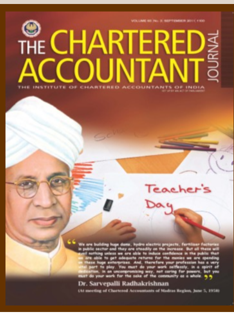


# The Chartered Accountant

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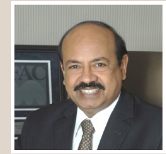

**FROM THE PRESIDENT**
**CA. G. Ramaswamy**
**President ICAI**

Let me first offer my sincere regards to the former President of India and great philosopher Dr. Sarvepalli Radhakrishnan on the eve of the *Teacher's Day* that is celebrated on 5th September , i.e. his birthday, every year in his memory ...Read more



## FEATURES INSIDE...



## EVENTS...



## LEGAL UPDATE

**Legal Decisions**

**Direct Tax**

Where US company invested in shares of Indian Joint Venture (JV) and RBI permitted shares to be issued in name of its 100 per cent Mauritius subsidiary, on sale of shares to Indian JV partners, gains accrued in India would give rise to tax liability in hands of US company and not in hands of Mauritius company. (BOM)

Where Haryana State Electricity Board (HSEB) had decided to go in for tapping system of sale and lease back assets as a mode of raising finance at a lower cost and assessee purchased and hleased out said assets, depreciation allowance was allowed to assessee. (DEL)

Merely signing notices cannot be equated with issuance of notice as contemplated under section 149; date of issue would be date on which same were handed over for service to proper officer (GUJ)

Where appellant company obtained tax benefit from a transaction or part of a series of transactions and transactions undertaken by appellant clearly circumvented application of specific Anti-avoidance Rules as well as different legal provisions enacted to prevent tax avoidance (e.g., by creation of an artificial capital loss between parties with same economic affiliations and creation of loss on disposition of common shares of two companies established for benefit of sole director), such transactions forming part of Reverse Freeze would result in an abuse of the Act making it necessary to apply GAAR (Canada Tax Court)

**SEBI**

Where no evidence had been brought on record to show role of appellant that he had played in group in executing synchronised or circular trades thereby creating false or misleading appearance of trading in scrip, he could not be penalized (SAT-MUM)

**Circulars/Notifications**

**Direct Tax**

Guidelines for granting of prior permission u/s 281 of IT Act

CBDT Instruction for appeals to be filed before ITAT

**Indirect Tax**

**Service Tax**

Exemption to club or association service

Test for the determination whether a service has been completed

**Central Excise**

New Forms ER-1 and ER-3

Section 4A of the Central Excise Act, 1944, amended

Sub-rule (1) of Rule 4 of the Central Excise Rules, amended

**Customs**

Section 3 of the Customs Tariff Act, 1975, amended

e-payment of duty made mandatory

Clarification to carry rice to USA

**Other Laws**

**Companies Act**

Simplified procedure for obtaining online approval u/s 297

Online incorporation of companies within 24 hours

Payment of fees to CAs in liquidation cases

Guidelines for RDs/RoCs in the matter of Scheme of Arrangement/ Amalgamation

Extension in timeline for furnishing financial statements in XBRL mode

Company Law Settlement Scheme, 2011 (CLSS)

Prosecution of Directors

**SEBI**

Proposed new Takeover Regulations

Revised procedure for seeking prior approval for change in control by Intermediaries

Short-collection/non-collection of client margins (derivatives segment)

**FEMA**

Regularisation of Liaison Office (LOs)/ Branch Office (BOs) of foreign entities

Report of the Committee to Review facilities for Individuals

## ICAI NEWS

Master in Business Finance

Amendment in Council General Guidelines, 2008

Definition of 'Relative' in Chapter IV of Council General Guidelines, 2008

Know Your Client (KYC) Norms

Status of In-charge of Head Office or Branch of Chartered Accountant Firm

ICAI Awards For Excellence In Financial Reporting

CPT (Paper- Pencil Mode) - Dec., 2011

CA Examinations – November, 2011

New Publication from ASB

Empanelment of Resource Persons for Investor Awareness Programmes

ICAI requires Technical Director

ICAI requires Secretary