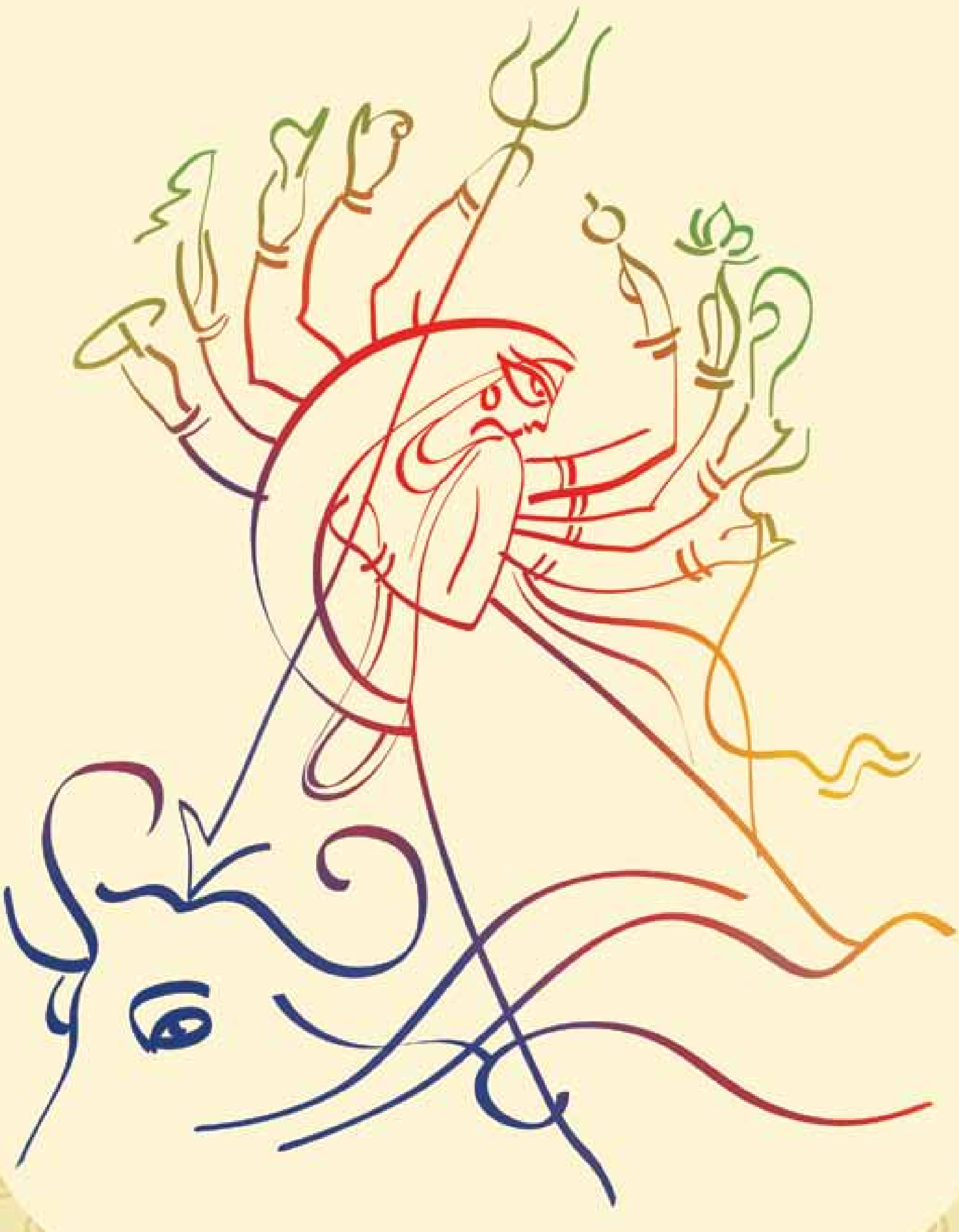
EIRC NEWSLETTER
VOL: 40 ISSUE: 8 1st OCTOBER 2014 RS. 10/-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

EASTERN INDIA REGIONAL COUNCIL



GOOD ALWAYS TRIUMPHS OVER EVIL

LIGHT AND KNOWLEDGE DISPEL THE DARKNESS CALLED IGNORANCE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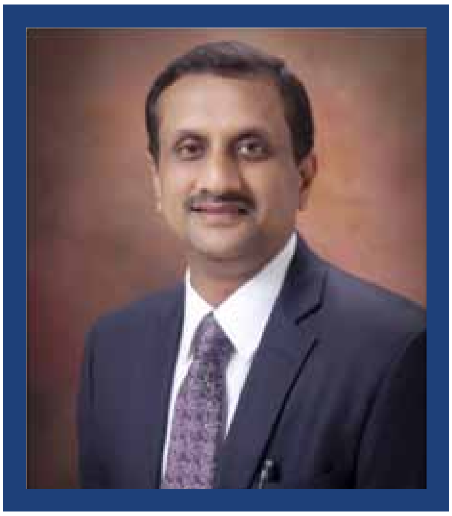


"Financial abundance in the hands of a good human being will build a better world. But financial abundance in the hands of a bad human being destroys even the existing world"

mahātria Rā

My Dear Professional Colleagues,

Wishing you most and more…

These last few months have been very grueling for our members, coping up with completion of audit, audit committee meetings, board meetings, annual general meetings and filing of tax and other returns of the clients. However, come 1st October and with the start of Navratri and Durga Puja Festival, we can take a breather and spend time with our family and friends and recharge ourselves for the next challenge of 30th November, 2014.

Members know that in view of the decisions of various High courts and representations from the ICAI, the CBDT has finally extended the due date of furnishing the return of income and tax audit report to 30th November,2014 in case of the assesses whose accounts are required to be audited under section 44AB of The Income Tax Act, 1961. CBDT has however stated that interest under section 234A of the Act would be payable as if,the due date is 30th September, 2014, in view of the fact that no extension of 'due date' has been allowed for the purposes of this section.

This month also turned out to be proud moment for the entire nation with the success of the Mars Orbiter Mission putting India as the 1st Asian Country to achieve this feat and the 4th Nation overall. With various discussions with Japan, the 'Make in India' initiative launch in Delhi and ongoing high profile diplomatic visit to the US by Indian diplomacy, the business sector is sure looking to all this as a welcome change, the positive effect of which is being felt across, which is very well evident from the GDP growth of 5.7%, which is highest in the last 2years. Nation is looking up to the new government at Centre with the hope that Good will triumph over evil and there will be economic and financial prosperity in good hands which will build a "Better India" rather a "New India".

Last month, EIRC organized Capital market seminar jointly with ANMI-EIRC which saw confluence of the capital market regulators and also experts from Mumbai, the financial capital of India to deliberate on the subject if the "Vibrancy in the Capital market is a myth or realty".

In order to sharpen the skills and hidden talent of our members in oratory and presentation, EIRC hosted the Faculty development program on Indirect taxes for training them which was a grand success as more than 50 participants benefited out of this innovative program.

Continuing with what we had started as developing the practice of the future, we have planned a series of "Open house Sessions" targeting specific set of audiences for their professional growth and development.

- Let's Hear - Article Clerks
- Let's Involve - Women Members
- Let's Connect - Members In Industry
- Let's Build-Young Members

Aside these, we are also organizing seminars on Code of Ethics, Domestic Transfer Pricing, Information Technology & Seminar for Young Members, details of which are provided later.

Most importantly, I request all members to block their diaries for the 28th & 29th of November for the 39th Regional Conference to be held at Science City Auditorium with the theme–**"CA Profession Ahead - Dynamic, Vibrant & Challenging",** which will be taken up by the visionaries in our profession. I request one and all to attend this most important event of the Region and benefit from for their wisdom to cart out turbulent road ahead. Conference will end with a National Debate which is being organized with "The Economic Times".

With the setting in of the month of festivals, EIRC will be hosting the "Bijoya Sammilani" for its' members on 10th October and also a "Deepawali Get Together" on 31st October along with all Study Circles of the EIRC. I request one and all to join for the celebration of festive occasion.

My heartiest wishes to all the Members, Students and their families for a joyful Durga Puja, Dussehra and glittering Deepawali festivity.

I am with you and for you always...

