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The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)



WESTERN INDIA CHARTERED ACCOUNTANTS NEWSLETTER

Volume 37 | No. 05 | May, 2011

By the **CA**
For the
C A B F



Your Opportunity to give back to Society

Seminar on Issues In Service Tax Returns held on 9th April, 2011



CA. Neel Majithia, RCM, CA. Shardul Shah, Secretary, WIRC, CA. Naresh Sheth, Faculty, CA. Anand Desai.

Other Speakers



CA. Milind Sahasrabudhe



CA. Rajiv Luthia



CA. Manish Gadia

Seminar on Recent Controversies & Developments on Capital Gains held on 16th April, 2011



CA. Mayur Makadia, CA. Mangesh Kinare, RCM, Adv. Mandar Vaidya, Faculty, CA. Shivratn Singrodia.

Other Speakers



CA. Praful Poladia



CA. Gautam Nayak



CA. Nihar Jambusaria

Seminar on Reporting In Company Audit held on 16th April, 2011



CA. Jayesh Thakur, Faculty, CA. Vishnu Agarwal, RCM, CA. Ankit Kapadia.

Other Speakers



CA. Manish Choksi



CA. Raghava Tirumala



CA. Ashok Pradhan

Seminar on Conflict and Change Management held on 23rd April, 2011



CA. Shruti Shah, RCM, CA. Shardul Shah, Secretary, WIRC, CA. Pramod Jain, Faculty, CA. Anil Bhomavat.

Speakers of Various Students Programmes

03/04/2011



CA. Pratik Singhi

04 to 6/04/2011



CA. Dani Khandelwal

07/04/2011



CA. Jay Chhaira

Lecture Meeting on Service Tax held on 28th April, 2011



CA. Ashok Jain, RCM, CA. Julfesh Shah, Treasurer, WIRC, CA. A.R. Krishnan, Faculty, CA. Shardul Shah, Secretary, WIRC.

Lecture Meeting on Public Debt In India and Changes In Money Supply held on 29th April, 2011



CA. Shardul Shah, Secretary, WIRC, CA. Rashmin Sanghvi, Faculty, Shri Jitendra Sanghvi, Faculty, CA. Parag Raval, RCM.



Mighty of heart, mighty of mind – magnanimous - to be this is indeed too great in life. – John Ruskin

Dear Members & Students,

‘Daan’ or ‘humanitarian philanthropy’ has always been an essential aspect of Indian culture. This ethos extends to the universe as a whole but is considered a sacred duty where family is concerned. Since, we, at the Institute consider all

Chartered Accountants as one family, philanthropy thus becomes our paramount duty towards members, whose families suffer due to incapacitation or demise of sole earning CA members. To that end, the Institute has decided to launch a major collection drive for the **Chartered Accountants Benevolent Fund**. The drive will augment the core fund and will help the Institute to distribute money to more families while also increasing the amount disbursed to individual families. I am confident that all of you will make extra efforts in not only donating liberally yourself but inspire other members to do so as well.

I am happy to say that it was very satisfying to see the completion of a year long process of compilation of data and allotment of audit on Urban Co-operative Banks in Maharashtra. Team WIRC has been dreaming for years to make this project of computerised, transparent and fair allotment process of **audit of Urban Co-operative Banks** to Chartered Accountants. I would specially mention the extraordinary efforts taken by CA Dinesh Gandhi, RCM to make this project successful which was well supported by CA Anil Bhandari, RCM and immediate Past Chairman of WIRC, CA. Sanjeev Lalan. Considering the importance of this activity to the UCB and CAs in Maharashtra, WIRC proposes to hold a **Seminar Series** for updation of knowledge of CAs in this practice area in every part of Maharashtra. Members and articled students are requested to take advantage of this and ensure the highest quality in the Audit of UCBs.

In the meeting of the President and Vice President of ICAI with Chairmen and DCO heads of all five regions, several important issues were discussed relating to Board of Studies, students activities and updation of members' knowledge. From WIRC perspective we have asked for permission to start subject-wise study circles, periodical updation in ITT course of students, virtual classes throughout Mumbai, Thane and Navi Mumbai Branches in addition to other major cities in Western Region. The President informed the meeting about **launching of new Certification Courses by ICAI in the subjects of Concurrent Audit, Internal Audit and Indirect Taxes**.

A series of committee meetings of WIRC were held wherein various initiatives were discussed and important decisions were taken. **Programmes of Ind-AS, RRC for Members in Industry, Training programme for directors for Co-operative Banks, Career Counselling programmes in Rural and Semi Rural Areas, revamping of WIRC website** and proposal for several publications were some of the decisions taken.

Considering the need of the hour, WIRC has decided to launch a series of programme in the Region on XBRL in addition to programmes that may be announced by ICAI. There is tremendous scope of higher earning for individual Chartered Accountants, especially the younger generation, to take this up as a separate vertical in their practice.

The first WIRC Regional Conference for Women Chartered Accountants has been announced to be held at Ahmedabad on 26th June, 2011 where the organisers, the speakers, the co-ordinators and the participants would all be women Chartered Accountants. Considering the enthusiasm of our lady members and tremendous efforts being put in by ladies wing of Ahmedabad Branch, I am sure that every woman Chartered Accountant in the region will like to attend this Conference and support this new initiative of WIRC. The details of the Conference would be mailed to members in the Region very shortly.

I am happy to announce the start of the **Diamond Jubilee year** of WIRC along with Golden Jubilee year of our largest branches viz. Ahmedabad and Pune. Special programmes related to these events will be announced throughout the Region to celebrate these milestones. The recent visits by the President and Vice President to Branches in Gujarat have rejuvenated the entire region and have fired the enthusiasm of all our members. I am sure that this positive frame of mind will take us forward and enable us to conquer new heights in our quest for excellence.

With best regards,



CA. Shrinivas Y. Joshi

EDITORIAL BOARD

Editor: CA. Shrinivas Joshi

Joint Editor: CA. Shardul Shah

Members

CA. Bhavna Doshi • CA. Julfesh Shah • CA. Sanjeev Lalan • CA. Mangesh Kinare
• CA. Anil Bhandari • CA. Neel Majithia

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CA. Shrinivas Joshi, Chairman
CA. Bhailal Patel, Vice-Chairman
CA. Shardul Shah, Secretary
CA. Julfesh Shah, Treasurer

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FORTHCOMING events

For Seminar registration, enquiry contact 3980 2923 / 2922. Cheques should be drawn in favour of "WIRC OF ICAI" and sent to WIRC Office, ICAI Bhawan, Cuffe Parade • R. No. 580, Aayakar Bhawan, Churchgate • RVG Extension Counter, Andheri (W) • Mulund Reading Room, Mulund (W) • Dadar Reading Room, Dadar (E)

DATE	PROGRAMME	TIME	VENUE	FEES ₹	CPE	PG. NO.
01/07/2011	6th Mile Sur Mera Tumhara	6.00 p.m. to 10.00 p.m.	Y.B. Chavan, Auditorium, General Jagganath Bhosale Road, Nr. Mantralaya	–	–	05
21/05/2011	Seminar on MVAT	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	06
04/06/2011	Half Day Seminar on Tax Deducted at Source (TDS)	10.00 a.m. to 1.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	500	03	06
04/11/18/ 25/06/2011 02/07/2011	Direct Tax Refresher Course	2.00 p.m. to 6.00 p.m.	Birla Matushri Sabagraha, New Marine Lines, Churchgate	350 per session 1250 for all sessions	15	05
9, 10, 14, 16, 17, 21, 23, 24 28/06/2011	Intensive Study Course on Income Tax	5.30 p.m. to 8.30 p.m.	Mayor Hall of All India local Self Govt. Bldg, Juhu Lane	3500	27	06
11/06/2011	Seminar on E-returns under various acts	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	07
11/06/2011	Seminar Series on Global updates – II	10.00 a.m. to 1.00 p.m.	Council Hall, 5th Floor, ICAI Bhawan, Cuffe Parade	1000	03	07
13 to 19/06/2011	Sixth 7 Day Intensive Workshop on IFRS	10.00 a.m. to 6.00 p.m.	Hotel Sea Princess, Juhu Tara Road, Juhu, Mumbai	15,000	42	07
17, 18, 20, 22, 27 29/06/2011 & 2, 4, 6, 8, 9/07/2011	Intensive Study Course on Service Tax	5.45 p.m. to 9.00 p.m.	M.L. Dahanukar College Complex Chitrakar Kekar Marg, Vile Parle (E)	4,500	33	08
18/06/2011	Seminar on Arbitration, Mediation and Conciliation	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	08
02/07/2011	Seminar on Tax Audit and Documentation	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	09
09/07/2011	Seminar on Networking/Merger/Demerger of CA Firm	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	09
09/07/2011	Workshop on Adjudication and Appellate Procedures – Service Tax Law	10.00 a.m. to 6.00 p.m.	M.C. Ghia Hall, Near Jahangir Art Gallery, Kala Ghoda	1800	06	09
Attention Members In Industry						
28/05/2011	Seminar on Mergers and Acquisitions	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	11
04, 07, 09, 11 14, 16/06/2011	Intensive Study Course on Internal Audit	5.30 p.m. to 8.30 p.m.	Babubhai Chinai Hall, 2nd Floor, IMC Churchgate, Mumbai	3500	18	10
11/06/2011	Seminar on Special Economic Zone (SEZ)	10.00 a.m. to 6.00 p.m.	Dahanukar Hall, Maharashtra Chamber of Commerce Oricon House, Kala Ghoda, Mumbai	1000	06	10
14, 17, 21, 24 28, 30/06/2011 05,08,12,15/07/2011	Intensive Study Course on International Taxation	5.00 p.m. to 9.00 p.m.	MCF Sports Complex, Off Mandpeshwar Road, Borivali (W)	4500	40	11
17/06/2011	Seminar on Transfer Pricing Regulations	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	10
18/06/2011	Raising Resources through Private Equity	10.00 a.m. to 6.00 p.m.	Hotel J.W. Marriott, Juhu Tara Road, Juhu Mumbai	2500	06	11
25/06/2011	Seminar on Financial Risk Management	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	12
08/09/07/2011	Two Days Conference on Hotel and Tourism Industry	10.00 a.m. to 6.00 p.m.	Hotel J.W. Marriott, Juhu Tara Road, Juhu Mumbai	5000	12	12
15 & 16/07/2011	Conference on Real Estate Sector	10.00 a.m. to 6.00 p.m.	Hotel Sea Princess, Juhu Tara Road, Juhu Mumbai	4500	12	13
16/07/2011	Seminar on Issues in Accounting Auditing and Taxation of Derivatives	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1000	06	12
Students Section						
11/06/2011	ISCA & Indirect Taxes	8.30 a.m. to 6.00 p.m.	SBPT Institute, Near Cooper Hospital, Andheri (W)	500	–	09
12/06/2011	For CA Final Students - Corporate Restructuring • AS-20, 22, 28, 30 and Open Hour Session on CA Final Accounts	10.30 a.m. to 5.30 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	300	–	09

For Online Event Registration & Payment Visit www.wirc-icai.org

Intensive Study Course on Transfer Pricing starting from August, 2011 at Mayor Hall, Andheri (W), Mumbai

Meeting of Convenors of Study Circles		Lecture Meeting on New FDI Policy	CPE HRS 02
DAY & DATE FRIDAY, 27TH MAY, 2011		DAY & DATE FRIDAY, 20TH MAY, 2011	
Venue	J.S. Lodha Auditorium, ICAI Bhawan, WIRC	Venue	Council Hall, ICAI Bhawan, Cuffe Parade
Time	6.00 p.m. to 8.00 p.m.	Time	6.00 p.m. to 8.00 p.m.
Chief Co-ordinators	CA. Shruti Shah 9892407988 CA. Dinesh Gandhi 9822547432 (Regional Council Members)	Chief Co-ordinators	CA. Dilip Apte 9930314856 CA. Anil Bhandari 9821037605 (Regional Council Members)
TOPIC Convenors and Dy. Convenors of all the Study Circles are invited to attend the programme which shall be followed by Dinner		SPEAKER New FDI Policy released on 1-4-2011 and Impact on India Inc.	
		TOPIC	SPEAKER
		Issues in Carbon Credit	CA. Arvind Sharma

Direct Tax Refresher Course (DTRC 2011)



DTRC is the most awaited annual programme of WIRC of ICAI. It is helpful to members to refresh and sharpen their knowledge and skills. Most prominent faculties will address the participants on relevant topics. We at WIRC earnestly solicit your participation in this Continuing Professional Education Programme.

DAYS & DATES SATURDAY, 4TH, 11TH, 18TH, 25TH JUNE & 2ND JULY, 2011

Venue Birla Matushri Sabagraha, New Marine Lines, Churchgate

Time 2.00 p.m. to 6.00 p.m.
(Reg. 1.30 p.m. to 2.00 p.m.)

Fees ₹ 350 per session or ₹ 1,250/- for all sessions (inclusive of course material, tea and refreshment) (Please add ₹ 50 / 250 towards CA Benevolent Fund as Voluntary Contribution)

Chief Co-ordinators

CA. Sanjeev Lalan	9323525932
CA. Mangesh Kinare	9869070539
CA. Shardul Shah	9820287625
CA. N. C. Hegde	9820423420
CA. Rajesh Shah	9825041142

(Regional Council Members)

TOPICS

SPEAKERS

4th June, 2011

Inaugural Address
Shri Sudhir Chandra
Chairman, CBDT

Recent Important Judicial Pronouncements
CA. Rajan Vora

Tax Issues in Reorganisation through LLPs with Special Emphasis on Sections 47(xiiib) & 47 (xiii)
CA. Pinakin D. Desai

11th June, 2011

Burden of proof
Eminent Faculty

Significant Taxation Issues in Redevelopment of Properties
CA. Pradip Kapasi

18th June, 2011

Issues Relating to Profits & Gains of Business or Profession (Section 28)
CA. Ashwin C. Shah

Important Issues in TDS
CA. Anil Sathe

25th June, 2011

Taxation of Emigrant & Immigrant Expatriates
CA. T.P. Ostwal

Wealth Tax - Definition of Assets & Valuation Rules and Proposed DTC Provisions
CA. Chetan Karia

2nd July, 2011

Liability in Certain Special Cases
CA. Yogesh Thar

Taxation of Charitable Trusts, Issues relating to Registration and Recent Amendments in FCRA
CA. Shariq Contractor



6th YEAR

“MILE SUR MERA TUMHARA”

Colours of India

A Cultural Evening Full of Entertainment
Performance by Members & their Family Members

DATE
1st July 2011, Friday

TIME
6.00 p.m. to 10.00 p.m.

