to be stated in the search warrant is precise details about the assessees and the persons to be searched which are contained in the warrants issued in these cases because the group head office of all the business concerns and the residence of the persons in-charge of business were authorised to be searched - Therefore, there is no merit in the assessees' challenge against the validity of search - Further, assessees have not chosen to challenge the validity of assessments on the allegation of defect or irregularity in the warrant issued either before the AO or in first round of appeals and they have chosen to raise such a contention after remand before the CIT(A) for the first time which was not permissible.

   Jose Cyriac vs. CIT (Ker) 50 DTR 292 (2011). ■