With Warm Regards

CA Subhash Chandra Saraf
Chairman, EIRC

EIRC

DAY AND DATE	KNOWLEDGE SESSION	RESOURCE PERSON	COORDINATOR	VENUE	DURATION	CPE HOURS	DELEGATE FEES ₹
Tuesday, 14th October 2014	Seminar on Code of Ethics	CA K P Khandelwal Past Council Member, ICAI	CA Ranjeet Kr Agarwal	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	150 Spot 200
Saturday, 18th October 2014	Seminar on Information Technology	Details inside in Page 5	EIRC	R Singhi Hall, EIRC Premises	9.30am to 2.30pm	**5**	500 Spot 600
Thursday, 30th October 2014	Seminar on Specified Domestic Transaction - Analytical discussion	Details inside in Page 5	EIRC	R Singhi Hall, EIRC Premises	4.30pm to 8.30pm	**4**	250 Spot 300
Saturday, 1st November 2014	Young Member Seminar	Details inside in Page 9	EIRC	Park Hotel, Kolkata	10.00am to 5.00pm	**6**	800 Online Spot 900
Friday, 7th November 2014	Service Tax Workshop	Details inside in Page 7	EIRC	R Singhi Hall, EIRC Premises	2.30pm to 8.30pm	**6**	400 Spot 500
Wednesday, 12th November 2014	How to Improve Professional Efficiency (Art of Stress Management)	Mr. Ashray Gaurango Das (ISKCON)	CA Pramod Dayal Rungta	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	150 Spot 200
Tuesday, 18th November 2014	Seminar on Capital Gains Including International Taxation Aspect	Details inside in Page 7	EIRC	R Singhi Hall, EIRC Premises	4.30pm to 8.30pm	**4**	250 Spot 300

Note : 1.*Please note Online registration closes 1 days before the day of the Seminar 2. Spot Registration will be taken subject to availability of seats at the venue.

SPECIAL SESSIONS

DAY AND DATE	KNOWLEDGE SESSION	COORDINATOR	VENUE	DURATION	CPE HOURS	DELEGATE FEES ₹
Friday, 17th October 2014	Lets`s Hear–An Open House with Article Clerks	CA Manish Goyal	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	75 Spot 100
Wednesday, 29th October 2014	Let` involve–An Open House with Women Members	CA Sunil Kumar Sahoo	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	75 Spot 100
Wednesday, 5th November 2014	Let`s Connect–An Open House with Members in Industry	CA Ranjeet Kumar Agarwal	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	75 Spot 100
Monday, 17th November 2014	Let`s Build–An Open House with Young Members	CA Pramod Dayal Rungta	R Singhi Hall, EIRC Premises	5.30pm to 8.30pm	**3**	75 Spot 100

IMPORTANT DATES

DAY & DATE	PROGRAMME DETAILS	VENUE	TIME
Friday, 10th October 2014	Bijoya Sammilani along with All Study Circles	EIRC	6.00pm onwards
Friday, 31st October 2014	Deepawali Get together along with All Study Circles	27, Ballygunge Park, Kolkata-700019	6.00pm onwards
Friday, 28th November & Saturday, 29th November 2014	39th Regional Conference (12 CPE Hrs) Details inside in Page 8	Science City Auditorioum	10.00am onwards

BRANCHES

Branch	Day & Date	Programme	Speakers	Co- ordinator	Venue	Duration	CPE Hour
Guwahati	Saturday, 11th October 2014	IT Workshop	CA Vivek Jain	CA Rohit Agarwala Cell # 9435058514 aknc@rediffmail.com	Branch Premises	3 pm - 6 pm	**3**

SEMINAR ON INFORMATION TECHNOLOGY

Organised by Information Technology Committee, ICAI

Hosted By Eastern India Regional Council
The Institute of Chartered Accountants of India

Day & Date:
Saturday, 18th October 2014

Time:
9.30am to 2.30pm
(Followed by Lunch)

Venue:
R Singhi Hall, EIRC Premises

5 CPE

Fees: ₹ 500, ₹ 600 Spot

Topics	Speakers
• Paradigm Shift in Enterprise Financial Data Security	**Mr. Shivaji Basu**
• Digital Threats and Forensic Audit - Growing Need and Professional Opportunity	**CA Anand Jangid,** Bangalore
• Growing IT & Digital Requirements for CA Practitioners	**CA Harish Agarwal,** E Y

SEMINAR ON SPECIFIED DOMESTIC TRANSACTION - ANALYTICAL DISCUSSION

Organised by
Eastern India Regional Council
The Institute of Chartered Accountants of India

4 CPE

Fees: ₹ 250, ₹ 300 Spot

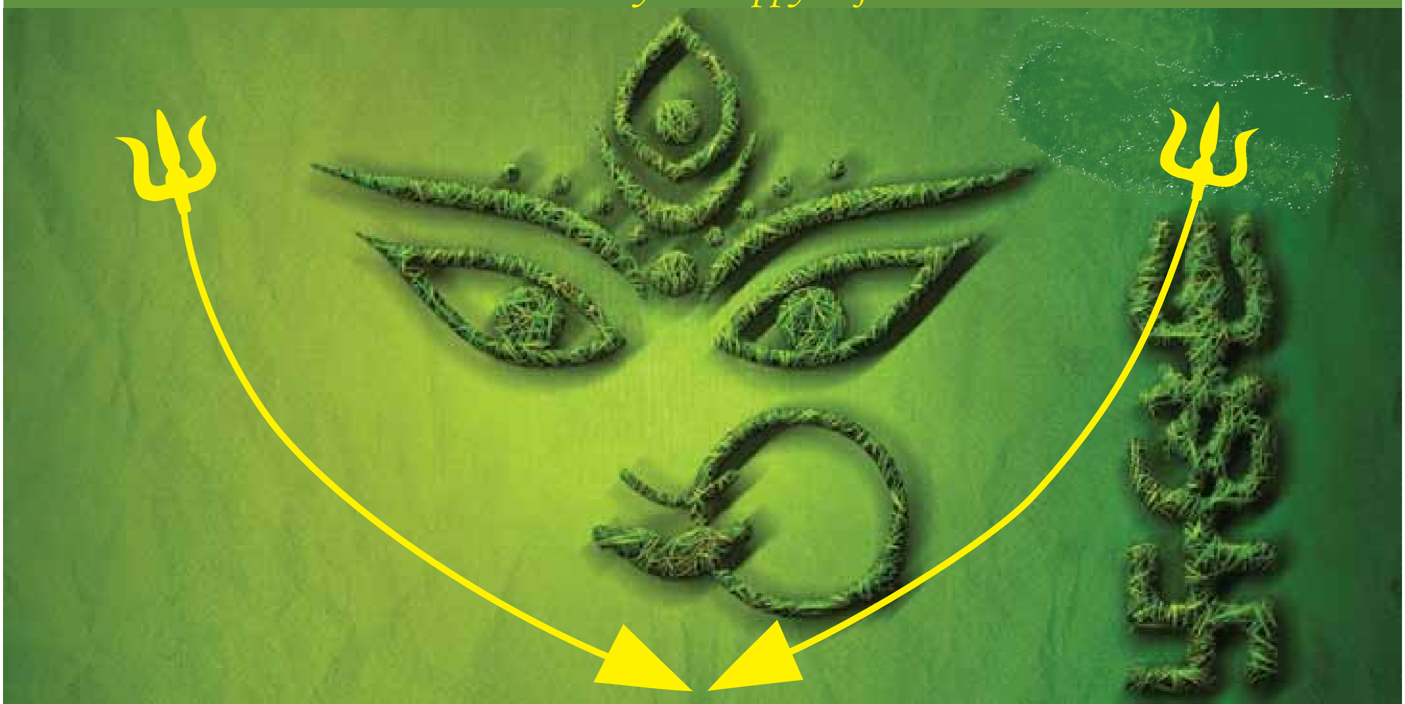
Day & Date:
Thursday, 30th October 2014

Time:
4.30pm to 8.30pm

Venue:
R Singhi Hall, EIRC Premises

Topics	Speakers
• Domestic Transfer Pricing - Provision and Practical Aspects	**CA S. S. Gupta**
• Form 3 CEB, Transfer Pricing Documentation and Assessment Proceedings	**CA Ramesh Kumar Patodia**

Eastern India Regional Council
The Institute of Chartered Accountants of India
Wishes you Happy Puja



Bijaya Sammelan Get together
organised by EIRC along with all its Study Circles

Friday, 10th October 2014
EIRC Auditorium, 6PM onwards

Members are requested to register at eirc@icai.in for their individual performances on the occasion latest by 7th October 2014
For further information call us at 30211133/04

Dear Students,

Conceive, Believe, Achieve!

September is here. And it is that time of the year again when students and the CAs alike, get busy with the finalization of accounts and uploading of Income Tax Returns. With the pressure of assignments to be completed before the due date, September is a hectic month for all.

Well, September kept EICASA busy too. 05th of September saw the Annual General Meeting of EICASA and EICASA elections and a new team was elected. I'd like to thank everybody who took out time to cast their precious votes. My heartiest congratulations to the entire team elected for 2014-15 who are as follows:

1. Saquib Gulzar
2. Keshav kejriwal
3. Kaushal Baid
4. Aditya Agarwal
5. Huzefa Murtaza Attarwala
6. Anup Soni
7. Shreyansh Bohra
8. Nikita Kedia
9. Mayank Bagaria
10. Sanju Agarwal
11. Nikita Agarwal
12. Chandni Chetani

Further, I'd like to congratulate **Saquib Gulzar, Keshav Agarwal and Kaushal Baid** who were nominated / elected as the **Vice–Chairman, Secretary and Treasurer** respectively by the Entire EICASA Team as their Leader. I wish them good luck for the roles taken upon by them and the responsibilities that shall follow. Hope you make us proud.