VENUE
Y.B. Chavan, Auditorium,
General Jagganath Bhosale Road,
Near Mantralaya, Mumbai 21



AUDITION FOR DANCE, SINGING & ACTING

Date : 20th May, 2011
Time : 11.30 a.m. to 04.30 p.m.
Venue : J. S. Lodha Auditorium



60th year
Setting in Motion
Diamond Jubilee
Celebration
of WIRC

Seminar on MVAT



DAY & DATE	SATURDAY, 21ST MAY, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Anil Bhandari 9821037605 CA. Vishnu Agarwal 9324544607 (Regional Council Members)	
Co-ordinators	CA. Suhas Malankar 9323285924 CA. Vandhana Dodhia 9820029281 CA. Kamal Naulakha 9869431440	
TOPICS	SPEAKERS	
Proposed Amendment to the MVAT & CST Acts by Budget 2011-12	CA. Parind Mehta	
Administrative difficulties faced in Conducting VAT Audit	CA. Kiran Garkar	
Taxation of Builders & Developers	CA. Rajat Talati	
Issues in intrastate Sales & Branch Transfers	CA. Deepak Thakkar	



Half Day Seminar on Tax Deducted at Source (TDS)



DAY & DATE	SATURDAY, 4TH JUNE, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 1.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 500/- (inclusive of course material & refreshments) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Mangesh Kinare 9869070539 CA. Sunil Patodia 9820344085 (Regional Council Members)	
Co-ordinators	CA. Suresh Patni 9821177957 CA. Mahesh Anandpara 9821140957	
TOPICS	SPEAKERS	
Overview & practical aspects of Sec. 195	CA. Vishal Gada	
Case study on TDS on payment to non-residents	CA. Sushil Lakhani	

Intensive Study Course Income-tax



DAYS & DATES	9TH JUNE 2011 TO 28TH JUNE 2011		
	Tuesday 14, 21, 28	Thursday 9, 16, 23	Friday 10, 17, 24
Venue	Mayor Hall of All India Local Self Govt. Bldg, Juhu Lane, Andheri (W)		
Time	5.30 p.m. to 8.30 p.m. (Registration 5.00 p.m. to 5.30 p.m.)		
Fees	₹ 3,500/- for Members (inclusive of course material & refreshments) (Please add ₹ 200/- towards CA. Benevolent Fund as Voluntary Contribution)		
Chief Co-ordinators	CA. Shardul Shah 9820287625 CA. Mangesh Kinare 9869070539 (Regional Council Members)		
Co-ordinators	CA. Harsh Bajaj 9821044319 CA. Jayesh Shah 9819043921 CA. Shirish Pandit 9820133126 CA. Kamlesh Kothari 9820083144		
DATES	TOPICS & SPEAKERS		
9/06/2011 Thursday	Concept of Residence, Income deemed to be received or deemed to accrue or arise in India, Concept of accrual under Income-tax Act, Relevance of Method of Accounting – Eminent Faculty Basic tenets of Taxation, Interpretation of Taxing Statutes, Basis of Charge & Charge of Income-tax and Scope of Total Income – CA. Yogesh Thar		
10/06/2011 Friday	Principles and issues concerning computation of Business Income (including issues arising out of treatment of interest payments, depreciation – sections 32, 43(1) & 43(6), sections 35D, 40, 43B), Computation of income on Presumptive basis – CA. Sanjay Shah		
14/06/2011 Tuesday	Principles governing computation of income under different head other than business income and capital gains – claim of deductions under various heads, Expenditure relating to income not includible in total income, sections 93 & 94 – Eminent Faculty		
16/06/2011 Thursday	Taxation of Not for Profit Organisations – Eminent Faculty Overview to incomes of Non-Residents – CA. Nihar Jambusaria		
17/06/2011 Friday	Principles governing computation of income from Capital Gains – Important Issues (including issues arising under sections 47, 49, 50, 50C and 55) and determination of tax under sections 111A & 112 – CA. Vimal Punamiya		
21/06/2011 Tuesday	Set-off and carry forward of losses – CA. Sanjay Bansal Cash Credit, Unexplained Investments, Unexplained Moneys, Investments not fully disclosed, unexplained expenditure, amounts borrowed on Hundi. – CA. Reepal Tralsawala		
23/06/2011 Thursday	Important deductions available to entities carrying on business under Chapter VIA with special reference to Sections 80A, 80AB, 80C & 80D, Sections 10A & 10B, – CA. Ameet Patel		
24/06/2011 Friday	Powers of gathering information, survey, search and seizure and special procedure for assessment – Eminent Faculty		
28/06/2011 Tuesday	Penalties (with special emphasis on sections 271 and 272A) and Representations in Penalty Proceedings – CA. Haridas Bhat Jointly with J.B. Nagar CPE Study Circle		

Seminar Series on Global Updates - II



DAY & DATE	SATURDAY, 11TH JUNE, 2011	
Venue	Council Hall, 5th Floor, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 1.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- (Inclusive of course material & refreshments) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Shruti Shah 9892407988 CA. Anil Bhandari 9821037605 (Regional Council Members)	
Co-ordinators	CA. Shweta Shah 9322226124 CA. Bhairavi Gala 9920071665	
TOPICS	SPEAKER	

Doing Business in USA
 • Planning • Strategy • Execution
 • Risk Management • Compliances

CA. Vaibhav Manek



Seminar on E-returns under Various Acts



DAY & DATE	SATURDAY, 11th JUNE, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Sanjeev Lalan 9323525932 CA. Vishnu Agarwal 9324544607 (Regional Council Members)	
Co-ordinators	CA. Rajeev Shah 9821348555 CA. Nimesh Chottani 9321464699 CA. Amogh Pandit 8108132425	
TOPICS	SPEAKERS	

Issues in E-filing & online Incorporation of Companies across India with Case Studies (Sp. Ref. to Foreign Promoters/Director Appl)
 E-filing of Various forms & returns under MVAT
 E-filing of various forms under IT
 E-filing under Service Tax

CS. Kaushik Jhaveri
 CA. Govind Goyal
 CA. Avinash Rawani
 CA. Vishal Seth

Sixth 7 Day Intensive Workshop on IFRS

DAYS & DATES	MONDAY, 13TH JUNE TO SUNDAY, 19TH JUNE, 2011	
Venue	Hotel Sea Princess, Juhu Tara Road, Juhu Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 15,000/- (Inclusive of course material, breakfast & lunch) (Please add ₹ 250/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte 9930314856 CA. Mangesh Kinare 9869070539 CA. Shardul Shah 9820287625 (Regional Council Members)	
TOPICS		

Monday, 13th June, 2011: IFRS – An Overview – Applicability – Issues related to convergence, Roadmap of IFRS Implementation, Schedule of Implementations, Discussion & clarifications about MCA Circular, IFRS Framework: **CA. Khushroo Panthaky**

Monday, 13th June, 2011: IAS 1: Presentation of Financial Statements, IAS – 8: Net P/L for the period, Prior Period and Changes in Policies: **CA. Manisha Borkar**

Tuesday, 14th June, 2011: IAS – 16: Property, Plant & Equipment, IAS – 23: Borrowing Costs, IAS – 17: Leases, IFRS – 5: Non current Assets held for Sale & Discounted Operations, IAS – 38: Intangible Assets: **CA. Anand Bathiya**

Tuesday, 14th June, 2011: IAS – 36: Impairment of Assets, IAS – 20: Accounting for Government Grants & Disclosure of Government Assistance and IAS – 40: Investment Properties: **CA. Mayur Choskhi**



Wednesday, 15th June 2011: IAS – 12: Income Taxes, IAS – 2: Inventories, IAS – 21: the effects of changes in Foreign Exchange Rates: **CA. Kishor Parikh**

Wednesday, 15th June, 2011: Financial Instruments: Overview of IFRS 7, IAS – 32, IAS – 39 / IFRS 9 – Introduction, Applicability, Scope, Categories of Financial Instruments, Embedded Derivatives: **CA. Chirag Doshi**

Thursday, 16th June, 2011: Financial Instruments: Overview of IFRS 7, IAS – 32, IAS – 39 / IFRS 9 – Derivatives & Hedge Accounting, Embedded Derivatives, Fair value Mechanism, Disclosure Requirements: **CA. Pooja Gupta**

Thursday, 16th June, 2011: IAS – 18: Revenue Recognition, IAS – 37: Provisions, Contingent Liabilities & Contingent Assets, IAS – 24: Related Party Disclosures: **CA. Yagnesh Desai**

Friday, 17th June, 2011: IFRS – 3: Business Combinations – Definition & Scope, Acquirer, Key Acquirer, Recognition of Assets/Liabilities, Date & Cost of Acquisition, Post Combination Accounting & Disclosures, Etc, Joint Venture (IAS – 27, 28, 31): **CA. K Pasupathi**

Friday, 17th June, 2011: Overview on Business combinations & consolidation, Fair Value Concept: **CA. B Sekkizar ***

Saturday, 18th June, 2011: IAS – 11: Construction contracts & Service Concession Arrangement, IFRS – 2: Share Based Payments, IAS – 26: Accounting & Reporting under Retirement Benefit Plans, IFRS-8: Operating Segments: **CA. Pratiq Shah**

Saturday, 18th June, 2011: IFRS – 1: First time Adoption, optional Exemptions & Mandatory Exceptions, IFRS Frame Work, Balance Sheet Reading & Accounting Policies: **CA. Urvesh Thakkar**

Sunday, 19th June, 2011: Overview on IAS: 7, 10, 33 & 34, Overview on IAS – 24: Related Party Disclosures: **CA. Rakesh Agarwal ***

*Subject to Confirmation

Intensive Study Course On Service Tax



DAYS & DATES

Fridays	17/06/2011	08/07/2011	
Saturdays	18/06/2011	02/07/2011	09/07/2011
Mondays	20/06/2011	27/06/2011	04/07/2011
Wednesdays	22/06/2011	29/06/2011	06/07/2011
Venue	M.L. Dahanukar College Complex, Chitrakar Ketkar Marg, Vile Parle (E), Mumbai		
Time	5.45 p.m. to 9.00 p.m. (Reg. 5.15 p.m. to 5.45 p.m.)		
Fees	₹ 4,500/- (inclusive of course material & refreshments) (Please add ₹ 250/- towards CA Benevolent Fund as Voluntary Contribution)		
Chief Co-ordinators	CA. Mangesh Kinare 9869070539 CA. Shruti Shah 9892407988 CA. Sunil Patodia 9820344085 (Regional Council Members)		
Co-ordinators	CA. Anand Desai 9820511417 CA. Madhukar Khandekar 9867013701 CA. Prasad Velankar 9819777394 CA. Abhijit Paranjpe 9820049297 CA. Vishwas Mehendale 9004074587 CA. Jaideep Barve 9820588298 CA. Rajendra Mahimkar 9324403324		
DATE	TOPICS	SPEAKERS	
17/06/2011 Friday	Over View of Scheme of Service Taxation • Legal Frame Work & Basic Concepts • Classification & Valuation of Services • Threshold Exemption • General Exemptions & Abatement • Other Relevant Matters	CA. A.R. Krishnan	
18/06/2011 Saturday	Territorial Jurisdiction: • Place of Performance vs Place of Consumption • Export of Service • Import of Services • Reverse Charge Mechanism • Person Liable to Pay Tax Under Rule 2 (1)(d) • Special Tax Rated Services	CA. Sunil Gabhawalla	
20/06/2011 Monday	CENVAT Credit Rules, 2004 as applicable to Service Providers	CA. Bakul Modi	
22/06/2011 Wednesday	Refund Rebate and SEZ Exemption	CA. Parag Mehta	
27/06/2011 Monday	Construction related services: • Commercial or Industrial construction • Construction of	CA. Naresh Sheth	

complex • Site Formation Services
• Erection, commissioning or installation
• Works Contract Services • Service Tax as applicable to Builders & Developers

29/06/2011 Wednesday	Services - Over lapping of VAT & Service Tax Liability: • Information Technology Services • Franchise Services • Copyright Services • Designing Services • Restaurant Services • Intellectual Property Services	CA. Sagar Shah
2/07/2011 Saturday	Logistics Services • Goods Transport Agency Services • Cargo Handling Services • Clearing & Forwarding Services • Storage & Warehousing • Rail Transport Services • Inland & Coastal Transportation • Custom House Agent Services • Tour Operator services	CA. Rajiv Luthia
4/07/2011 Monday	Professional Services: • Business or Management • Consultant Services • Legal Consultancy Services • Practising Chartered Accountant Services • Consulting Engineer Services • Architect Services • Interior Decorators Services • Health Services	CA. Manish Gadia
6/07/2011 Wednesday	Other important services: • Renting of Immovable Property Services • Business Auxiliary Services • Business Support Services • Supply of Tangible Goods • Convention Services • Foreign Exchange Broker Services • Club & Association Services	CA. Bharat Shemlani
8/07/2011 Friday	Procedural aspects • Registration • Payment of taxes • Filing of Returns • Interest • Penalties • Prosecution • Refunds (Filing Procedures etc.) • Unjust Enrichment	CA. Ashit Shah
9/07/2011 Saturday	Adjudications & Appeals	Adv. Bharat Raichandani

Jointly With Vile Parle (E) CPE Study Circle

Seminar on Arbitration, Mediation and Conciliation



DAY & DATE SATURDAY, 18TH JUNE, 2011

Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)
Fees	₹ 1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)
Chief Co-ordinators	CA. Dilip Apte 9930314856 CA. Neel Majithia 9820327660 (Regional Council Members)
Co-ordinators	CA. Aalok Mehta 9892001645 CA. Rinkle Gorwara 9821688806 CA. Subhash Chhajed 9820107179

TOPICS

SPEAKERS

Introduction to ADR with Specific Reference to Mediation/Conciliation	Shri Prathmesh Popat Advocate
Overview of the Law on Arbitration and Opportunities for CAs	Shri Rahul Chitnis Advocate
Practical Aspects of Conducting Arbitral Proceedings	Shri Rafique Dada Advocate
Arbitral Award and Post Award Matters	Shri Jayesh Shah Advocate

Seminar on Tax Audit and Documentation



DAY & DATE	SATURDAY, 2ND JULY, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Mangesh Kinare 9869070539 CA. Sunil Patodia 9820344085 (Regional Council Members)	
Co-ordinators	CA. Sonalee Parikh 9820936425 CA. Rajesh Jain 9930331272 CA. Jacob Koshy 9821028788 CA. Ankit Tralsawala 9324116494	

TOPICS	SPEAKERS
Issues in the Clauses of Tax Audit Standards on Auditing vis-a-vis Tax Audit	CA. Harish Motiwalla CA. Adi Sethna
Documentation for Tax Audit & Peer Review	CA. Abhay Arolkar
Issues in Tax Audit	CA. Atul Suraiya



Seminar on Networking/Merger/ Demerger of CA Firm



DAY & DATE	SATURDAY, 9TH JULY, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. N. C. Hegde 9820423420 CA. Vishnu Agarwal 9324544607 (Regional Council Members)	
Co-ordinators	CA. Kishor Rawani 9820002056 CA. Keya Dave 9819195491 CA. Viral Chheda 9833594045	

TOPICS	SPEAKERS
ICAI Rules on Networking/Merger/ Demerger	CA. Sanjeev Maheshwari
Need for networking/merger/ demerger in present scenario	CA. Mitil Chokshi
Networking/Merger/Demerger a Birds' Eye view	CA. Vijay Bhatt
Longevity of Networking firms	CA. Niranjan Joshi
Mergers firms a survival kit	

Workshop on Adjudication and Appellate Procedures – Service Tax Law'



DAY & DATE	SATURDAY, 9TH JULY, 2011	
Venue	M.C. Ghia Hall, Near Jahagir Art Gallery, Kala Ghoda Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,800/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Sanjeev Lalan 9323525932 CA. Mangesh Kinare 9869070539 (Regional Council Members)	
Co-ordinators	CA. Manish Gadia 9820537986 CA. Rajiv Luthia 9821143524 CA. Anand Desai 9820511417	

TOPICS	SPEAKERS
First Technical Session – Chairman Mr. Prakash Shah, Advocate	
Drafting of replies to SCN and appearance before the Adjudicating Authorities and cross-examination	Mr. J.C. Patel Advocate
Second Technical Session - Chairman: Mr. Vipin Jain, Advocate	
Summons, Inquiries, and investigations on service tax	Mr. Naresh Thacker Advocate*
Third Technical Session – Chairman : Mr. C.S. Lodha, Advocate	
Art of drafting of Appeals before the CESTAT	Mr. Shridharan Advocate*
Fourth Technical Session - Chairman : Mr. C.S. Lodha, Advocate	
Art of arguing matters before the CESTAT	Eminent Faculty
* Subject to Confirmation	