Before I go further into any other discussion, as the EICASA Chairman it makes me very proud to announce that on 19th September, 2014 EICASA took part in the Launch of **"Braille Durga Puja Guide for the Blinds"** at Rotary Sadan which was initiated by the National Institute of Professionals (NIP) NGO. Looking back at the difficulties which the blinds have been facing for a long time, I feel it's time to salute their life long struggle against the biological obstruction and support them to grab the life. And what better occasion could it be than the Durga Pujas when we can take a step towards filling their life with the light and warmth that they deserve in their otherwise dark world.

In the month of September, EICASA also conducted other various events which are summarized below:

7th September, 2014	**Annual Indoor Sports Meet at YMCA**
10th September, 2014	**Crash Course on IDT by Sanjay Mundhra**
16th September, 2014	**Last Board Meeting of EICASA 2013-14**
16th September, 2014	**New Board of EICASA took the charge**
25th and 29th September,2014	**Crash course on ISCA by CA Sanjay Khemka.**

Students who were unable to attend these events can still have the chance to catch up with other events which are as follows:

In the month of October, after Durga Puja but before Diwali,

Industrial visits in Kolkata.

Crash Course on IT for IPCC Students.

Seminar on "How to Pass CA Exam".

A CA Student Fest and industrial visits in Kolkata are also on the cards which are expected to happen sometime in mid December.

Even more events are being chalked out which shall be notified in due course. Students may also keep a track of the ongoing / upcoming events via Facebook and the EICASA website.

Before I sign off, I'd like to share a quote by the famous American Author, Zig Ziglar. He'd said, **"There is no elevator to success. You have to take the stairs."** The slog and the sweat are what makes the raod to success worthwhile. Students always remember, where you start is not as important as where you finish.

Finally, I'll end with this simple quote, "Look back in Forgiveness, Forward in Hope, Down in Compassion and Up with Gratitude."

Looking forward to your views and / or suggestions for improvement, correction or modifications in student activities and specially EICASA activities. Suggestions for the betterment and upliftment of the EICASA are also heartily welcome, all of which you may send directly to me at pdrungta@gmail.com while marking a copy to eicasakolkata@gmail.com.

Looking forward to an eventful journey.

With Best Wishes,

CA Pramod Dayal Rungta
Chairman, EICASA
Vice Chairman, EIRC

CA Adity Jain, Faculty for the Crash Course on MAFA

Students attending the Class of Crash Course on MAFA

CA Sanjay Khemka, Faculty for the Crash Course on ISCA

SERVICE TAX WORKSHOP

Organised By Eastern India Regional Council

The Institute of Chartered Accountants of India

Day & Date:
Friday, 7th November 2014

6 CPE

Fees ₹ 400
₹ 500 Spot

Time:
2.30pm to 8.30pm

Venue:
R Singhi Hall, EIRC Premises

Topics	Speakers
• New Services Became Taxable in 2014 • Practical Aspects of Reverse Charge and Joint Charge	**CA Pulak Saha,** Kolkata
• Service Tax on Real Estate Transactions	**CA Brijesh Verma,** Agra
• Recent Developments in CENVAT Credit	**CA Sushil Kumar Goyal,** Kolkata

SEMINAR ON CAPITAL GAINS INCLUDING INTERNATIONAL TAXATION ASPECT

Organised By Eastern India Regional Council

The Institute of Chartered Accountants of India

Day & Date:
Tuesday, 18th November 2014

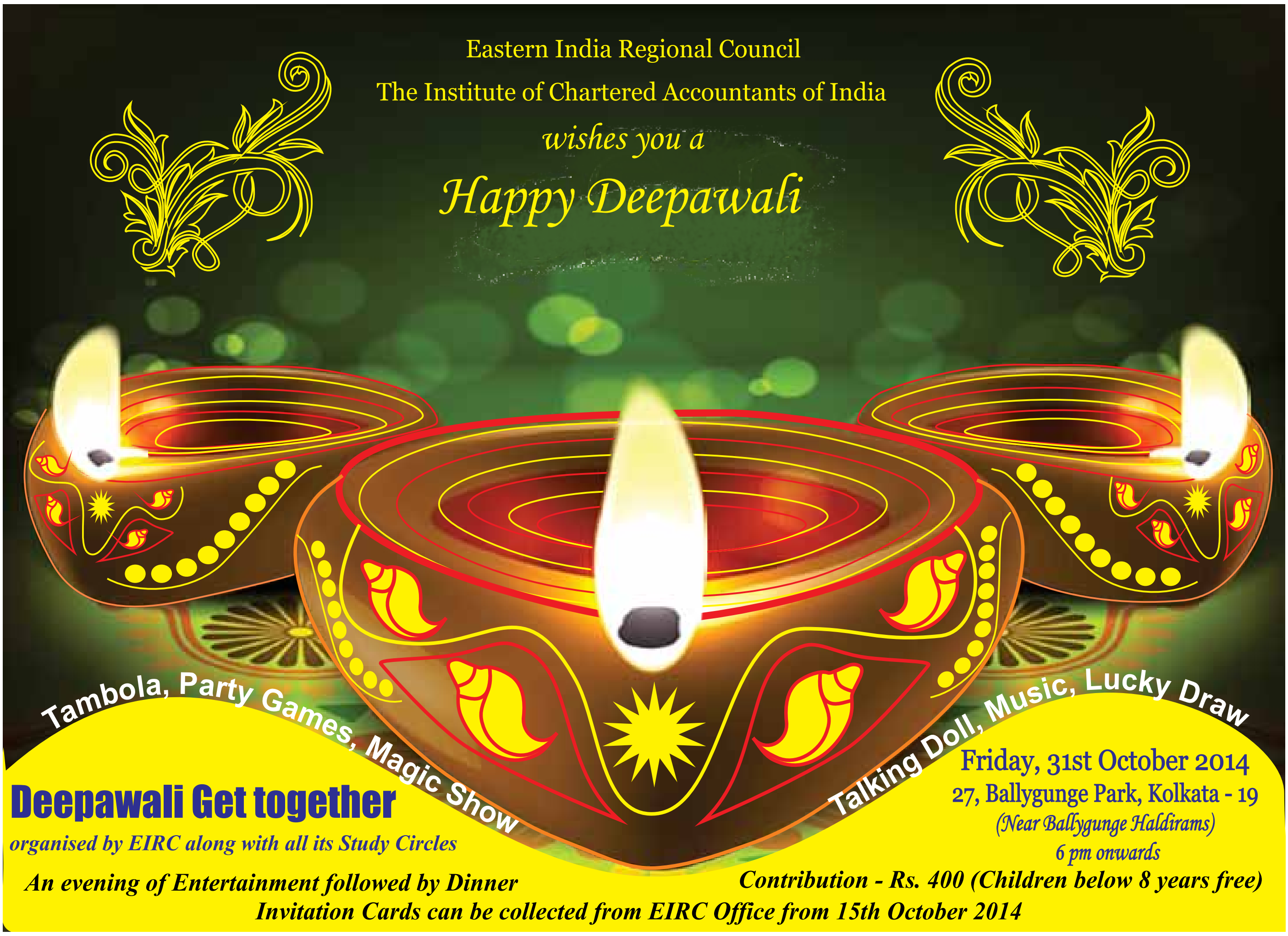
4 CPE

Time:
4.30pm to 8.30pm

Fees ₹ 250
₹ 300 Spot

Venue:
R Singhi Hall, EIRC Premises

Topics	Speakers
• Capital Gains - Intricate Issues under the Indian Income Tax Act, 1961	**CA Pawan Kumar Agarwal** E Y, Mumbai
• Internation Taxation Issues in Relation to Capital Gains	**CA Ramesh Kumar Patodia** Kolkata



39TH REGIONAL CONFERENCE OF EIRC –2014

EASTERN INDIA REGIONAL COUNCIL

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

Theme : CA Profession – Dynamic, Vibrant & Challenging

12 CPE

Fees
₹ 1500 Online
₹ 1600
₹ 1800 Spot
₹ 1000 Students

Friday 28th & Saturday 29th November 2014

Venue :
Science City Main Auditorium, Kolkata

DAY ONE : FRIDAY, 28TH NOVEMBER 2014

Registration & Networking	9.00 am to 9.30 am
Inaugural Session	9.30 am to 11.00 am
First Knowledge Session	11.00 am to 1.30 pm
Chairman of the Session	**CA Amal Chandra Chakrabortti,** Past President, ICAI
Special Address	**CA Subodh Kr. Agrawal,** Past President, ICAI
Closing of Financial Statement for F.Y. (14-15) under Companies Act 2013	**CA Amarjit Chopra,** Past President, ICAI
Second Knowledge Session	2.15 pm to 5.30 pm
Chairman of the Session	**CA NK Poddar,** Past Council Member, ICAI
Special Address	**CA Abhijit Bandyopadhyay,** Council Member, ICAI
Reassessment Proceeding	**Adv. Firoze B Andhyarujina,** Mumbai
Capital Gains on Real Estate Transactions	**CA Chandra Shekhar Gokhale,** Hyderabad

DAY TWO : SATURDAY, 29TH NOVEMBER 2014

Third Knowledge Session	9.30 am to 2.00 pm
Chairman of the Session	**CA Dilip B Desai**
Special Address	**CA Sumantra Guha,** Council Member, ICAI
Indirect Taxes Practice - Importance for CA's in View of the Intending GST and Important Issues in Service Tax	**Dr Bimal Jain,** New Delhi
Paradigm Shift in Audit and Reporting of Financial Statements	**CA PR Ramesh,** Deloitte Hyderabad

NATIONAL DEBATE WITH THE ECONOMIC TIMES

3.00PM to 5.00PM

With

Eminent Panelists

Cheque / DD may be drawn in favour of 'ICAI – EIRC'. Online registration at www.eirc-icai.org
Registration is on 'First come First Served basis'. Fees is non refundable
For Registration : +91-33-30211133 / 34 / 04 Emai id : eircevents@icai.in, Visit www.eirc-icai.org

YOUNG MEMBER SEMINAR

Organised by **Young Members Empowerment Committee, ICAI**

Hosted By **Eastern India Regional Council**

The Institute of Chartered Accountants of India

6 CPE

Day & Date:
Saturday, 1st November 2014

Fees ₹ 800 Online
₹ 900 Spot

Time:
10.00am to 5.00pm

Venue:
Park Hotel, Kolkata

Topics	Speakers
• Power of Networking, Managing Partnership : Legel Issues, Taxation Issues, Personel Issues & ICAI Framwork	**CA Bhavana Doshi,** Mumbai Past Council Member, ICAI
• Practice of the Future	**CA A. P. Singh,** Kolkata
• Developing Enterpreneur Skils for CA's	**CA Abdul Rahim,** Kolkata
• Scope and Opportunities in Service Sector / Indirect Taxes	**CA Rohini Agarwal,** Delhi

Extension of Time Period To Complete ITT and Orientation Course

It has been brought to the notice of the Council that some students registered under Direct Entry Scheme between 01.08.2012 and 31.01.2013 for the Intermediate (Integrated Professional Competence) Course could not comply with regulatory requirements relating to Information Technology Training (ITT) and Orientation Course(OP).

With a view to mitigate the hardship of such students (namely those registered between 01.08.2012 and 31.01.2013 under Direct Entry Scheme), the Council as a special case has decided to extend the last date for completion of ITT / OP up to 31.12.2014 for them.

Such students are therefore required to complete ITT and Orientation Course latest by 31.12.2014 positively and submit relevant certificate/s to the concerned Regional Office of ICAI in order to regularize their registration in the course.

-Sd-
Joint Secretary (MSS)
Date: 1.8.2014

GMCS-II
WEEKEND EVENING BATCH

Student on passing the Final CA examination can apply for admission as Member of the Institute, after undergoing mandatory GMCS Course. Since GMCS Course batches are held by the Regional Councils and Branches during day time, on continuous basis, many of those who have taken up jobs on the basis of CA qualification are not in a position to undergo GMCS Course.

In order to mitigate their hardship and to enable them to be admitted as Member of the Institute, EIRC of ICAI is going to organise Weekend Evening GMCS-II-0002 batch for 15 days commencing from 1st November to 20th December, 2014 (Saturdays-2.00 pm to 8.30 pm & Sundays 10 am to 4.30 pm)

For details visit the EIRC Website at www.eirc-icai.org

Facility of Payment by Swiping Credit / Debit Card Introduced

You can make payment for the following Services :

1) EIRC Sales Counter – Purchase of Books/ Publications
2) Seminar Registration – Delegate Fees at EIRC

DCO & EIRC CONTACT DETAILS

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

7, Anandilal Poddar Sarani (Russell Street), Kolkata- 700071

Contact Nos. - EPABX-ICAI, Kolkata Office-39893989, 30211140, 30211141

FAX (DCO)- 22272317, FAX (EIRC)-22292397

A. EIRC REGIONAL COUNCIL MEMBERS				
Chairman	30211128/ 22172859		eircchairman@icai.in	
Vice Chairman	30211129			
Secretary	30211130			
Treasurer	30211130			
Reception	30211140/141			
B. DECENTRALISED OFFICE				
NAME	DESIGNATION	PHONE	EMAIL	ACTIVITITES
CA Atis Basu	Joint Secretary & DCO Head	30211102	abasu@icai.in	Overall Administration incharge of Decentralized office & Kolkata Computer Centre
Shri Abhijit Basu	Deputy Secretary	30211132	abhijit.basu@icai.in	Members, Articles, Admin & Infrastructure
Ms. Sonali Dasgupta (Biswas)	Steno-cum-Assistant (UDC)	30211135	eircgrievance@icai.in	Administrative works.
C. REGIONAL COUNCIL				
Dr. Alok Ray	Joint Secretary	30211108	alokray@icai.in	Overall In Charge of EIRC
Shri Pallab Sarkar	Deputy Secretary	30211144	pallab@icai.in	EIRC Secretariat, GMCS
Shri Amit Paul	Sr. Executive Officer	30211133	eirc@icai.in, amit.paul@icai.in,	Newsletter, CPE Programmes, Seminars/ Conferences
CA Jyoti Luharuka	Executive Officer	30211133	jyoti.luharuka@icai.in	Website, Research & background materials, IT
CA Payal Agarwal	Executive Officer	30211104	payal.agarwal@icai.in	Committee Meetings, GMCS (Website Hosting & Faculty Allocation), CSR Activities, Data Development., Library.
Shri Kabir Ghosh	Consultant	30211134	eircpubn@icai.in	Publication, Event Management
Shri Pradyut Chakraborty	Consultant	30211104	pradyut.chakraborty@icai.in	Committee Meetings, EICASA Activities
Shri Santanu Bose	Data Entry Operator (Gr. UDC)	30211104	eircevents@icai.in eirccpe@icai.in	Newsletter, Design Work, Website, updation of CPE hrs.
D. MEMBERS SECTION				
Mr. Arun Kumar Santra	Assistant Secreatry	30211109	eroexam@icai.in erofellow@icai.in	Grant of Fellowship, Certificate of Practice- I Card, Script Certificate Processing, CA Main Exam, IFRS & ISA Exam
Ms. Nandini Guha	Executive Officer	30211124	eroenroll@icai.in	Fresh enrollment of Associate Membership, Identity Card, Script Certificate and fees enquiry, Convocation, Restoration of Membership/ COP, CABF Processing
Shri Somnath De	Executive Officer	30211118	erofirm@icai.in	Merger & Demerger, Reconstitution of Firms, Change of Name & Address of Firms, Branch office & 2nd Office activities, Removal of names, sale/ transfer of goodwill of firms; Closure of Firms;
Shri Pradip Sarkar	Consultant	30211110	eromem@icai.in	Convocation, Disputes amongst Members & Firms, Online Payment, LLP & Networking; Fees Enquiry & Query Redressal.
Mr. Soumen Mondal	Data Entry Operator (Gr. UDC)	30211111	erorestore@icai.in	Change of Name & Address, employment, Qualification etc., Members & File Transfer to other Region, Registration of Firms/Sole Practice, Paid Assistant activities,