Students Section

DAY & DATE	SATURDAY 11TH JUNE, 2011	
Time	8.30 a.m. – 6.00 p.m.	
Venue	SBPT Institute, Andheri (W)	
Fees	₹ 500/- (Including Material and Snacks)	
Chief Co-ordinator	CA. Neel Majithia 9820327660 (Regional Council Member)	
Student	Mr. Mohit Choudhary 9702526303	
Co-ordinators	Mr. Yugantar Kumawat 8080613024	
TIME	TOPIC	SPEAKER
8.30 a.m. to 12.30 p.m.	ISCA	CA. Nikunj Shah
1.30 p.m. to 6.00 p.m.	Indirect Taxes	Prof. Tayal

DAY & DATE	SUNDAY 12TH JUNE, 2011	
Time	10.30 a.m. – 5.30 p.m.	
Venue	J. S. Lodha Auditorium, WIRC	
Fees	₹ 300/- (Including Material and Snacks)	
Chief Co-ordinator	CA. Shruti Shah 9892407988 (Regional Council Member)	
Student	Mr. Hardik Shah 9029477741	
Co-ordinators	Mr. Gajendra Ranawat 9022301019	
TOPIC	SPEAKER	
For CA Final Students - Corporate Restructuring • AS-20, 22, 28, 30 and Open Hour Session on CA Final Accounts	Prof. CA. Kishorsinh Chauhan	

Attention MEMBERS IN INDUSTRY

Intensive Study Course on Internal Audit



DAYS & DATES

Saturdays	4/06/2011	11/06/2011
Tuesdays	7/06/2011	14/06/2011
Thursdays	9/06/2011	16/06/2011
Venue	Babubhai Chinai Hall, 2nd Floor, IMC, Churchgate, Mumbai	
Time	5.30 p.m. to 8.30 p.m. (Reg. 5.00 p.m. to 5.30 p.m.)	
Fees	₹ 3,500/- (inclusive of course material & refreshments) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Anil Bhandari 9821037605 CA. Dhiraj Khandelwal 9867642684 (Regional Council Members)	
Co-ordinators	CA. Kishor Joshi 9869186849 CA. Pooja Simaria 9833392144 CA. Binita Shah 9820450576 CA. Dinesh Gandhi 9821240303	

DATE	TOPICS	SPEAKERS
04/06/2011	Key Note Address - Emerging opportunities for CA Fundamentals of Controls in New Age	CA. V. Swaminathan
07/06/2011	Evolution and Relevance of Internal Audit Concepts of Risks & ERM	CA. Hardik Dhruva Mr. Prem Chopla
09/06/2011	Internal Audit- Standards, Relevance of Regulatory Framework Risk Based Internal Audit	CA. Dipak Ghose CA. Neeta Shah
11/06/2011	Case Study – Fraud Review Case Study – Manufacturing	CA. Suresh Punjabi CA. Priti Dani CA. Jugal Aswani
14/06/2011	Case Study – Service Industry Report Writing	CA. Satish Shenoy CA. Manish Pipalia
16/06/2011	Use of Technology in Internal Audit Importance of Soft skills for Internal Auditor	CA. Nikunj Shah CA. Narayan Mantri

Enrollment Restricted to 75 Participants

Seminar on Transfer Pricing Regulations



DAY & DATE FRIDAY, 17TH JUNE, 2011

Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1000/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Sanjeev Lalan 9323525932 CA. Shruti Shah 9892407988 (Regional Council Members)	
Co-ordinators	CA. Nirav Shah 9820672738 CA. Suhas Gharat 9820420675 CA. Ajit Thakkar 9324242916	

TOPICS	SPEAKERS
General principles of documentation, FAR Analysis, Comparability Principles and some examples from manufacturing and service industry perspective	CA. Vispi T. Patel
Issues on transfer of Intangible property, Buyin-Buyout payments and Intra- group services, Cost Contribution, Cost Sharing, Cost Allocation, Reimbursement of expenses, Discussion with examples, Discussion with examples	CA. Rohan Phatarphekar
Typical issues in transfer pricing, their documentation and defence strategy in assessment proceedings (typical business models, one-off transactions, purchase of assets, financial transactions, etc.) and amendments in Union Budget 2011	CA. T.P. Ostwal
Analysis of important transfer pricing decisions, nuances and practical application from India perspective	CA. Rajesh S. Athavale

Seminar on Special Economic Zone (SEZ)



DAY & DATE SATURDAY, 11TH JUNE, 2011

Venue	Dahanukar Hall, Maharashtra Chamber of Commerce, Oricon House, Kala Ghoda, Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Registration 9.30 a.m. to 10.00 a.m.)	
Fees	₹1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Durgesh Kabra 9869015418 CA. Neel Majithia 9820327660 (Regional Council Members)	

Co-ordinators	CA. Mukund Pol 9324337392 CA. Ankit Kapadia 9867876376 CA. Vikas Vishwasrao 9892915272	
TOPICS	SPEAKERS	
Legal & Procedural aspects for setting up SEZ units	Shri Jose Mathew	
Issues & Aspects Relating to Direct Tax	CA. Nihar Jambusaria	
Issues & Aspects Relating to VAT & Service Tax	CA. Bharat Shemlani	
Export Incentives / other benefits of SEZ / STPI	CA. Mukund Chouhan	

Attention MEMBERS IN INDUSTRY

Seminar on Mergers & Acquisitions



DAY & DATE	
SATURDAY, 28TH MAY, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)
Fees	₹ 1,000/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)
Chief Co-ordinators	CA. Shardul Shah 9820287625 CA. Ashok Jain 9833512888 (Regional Council Members)
Co-ordinators	CA. Vivek Agarwal 9324422053 CA. Suneet Mahale 9819966674 CA. Anand Shenoy 9821076816 CA. Pooja Mittal 9820390969
TOPICS	SPEAKERS
Stamp Duty	Adv. Sharad Abhyankar
Transactions – Legal & Regulatory Challenges	Adv. Simone Reis
Accounting issues	CA. Jayesh Gandhi
Case Studies – Analysis of innovative M & A deals	CA. Jinesh Shah
Domestic & International Tax	Dr. Pravin P. Shah

Intensive Study Course on International Taxation



DAYS & DATES		14th June, 2011 to 15th July, 2011		
		Tuesday	Thursday	Friday
	June	14, 21, 28	30	17, 24
	July	5, 12		8, 15
Venue	MCF Sports Complex, Off Mandpeshwar Road Borivali (W)			
Time	5.00 p.m. to 9.00 p.m. (Reg. 4.30 p.m. to 5.00 p.m.)			
Fees	₹ 4,500/- (inclusive of course material & refreshments) (Please add ₹ 250/- towards CA Benevolent Fund as Voluntary Contribution)			
Chief Co-ordinators	CA. Sanjeev Lalan 9323525932 CA. Durgesh Kabra 9869015418 CA. Shardul Shah 9820287625 CA. N. C. Hegde 9820423420 (Regional Council Members)			
Co-ordinators	CA. Sanjay Thakkar 9324312627 CA. Vipul Shah 9821028868 CA. Yashesh Jakhelia 9967586811 CA. Kinjal Shah 9892100844			
DATE	TOPICS		SPEAKERS	
14/06/2011	Introduction to International Taxation Tax Residency under tax treaties		CA. Kishore Karia	
17/06/2011	Article 5 Permanent Establishment		CA. Naresh Ajwani	
21/06/2011	Article 7 Attribution of Profit		Eminent Faculty	
24/06/2011	Article 10, 11, 13 Income from Interest/ Dividend/Capital Gains Article 14, 15 Dependant and Independent Personal Services:		CA. Mayur Desai CA. Gaurang Gandhi	
28/06/2011	Article 12:Income from Royalties & Fees for Technical Services		CA. Rajiv Shah	
30/06/2011	Method of Elimination of Double Taxes Foreign Tax Credit / Tax Sparing / Tax Exemption TDS U/s 195 of Income-tax Act – Issues- Procedural Aspects – Court Rulings		CA. Dishat Mehta CA. Natwar Thakrar	
05/07/2011	International tax issues facing EPC Contractors: Taxability of offshore supply of equipments Sale of designs and drawings vs right to use designs and drawings Taxability of onshore supply and services International tax issues facing Media companies: Agency PE and attribution of Profits arm’s length price extinguishes attribution Taxabilty of transponder payments		CA. Vishal Gada CA. Romesh Sankhe	
08/07/2011	International tax issues face by the Financial Services Industry		CA. Hinesh Doshi	
12/07/2011	Cross Border M&A - Tax & regulatory Issues Reading of Tax Treaties		CA. Anup Shah Eminent Faculty	
15/07/2011	Controlled Foreign corporation (CFC): A comparative study of the regulation in certain important jurisdiction GAAR : International perspective Concept of Thin capitalization		CA. Mayur Nayak CA. Nihar Jambusaria	
Jointly With Borivali (Central) CPE Study Circle				

Raising Resources through Private Equity



DAY & DATE	
SATURDAY, 18TH JUNE, 2011	
Venue	Hotel J.W. Marriott, Juhu Tara Road, Juhu Mumbai
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)
Fees	₹ 2,500/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 250/- towards CA Benevolent Fund as Voluntary Contribution)
Chief Co-ordinators	CA. Durgesh Kabra 9869015418 CA. Vishnu Agarwal 9324544607 (Regional Council Members)
Co-ordinators	CA. Ashok Surana 9820147361 CA. Ashok Gokani 9820116963 CA. Sunil Nuval 9320257941 CA. Om Somani 9869972402
TOPICS	SPEAKERS
Investment Process in Private Equity Valuation of Deals and Final Negotiations Term Sheet, Investment Agreement and Due Diligence Panel Discussion Hot Sectors, What PE's would like to invest in, Future outlook for PE in India	CA. Shailendra Jindal CA. Nimesh Salot Ms. Vaishali Sharma CA. Bharat Banka CA. Sunil Goyal Shri Somitra Agarwal Shri K.K. Iyer

Attention MEMBERS IN INDUSTRY

Seminar on Financial Risk Management



DAY & DATE		SATURDAY, 25th JUNE, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade		
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 1,000/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Anil Bhandari CA. Dhiraj Khandelwal CA. Neel Majithia (Regional Council Members)	9821037605 9867642684 9820327660	
Co-ordinators	CA. Vidhyut Jain CA. Mehul Sheth CA. Aalok Mehta	9892414386 9820297310 9892001645	
TOPICS		SPEAKERS	
Introduction The need for financial risk management • Major causes of financial risk • Sources of financial risk • Evolution of risk management instruments • Recent risk events		Shri Hardik Dhruva	
Overview of Various Types of Risk • Market • Credit • Operational • Liquidity		Shri Guntupalli Bharan	
Regulatory Concerns and Actions • Reducing financial disasters • Safety of the financial system		Shri Rajesh Sharma*	
Money and Capital Markets • Definition of money and capital markets • Money market instruments • Capital market instruments: fixed-income • Capital market instruments: equity		Shri George Joseph	
Description of Financial Risk Management • Instruments • Forwards • Futures • Swaps • Options • Exotics and other structures		Shri George Joseph	
*Subject to Confirmation			

Two Days Conference on Hotel and Tourism Industry



DAY & DATE	FRIDAY 8TH & SATURDAY, 9TH JULY, 2011	
Venue	Hotel J.W. Marriott, Juhu Tara Road, Juhu Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 5,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 250/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Anil Bhandari 9821037605 CA. Dhiraj Khandelwal 9867642684 CA. Shruti Shah 9892407988 (Regional Council Members)	
Co-ordinators	CA. Ashok Manghani 9820395195 CA. Himanshu Chheda 9820676826 CA. Jasmin Savla 9820585807 CA. Arun Prithwani 9820917280	
TOPICS	SPEAKERS	
8/7/2011		
Issues and Opportunities in Hotel & Tourism Industry	CA. Utpal Parikh	
Revenue Audit including food & beverage Audit	CA. Kashyap Vaidya	
VAT including works contract provisions applicable to various transactions	CA. Govind Goyal	
Custom Duty benefits	CA. Sachin Menon	
Installation of State Government of India and Exim Policy Provision		
9/7/2011		
Domestic & International Tax aspect for Hotel & Tourism Industry	CA. Sandeep Bhalla	
MIS Reporting & Finalisation of Audit including some typical accounting issues arising in the hotel industry	CA. Zubin Billimoria	
Auditing Function and Risk Management in the Hotel & Tourism Industry	CA. Dipak Ghose	
Financial Norms & Venture Capital Fund	CA. Dilip Dusija	

Seminar on Issues in Accounting Auditing and Taxation of Derivatives



DAY & DATE	SATURDAY, 16TH JULY, 2011	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,000/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Dilip Apte 9930314856 CA. Neel Majithia 9820327660 (Regional Council Members)	
Co-ordinators	CA. Jinal Shah 9930467999 CA. Ketan Shah 9322513261 CA. Dimpal Khetan 9820531523 CA. Nehal Turakhia 9833991898	

TOPICS	SPEAKERS
Accounting Application and Issues in Currency Derivatives	CA. Anagha Thatte
Auditing Techniques of Various Derivatives Transactions	CA. Bhavesh Vora
Issues and Controversies in Taxation of Derivatives in Shares	CA. Murgan Trivedi
Issues and Controversies in Taxation of Derivatives in Commodity and Currency	CA. Nihar Jambusaria



Attention MEMBERS IN INDUSTRY

Conference On Real Estate Sector



DAY & DATE	FRIDAY, 15TH & SATURDAY, 16TH JULY, 2011	TOPICS	SPEAKERS
Venue	Hotel Sea Princess, Juhu Tara Road, Juhu, Mumbai	15/07/2011 Value Creation strategies for Developers- Mergers & Acquisitions, FDI in Real estate, Stamp Duty on Restructuring by developers, etc. Redevelopment of Cop. Hsg. Societies – Tax & Regulatory issues Slum Redevelopment – Important Issues MVAT on Works Contract	CA. Anup P. Shah Adv. K.K. Ramani Adv. Parimal Shroff CA. Rajat Talati
Time	10.00 a.m. to 6.00 p.m. (Reg. 9.30 a.m. to 10.00 a.m.)	16/07/2011 Tax Issues for Developers – Issues under s. 80-IB(10) / 80-IA(4) issues, Method of Accounting, Trader vs. Investor, AOP Service Tax on Real Estate Industry and Works Contracts Funding Options for Developers - ECBS, Debt, Hybrid, Mazzamine Funding, PE Funding, Advanced Sales Processing Recent Developments in Real Estate Laws – New CRZ Policy, FSI Rules, Cluster Development, Model Real Estate Act, etc.	CA. Nihar Jambusaria CA. Sunil Gabhawalla CA. Keyur Shah Adv. Dhaval Mehta
Fees	₹ 4,500/- for Members (inclusive of course material, breakfast & lunch) (Please add ₹ 250/- towards CA Benevolent Fund as Voluntary Contribution)		
Chief Co-ordinators	CA. Durgesh Kabra 9869015418 CA. Sunil Patodia 9820344085 CA. Ashok Jain 9833512888 (Regional Council Members)		
Co-ordinators	CA. Alpa Ambavat 9892814123 CA. Mahesh Madkolkar 9820075966 CA. Rinkle Gorwara 9821688806 CA. Ankit Kapadia 9867876376		



FORTHCOMING branch meetings

DATE	TIME	SUBJECTS	SPEAKERS	VENUE
BARODA				
21/05/2011	03.00 p.m.	Half Day Seminar on AS for SMEs and Non Corporate Entities	CA. Alok Shah, Vadodara	Conference Hall, ICAI Bhawan, Vadodara
28/05/2011	03.00 p.m.	AS for SMEs and Non Corporate Entities Half Day Workshop on E-filing under Income Tax E-filing of Income Tax Return and Post e-filing activities-filing of TDS Returns and Revised TDS Return	CA. Rashmi Thakkar CA. Nirav Shah, Vadodara CA. Dharit Shah, Vadodara	Conference Hall, ICAI Bhawan, Vadodara
PUNE				
28/05/2011	2.30 p.m.	International Taxation		ICAI Bhavan, Bibwewadi
RAJKOT				
21-05-2011	9.30 a.m.	Full Day Seminar on “Awareness Program on XBRL”	CA. Vinod Kashyap Ms. Priyanka Deswal	Hotel Silver Sand
28-05-2011	03.30 p.m.	Half Day Seminar on Professionalism and Etiquette	CA. Deepak Rindani CA. Gaurang Shanghavi	Branch Premises
3, 4 & 5/06/2011		5th Residential Refresher Course		Silent Hill Resort, Manor
JAMNAGAR				
21/05/2011	04.00 p.m.	Taxation aspects in LLP	CA. Diapk Rindani	Branch Premises
26/05/2011	11.00 a.m.	Teleconferencing programme on Direct Tax Code		Branch Premises
NAGPUR				
16/05/2011 to 22/05/2011	4.00 p.m.	Mega Career Carnival-2011		University Ground Nagpur
19/05/2011	8.00 a.m.	3 Days Workshop on Service Tax	Eminent Speakers	ICAI Bhavan
22/05/2011	9.30 a.m.	Fellowship Meet on Stress Management	Eminent Speaker	ICAI Bhavan
27/05/2011	8.30 a.m.	WICASA Cricket Tournament		
SURAT				
21/05/2011 & 22/05/2011		RRC at Silvassa Service Tax - Registration, Records, Payment of Tax GVAT - Administrative difficulties faced in conducting GVAT Audit. Income Tax- Rectification, Revision and Appeals Business Deductions under Income-tax Act	Eminent Speakers	Khanvel Resorts, Silvassa



GANDHIDHAM: Photograph taken during the Seminar on Service Tax. L To R: CA. Sanjay R Mehta, CA. Mitesh Dharamshi, Branch Chairman, CA. Amish Khandhar, CA. Rashmin Vaza, Faculty



KOLHAPUR: Photograph taken during the Workshop on Service Tax held on 16/04/2011. L to R: CA. Manish Gadia, Faculty, CA. Girish Mulye, Branch Chairman



NASHIK : Photograph taken during CPE Seminar on Internal Audit held on 23/04/2011. L to R: CA. Sunil Agiwal, CA. M.Y.Sarode and CA. Rajeev Malpathak Faculty



SANGLI: Shri Surendrakumar Mankoskar, addressing at the Seminar on Issues in Service Tax



SURAT: Felicitation Function of President & Vice President held on 22/04/2011. L to R: CA. Dhinal Shah, CCM, CA. Dharmesh Tamakuwala, CA. Vijay Jagani, CA. Nishith Mehta, CA. Rajiv Chanda, CA. Jaydeep Shah, Vice President, ICAI, CA. G. Ramaswamy, President, ICAI, CA. H. Tosniwal, Branch Chairman, CA. Mahesh Sarda, CCM, CA. Hitendra Mody, CA. Jay Chhaira, RCM, CA. Pragnesh Jagasheth, CA. H. Bhutwala, CA. Sujesh Suratwala



JAMNAGAR : CA. Ankur Doshi, Branch Chairman presenting memento to CA. Bhavin Shah, faculty on Workshop on Excel 2010 with power pivot table held on 16-04-2011



NAGPUR: Shri A. K. Shrivastava, CIT (TDS) lighting the lamp at the Workshop on TDS. L to R: CA. Kirti Agrawal, CA. Swapnil Agrawal, CA. Julfesh Shah, Treasurer, WIRC, CA. Satish Sarda, Branch Chairman, CA. Ashwini Agrawal, CA. R.S. Temurnikar, CA. Ninad Nandgaonkar, CA. Hemal Kothari



RAJKOT : Seminar on Indirect Taxes held on 16.04.2011. L to R: CA. Jatin Jajal, CA. Sumit Shingala, CA. Kishor Gheewala, Faculty, CA. Sharad Anada



SOLAPUR : Joint Seminar with Sales Tax Department on ePayment under MVAT Act held on 29.03.2011. L to R: CA. Arvind Shankur, Mr. V V Deshpande Mr. M M Kokane, CA. Pandurang Mantri, Branch Chairman, Mr. D P Amberao Mr. K K Nagar



VAPI : Group Photo with President & Vice President of ICAI by Managing Committee and Other CAs



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Death - In case of your unfortunate demise, the Sum Assured is payable to your nominee.

Eligibility

Sum Assured (in Multiple of Rs. 1,000)	Minimum - Rs. 10,00,000 Maximum - No limit (subject to underwriting requirements)
Entry Age	Minimum* - 18 years Maximum - 60 years
Maturity Age	Maximum - 65 years
Policy Term	Minimum - 5 years Maximum - 25 years
Premium Pay Term	Equal to the policy term
Premium Payment Frequency	Yearly

* If the policy term is less than 10 years, the minimum entry age needs to be 30 years

Contact : Sudip Nair - 09867567939
e-mail: sudip.nair@aegonreligare.com

Premium - Know your premium**

Sum Assured = Rs. 20,00,000						
Age	15 years		20 years		25 years	
	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker
25	2,500	2,500	2,500	2,500	2,700	2,700
30	2,900	2,900	3,160	3,160	3,440	3,440
35	3,860	3,860	4,360	4,360	4,800	4,800
40	5,640	5,640	6,380	6,380	7,000	7,000
45	8,460	8,460	9,620	9,620	NA	NA
50	12,960	12,960	NA	NA	NA	NA

Sum Assured = Rs. 50,00,000						
Age	15 years		20 years		25 years	
	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker
25	5,450	4,200	5,700	4,350	5,950	4,500
30	6,350	4,800	7,000	5,200	7,650	5,600
35	8,500	6,100	9,700	6,850	10,750	7,500
40	12,550	8,750	14,350	9,950	16,000	11,100
45	19,050	13,100	21,850	15,000	NA	NA
50	29,300	20,050	NA	NA	NA	NA

Sum Assured = Rs. 1,00,00,000						
Age	15 years		20 years		25 years	
	Smoker	Non-smoker	Smoker	Non-smoker	Smoker	Non-smoker
25	10,400	7,800	10,900	8,100	11,400	8,400
30	12,200	8,900	13,400	9,600	14,700	10,400
35	16,500	11,600	18,900	13,100	20,900	14,500
40	24,500	16,900	28,100	19,300	31,400	21,600
45	37,500	25,600	43,000	29,400	NA	NA
50	57,800	39,300	NA	NA	NA	NA

**The premium in the above tables is annual premium excluding service tax.

FORTHCOMING study circle meetings

DATE & DAY	TIME	SUBJECTS	SPEAKER(S)	VENUE	ORGANISED BY / CONVENOR / TEL. NO.
15/05/2011 Sunday	9.30 a.m.	Recent developments in International Tax that has changed the taxability spectrum Issues in e-filing of TDS returns and Recent developments in TDS (except Section 195)	CA. Mayur Desai Shri Ganesan Iyer from NSDL CA. Ajit Thakker	Seminar Hall, RVG CA Students' Hostel, Lallubhai Park, Andheri (West), Mumbai	Andheri (West) CPE Study Circle CA. K. S. Balasubramanian M: 9820125191
15/05/2011 Sunday	8.45 a.m.	Point of Taxation in Service Tax Recent Issues in Service Tax	CA. Rajiv J Luthia CA. A. R. Krishnan	Hotel Kohinoor Continental Andheri (East)	J.B. Nagar CPE Study Circle CA. B. L. Maheshwari M: 9820070768
19/05/2011 Thursday	5.30 p.m.	Cyber Laws – An Awareness Drive	Shri Manan Thakker	Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad	Ellisbridge CPE Study Circle CA. Kamlesh H. Shah M: 9925153133
21/05/2011 Saturday	10.00 a.m.	Importance of Working Papers & Audit Planning	CA. Sarang Gudate & CA. Nikhil Patankar	MCCIA, Tilak Road, Pune	Sarasbaug CPE Study Circle CA. Charuhas Upasani M: 9422011860
21/05/2011 Saturday	6:00 p.m.	Risk Management: Relevance for Internal Audit Using the work of Internal Auditor [SA – 620]	CA. Atul Shah CA. Manish Sampat	Shree Shyam Kunj Haveli Hall, Chandavarkar Road, Borivali (W)	Borivali (Central) CPE Study Circle CA. Vipul Shah M: 9821028868
22/05/2011 Sunday	8.45 a.m.	Krishna- Niti for CA 's (as Strategist & Leader)	Dr. Girish Jakhotiya	Conference Hall Old Nagar Das Road, Andheri (East)	J.B. Nagar CPE Study Circle CA. B. L. Maheshwari M: 9820070768
22/05/2011 Sunday	9.30 a.m.	Compliances under Companies Act, 1956	CS. Makarand Joshi	Mulund College Auditorium Mulund – West, Mumbai	Mulund CPE Study Circle CA. Bipeen Mundade M: 9223290561
28/05/2011 Saturday	5.30 p.m.	EXtensible Business Reporting Language (XBRL)	CA. Sandesh Mundra Ahmedabad	Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad – 6.	Ellisbridge CPE Study Circle CA. Kamlesh H. Shah M: 9925153133
28/05/2011 Saturday	6.00 p.m.	MVAT Bill & Amendments and recent Notifications	CA. Pranav Kapadia	SNDT Dome, SNDT College , Cama Lane, Ghatkopar West , Mumbai-400086	Ghatkopar CPE Study Circle CA. Jitendra Mehta M: 9321291991
29/05/2011 Sunday	9.00 a.m.	Powerful Living - Taking Charge of Your Life	CA. Shailesh Narang	Amulakh Amichand School King's Circle	Matunga CPE Study Circle CA. Chaitanya Shah O: 2418 4086
29/05/2011 Sunday	9.00 a.m.	Inbound and Outbound Investments Liability Insurance	CA. Paresh Shah	Conference Hall, 2nd Floor, Thakur Polytechnic College, Kandivali (East), Mumbai	Borivali Kandivali (E)CPE Study Circle CA. Pawan Gupta M: 9323591833
29/05/2011 Sunday	9:30 a.m.	Deemed Conveyance Taxation issues on redevelopment	Adv. Vinod Sampat CA. Jagdish Punjabi	Sarvodaya A/c Hall, L. T. Road, Opp. Diamond Talksies, Borivali - (West)	Borivali (Central) CPE Study Circle CA. Vipul Shah M: 9821028868
05/06/2011 Sunday	9.30 a.m.	1. Clause 49 of Listing Agreement – Corporate governance 2. Liability of independent directors in corporate fraud	CA. Bhargav Vatsraj Eminent Speaker	Sarvodaya A/c Hall, L. T. Road, Opp. Diamond Talksies, Borivali - (West)	Borivali (Central) CPE Study Circle CA. Vipul Shah M: 9821028868
12/06/2011 Sunday	9.30 a.m.	Recent updates under MVAT & CST Act & Rules	Adv. C.B. Thakar	Mulund College Auditorium Mulund – West Mumbai	Mulund CPE Study Circle CA Bipeen Mundade M: 9223290561
12/06/2011 Sunday	9.30 a.m.	Practical Aspects of survey u/s 133A of Income-tax Act	CA. Bhupendra Shah	Sarvodaya A/c Hall, L. T. Road, Opp. Diamond Talksies, Borivali - (West)	Borivali (Central) CPE Study Circle CA. Vipul Shah M: 9821028868
19/06/2011 Sunday	9.30 a.m.	Filing of Income Tax Returns for A.Y. 2011-12 (Free for students)	CA. Deepesh Patel & CA. Sanjeev Lalan	Subhangan Hall, Landmark Bldg., 2nd Floor, Borivali (West)	Borivali (Central) CPE Study Circle CA. Vipul Shah M: 9821028868

Note: All Convenors are requested to send their forthcoming programmes only on e-mail [Id wircevents@yahoo.com](mailto:wircevents@yahoo.com) at the end of the preceding month for the period starting 20th of Next Month.

WORK DISPOSAL POSITION

The position of disposal of various matters relating to members and students of WIRC as on 30/04/2011

PARTICULARS	DATE
Members Section	
Proprietary Firm Registration	15/04/2011
Partnership Firm Registration – Constitution	08/04/2011
Partnership Firm Registration – Reconstitution	08/04/2011
Grant of Certificate of Practice	20/04/2011
Fellow Admission	21/04/2011
Change of Address	27/04/2011
New Enrolment	15/04/2011
Restoration	20/04/2011
Permission for other engagement	27/04/2011
Articles Section	
Industrial Training Registrations	25/04/2011
Re-registration	28/03/2011
Termination	28/03/2011
Completion	28/04/2011
Permission to study	18/03/2011
Supplementary Registration	28/04/2011
Change of Address	28/04/2011

ADVERTISEMENT TARIFF

Sr. No.	Description	Page size	Apr 2011 Onwards
1	Colour Front Inside Cover	Full Page	₹ 70,000/-
2	Back Inside Cover	Full Page	₹ 60,000/-
3	Back cover	2/3rd Page	₹ 70,000/-
4	Inside Pages	Full Page	₹ 50,000/-
5	Inside Pages	Half Page	₹ 30,000/-
6	Inside Pages	Vertical Strip	₹ 20,000/-
7	Inside Pages	Quarter Page	₹ 15,000/-
1	Classified Section Per Column Cm.		₹ 1,800/-

Note : Soft copy of material should also be sent to WIRC along with payment & printed copy of advertisement.

Discount Criteria (From 01/04/2011)

Three or more Advertisements in 6 Months	10%
Six or more Advertisements in a Financial Year	20%
Nine or more Advertisements in a Financial Year	30%

GRIEVANCE COMMITTEE

Members and Students are hereby informed that a grievance committee has been formed to address issues of Members and Students related to administrative matters. Members can send the issues by e-mail to grievance@wirc-icai.org or in writing to WIRC.

'e – Sahaayataa' is an e-channel for the entire base of members and students of the Institute of Chartered Accountants of India (ICAI) and other stakeholders of the profession wherein all their queries/complaints/grievances pertaining to the day-to-day working are being catered and are being resolved. The objective of 'e – Sahaayataa' is to provide timely services to all the stakeholders of the profession throughout the globe. Members and Students may log on to www.icai.org and go to the e-sahaayataa link.

NEWS FROM ICAI

Revision of Membership Fees w.e.f. 01.04.2011

Particulars of Revised Fee are -

Entrance Fee - ₹ 1200, Fellow Admission Fee – ₹ 1800, Associate Fee – ₹ 800, Fellow Fee - ₹ 2200, Certificate of Practice Fee - ₹ 2000, Restoration Fee: ₹ 1200

Members who are senior citizens i.e. have attained the age of 65 years as on 1st April of the relevant year will be required to pay the fees at lower rates which is as under: -

Associate Fee ₹ 600, Fellow Fee ₹ 1600, Certificate of Practice Fee ₹ 1500.

NEWS FROM MCA & ROC

MCA has amended eform 2, 3, 18, 23C, 32, w.e.f. 1-5-2011.

WIRC INSURANCE SCHEME

Members are hereby informed that LIC has stopped accepting the premium since August 2010, under WIRC Insurance Scheme. However the similar insurance scheme is available at CABF New Delhi. Interested members may avail of this facility.