E. ARTICLES SECTION				
Ms. Anindita Kundu	Executive Officer	30211115	eroart@icai.in; aninditakundu@icai.in	Article Re-registration, Termination(cases after 1 year), Other Courses, Exam eligibility
CA. Shreya Lohia	Executive Officer	30211113	shreya@icai.in	Registration with other courses, Supplementary Registration
Smt Sutapa Das	Executive Officer	30211114	erocompl@icai.in	Article Completion & Secondment.
Shri U.K. Basu	Consultant	30211112	utpal.basu@icai.in	Registration, Completion
Shri Pallab Ghosh	Data Entry Operator (Gr. UDC)	30211107	eroreg@icai.in	Registration, Industrial Training, ATC, Change of Address
CA Moushumi Bhadra Chatterjee	Data Entry Operator (Gr. UDC)	30211107	eroterm@icai.in	Article Re-registration, Term ination (cases before 1 year), Other Course
F. EDP SECTION				
Shri J. L. Roy	Assistant Secretary	30211119	jlr@icai.in	System Administrator
G. BOARD OF STUDIES - (All queries relating to any activities of BOS – Contact No. 30211123 (from 2:00 p.m. to 5:00 p.m.)				
Shri S. Bardhan	Deputy Director	30211127	sbardhan@icai.in	Head of DEPT
Shri A. N. Bhaduri	Assistant Secretary	30211120	anbhaduri@icai.in	Nodal Officer for Institute Publications and BOS Study Materials Despatch .
Ms. Susmita Sen	Student Counsellor (Sr. Executive Officer)	30211137	erobos@icai.in	Career Counselling & General counseling about CA Course, Student Programmes, Campus Placement
Ms Sarmistha Biswas	Section Officer	30211122	eircorient@icai.in	Orientation Course : Organisation & Feedback.
Shri B.K. Dasgupta	Consultant	30211121	erocct@icai.in	Final Registration & ITT Certificate.
Ms Piyali Chatterjee	Data Entry Operator (Gr. UDC)	30211123	erocpt@icai.in	CPT Rgistration & revalidation & Non receipt of Registration letters.
Shri Koushik Bhattacharjee	Data Entry Operator (Gr. UDC)	30211123	eroipcc@icai.in	IPCC Registration , IPCC & Final Revalidation , Change of name & address.
H. ACCOUNTS SECTION				
Shri Saibal Chakraborty	Sr. Executive Officer	30211138	eircaccounts@icai.in, schakraborty@icai.in	EIRC Accounts
Ms Mita Sengupta	Sr. Executive Officer	30211136	eroacc@icai.in msengupta@icai.in	DCO Accounts
CA Sumita Soni	Executive Officer	30211261	sumita.soni@icai.in	DCO Accounts
CA Manish Agarwal	Executive Officer	30211260	manish.agarwal@icai.in	EIRC Accounts, EICASA Accounts
CA Vikash Mawandia	Executive Officer	30211261	vikash.mawandia@icai.in	DCO Accounts
I. POST QUALIFICATION COURSES (PQC) CELL				
CA Debashis Sen	Assistant Secretary	30211117	ero@icai.in	Co-ordinator and Nodal Officer of all Post Qualification & Certificate Courses.
J. COMPUTER CENTRE SECTION				
Ms M Sinha Choudhury	Sr. Faculty (Gr. D.S.)	30211142	malini.sinha@icai.in	In Charge of Computer Centers.
Shri Avijit Roy	LDC	30211143		ITT Classes and online registration of the same
K. LIBRARY				
Smt. Swati Banerjee	Librarian (Gr. A.S.)	30211103	eirc.library@icai.in, swati.banerjee@icai.in	In Charge of Library Section
Shri Swarup Karmakar	LDC	30211105		Data entry of new books & other Library works.
L. SALES COUNTER				
Shri Soubhendu Paul	Data Entry Operator	30211101	psc_ero@icai.in	Sale of Publications, Stock

Compiled by **CA RAJ SINGHANIA**
rajsinghania_ca@yahoo.co.in.

1. CIT vs. Vatika Township (Supreme Court – Full Bench)

S. 113 Proviso inserted by FA 2002 w.e.f. 01.06.2002 to impose surcharge in search assessments is not clarificatory or retrospective. Suresh Gupta 297 ITR 322 (SC) overruled

A search and seizure operation u/s 132 was conducted on 10.02.2001 pursuant to which an assessment order for the block period from 01.04.1989 to 10.02.2000 was passed on 28.02.2002 at a total undisclosed income of Rs.85 lakhs. Tax was charged at the rate prescribed in s. 113. Subsequently, a Proviso was inserted to s. 113 by the Finance Act 2002 w.e.f. 01.06.2002 to provide for the levy of surcharge at 10%. The AO took the view that the said amendment was clarificatory in nature and he levied surcharge by passing an order u/s 154. However, the Tribunal and High Court upheld the assessee's claim that the said amendment was prospective in nature and did not apply to block periods falling before 01.06.2002. However, the plea of the assessee was rejected by the Supreme Court in Suresh N. Gupta 297 ITR 322 (SC) (followed in (Rajiv Bhatara (SC)) and it was held that the said proviso is clarificatory in nature and applied to earlier block periods. When the present case reached the Supreme Court, the Bench was of the view that the issue ought to be referred to a larger Bench of 5 judges. HELD by the Full Bench of the Supreme Court:

(i) Chapter XIVB comprehensively takes care of all the aspects relating to the block assessment relating to undisclosed income, which includes s. 156BA(2) as the charging section and even the rate at which such income is to be taxed is mentioned in s. 113. Though s. 4 is also a charging provision, it does not apply to Chapter XIVB;

(ii) On the application of general principles concerning retrospectivity, the proviso to s. 113 cannot be treated as clarificatory in nature, thereby having retrospective effect. The rule against retrospective operation is a fundamental rule of law that no statute shall be construed to have a retrospective operation unless such a construction appears very clearly in the terms of the Act, or arises by necessary and distinct implication;

(iii) An assessment creates a vested right and an assessee cannot be subjected to reassessment unless a provision to that effect inserted by amendment is either expressly or by necessary implication retrospective;

(iv) There cannot be imposition of any tax without the authority of law. Such a law has to be unambiguous and should prescribe the liability to pay taxes in clear terms. If the concerned provision of the taxing statute is ambiguous and vague and is susceptible to two interpretations, the interpretation which favours the subjects, as against there the revenue, has to be preferred. This very principle is based on the "fairness" doctrine as it lays down that if it is not very clear from the provisions of the Act as to whether the particular tax is to be levied to a particular class of persons or not, the subject should not be fastened with any liability to pay tax.

(v) Though the Chief Commissioners in their Conference suggested that there should be a retrospective amendment to s. 113, the legislature chose not to do so even though other amendments were made with retrospective effect. The CBDT circular No.8 of 2002 dated 27.08.2002 also makes it clear that the amendment to s. 113 is prospective;

(vi) Consequently, the conclusion in Suresh N. Gupta 297 ITR 322 (SC) treating the proviso to s. 113 as clarificatory and giving it retrospective effect is not correct and is overruled.

Comment : Full Bench reversing the judgement of smaller Bench in favour of Assessee, Upholds the fundamental view of not considering the amendment as retrospective.

2. Coca-Cola India Private Limited vs. ITAT (Bombay High Court)

S. 254(1): Unnecessary remand by the ITAT causes prejudice and amounts to a failure to exercise jurisdiction

In AY 1997-98 the assessee claimed deduction for service charges paid to a connected party. The AO & CIT(A) disallowed a part of the expenditure on the ground that benefit from the expenditure was derived by the bottler & brand owner. The Tribunal, instead of deciding the issue, remanded the matter back to the AO for fresh consideration. The assessee filed a Writ Petition on which the High Court held (290 ITR 464) that as the CIT(A) had given specific grounds for the disallowance, the Tribunal ought to have decided the specific issues on merits and not simply remanded it. Thereafter, the Tribunal decided the issue on merits and allowed the assessee's claim (116 TTJ 880). In AY 1998-99, though the CIT(A)'s order was passed on the same date as the order passed for AY 1997-98 and the Tribunal was aware of the High Court's order for AY 1997-98, it still remanded the issue to the AO for fresh consideration. The assessee filed a MA which was dismissed on the ground that the remand order was a "conscious" decision and not an "apparent mistake". On a Writ Petition filed by the assessee HELD by the High Court:

The Tribunal should not have refused to consider and decide the issue relating to service charges, more so, when an identical view taken by it earlier has not found favour of this Court. This Court repeatedly reminded the Tribunal of its duty as a last fact finding authority of dealing with all factual and legal issues. The Tribunal failed to take any note of the caution which has been administered by this Court and particularly of not remanding cases unnecessarily and without any proper direction. A blanket remand causes serious prejudice to parties. None benefits by non-adjudication or non-consideration of an issue of fact and law by an Appellate Authority and by WHOLESALE remand of the case back to the original authority. This is a clear failure of duty which has to be performed by the Appellate Authority in law. Once the Appellate Authority fails to perform such duty and is corrected on one occasion by this Court, and in relation to the same assessee, then, the least that was expected from the Tribunal was to follow the order and direction of this Court and abide by it even for this later assessment year. If the same claim and which was dealt with by the Court earlier and for which the note of caution was issued, then, the Tribunal was bound in law to take due note of the same and follow the course for the later assessment years. We are of the view that the refusal of the Tribunal to follow the order of this Court and equally to correct its obvious and apparent mistake is vitiated as above. It is vitiated by a serious error of law apparent on the face of the record. The Tribunal has misdirected itself completely and in law in refusing to decide and consider the claim in relation to service charges.

Comment : Tribunals should also act in prudent matter and do justice, not just shrug off its duties.