The Details about this scheme with CABF is available on the website www.icai.org

ANNOUNCEMENT

The Ethical Standard Board (ESB) of Institute of Chartered Accountants of India (ICAI) invites application from members for authoring a publication 'Do's And Dont's for Members on Ethical Issues'. The interested members may please send their willingness along with Bio-Data by E-mail to esb@icai.org or by post to: The Secretary, Ethical Standards Board (ESB) The Institute of Chartered Accountants of India Indraprastha Marg, New Delhi – 110002 to grievance@wirc-icai.org or in writing to WIRC

INVITATION TO EXPERTS ON XBRL

XBRL India, a company promoted by the Institute of Chartered Accountants of India and which is the local jurisdiction of XBRL International in India is in the process of identifying people who are experts in the field of XBRL for building a database and considering engaging them as resource persons for conduct of various training programmes and building backgrounders on XBRL. They may also be engaged in development of industry specific taxonomies so proposed to be developed in the times to come. For this purpose XBRL India invites experts, researchers and writers to send us the following particulars at ruchika.bachani@icai.in or xbri@icai.org

FOR KIND ATTENTION OF THE STUDENTS

The 46th Annual General Meeting of the students of WICASA will be held on Sunday, 12th June, 2011 at 6.00 p.m. at J.S. Lodha Auditorium of WIRC of ICAI. The detailed notice of the said AGM and intimation about the Election to the Managing Committee of WICASA is hosted on the "Notice Board" of the WIRC website www.wirc-icai.org. The members are requested to inform their articulated students about these events of WICASA.



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DIRECT TAX

(Contributed by CA. Haresh P. Kenia, CA. Deepak Lala)

FINANCE BILL, 2011-12 – SPEECH (197 TAXMAN (ST) 136)

The press release dated 22/03/2011 gives the Finance Minister's reply to the discussion on Finance Bill, 2011-12 in Lok Sabha. During the course of discussion, he made certain further announcements. The content of the full speech of discussion on Finance Bill, 2011-12 is available at above citation. The important further reliefs are as under.

- 1) The proposal to provide lower tax of 15% on dividend received by Indian companies from the Foreign subsidiary companies in which the Indian companies holds more than 50% of share capital. In order to grant the benefit to overseas joint ventures with Indian partnerships a further relaxation in ownership pattern of foreign subsidiary is proposed lowering the holding requirement in the Foreign Company from 50% to 26%.
- 2) The consequent amendment in section 40A (9) to enable the employer to get the deduction of employers contribution to pension scheme.
- 3) The concessional rate of CVD and SAD in certain items proposed in custom and Central Excise duties to encourage domestic manufacturer
- 4) To provide Service Tax exemption from new levy on health services in entirety both in respect of service provided by hospitals as well as by way of diagnostic test.
- 5) The point of taxation rule in Service Tax shifting the payment of service tax from cash basis to accrual basis will be effective from 1st July, 2011 instead of 1st April, 2011.

POWER, FUNCTIONS AND JURISDICTION OF DISPUTE RESOLUTION PANEL (DRP) AT HEADQUARTER DELHI AND MUMBAI (190 TAXMAN (ST) 142)

The CBDT vide order No. 2/FT & TR/2011 dated 24-03-2011 directed the DRPs at headquarter Delhi and Mumbai to divide the workload between Delhi, DRP I and Delhi, DRP II at Headquarter Delhi and Mumbai, DRP 1 and Mumbai, DRP II at Mumbai. It is clarified that, the order is in supersession of order No. 3/JS (FT & TR – ii)/2010 dated 08/03/2010 in exercise of the power conferred under section 144C of the Income-tax Act read with Income-tax (Dispute Resolution Panel) Rules, 2009.

CONSTITUTION OF DISPUTE RESOLUTION PANEL (DRP) AT AHMEDABAD AND KOLKATA (198 TAXMAN (ST) 1)

The CBDT vide order No. 3/FT & TR/2011 dated 31/03/2011 in partial modification of order no. 1/FT & TR/2011 dated 12/01/2011 constitutes the DRPs comprising of 3 Commissioners of Income Tax / Directors of Income Tax as member of DRP at Ahmedabad and Kolkata for performing such duties in addition to their regular duties w.e.f. 01/04/2011. The order is passed in exercise of power conferred under section 144C of Income-tax Act.

TAKING OPINION OF TECHNICAL EXPERTS AND BRINGING ON RECORD TECHNICAL EVIDENCE IN CASE OF COMPLEX AND SUBSTANTIAL ISSUES – DIRECTIONS OF THE HON'BLE SUPREME COURT (198 TAXMAN (ST) 2)

The CBDT vide instruction No. 5/2011 dated 30/03/2011 based on the observation made by the Supreme Court in an order dated 12/08/2010 in the case of CIT (Delhi) vs Bharti Cellular Ltd (193 Taxmann 97) issued the following direction;

In view of these directions in all cases that are taken up for scrutiny, the Assessing Officer / Transfer Pricing Officers should frame assessments only after bringing on record appropriate technical evidence that may required in a case. The process of identification of such cases and initiation of the proceedings to obtain the technical evidence should be taken up well in advance before the date of limitation. The officer concerned shall bring such cases to the notices of the CCIT/DGIT concerned, who look into the complexities of the technical issues and monitor the progress of the case and if required assist in obtaining the opinion of the technical experts in the relevant field of expertise and endeavour to arrange for the opinion of the concerned technical expert

well within time. Further, the evidence so gathered shall be made available to the assessee and reasonable opportunity provided before the assessment order is passed.

After a reference is made to an expert in the above manner, intimation must be sent of the Board through Member (IT) in the following proforma:

Name of case and assessment year	Brief description of the technical issue involved	Name and address of the expert	Tax effect
----------------------------------	---	--------------------------------	------------

INSTRUCTION REGARDING STANDARD OPERATING PROCEDURE ON FILING OF APPEALS / SPECIAL LEAVE PETITION (SLPs) BY INCOME TAX DEPARTMENT IN THE SUPREME COURT AND RELATED MATTERS (195 TAXMAN (ST) 14)

The CBDT vide instruction No. 4/2011 dated 09/03/2011 issued the instruction in supersession of all earlier instruction on the subject with a view to ensure filing of appeals / SLPs within the period prescribed.

In view of the number of appeal/SLPs are being filed with inordinate delay and repeated displeasure expressed by the Hon'ble Supreme Court on the present state of affairs, LD Attorney General for India has advised the board to work towards a "Zero Delay Regime" in the matters of filing of appeals / SLPs.

The CBDT has issued the timeliness for processing proposals at different level for strict adherence by all concerned with a view to ensure timely filing of appeals / SLPs in Supreme Court. The directions are also made regarding monitoring compliance of this instruction. This will apply in respect of orders / judgments of High Court pronounced on or after 10th March, 2011.

CERTIFICATE FOR DEDUCTION AT LOWER RATE OR NO DEDUCTION OF TAX FROM INCOME OTHER THAN DIVIDEND – SUBSTITUTION OF RULE 28AA AND FORM 13 IN APPENDIX II AND AMENDMENT IN RULE 31A (198 TAXMAN (ST) 3)

The CBDT vide notification No. 16/2011 dated 29/03/2011 gives the Income Tax (Second Amendment) Rule, 2011. It substitutes rule 28AA by prescribing new procedure for certificate of deduction at lower rate or no deduction of tax from income other than dividend. It also substitutes Form 13 being application by person for a certificate under section 197 and / or section 206C (9) of the Income-tax Act for no deduction / collection of tax or deduction / collection of tax at a lower rate.

It also amends Rule 31A inserting clause Nos. (v) and (vi) prescribing to furnish the particulars of amount paid / credited on which tax was not deducted in view of the issue of certificate under section 197 / 194C (6) of the Income-tax Act. The amendment came into force from 01/04/2011

FINANCE ACT, 2011 (198 TAXMAN (ST) 23)

An Act to give effect to the financial proposals of the Central Government for financial year 2011-12 called Finance Act, 2011 which was accented by President on 08/04/2011. The relevant extracts are available on the above citation.

EXPLANATORY NOTES TO THE PROVISIONS OF FINANCE ACT 2010 (198 TAXMAN (ST) 64)

The finance Act 2010 as passed by the Parliament received the accent of the President on 08/05/2010 and has been enacted as Act No. 14 of 2010. The CBDT issued the circular no. 1/2011 dated 06/04/2011 explaining the substance of the provisions of the Act relating to the Direct Taxes.

MAHARASHTRA VAT (Contributed by CA. C. B. Thakar)

Maharashtra Value Added Tax Act, 2002

Notifications

The Government of Maharashtra has issued Notification u/s 9(1) of MVAT Act, 2002 dated 30.3.2011 whereby certain entries in Schedules 'A', 'C' and 'D' are amended. The changes are for extending the time limit of the said entries up to 31-3-2012, in view of Budget Proposals. The entries which are extended are like for Paddy, Rice & others.

Amendment Acts

- The Maharashtra government has presented two L.A. Bill Nos. III & IV of 2011 dated 10-3-2011 for conversion of Ordinances Nos. VI & VII of 2011 into Acts.
- Maharashtra Act No. XV of 2011 dated 21-4-2011 has come into operation amending various provisions of MVAT Act 2002. The changes are in relation to various sections like for revised returns, VAT audit report etc. The changes will come into effect on notifying the effective date.

Circulars

- The Commissioner of Sales Tax has issued Trade Circular No. 5T of 2011 dated 11-4-2011 whereby refund position against bank guarantee is clarified.
- The Commissioner of Sales Tax has issued Trade Circular No. 6T of 2011 dated 15-4-2011 whereby the adjustment of refund up to ₹ 1 lakh for financial year 2010-11 to financial year 2011-12 is allowed.

CORPORATE LAWS (Contributed by CA. Jayesh Thakur)

DIRECTIONS UNDER SECTION 212 FOR ATTACHING SUBSIDIARIES' FINANCIAL STATEMENTS – YEAR OF APPLICABILITY [www.mca.gov.in]

The MCA has issued General Circular No. 3/2011 dated 21-02-2011 clarifying that the MCA Circular No. 2/2011 dated 08-02-2011 shall be effective in respect of balance sheet and profit and loss accounts prepared regarding the financial year ending on or after the 31 March, 2011.

CRAR REQUIREMENTS FOR NBFCs [www.rbi.gov.in]

The RBI has issued Notification No. DNBS.224/CGM (US) - 2011 dtd. 17.02.2011 stating that under the current dispensation, every deposit taking NBFC shall maintain a minimum capital ratio consisting of Tier I and Tier II capital, which shall not be less than 12% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. However, in terms of paragraph 16 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, dated 22-02-2007, every systemically important non-deposit taking NBFC (NBFC-ND-SI) has to maintain a minimum capital ratio consisting of Tier I and Tier II capital, which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items by 31.03.2011. The RBI has now decided to align the minimum capital ratio of all deposit taking as well as systemically important non-deposit taking NBFCs to 15%, and hence, all deposit taking NBFCs shall maintain a minimum capital ratio consisting of Tier I and Tier II capital, which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items w.e.f. 31-03-2012.

PAYMENT OF MCA FEES IN ELECTRONIC MODE [www.mca.gov.in]

The Ministry of Corporate Affairs ("MCA") has issued Circular No. HQ/9/2002-COMPUTERIZATION dtd. 09-03-2011 and has reviewed the processes involved in delivery of important services to stakeholders with a view to identify and improve the components causing delay in disposal of applications. It has observed that payment confirmation is found to be a major bottleneck in delivery of services in respect of offline payment made by physical challans. It was found that often there was a delay in confirmation of payments by physical challans, as banks have been given a reporting time of 'T'+3 days, as per the payment procedure approved by the C&AG, 'T' being the transaction date. This leads to delay in creation of work item for disposal of an application/e-form, leading to inconvenience of stakeholders. On the other hand, it was found that wherever fees were paid online in the system, the work item was created faster and the

approvals were speedier as banks are following 'T'+1 for reporting online payments. Hence, in the interest of stakeholders, with a view to improving service delivery time, Ministry has decided to accept payments of value upto ₹ 50,000, for MCA 21 services, only in electronic mode w.e.f. 27-03-2011. For payments of value above ₹ 50,000, stakeholders would have the option to either make the payment in electronic mode, or paper challan. However such payments would also be required to be made in electronic mode w.e.f. 1-10-2011.

ANNUAL RETURN ON FOREIGN LIABILITIES AND ASSETS – INTRODUCTION OF REPORTING BY INDIAN COMPANIES [www.rbi.gov.in]

The RBI has issued A.P. (DIR Series) Circular No. 45 dtd. 15-03-2011 and has stated that currently Part B, which is an annual return of all investments made in the company during a financial year, is required to be submitted directly by the Company to the Director, Balance of Payment Statistics Division, Department of Statistics and Information Management, Reserve Bank of India, C-9, 8th floor, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, by June 30 of every year. Now, in order to capture the statistics relating to Foreign Direct Investment ("FDI"), both inward and outward, in a more comprehensive manner, as also to align it with international best practices, Part B of the Form FC-GPR is replaced by a separate 'Annual Return on Foreign Liabilities and Assets' (format given in the above Circular). The return should be submitted by July 15 of every year to the Director, Balance of Payment Statistics Division, Department of Statistics and Information Management (DSIM), Reserve Bank of India, C-9, 8th floor, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. The return should be submitted by all the Indian companies which have received FDI and/or have made FDI abroad (i.e., overseas investment) in the previous year(s), including the current year. The return format gives the concepts and definitions useful in filling the Annual Return on Foreign Liabilities and Assets. It is clarified that these directions will come into force with immediate effect. One may refer to the above citation for further details and the format of the annual return.

COMPANIES NAME AVAILABILITY RULES [www.mca.gov.in]

The MCA has issued the Companies (Name Availability) Rules, 2011 superseding all previous Circulars and Instructions and has laid down the principles for deciding cases for availability of names. The rules also give an illustrative list of names considered to be undesirable within the meaning of section 20 of the Companies Act, 1956 has also been given in an Appendix. Regarding minimum authorized capital requirement, the following tabulated dispensation is required to be observed:

S.No.	Key Words	Required authorized capital (in ₹)
1	Corporation, corp, corpn, corp.	25 crore
2	international, Globe, Global, World, Overseas, Universe, Universal, Continent, Continental, Inter Continental, Asiatic, Asia, Asian being the first word of the name	5 crore
3	If any of the words at (2) above is used within the name (with or without brackets)	2 crore
4	Hindustan, India, Indo, Indian, Bharat, Bharatvarsh, Bhartiya or any other country's name being first word of the name	2 crore
5	If any of the words at (4) above is used within the name (with or without brackets)	25 lakh
6	Industries/ Udyog	5 crore
7	Enterprises, Products, Business, Manufacturing, Venture	50 lakh

The MCA has evolved the guiding principles for deciding on availability of names and a name which falls within the categories mentioned in the rules will not be generally made available. One may refer to the above citation for further details and the format of the annual return.

CERTIFICATION OF e-FORMS UNDER THE COMPANIES ACT, 1956 BY THE PRACTICING PROFESSIONALS [www.mca.gov.in]

The MCA has issued General Circular No. 14/2011 dtd. 08.04.2011 in relation to the MCA's steady progress towards total electronic filing and approval regime with the objective of doing away with human intervention in MCA approvals to the maximum extent possible. The MCA states that for this purpose, it has entrusted practicing professionals registered as members of the professional bodies namely, ICAI, ICSI and ICWAI, with the responsibility of ensuring integrity of documents filed by them with MCA in electronic mode. Professionals are now to be responsible for submitting/certifying documents (to be signed digitally by them) and system would accept most of these documents online without approval by Registrar of Companies or other officers of the Ministry. Hence, to ensure that the data integrity is maintained at all times, there will be checking of such submissions to guard against fraudulent filing. In addition to the penal actions against the companies and their officers in default for furnishing incorrect or false information in the documents as provided under the Companies Act, 1956, action would also be taken on receipt of any complaint, anonymous or otherwise, against such professionals. In case of alleged wrong submissions, a quick enquiry will be conducted by the concerned Regional Director who will be assessing prima facie cases of wrong doing by the professionals and the concerned professionals will be given time for furnishing explanation before conveying to a cancellation. This report will be submitted to e-Governance Cell of MCA which will inform in the concerned professional Institute to initiate an enquiry and complete the same within a month's time. Simultaneously, the concerned professional shall be debarred and shall not be allowed to enter to submit any document on the MCA Portal. This debarment will be for a period of 30 days or till the final enquiry report is received from the respective professional Institute. The MCA will take a final decision after considering the report so received.

DIRECTOR'S RELATIVES (OFFICE OR PLACE OF PROFIT) AMENDMENT RULES, 2011 [www.mca.gov.in]

The MCA has issued Notification No. F.No.17/75/2011-C.L.V dated 06.04.2011 and enhanced the current limit of ₹ 50,000/- per month contained in Rule 3 of the Director's Relative (Office or Place of Profit) Rules, 2003 to ₹ 2,50,000/- per month for payment remuneration to relatives or partners of the directors of the company covered by section 314(1B) of the Companies Act, 1956. Now, companies would be required to obtain prior consent of the company by a special resolution and approval of the Central Government under section 314(1B) of the Companies Act, 1956 read with Director's Relative (Office or Place of Profit) Amendment Rules, 2011, for appointment of:

- Partner or relative of a director or manager; or
- A firm in which such director or manager, or relative of either is a partner; or
- Private company of which such director or manager or relative of either is a director or a member, to any office or place of profit which carries a monthly remuneration exceeding ₹ 2,50,000/- per month. The constitution of the selection committee is also redefined under Rule 7 of the Director's Relative (Office or Place of Profit) Amendment Rules, 2011 for the purpose of appointment of persons mentioned under section 314 (1B) of the Companies Act, 1956 for listed companies, unlisted public companies and private companies. The selection committee is defined to mean : (a) for listed public companies- a committee, the majority of which consist of independent directors and an expert in the respective field from outside the company, (b) for unlisted public companies- independent directors are not necessary but outside experts must be there, and, (c) for private limited companies- independent directors and outside experts are not necessary to be there. This implies that henceforth, even private limited companies would be required to form selection committee for appointment of persons covered by section 314 of the Companies Act, 1956.

SERVICE TAX (Contributed by CA. Rajiv Luthia)

SYNOPSIS OF NOTIFICATIONS, CIRCULARS & LETTERS

Vide Notification No.12/2011-ST dated 1-3-2011, w.e.f. 1-4-2011, Technical Testing & Analysis Services (Section 65(105)(zzh)) are reclassified in Rule 3(1)(iii) of the Export of Service Rules, 2005 from erstwhile classification under Rule 3(1)(ii). Consequently, **vide Notification No. 22/2011-ST dated 31-3-2011**, reference to Section 65(105)(zzh) (Technical Testing & Analysis Services) is omitted from 2nd proviso to Rule 3(1)(ii) of the ESR, 2005. Similar amendment is made in the Taxation of Services (Provided from Outside India & Received in India) Rules, 2006 **vide Notification No. 23/2011-ST dated 31-3-2011**.

Central Government, vide Notification No. 24/2011-ST dated 31-3-2011, has amended Rule 2B of the Service Tax (Determination of Value) Rules, 2006 thereby the words "reference rate for that currency for that day" in Rule 2B are substituted for words "reference rate for that currency at that time".

Central Government vide Notification No. 25/2011-ST dated 31-3-2011-ST has made following amendments to the Point of Taxation Rules, 2011.

Point of Taxation shall be the time when invoice for service provided or to be provided is issued.

In case the invoice is not issued within 14 days of completion of service, Point of Taxation shall be the date of the completion of such service.

In case service provider receives payment before issuance of invoice or completion of service, the Point of Taxation shall be the receipt of payment to the extent of such payment.

In case the service provider receives any advance towards provision of taxable service, the Point of Taxation shall be the date of receipt of each such advance.

Readers may refer to illustration given in Letter F. No. 341/34/2010-TRU dated 31-3-2011 issued by the Ministry of Finance, Government of India.

In Rule 4, the term "change in effective rate of tax" is substituted for words "change of rate of tax", "change in tax rate" & "change of tax rate". The term "change in effective rate of tax" is defined to include a change in portion of value on which tax is payable in terms of a notification issued under the provisions of Finance Act, 1994 or rules made thereunder.

In case of continuous supply of service,

- Point of Taxation shall be the time when invoice for service provided or to be provided is issued.
- In case the invoice is not issued within 14 days of completion of service, Point of Taxation shall be the date of the completion of such service.
- In case service provider receives payment before issuance of invoice or completion of service, the Point of Taxation shall be the receipt of payment to the extent of such payment.
- Where provision of service is determined periodically on the completion of an event in terms of a contract, which requires the service receiver to make any payment to service provider, the date of completion of each such event as specified in the contract shall be deemed to be the date of completion of provision of service.
- In case the service provider receives any advance towards provision of taxable service, the Point of Taxation shall be the date of receipt of each such advance.

Point of Taxation shall be the date on which payment is received or made, as the case may be, in respect of:

Services covered under Rule 3(1) of Export of Service Rules, 2005

Services notified u/s. 68(2) for reverse charge mechanism

Individual, proprietorship or partnership firms providing taxable services of

- i) Architects (Section 65(105)(p))
- ii) Interior Decorators (Section 65(105)(q))
- iii) Practising Chartered Accountants (Section 65(105)(s))
- iv) Practising Cost & Works Accountants (Section 65(105)(t))
- v) Practising Company Secretaries (Section 65(105)(u))
- vi) Scientific & Technical Consultancy (Section 65(105)(za))
- vii) Legal Services (Section 65(105)(zzzm))

In respect of exports of services where payment is not received within the period specified by RBI, the Point of Taxation shall be the

- time when invoice for service provided or to be provided is issued.
- in case the invoice is not issued within 14 days of completion of service, Point of Taxation shall be the date of the completion of such service.

In respect of services notified u/s. 68(2) where payment is not made within a period of 6 months of the date of invoice, the point of taxation shall be the

- time when invoice for service provided or to be provided is issued.
- in case the invoice is not issued within 14 days of completion of service, Point of Taxation shall be the date of the completion of such service.

In case of associated enterprises where the person providing the service is located outside India, the Point of Taxation shall be the date of credit in the books of account of the person receiving the service or date of making the payment whichever is earlier.

The provisions of these rules are not applicable in case where provision of services is completed or invoices are issued prior to 1st April, 2011.

In case where provision of services is completed or the invoices are issued prior to 30th June, 2011, the Point of Taxation, at the option of taxpayer, shall be the date on which the payment is received or made, as the case may.

CENTRAL EXCISE (Contributed by CA. Jayesh Gogri)

TARIFF

Laminated Jute Bags

Notification No. 30/2004-C.E. dt. 9th July, 2004 providing exemption from whole Excise duty to certain goods falling under Chapters 50 to 63 has been amended vide notification No. 30/2011 C.E. dt. 20th April, 2011. Earlier the exemption was provided to all goods other than those bearing a brand name or sold under a trade name falling under Chapters 61, 62 & 63 (except 6305, 63090000 & 6310). Now a corrigendum is issued to provide that such exemption is not available only to "Laminated jute bags falling under 6305" & not on all goods falling under 6305.

(Corrigendum to Notification No. 30/2011-C.E. dated 20/04/2011)

CASE LAWS

Commissioner of Central Excise, Trichy vs. Godrej Sara Lee Ltd. [266 ELT 85] (2011) (Tri. - Chennai)

Assessee manufacturer took credit of service tax paid on security services for the job worker's premises. The security service was received by job worker and not by the manufacturer of the final product. As per provisions of Rule 3(1) of the CENVAT Credit Rules, 2004, credit of service

tax paid on security services received by manufacturer only can be allowed. Moreover, the department had gone into appeal against the order of non imposition of penalty which was inadvertently set aside. Therefore the matter was remanded back to adjudicating authority.

Commissioner of Central Excise, Ahmedabad vs. Premier Polymers (266 ELT 365) (2011) (Tri. - Ahmd.)

The assessee was availing SSI exemption. The department denied such SSI exemption on the basis that the assessee was using brand name of others. The assessee was using its own brand name which was registered in its own name. Even before the trade mark was registered in the name of assessee, brand name could not have belonged to someone else for earlier period.

It was held that onus was on the department to prove the actual ownership and that it did not belong to assessee. In absence of evidence by department and in view of assessee's ownership on brand, SSI exemption was allowed.

Commissioner of Custom. (I&G), New Delhi vs. Prima Telecom Ltd. (266 ELT 386) (2011) (Tri. - Del.)

The assessee paid excess duty on imported spares and parts. Duty was paid on invoice value when goods were cleared which was higher than the contracted purchase price. Foreign supplier apologized for mistake and payment was made as per purchase order. Moreover, corrected invoices were also received from them. The lower authorities after due verification of various documents & submissions rejected refund claim on the basis that the assessment order was not contested by the importer. However, the excess payment was not contested by these lower authorities. Therefore, this being a clerical error, refund was allowed under section 154 of the Customs Act, 1962.

GUJARAT VAT (Contributed by CA. Kishor R. Gheewala)

A) GVAT Amendment Act, 2011

Following amendments are made w.e.f. 1st April, 2011.

1) Schedule Rate of Tax on Tobacco & Tobacco Products has been increased from 17.5% to 22.5%, enhancing the effective rate of tax from 20% to 25%, including the additional tax at 2.5%.

2) Consequent to proposals in Finance Bill, 2011, Item (a) in Proviso to section 7(1A) and to section 9(6) have been deleted. As a result, enabling provision has been made to levy additional tax @ 1% also on declared goods, which was hitherto not leviable. Vide Public Circular No. GUJKA/VAT/Budget 11-12/Otw/115/99 dated 01-04-2011, it is clarified that rate of tax on declared goods will continue to be @4% vide Entry No. 55 u/s. 5(2), till the Finance Bill becomes an Act.

(B) Rate of Tax

1) Consequent upon the Finance Bill becoming Finance Act, Entry 55 u/s. 5(2) has been amended vide Notification dated 11-04-2011, enhancing the rate of tax on declared goods from 4% to 5% including additional tax. Accordingly, taxable declared goods are liable to tax @5% in the State w.e.f. 11-04-2011.

2) Vide Notification dated 01-04-2011, earlier Notification dated 01-08-2009, specifying IT Products for Schedule II Entry 45, has been amended to exclude from its list Item No. 20, viz. Car Telephone, Transportable Telephone and Cellular Telephone, making them taxable @15% w.e.f. 01-04-2011, instead of existing 5%.

3) Vide Notification dated 01-04-2011, Entry 60 u/s. 5(2) has been substituted to convert existing single entry into two sub-entries. As a consequence, Metro Rail Coaches will be taxable @ 5% irrespective of the party to whom sale is made, whereas parts thereof will be taxable @ 5%, only if sold to any Metro Rail Co.

FEMA

(Contributed by CA. Manoj Shah, CA. Hinesh Doshi)

RBI/2010-11/457 31-3-2011

A.P. (DIR Series) Circular No. 47

Export of Goods and Software – Realisation and Repatriation of export proceeds – Liberalisation

In consultation with the Government of India, RBI has extended the enhanced period of 12 months for realisation and repatriation to India of the amount representing the full export value of goods or software exported up to September 30, 2011. Accordingly, the enhanced period for realization of export proceeds will be available in respect of export made till September 30, 2011.

However, the provisions with regard to period of realization and repatriation to India of the full export value of goods or software exported by a unit situated in a Special Economic Zone (SEZ) as well as exports made to warehouses established outside India remains unchanged.

[Ref: A.P. (DIR Series) Circular No. 70 dated 30-6-2009 and A.P. (DIR Series) Circular No.57 dated 29-6-2009]

RBI/2010-11/460 05-04-2011

A.P. (DIR Series) Circular No. 48

Acquisition of credit card/debit card transactions in India by overseas banks – payments for airline tickets

Airline companies incorporated outside India are permitted to repatriate the surplus arising from sale of air tickets through their agents in India after payment of the local expenses and applicable taxes in India.

However, where the payment for the tickets are made by the residents using credit/debit card, Card Companies have been providing arrangements to the foreign airlines operating in India to select the country and currency of their choice, in respect of transactions arising from the sale of the air tickets in India in Indian Rupees (INR). In such transactions, the overseas bank as the acquiring bank receives the funds from Card Issuing Company in its Vostro account maintained with an Authorised Dealer bank in India or in its foreign currency account maintained abroad and makes the payment in foreign currency overseas to the foreign airline. This practice adopted by foreign airlines is not in conformity with the extant provisions of the Foreign Exchange Management Act, 1999.

Accordingly, RBI has advised the foreign airlines to discontinue immediately the practice of using overseas banks for settlement of INR transactions on account of sale of air tickets in India.

RBI/2010-11/468 & 470 06-04-2011

A.P. (DIR Series) Circular Nos. 49 & 51

A.P. (FL/RL Series) Circular Nos. 11 & 13

Know Your Customer (KYC) norms/ Anti-Money Laundering (AML) standards/ Combating the Financing of Terrorism (CFT)/ Obligation of Authorised Persons under Prevention of Money Laundering Act, (PMLA), 2002, as amended by Prevention of Money Laundering (Amendment) Act, 2009 – Money changing activities

RBI has vide circular A.P. (DIR Series) Circular No.17 {A.P. (FL/RL Series) Circular No. 4} dated November 27, 2009 advised Authorized Persons (APs) to take into account risks arising from the deficiencies in AML/CFT regime of certain jurisdictions, as identified in the Financial Action Task Force (FATF) Statement (www.fatf-gafi.org), issued from time to time.

FATF has issued a further Statement on October 22, 2010 on the captioned subject calling upon jurisdictions listed in the statement to complete the implementation of their action plan within the timeframe and called upon its members to consider the information given in the Statement. The statement divides the strategic AML/CFT deficient jurisdictions are divided into two groups as under:

(a) Jurisdictions subject to FATF call on its members and other jurisdictions to apply countermeasures to protect the international financial system from the ongoing and substantial money laundering and terrorist financing (ML/FT) risks emanating from the jurisdiction: Iran

(b) Jurisdictions with strategic AML/CFT deficiencies that have not committed to an action plan developed with the FATF to address key deficiencies as of October 2010. The FATF calls on its members to consider the risks arising from the deficiencies associated with each jurisdiction: Democratic People's Republic of Korea (DPRK).

Accordingly, APs are advised to take into account risks arising from the deficiencies in AML/CFT regime of these countries, while entering into business relationships and transactions with persons (including legal persons and other financial institutions) from or in these countries/ jurisdictions and are advised to consider the information contained in the above statement.