3. Kamal Kant Jain v. CIT (Punjab & Haryana High Court), ITA No. 369 of 2013, Date of Decision- 14 July, 2014 –

Penalty under section 271(1)(c) leviable on Bogus gifts

The Tribunal while upholding the levy of penalty had concluded that the assessee had failed to substantiate that the gift received was genuine. The plea of the assessee that the gift was received due to his financial difficulty was also negated on appreciation of material on record. The gifts were held to be bogus and explanation of the assessee was held to be false. It was observed as under:- 'Now coming to the facts in case before us, the assessee has received two gifts amounting to Rs. '1 lakh from AmritDilawari and Rs. '5,46,575 from ShriCharanjeet P. Singh. During the assessment proceedings the statement of the assessee was recorded in which the assessee was asked to give the addresses of such donees. It may be true that the assessee may not remember the full addresses but at least the persons who is giving a sum of Rs. '1 lakh and Rs. '5,46,575, he should have known the State or City of USA where such donees were living. This clearly shows that the gifts are bogus. Further a question was asked that on what occasion the gifts were given. The assessee had stated that the gifts were received because the assessee was in a great financial difficulty. This is totally wrong. Before us, copy of bank statement has been filed by the assessee. First gift is shown to have received on 29-10-2002. On that date balance in the Saving Bank account was Rs. '42,17,965 and in fact statement has been filed from period 10-8-2002 before us throughout August to October, 2002 there has been a balance ranging from Rs. '40 lakhs to Rs. '58.95 lakhs. The second gift was received on 16-1-2003 and before receipt of gift, bank balance in same account is Rs. '12,33,939. In our opinion huge bank balance in the Saving Bank Account in the Financial Year 2002- 03 clearly show that the assessee was not in any financial difficulty and therefore, it is clear that these are bogus gifts. Therefore, the explanation given by the assessee is totally false and accordingly explanation (1) to section 271(1)(c) would not be attracted. In our opinion, this is a fit case for levy of penalty and we uphold the order of the learned Commissioner (Appeals).' In view of the above, under the circumstances noticed hereinabove, it could not be said that there was no concealment. The issue before this Court in Balbir Singh's case (supra) was against the finding recorded by the Tribunal, wherein it was held that there was no concealment against the assessee. However, in the present case, the Tribunal has come to the conclusion that the assessee had concealed the furnishing of current particulars of income.

Comment : Case of 'Matter of Fact', upholds the Tribunal's decision.

4. CIT vs. Nangalia Fabrics Pvt. Ltd (Gujarat High Court

S. 68: Purchases cannot be treated as "bogus" only on the ground that the suppliers are not traceable

The AO held that as the parties from whom the purchases were allegedly made by the assessee could not be located, they were bogus and an addition had to be made u/s 68 in the hands of the assessee. The CIT(A) and Tribunal deleted the addition on the basis that the purchases could not be held to be bogus as corresponding sales had been effected by the assessee and similar purchases in the earlier and subsequent years were not questioned by the AO. On appeal by the department to the High Court HELD dismissing the appeal:

The Tribunal has found that the purchases are genuine because they are supported by bills, entries in the books of account, payment by cheque and quantitative details. The AO did not find any inflation in purchase price or inflation in consumption or suppression the production. The addition had been made only on the ground that the parties are not traceable. The assessee had made payment through crossed cheques and AO did not find that payment made came back to assessee. The ratio of creditors to purchases is normal considering the past records of the assessee. The creditors were outstanding owing to liquidity as assessee is also required to get credit in respect of sales also. Even otherwise, section 68 is not attracted to amounts representing purchases made on credit. This is a finding of fact which does not give rise to a question of law.

Comment : Good Judgement, may lead to relief to many assesses in similar cases where department makes arbitrary additions on suspicion .

5. CIT vs. Jyoti Prakash Dutta (Bombay High Court)

S. 80-IB: An "industrial undertaking" can be formed by taking P&M on hire. Not necessary for the assessee to "own" the P&M. Dept's tendency to try to unsettle matters strongly disapproved

The assessee, a film producer, claimed deduction u/s 80-IB in respect of the PROFITS from his film called 'Border'. The AO, relying on Textile Machinery Corp 107 ITR 195, denied the claim for deduction on the ground that as the assessee did not own any plant & machinery, he was not an "industrial undertaking" u/s 80-IB(2)(ii). However, the CIT(A) & Tribunal allowed the assessee's claim. On appeal by the department, HELD dismissing the appeal:

(i) The argument of the department that if an assessee does not own plant and machinery, it cannot be an industrial undertaking is extreme and misconceived. S. 80-IB permits an undertaking to be formed by 'hire' of plant and machinery and does not require the assessee to own the same. A film production unit formed by engaging cameraman, editor, sound technicians and using their equipments for filming, processing, sound recording and mixing machines on contract basis is an "industrial undertaking" eligible for s. 80-IB deduction (D.K. Kondke 192 ITR 128 (Bom) followed, Textile Machinery Corp 107 ITR (SC) distinguished);

(ii) It is unfortunate that the department does not maintain the rule of consistency and instead disobeys it. As the Tribunal had for the earlier years decided the issue in favour of the assessee and the High Court had dismissed the department's appeals, the Revenue ought not to have filed an appeal for the present year. We strongly disapprove of the attempt to canvass extreme arguments so as to take a chance and try to unsettle the settled matters and things. This tendency has to be curbed and we must come down heavily on parties to curb it, may it be the Revenue.

Comment : Despite such remarks by various courts the departments sticks to its policy of making frivolous appeals and waste the time of Judiciary.

6. CIT vs. M/s Happy Home Enterprises (Bombay High Court)

S. 80-IB(10)(d): Limit on extent of commercial area of housing project inserted w.e.f. 1.4.2005 does not apply to projects approved before that date

S. 80-IB(10) was amended by the Finance (No.2) Act, 2004, w.e.f. 01.04.2005 by insertion of clause (d) to provide that the built up area of the shops and other commercial establishments included in the housing project should not exceed five percent of the aggregate built up area of the housing project or 2000 square feet, whichever is less. In one case, the assessee's housing project was approved before 31.03.2005 and completed before 01.04.2005 but the sale of some of the units in the said project took place after 01.04.2005 i.e. in A.Y. 2005-2006. In another case, the housing project was approved before 31.03.2005 but completed on or after 01.04.2005, but within the time-frame as laid down in s. 80-IB(10). The High Court had to consider whether the limitation inserted by the said clause (d) of s. 80-IB(10) applied to projects that were approved before 01.04.2005. HELD by the High Court:

(i) Clause (d) of s. 80-IB(10) is a condition that relates to and/or is linked with the approval and construction of the housing project and the Legislature did not intend to give any retrospectivity to it. At the time when the housing project is approved by the local authority, it decides, subject to its own rules and regulations, what quantum of commercial area is to be included in the said project. It is on this basis that building plans are approved by the local authority and construction is commenced and completed. It is very difficult, if not impossible to change the building plans and / or alter construction midway, in order to comply with clause (d) of s. 80-IB(10). It would be highly unfair to require an assessee to comply with s. 80-IB(10) (d) who has got his housing project approved by the local authority, before 31.03.2005 and has either completed the same before the said date or even shortly thereafter, merely because the assessee has offered its profits to tax in AY 2005-2006 or thereafter. It would be requiring the assessee to virtually do a humanly impossible task. This could never have been the intention of the Legislature and it would run counter to the very object for which these provisions were introduced, namely to tackle the shortage of housing in the country and encourage investment therein by private players. It is therefore clear that clause (d) of s. 80-IB (10) cannot have any application to housing projects that are approved before 31.03.2005.

(ii) The other reason for coming to the aforesaid conclusion is that if the revenue's contention is accepted, then an assessee following the project completion method of accounting, who has completed the housing project by complying with all the conditions as set out in s. 80-IB(10) as it stood prior to 01.04.2005 would be disentitled to claim the deduction merely because he offers his profits to tax in AY 2005-06 while an assessee following the work-in-progress method of accounting would be entitled to the deduction u/s 80-IB(10) upto AY 2004-05, and denied the same from AY 2005-06 and thereafter. It could never have been the intention of the Legislature that the deduction u/s 80-IB(10) available to a particular assessee would be determined on the basis of the accounting method followed.

Comment : Very minute observation of the intent of legislation thus granting relief to assessee .