RBI/2010-11/472 07/04/2011

A.P. (DIR Series) Circular No. 53

Overseas forex trading through electronic / internet trading portals

RBI has observed that overseas foreign exchange trading has been introduced on a number of internet /electronic trading portals luring the residents with offers of guaranteed high returns based on such forex trading. The advertisements by these internet / online portals exhort people to trade in forex by way of paying the initial investment amount in Indian Rupees. Some companies have reportedly engaged agents who personally contact people to undertake forex trading/investment schemes and entice them with promises of disproportionate / exorbitant returns. Most of the forex trading through these portals are done on a margining basis with huge leverage or on an investment basis, where the returns are based on forex trading. The public is being asked to make the margin payments for such online forex trading transactions through credit cards / deposits in various accounts maintained with banks in India. It is also observed that accounts are being opened in the name of individuals or proprietary concerns at different bank branches for collecting the margin money, investment money, etc.

Accordingly, RBI had clarified vide Press Release 2010-2011/1196 dated February 21, 2011 that remittance in any form towards overseas foreign exchange trading through electronic/internet trading portals is not permitted under the Foreign Exchange Management Act, 1999 (FEMA). It has also clarified that the existing regulations under FEMA do not permit residents to trade in foreign exchange in domestic / overseas markets. Residents are, however, permitted to trade in currency futures and options contracts, traded on the stock exchanges recognised by the Securities and Exchange Board of India in India, subject to the conditions specified by the Reserve Bank from time to time.

RBI has, now, advised Authorised Dealers (ADs) to exercise due caution and be extra vigilant in respect of the above transactions. It is clarified that any person resident in India collecting and effecting / remitting such payments directly / indirectly outside India would make himself/ herself liable to be proceeded against with for contravention of FEMA besides being liable for violation of regulations relating to KYC norms / AML standards.

Personal Column

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DIRECT TAX (Contributed by CA. Paras K. Savla, CA. Deepak Tikekar)

Ss. 2(24), 28(iv), 41(1) Waiver of a loan – Income

Bank loan taken by assessee for purchase of capital assets. Waiver of Principal and interest under one time settlement. Waiver of a Principal neither benefit arising out of a business nor a remission of a trading liability.

Iskrameco Regent Ltd. vs. CIT (2011) 331 ITR 317 (Mad)

Ss. 2(7), 2(31), 115 BBA & 194E: TDS on payment to non-resident sportsman

Once income accrues to a non resident sportsman or sports association on fulfilment of the condition as mentioned in Section 115 BBA, then the statutory obligation of the payer u/s 194 E comes into play irrespective of taxability thereof: payments, including guarantee money, made by the assessee, a Committee formed by three host members of the World Cup Cricket, 1996, for the purpose of conducting the tournament, to ICC as well as to cricket control boards/associations of member countries of ICC in relation to matches played in India were liable to TDS u/s 194E/w s. 115BBA.

Pilcom vs. CIT (2011) 238 CTR (Cal) 387

Ss. 4 & 143: Amendments of section – When comes into effect

Unless it is made clear in the amendment as to whether it comes into effect for the assessment year or financial year, normally it is to be deemed that such benefit of the amendment is for assessment year.

Mukesh C Patel vs. CIT (2011) 238 CTR (Kar) 332

S. 11(1), 11(4) & 11(4A): Business Income of Trust

Section 11(4A) does not exclude section 11(4): exemption u/s 11(4A) would be available only when the business is incidental to the attainment of the objects of the trust.

Director of Income Tax (Exemptions) vs. Willington Charitable Trust (2011) 238 CTR (Mad) 306

S12, 28: Business Income or Income from House Property

Assessee constructing commercial complex. Rent received assessed as business income for several years. Income cannot be assessed as Income from House Property when there is no change in the circumstances.

CIT vs. Goel Builders (2011) 331 ITR 344 (All)

Ss. 28, Explanation 2, 43(5), 70 & 73: Speculative transaction & set off

The transaction of purchase and sale of units of UTI when done as a business in speculative manner, the loss therefrom could be set off only against profit arising in speculative transaction in terms of 73 (1). However since Supreme Court in 255 ITR 273 in Appollo Tyres case has allowed the claim of the assessee on identical issue, the High Court is bound to follow the decision of Supreme Court.

CIT vs. Periakaramatai Tea & Product Co. Ltd. (2011) 238 CTR (Ker) 449

Ss. 28(i) & 45 : Capital Gain v Business Income

Where the shares were held by the assessee for fourteen months, which is a long period for the purpose of Long Term Capital Gain, shares were not treated as part of stock- in- trade and in past the profit was assessed as Capital gain, profits from sale of shares in question was assessable as Capital Gain and not as Business Income.

CIT vs. Niraj Amidhir Surti (2011) 238 CTR (Bom) 294

Ss. 35 DDA & 37 (1): Deductibility of VRS expenditure

Even for the period prior to introduction of section 35 DDA w.e.f. 01-04-2001, the assessee was entitled to claim deduction of expenditure under VRS only in a phased manner. However since various High Courts have taken consistent view of allowing entire expenditure as revenue expenditure, the same is allowed for A.Y. 1999-2000

CIT vs. O.E.N. India Pvt. Ltd (2011) 238 CTR (Ker) 340

Ss. 36(1) (iii) & 57 (iii)

AO/Appellate Authorities and even the Courts can determine the true legal

relation resulting from a transaction and the taxing authority has to unravel any device used by the assessee to conceal true nature of the transaction ; however the legal effect of the transaction cannot be displaced by probing into the substance of the transaction.

CIT vs. Rockman Cycle Industries (P) Ltd. (2011) 238 CTR (P & H) (FB) 363.

S. 37(1): Capital vs. Revenue Expenditure

Even if the debenture has to be converted into a share at a later date, the expenditure incurred in connection with issue of debentures has to be treated as revenue expenditure *CIT vs. ITC Hotels Ltd. (2011) 238 CTR (Kar) 447*

S. 37(1): Capital vs Revenue Expenditure

Payments made by the assessee for supply of technology for improvement of existing products is allowable, as revenue expenditure.

CIT vs. Penso India (P) Ltd (2011) 238 CTR (Del) 423.

S. 68: Unexplained cash credit

In spite of giving ample opportunities, if the assessee fails to discharge the onus of establishing identity of creditors, their creditworthiness and genuineness of transaction, addition as unexplained cash credit upheld.

Acron Finance (P) Ltd. vs. CIT (2011) 238 CTR (P&H) 344

Ss. 80-IA: Deduction

Assessee is entitled to deduction off 80IA in respect of notional income from generation of electricity which was captively consumed by itself.

Tamil Nadu Petro Products Ltd vs. Asst. CIT (2011) 238 CTR (Mad) 454.

Ss. 80 IA & 80 IB: Deduction

- i) Job work changes are not result of manufacturing or production activity, hence not eligible for deduction u/ss. 80 IA and 80 IB
- ii) Deduction u/s 80 HHC is to be allowed only after reducing the amount of deduction u/s 80 – IA

Friends Castings (P) Ltd. vs. CIT (2011) 238 CTR (P&H) 377

S. 147: Reopening beyond four years

Where assessee having fully & truly disclosed all the material facts viz. that dividend income was generated out of investments which were made through internal accruals and no borrowing was made for making said investments. A.O. applied his mind and exempted entire dividend income without disallowance u/s 14A. Impugned notice u/s 148 seeking to reopen the assessment after expiry of four years was set aside.

Indian Oil Corporation Ltd vs. Dy. CIT (2011) 238 CTR (Bom) 283

S. 147: Reopening beyond four years

Where the assessee makes full and true disclosure about the claim for deduction u/s 80HHC along with Form 10 CCAC and the A.O. having applied his mind to the issue, reopening beyond four years was held to be invalid. Further the very same issue was determined in appellate proceedings by CIT – A thereby in view of second provision to S 147, the assessment could not have been reopened.

Prashant Projects Ltd vs. Asst. CIT (2011) 238 CTR (Bom) 289

S. 147: Reopening beyond four years

Where assessee submits revised return disclosing entire facts and assessment order is based on such revised return, notice u/s 148 after lapse of four years was beyond the jurisdiction of A.O.

CIT vs. Steel Tubes of India Ltd (2011) 238 CTR (MP) 350.

S. 254(2): Modification of order of ITAT

Once the Tribunal has disposed of the appeal on merits, it cannot review its order and, therefore, Miscellaneous application filed by the assessee seeking modification of the order of the Tribunal so as to admit more additional evidence than that permitted by the order was rightly rejected by the Tribunal

Indra Kumar Patodia vs. ITO (2011) 238 CTR (Bom) 437.

S. 271(1)(c): Penalty

Assessee Company having produced copies of PAN, acknowledgement of return of share applicants and their bank statements of relevant period but failed to prove the same because of substantial time gap and its inability to produce those persons, no case of concealment is made out simply because addition u/s 68 has been sustained. Penalty 271(1)(c) deleted.

CIT vs. Oasis Hospitalities Pvt. Ltd. (2011) 238 CTR (Del) 402.

Clearance from Committee on Dispute (COD)

Mechanism of obtaining clearance from COD by the entities of the State has outlived its utility in the changed scenario as it has not achieved the desired objective and in fact has led to more and more litigation. Hence the directions of the Supreme Court in earlier cases requiring COD approval is recalled.

Electronics Corporation of India vs. Union of India (2011) 238 CTR (SC) 353.

INTERNATIONAL TAXATION

(Contributed by CA. Hinesh Doshi,
CA. Vishal Gada)

VNU International B.V. [AAR No. 871 of 2010], dated 28/03/2011

Facts

The tax payer was a tax resident of the Netherlands, was a subsidiary of Netherlands Company. The taxpayer did not have Permanent Establishment in India.

It held shares of an Indian company. It sold 50 per cent of such shares of the Indian company to a Switzerland Company and earned capital gains thereon.

Issues

Whether the capital gains earned by the taxpayer are taxable under the provisions of the Income-tax Act, 1961 (the Act) and the tax treaty?

Whether the transaction entered by the taxpayer attracts transfer pricing provisions of the Act?

If the taxpayer is not liable to pay capital gains tax, whether the taxpayer is required to file return of income under the provisions of the Act?

Held

The AAR held that as per Article 13(5) of the tax treaty, the capital gains arising to the applicant from sale of shares would be taxable only in the Netherlands i.e. the State in which the transferor was a resident.

Further, it held that as the transaction was not taxable in India, the Transfer Pricing provisions were not applicable.

The AAR observed that under the provisions of the Act every company including a foreign company was mandatorily required to file its return of income in India, irrespective of the fact that such company had earned an income or suffered a loss.

The provisions of the Act had specifically provided exclusion to non-residents from filing a return of income in certain circumstances. Since no such exclusion was provided in the present case, the applicant was required to file a return of income in India, irrespective of the fact that no income was taxable in India by virtue of the provisions of the tax treaty.

CIT vs. DCM Limited (ITR Nos. 87-89 / 1992) (Del), dated: 10/03/2011

Facts

The taxpayer was in the business of manufacture of sugar. Tate & Lyle Process Technology (Tate), a tax resident of UK, was a pioneer in sugar technology and was in possession of know-how required for installation and operation of specialised equipment, processes and use of essential speciality chemical products.

The taxpayer entered into an agreement with Tate for transfer of comprehensive technical information, know-how and supply of equipment. The said agreement envisaged payment towards supply of documents concerning process which was called as "TALO processes".

Issues

Whether payment by taxpayer towards supply of documents concerning process which was called as "TALO processes" was liable to withholding tax in India?

Held

The High Court observed from the agreement that the taxpayer obtained a complete transfer of "comprehensive technical information" and know-how on a non-exclusive basis which was confined to its factories in India with a conditional right to sub-licence it to third parties. The taxpayer did not acquire a mere use of the technology and/or know-how owned by Tate.

The mere fact that Tate retained with it the right to transfer technology and / or know-how to other parties did not reduce the right obtained by the taxpayer under the agreement to one of a mere user of technology and know-how.

As per definition of royalty under Article XIII(3) of the India-UK tax treaty ('tax treaty') the expression 'payments of any kind' is circumscribed by the latter part of the definition which speaks of consideration received for "use of" or "right to use" intellectual properties. Accordingly, for the purpose of being covered under the definition of royalty, the right conferred should be of only of usage.

The transaction entered by the taxpayer with Tate was not that of "right to use" and the remittances made by the taxpayer to Tate would not fall in the definition of royalty under Article XIII(3) of the tax treaty. Accordingly, the remittances made by taxpayer to Tate cannot be construed as royalties and therefore tax at source should not have been deducted.

Further, since Tate did not have a PE in India, the remittances cannot be taxed as business profits in India.

The High Court also observed the scope of the definition of royalty under Section 9 of the Income-tax Act, 1961 which includes "transfer of all" or "any right". Accordingly, the transaction of taxpayer would have been covered under definition of royalty under the Act. However, the High Court held that the definition of royalty under the tax treaty will apply to the taxpayer since it was more beneficial.

Richter Holding Ltd. vs. ADIT [2011-TII-14-HC-KAR-INTL], dated 24/03/2011

Facts

The taxpayer, a company incorporated in Cyprus and West Globe Ltd., a company incorporated in Mauritius acquired all the shares of the Finsider International Company Ltd (UK based company) from Early Guard Ltd. (another UK based company) for a consideration of USD 981 million.

Finsider was holding 51 per cent shares of Sesa Goa Ltd, which is an Indian Company.

The tax department held that the taxpayer had indirectly acquired 51 per cent in Sesa Goa Ltd without deducting tax at source.

Issues

Whether payment by the taxpayer to Early Guard Ltd. towards acquisition of shares of Finsider International Company Ltd. was liable to withholding tax in India?

Held

The High Court observed that the agreement with Early Guard Ltd. for purchase of shares may be insufficient to determine the nature of transaction between Finsider and Sesa Goa Ltd. since it was premature at that stage to arrive at a conclusion that there was no avoidance of tax obligations and taxpayer was not liable to tax on capital gains.

The High Court further held that it may be necessary for the tax department to lift the corporate veil to look into the real nature of transaction to ascertain vital facts.

It should also be examined whether the taxpayer, as a majority shareholder, enjoys the power by way of interest and gains in the assets of the company and whether transfer of shares in the present case includes indirect transfer of assets and interest in the company.

The taxpayer should approach the tax officer who will consider the case and pass an appropriate order in accordance with law.

Global Geophysical Services Limited vs Director of Income-tax (International Taxation-II), New Delhi (A.A.R. No. 873 of 2010), dated 15-03-2011

Facts

The applicant, Global Geophysical Services Limited, is a non-resident engaged in the business of seismic data acquisition and processing for exploration companies. The seismic data (in processed form) is used to create highly accurate images of the earth subsurface which are used by the exploration and production companies for locating potential oil and gas reserves.

The applicant entered into the contract with ONGC and Cairn Energy to undertake ocean-bottom cable seismic data acquisition. For the purpose, it has established a project office.

The applicant has offered to tax its total income received under the contracts for the financial years 2007-08 and 2008-09 having regard to the provisions of section 44BB of the Income-tax, Act, 1961.

Issues

“Whether the income derived by the Applicant under the contracts with ONGC and Cairn Energy is to be computed by applying the provisions of section 44BB of the Income-tax Act, 1961

Held

Section 44BB was a provision for computation in respect of non-resident assessee engaged in the business of providing services or facilities in connection with, or supplying plant and machinery on hire uses, or to be used, in the prospecting for, or extraction or production of, mineral oils.

In the instant case, applicant had specialization for identifying the surface of the ocean for tapping gas and oil reserves. The services rendered by the applicant is for prospecting of mineral oil which shows sufficient promise of mineral wealth to warrant exploration. It helps in assessing the potential for tapping oil and gas at a particular spot.

Said activities were meant for prospecting the mineral oils. Drilling and other examinations were ancillary for said purpose – Therefore, the activities of the applicant fit into description of section 44BB demanding computation of its income in accordance with this provision.

It was held that the income derived by applicant under the contracts with ONGC and Cairn Energy was to be computed by applying the provisions of s. 44BB of the 1961 Act.

SERVICE TAX

(Contributed by CA. A. R. Krishnan,
CA. Girish Raman)

Business Auxiliary Services

Where the appellant did not simply act as a commission agent/broker for sale of goods manufactured by his client but was essentially promoting their products by incurring expenses on advertising, studying the market trends, competitor's strengths and weaknesses, preparing tenders to enter into bids on behalf of the customers, holding meetings with their customers, etc. and was also not working on a commission basis (i.e. fixed commission based on sale price), the Tribunal held that the services provided by the appellant would not be considered as in the nature of “Commission Agent” services entitled to exemption under notification no. 13/2003 during the period 1.7.2003 to 8.7.2004 but are in the nature of promotion and marketing of goods liable under the category of Business Auxiliary Services [S. 65(19)(ii)]. [Aditya Birla Nuvo Ltd. vs. CCE (2011) 22 STR 41 (Tri. – Ahmd.)]

Packaging services

No service tax is payable on the activity of bottling, labelling, affixing the hologram sticker and sealing of glass bottles of country liquor which is treated as manufacture u/s. 2(f) of the Central Excise Act, 1944 since any activity which is in the nature of manufacture u/s. 2(f) of Central Excise Act,

1944 is excluded from the ambit of “packaging services”. [Kedia Castle Delleon Industries Ltd. vs. CCE (2011) 22 STR 15 (Tri. – Del.)]

Management, maintenance and repair services

‘Software Maintenance’ services provided in respect of application software already licensed and installed in the computer systems of the clients (banks) during the period 9.7.2004 to 30.4.2006 would be covered under the category of ‘information technology software services’ w.e.f. 16.5.2008 and not prior to that date under the category of ‘maintenance or repair services’ [EBZ Online Pvt. Ltd vs. CCE (2011) 22 STR 185 (Tri- Mum)]

Software Maintenance

CBE circular dated 7.10.2005 which clarified software as “goods” based on judgement of the Supreme Court in *Tata Consultancy Services v. State of AP* (2004) 178 ELT 22 (SC) and further clarified that any service in relation to maintenance of software is liable for service tax under the category of “Maintenance or repair services” w.e.f. 7.10.2005 i.e. prior to the Finance Act, 2007 (by which the ‘software’ was specifically included within the meaning of the term ‘goods’ for the purpose of service tax law) is against the provisions of the service tax law. [Kasturi & Sons Ltd vs. Union of India (2011) 22 STR 129 (Mad)]

Storage & Warehousing services

In the under noted case, the Tribunal held that the following revenues earned by custodian of cargo appointed u/s. 45 of the Customs Act would not be liable under the category “storage and warehousing”:

- (i) Amount appropriated towards storage & warehousing charges of the custodian out of the auction proceeds of abandoned cargo (i.e. cargo not cleared by the importer & later auctioned after due notice) is not liable under the category of “Storage & Warehousing services” since in case of abandoned cargo the services are not rendered to any person.
- (ii) ‘Destination charges’ collected by the appellant from importers for issuing delivery order upon arrival of cargo would not be liable under the category of storage & warehousing services since the appellant merely collects and hands over the documents to respective consignees.

However, as regards -

- (i) ‘Handling / Storage’ charges for unaccompanied passenger baggage
- (ii) ‘Demurrage’ for delayed collection of passenger baggage
- (iii) Terminal handling charges for storage of export goods from the time an exporter delivers it to the appellant till the time it is cleared and handed to the carrier
- (iv) ‘Wharfage charges’ for delayed delivery of export cargo by the exporter the Tribunal held that they would be liable under the category of ‘storage & warehousing’ services. As regards ‘OT charges/penalties’ the nature of which was unclear to the lower authority and the assessee also had not explained the nature of the charges, the matter was remitted back for deciding afresh. However, the case was remanded to consider the argument of the appellant raised for the first time before the Tribunal that they are a ‘public authority’ functioning under a statute and hence not liable. [Mysore Sales International Ltd. vs. Asst. CCE (2011) 22 STR 30 (Tri. – Bang.)]

Import of services

The Madras High Court relying on the judgment passed in Indian National Ship Owners Association case held that only after introduction of section 66A w.e.f. 18.4.2006 the revenue got the legal authority to levy service tax on recipients of taxable services from overseas entities. Further, on introduction of section 66A the Explanation to section 65(105) was also deleted and hence the show cause notices issued on the basis of Explanation to section 65(105) read with rule 2(1)(d)(iv) of Service Tax rules, 1994 are not valid in law and liable to be quashed. [Polyspin Exports Ltd. vs. UOI (2011) 22 STR 9 (Mad)] See also *Kpit Commis Infosystems Ltd. vs. CCE* (2011) 22 STR 215 (Tri. – Bang.)

Where the appellant reimbursed certain coaching fees to its employees

who availed and paid for the coaching services outside India the Tribunal held that no service tax is payable by the assessee (employer) since

(i) the coaching services were received by the employees abroad in their individual capacity and the assessee merely reimbursed the costs and did not pay the coaching centres directly which is a basic requirement for levying service tax.

(ii) the issue involved is prior to 18.4.2006 i.e. prior to introduction of section 66A and hence service tax on the recipient cannot be levied on the recipient [CCE v. Maersk India P. Ltd (2011) 22 STR 187 (Tri- Mum)]

Limitation

The law as it stood on the date of issuance of show cause notice is relevant for applying the provision of limitation under section 73 [Viking Tours & Travels (2011) 22 STR 69 (Tri. – Che.)]

Where the revenue failed to furnish reliable finding that the appellant – a State PSU had resorted to suppression of facts to evade service tax the extended period of limitation cannot be invoked and also no penalties would be imposable. [Mysore Sales International Ltd. vs. Asst. CCE (2011) 22 STR 30 (Tri. – Bang.)]

Where the appellate bonafide believed himself to be entitled to exemption, the extended period of limitation is not invokable and the fact that the appellant did not approach the Revenue for clarification and did not disclose the activities undertaken by them, cannot be made a reason for alleging any suppression or mis-statement on the assessee. [Aditya Birla Nuvo Ltd. vs. CCE (2011) 22 STR 41 (Tri. – Ahmd.)]

Penalty

Where the revenue failed to provide factual findings about contumacious conduct of the appellant to cause loss of revenue the Tribunal dropped the penalty u/s. 76 & 78 observing that no penalty can be imposed ipso facto for failure to pay service tax and the presence of mens rea (culpable mental state) for imposing penalty is sine qua non. It however, upheld the penalty u/s. 77 for non / late filing of return. [Pawnar Satellite vs. CCE (2011) 22 STR 14 (Tri. – Del.)]

Where the lower appellate authority did not impose penalty u/s. 76 & 77 on the reasonable cause ground by invoking the provisions of the Section 80, the Tribunal held that the penalty u/s. 78 (which was imposed) would also stand deleted on the same ground [Anil Kumar Yadav vs. CCE (2011) 22 STR 20 (Tri. – Che.)]

Where the appellant under a bona fide belief that no service tax is payable on security services provided to the Government organisation had not charged service tax but deposited the same immediately on being pointed out by the department without collecting it from the government organisation the Tribunal held that no penalties are imposable. [Docsuns Services Ltd. Pvt. Ltd. vs. CST (2011) 22 STR 68 (Tri. – Ahmd.)]

Where the issue in the appeal is relating to availment of Cenvat credit of service tax paid on certain services received by the appellant the Tribunal held that no penalty is imposable since the issue involved is one of interpretation of statute [L'oreal India Pvt. Ltd. vs. CCE (2011) 22 STR 89 (Tri. – Mum.)]

Where the appellate bonafide believed that he was entitled to exemption and hence did not pay tax, the Tribunal held that there was a reasonable cause u/s. 80 to condone penalties u/s. 76, 77 & 78. [Aditya Birla Nuvo Ltd. vs. CCE (2011) 22 STR 41 (Tri. – Ahmd.)]

Where there existed contrary decisions whether payment of service tax on GTA services is allowed by debiting to Cenvat Credit account, the Tribunal held that there was no mala fide on the part of appellant in payment of service tax through Cenvat credit and accordingly the penalties u/s. 76, 77 & 78 are not imposable [Swastik Pipes Ltd v. CCE (2011) 22 STR 174 (Tri. – Del.)].

Cenvat Credit

Cenvat credit on outdoor catering services and house keeping services availed at the guest house by the appellant is allowable except to the extent of recoveries made from the guests since the guest house has been

maintained by the appellant for business activity and not for any welfare of the society.

Cenvat credit on Garden maintenance and house keeping services at the factory of the manufacturer is allowable as they are availed in the course of business.

Credit on services used for organizing employee picnics would not be allowable, since they do not have any nexus with the business activity.

Jungle cutting service availed by the appellant for the purpose of keeping the environment bacteria free in the surroundings of the factory is a service for their business of manufacturing and accordingly credit of tax paid on the jungle cutting service is allowable.

[L'oreal India Pvt. Ltd. vs. CCE (2011) 22 STR 89 (Tri. – Mum.)]

Unutilised Cenvat credit on inputs and capital goods of a company which was merged with the appellant company is available to the appellant and no prior permission from the Deputy Commissioner was required under rule 10 of the Cenvat Credit Rules, 2004. [Kiran Pandy Chems Ltd. vs. CCE (2011) 22 STR 119 (Tri. – Che.)].

- (i) Service tax paid on rent-a-cab service is allowable
- (ii) Cenvat credit on landline phones installed at residence of directors and company officials is allowable especially when the bills are paid by the company and no evidence is placed by the department to prove misuse of telephones.
- (iii) Professional charges of Chartered Accountant being a service covered under rule 2(i) of the Cenvat credit Rules, 2004 (defining 'input service') Cenvat Credit of service tax paid on the said service is allowable

[CCE vs. Andhra Pradesh Paper Mills Ltd. (2011) 22 STR 126 (Tri. – Bang.)].

Where the Factories Act stipulates that any Company employing more than 250 workers have to maintain the canteen facility and also provides punishment for violation of the stipulation the Tribunal held that availing outdoor catering services for provision of canteen to employees would be considered as integrally connected to the manufacture of the finished excisable goods and accordingly entitled to Cenvat credit. [Samsung Electronics (I) Pvt. Ltd v. CCE (2011) 22 STR 200 (Tri-Del)]

Group Insurance: Cenvat Credit on group insurance and health policy for the employees and workers is admissible.

Custom House Agent and Transit-insurance Service: Where the goods have been exported by the appellant on FOB basis retaining ownership till the delivery of goods on board the vessel, the 'load port' would be the place of removal and hence CHA service and transit insurance upto sea port would be treated as input service (being services used for clearance of goods upto the 'place of removal').

Rent- a- Cab service : Rent-a-cab services availed for transportation of clients and vendors from guest house to factory and vice versa would be treated as input services being activity relating to business.

[Fiamm Minda Automotive Ltd v. CCE, (2011) 22 STR 210 (Tri- Del)]

Air travel : Credit of service tax paid on air travel fare incurred for the purpose of company's business is admissible.

Servicing charges and insurance charges (of company vehicle): Credit of service tax paid on servicing charges and insurance charges of company vehicles being availed in relation to manufacture of final products is admissible.

Residential phone of staff: Credit of service tax paid in respect of residential phone of staff which is used for official purposes is admissible as the department failed to prove that the phones were used personal purposes. [CCE v. DCW Ltd (2011) 22 STR 214 (Tri-Chennai)]

Cenvat Credit of service tax paid by the appellant on club membership fee for its Directors (who individually were members of the club) is not admissible in absence of any evidence that they hold their business meetings in the club for which the directors took membership of the club. [Jai Corporation Ltd v. CCE (2011) 22 STR 222 (Tri – Mum)]

Seminar on Code of Ethics held on 30th April, 2011



Dr. Girish Jakhotiya, Faculty, CA. Durgesh Kabra, RCM, CA. C.N. Vaze, Faculty, CA. Julfesh Shah, Treasurer, WIRC, CA. Vidyut Jain.

Seminar on Accounting and Auditing of Charitable Organizations held on 30th April, 2011



CA. Arun Prithwani, CA. Dinesh Gandhi, RCM, CA. Tushar Doctor, Faculty, CA. Rajeev Shah

Other Speaker



CA. Suhas Malankar



AHMEDABAD : Felicitation of the President and the Vice President on ICAI. L to R : CA. P. H. Khandelwal, CA. Sunil Talati, Past President, ICAI, CA. Kamlesh Vikamsey, Past President, ICAI, Shri B. N. Datta, CA. Devang Doctor, Branch Chairman, Shri Sharad Chandra, Chairman-CBDT, CA. G. Ramaswamy President ICAI, CA. Jaydeep Shah, Vice President, ICAI, Shri R. N. Tripathi , CA. Mahesh Sarda , CCM and CA. Dhinal Shah CCM.



AKOLA : Seminar on Issues in TDS held on 23-04-2011. L to R: CA. Sanjay Kotak, CA. Prafulla Sanghvi, Branch Chairman, CA. Prashant Lohia, Faculty.



AURANGABAD: Seminar on Revised Schedule VI & MCA 21 Issues held on 14/04/2011. CA. Durgesh Kabra, RCM, Mr. Henry Richard, Faculty, CA. Rahul Lohade, Branch Chairman.



BARODA : CA. G. Ramaswamy, President, ICAI and CA. Jaydeep Shah, Vice President, ICAI lighting of lamp at Accounting and Tax Convention organised by WIRC hosted by Baroda Branch Jointly with Bharuch and Anand Branch on 22/04/2011 at ICAI Bhawan, Baroda. L to R: CA. Dhinal Shah, CCM, CA. Shardul Shah, Secretary, WIRC, CA. Roopin Patel, Chairman, Anand Branch, CA. Niraj Surti, Chairman, Bharuch Branch, CA. M. J. Parsiya, Branch Chairman, CA. Manoj Fadnis, CCM, CA. Ashish Parikh, CA. Mahesh Sarda, CCM.



Photograph taken during the visit at BKC. L to R: CA. Atul Bheda, CCM, CA. Nilesh Vikamsey, CCM, CA. G. Ramaswamy, President, ICAI, CA. Shardul Shah, Secretary, WIRC, CA. Jaydeep Shah, Vice President, ICAI, CA. Bhavna Doshi, CCM, CA. Shrinivas Joshi, Chairman, WIRC, CA. Durgesh Kabra, RCM.



Inauguration of website e-prakash of Co-operative Department of Maharashtra Government by Commissioner Co-operation Shri Raj Gopal Deora. Also Present WIRC Chairman and other RCMs with officials of Co-operation, Department.



All Region Chairmen Meet with President and Vice President at Delhi on 21/04/2011: L to R: CA. Shrinivas Joshi, Chairman, WIRC, CA. Vivek Khanna, Chairman, CIRC, CA. Rajesh Sharma, Chairman, NIRC, CA. Jaydeep Shah, Vice President, ICAI, CA. G. Ramaswamy, President, ICAI, CA. Sushil Kumar Goyal, Chairman, EIRC, CA. K. Shanmukha Sundaram, Chairman, SIRC.

Price Rs. 15 per copy

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Printed and published by Shri M.A. Razak on behalf of Western India Regional Council of The Institute of Chartered Accountants of India and printed at Finesse Graphics & Prints (Pvt) Ltd., 309, Parvati Industrial Estate, Sunmill Compound, Lower Parel, Mumbai – 400 013. and published at Western India Regional Council of the Institute of Chartered Accountants of India, ICAI Bhawan, 27, Cuffe Parade, Colaba, Mumbai - 400 005. **Editor: CA. Shrinivas Joshi**

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