7. DCIT vs. SAP Labs India Pvt. Ltd (ITAT Bangalore)

AO's action of giving effect to a quashed s. 263 revision order termed "assault on rule of law" & "contempt of court"

The CIT passed an order u/s 263 and held that the assessment order was erroneous and prejudicial to the interests of the revenue. This was set aside by the Tribunal. However, despite being aware of the Tribunal's order quashing the s. 263 order, the AO passed an assessment order to give effect to the s. 263 order. The CIT(A) quashed the assessment order. On appeal by the department to the Tribunal HELD dismissing the appeal:

By the by, we are very much astonished to observe that the AO has passed a revised assessment order even after knowing that the revision order passed by the CIT has been set aside by the Tribunal. The action of the AO could be treated as assault on the rule of law. His action amounts to contempt of court as well. The Revenue could have preferred to file an appeal before the High Court against the order of the Tribunal setting aside the revision order passed by the CIT. If such an appeal has been already filed, well and good. Otherwise, Revenue has no remedy when the Tribunal has set aside the revision order of the CIT. The said order no more exists and the AO has no substratum to build a second round of revised assessment. We do not think that all these matters are unknown to the Assessing Authority. But giving due consideration to the explanations OFFERED by the learned senior officers appearing for the Revenue and also for the reason that the AO might have prompted to act in haste, only in public interest, we do not proceed further in this matter. But we wish that before jumping into such controversial games the AO ought to have taken advice from his seniors.

Comment : Astonished to see such callous approach of the ITO.

8. Maruti Securities Ltd vs. ACIT (ITAT Hyderabad)

S. 145: Even if assessee is following mercantile system, income cannot be assessed, on "real income" vs. "hypothetical income" theory, if its collection/ receipt is not certain

The assessee advanced funds to various parties on which it was entitled to receive interest. However, owing to the financial difficulties of the borrower, the assessee did not receive any interest. It accordingly did not offer any interest income to tax. However, the AO & CIT(A) held that as the assessee was following the mercantile system of accounting, the said interest had accrued to it and was chargeable to tax notwithstanding the inability of the borrower to pay the same. On appeal by the assessee to the Tribunal HELD allowing the appeal:

(i) To arrive at the real income, accrual basis cannot be a justifying factor and the commercial and business realities of the assessee, should be considered. The interest income has been recognized in the books of accounts only to the extent of actual collection, which is the recommended/ recognized method as per Accounting Standard 9 of ICAI which lays down that when uncertainties exist regarding the determination of the amount or its collectability, the revenue shall not be treated as accrued and hence shall not be recognized until collection. The recognition of revenue on accrual basis presupposes the satisfaction of two conditions (a) The revenue is measurable (b) The revenue is collectable with certainty. The interest income has been admittedly recognized only on receipt basis. The contention of the revenue that the loan agreements have interest clause permitting the assessee to charge interest at the rate of 14% is not tenable. The terms of the agreements, which enabled the assessee company to demand interest were only enabling provisions and those enabling provisions did not guarantee the collection of overdue interest. They only gave a cause of action to the applicant;

(ii) The method of accounting, as followed by the assessee, does not create any income. The method of accounting only recognizes income. Income cannot be taxed on hypothetical basis, and it is only the real income that is to be brought to tax. When the principal itself is overdue and not collected, there is no basis for making out a case that interest income would be collectable with certainty. Even where an assessee is following the mercantile system of accounting, it is only accrual of real income which is chargeable to tax, that accrual is a matter to be decided on commercial belief having regard to the nature of business of the assessee and character of the transaction. Accordingly, for the purpose of determining whether there has been accrual of real income or not, recourse is to be made to ascertain the nature of business and character of the transaction and the realities and peculiarities of the situations

Comment : The Tribunal has taken the correct stance which is corroborated by AS 9 issued by ICAI on revenue recognition and the fact that there can be no tax on notional income.

9. U.P. State Industrial Development Corp (UPSIDC) vs. DCIT (ITAT Lucknow)

S. 143(2)(ii): Fact that case is selected for scrutiny under CASS does not mean s. 143(2) notice & assessment order are void for non-application of mind by AO

The assessee's case was picked up for scrutiny under CASS ("Computer assisted Scrutiny Selection") and the requisite notice u/s 143(2)(ii) was issued. The assessee claimed that u/s 143(2)(ii) it was incumbent upon the AO to apply his own mind and form "reason to believe" before issuing the notice and as this had not been done, the notice and the resultant assessment order were void. The CIT(A) rejected the claim. On further appeal to the Tribunal HELD by the Tribunal dismissing the ground.

The entire jurisprudence in respect of tax administration such as principle of natural justice etc. are with the sole object of ensuring that the tax payer is not unduly harassed by the tax department having almighty power of state. In order to make tax administration and collection friendly to tax payer, some steps have been taken by the tax administration/Government although much work is still to be done in this regard. Some of these steps are that it is made a rule that tax returns can be filed in a paper less manner in order to improve voluntary compliance by the tax payer and also to reduce the burden of filing voluminous documents along with the tax return. This is a big relief to the tax payer but this has to be ensured that there are some deterring measures so that no undue advantage is taken by any tax payer of this liberal policy of the Government. Even these deterring measures are to be such that they cause minimum harassment to the tax payer. Therefore, scheme had been devised that only very small percentage of total tax returns will be scrutinized by the department and generally it is about 2% to 3% of the total tax returns filed in a year. When it is seen that the return is to be filed by the assessee in paperless manner and still there has to be some deterring measure to prohibit the taxpayer from adopting the habit of tax evasion/avoidance, it was decided that there should be scrutiny in a small number of cases. Since the returns filed are paper less, some system has to be devised for selecting the case for scrutiny. When the return is filed without any paper, certain guidelines have to be formed for selecting some cases for scrutiny as deterring measure. These guidelines may be such that the person having income above a prescribed limit will be scrutinized in larger percentage compared to small tax payers. It may be a policy that very small tax payers will not be scrutinized at all. If such a system is devised by the Department in a general manner without targeting a particular assessee, it cannot be said that such system of selecting a case for scrutiny is interfering with the independent decision of the Assessing Officer who is to select the case for scrutiny. Inspite of such guidelines, the ultimate decision is of the AO that a particular case is falling in such guideline and in this process, if the AO is taking help of computer in analyzing data disclosed by the tax payer in the return of income then it cannot be said that the decision for selecting the case for scrutiny is not independent decision of the AO. This is not the case of the assessee that there is any specific direction of any higher authority to select the case of this particular assessee for scrutiny. The guideline may be this as to what should be percentage of the cases to be selected for scrutiny in several different type of tax payers. The guideline may be that where search or survey has taken place, the number of cases to be selected should be high in percentage. Similarly, the guideline may be that if the assessee is claiming exemption/deduction of certain amount then also the percentage may be higher compared to those assesses who are not claiming any exemption/deduction. Such guidelines formed by the Department as a whole in general manner for the assesses all over the country, it cannot be said that such guideline is interfering with the independent decision of the AO for deciding the cases to be selected for scrutiny. If this view is taken then the departmental administration will be forced to adopt old system of selecting almost all cases for scrutiny which was causing very undue harassment to all the tax payers and wastage of the energy and efforts of the Department also. In the present system, the thrust is on voluntary compliance of the tax payer and by ensuring that some deterring measures are taken that too in a taxpayer friendly manner of promoting the assessee to file returns without attaching any paper and then selecting only very small number of cases for scrutiny with the aid of computer and certain generally formed guidelines. In our considered opinion, it cannot be said that the decision of the AO to select the case for scrutiny in this system is not an independent decision of the AO.

Comment : An assessee cannot and should not challenge the mechanism of Government for collection and assessment of tax.

10. DCIT vs. Rajeev G. Kalathil (ITAT Mumbai)

S. 68: Fact that alleged supplier is not traceable and has been termed a "hawala dealer" by the VAT authorities is not sufficient to treat the purchases as "bogus"

The assessee claimed to have made purchases from certain parties. In support of the genuineness of the purchases, he produced bills from the parties and proof of payment by cheque. However, the AO treated the purchases as "bogus" purchases u/s 68 on the ground that the notices u/s 133(6) sent to the alleged suppliers at the address stated in their bills were returned un-served. Further, the said suppliers were termed as 'Hawala Dealers' (i.e. person who issued a bill for purchase of goods without delivery) by the Maharashtra VAT department. On appeal, the CIT(A) deleted the addition. On appeal by the department to the Tribunal HELD dismissing the appeal:

The fact that the supplier is declared as a "Hawala dealer" by the VAT department is a good starting point for making further investigation and taking it to its logical end. However, suspicion of highest degree cannot take place of evidence. The AO ought to have called for details of the bank accounts of the suppliers to find out as whether there was any immediate cash withdrawal from their account. No such exercise was done. There is nothing in the order of the AO about the cash trail. Transportation of good to the site is one of the deciding factor to be considered for resolving the issue. Proof of movement of goods is not in doubt. In the absence of sufficient evidence, the purchases cannot be treated as bogus.

Comment : Similar to the case mentioned Supra (CIT Vs Nangalia Fabrics Pvt Ltd). It is a fact that to disallow something which is supported by documents, the AO must bring in material evidence.

11. ACIT vs. M/s. Veena Developers (ITAT Mumbai)

S. 253: Filing appeals in disregard & wilful disobedience to the law laid down constitutes gross abuse of power and deserves to be punished for contempt of court and by award of exemplary costs. Action not pursued in view of written apology of concerned officials

In AY 2004-05, the AO disallowed the assessee's claim for deduction u/s 80-IB(10). The CIT(A), Tribunal and High Court allowed the assessee's claim. Thereafter, pursuant to a search, the AO passed an order u/s 153A for AY 2004-05 in which he again disallowed the assessee's claim for deduction u/s 80-IB(10). The AO noted that in the assessee's own case for the same AY, the Bombay High Court had already decided the issue in favour of the assessee but he still made the disallowance on the ground that the matter was sub-judice before the Supreme Court. On appeal, the CIT(A) allowed the assessee's claim. On appeal by the department to the Tribunal HELD by the Tribunal dismissing the appeal:

(i) This case is one of gross misuse of powers by the lower authorities. The AO in complete disregard and disobedience to the orders of the Tribunal as well as of the Hon'ble High Court again confirmed the disallowance while framing assessment u/s 153A without any incriminating material being found during the search. The act of negating the orders of the higher authorities in the very same case and thereby disallowing the claim of the assessee in the s. 153A proceedings without any new evidence or incriminating material being found amounts to the gross abuse of process of law in complete disregard and disobedience to the orders of the higher authorities and is an act which tends to lower down the authority of the higher courts. We may observe that if at all the issue will be decided by the Hon'ble Supreme Court in favour of the Revenue, then the orders of the lower authorities in that event would automatically merge in the order of the Supreme Court and implemented accordingly. However, the mere filing of appeal before the Hon'ble Supreme Court gives no authority to the AO to negate, disobey and disrespect to the orders of the higher authorities in the very same case. We may further notice that even after the decision of the CIT(A) in favour of assessee, the concerned CIT-Admin has given approval for filing the second round of appeal in the same case ignoring and in complete disregard and disobedience to the orders of the Tribunal as well as of the High Court vide which the issue in dispute has already been settled;

(ii) The Bombay High Court in CIT vs. Sairang Developers and Promoters strongly discouraged the attitude of the authorities in filing the appeals without application of mind resulting in the pendency of the frivolous appeals before the High Court. The High Court has strongly disapproved the irresponsible attitude of the officers in not applying their mind while approving for the filing of appeals, which benefits no one and rather defeats larger public interest. The High Court taking strong note of such an act has imposed cost of Rs.50,000/- upon the Revenue. InCIT vs. Kishan Ratilal Choksey Share & Securities the High Court strongly discouraged the attitude of the Revenue for filing appeals on the issues which have already been settled and decided in the appeals pertaining to prior assessment years in the case of the very assessee. The High Court observed that it was a gross abuse of process of law and imposed Rs.1,00,000/- as cost. However, later on the assurance of the ld. counsel of the Revenue that hereafter the judicial orders and directions would be abided by in all matters and appropriate averments will be made to the effect that the order of the Tribunal for prior assessment years in the case of very assessee have been challenged or decided and the outcome of the decision thereof also will also be indicated. The High Court upon the such assurance of the ld. counsel of the Revenue re-called the direction to pay cost of Rs.1,00,000;

Comment : Despite such remarks by various courts the departments sticks to its policy of making frivolous appeals and waste the time of Judiciary. The cost impunged upon the department should not have been recalled.

Compiled by **CA Ankit Kandodia**
ankit@skkassociates.com

1. **ST - Notional interest on interest free security deposit cannot be added to the rent agreed upon between the parties for the purpose of levy of service tax on renting of immovable property -Appeals allowed: CESTAT -(Murli Realtors Pvt Ltd Vs CCE 2014-TIOL-1728-CESTAT-MUM)**

Assessee, being the lessor of immovable property, had collected interest free security deposit from the lessees. Tax authorities were of the view that lease rentals were suppressed because of the said deposit and thus a notional interest should be added to rent received and service tax should be demanded on the same.

Mumbai Tribunal observed that security deposit was taken to safeguard the interest of the lessor in the event of default by lessee. Further, there was no evidence adduced by tax authorities that security deposit taken had influenced the rent in any way.There was no provision in service tax law for deeming notional interest on security deposit as consideration for leasing. Thus it was held that the same was not a consideration for leasing of property and could not be made subjected to service tax.

2. **Cellular Mobile Service provider is not entitled to avail CENVAT credit on Tower Parts & Pre-fabricated buildings -Tribunal order upheld by High Court [M/s Bharti Airtel Ltd Vs CCE (2014-TIOL-1452-HC-MUM-ST)]**

In the case of Bharti Airtel, Bombay High Court denied the credit of duty paid on tower parts, prefabricated building etc. and held that same could not be considered as capital goods or inputs.

Assessee had contended that such items were used in providing output services and hence could be considered as inputs. It was also contended that Base Transceiver Station (BTS) and antenna were capital goods and prefabricated building and tower being part of BTS and tower being "accessory" of antenna should also qualify as capital goods.

Bombay High Court rejected the contention of the assesse and held that

- Towers and prefabricated buildings were in the nature of immovable goods and were non-marketable and hence could not qualify as inputs
- Each item had independent function and could not be treated as single unit of BTS and hence could not qualify as capital goods
- Towers were structures fastened to earth on which antenna were installed and hence it could not be an accessory of antenna and in turn not capital goods

3. **CENVAT – Merely because supplier's name is Surya Roshni it is absurd to infer that they had supplied 'tube lights' & not MS Tubes without taking slightest effort by checking from their website as to whether they have a steel division: CESTAT (M/s SHOREWALA GLOBAL INDUSTRIES PVT LTDVs COMMISSIONER OF CENTRAL EXCISE, JAIPUR I2014-TIOL-1808-CESTAT-DEL)**

In this case the Appellants,manufacturers of Terry Towels and Terry Towel Fabrics, had taken CENVAT credit of Rs.54,004/- on the basis of four invoices, one of which had been issued by M/s Surya Roshni Ltd. for supply of M.S. Tube [SH 73063090] and three invoices issued by M/s Adventec Polymers P. Ltd. under which HDPE and PVC Pipes [SH 39172310 & 39172300] had been supplied.

The Internal audit wing of the department raised an objection that that the appellant had taken CENVAT credit on 'tube lights' supplied by M/s Surya Roshni and such 'tube lights' and PVC Pipes supplied by the other party are not capital goods.

SCN followed and the Dy. Commissioner disallowed the credit imposing equivalent penalty and interest.

Before the Commissioner (Appeals), the appellant pleaded that the goods received from M/s Surya Roshni were M.S. Pipes and not 'tube lights' and that MS Tubes and PVC/HDPE Tubes have been used in their effluent treatment system; that they are capital goods under rule 2(a) of CCR.The Commissioner (Appeals) observed that even if it is accepted that the appellant had received MS Tubes & not 'tube lights' from M/s Surya Roshni there was no evidence regarding use of these and PVC/HDPE tubes in their factory. Aggrieved, the appellant filed an appeal in the CESTAT and reiterated their submissions. The CESTAT observed that disallowing the credit in respect of PVC/HDPE pipes, which according to the appellant were used in effluent treatment plant, is totally wrong.

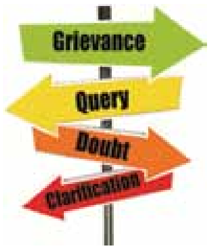
In the matter of the stand taken by the Department that the goods supplied by Surya Roshni are tube lights and not MS tube, the Bench found the said allegation to be is absurd.The order disallowing the credit was set aside and the appeal was allowed with consequential relief.

4. **Suppression of facts and longer period-Delhi CESTAT- (Aman Enterprises Vs CCE & ST 2014-TIOL-1796-CESTAT-DEL)**

In this case, the appellants where engaged in providing cleaning service to M/s. PunjabAlkalies and Chemicals Limited. After enquiry made by the department, it came out that the appellants were neither registered with the service tax department nor they have discharged service tax payable on the cleaning service. Thus SCN was issued for non payment of service tax and other procedural lapses done by the Appellant and the same was confirmed by the Commissioner (Appeals) also. The Hon'ble CESTAT held that since they have never informed the department about the taxable service, charges of suppression are clearly proved. There is thus no force in the contention of the appellant that extended period of limitation is not invokablesince willful suppression has clearly been manifested. Thus the order passed by Commissioner(A) was held to be well reasoned and needed no interference. The appeal was thus rejected. Also as regards the relevant date for issue of the SCN the Hon'ble CESTAT held that the argument that after the facts of non-payment of services came into the knowledge of the department, any SCN served beyond the stipulated period of one year is time barred is not tenable as acquiring knowledge by the Department does not take away the period of five years provided by the Law Makers in the Act itself when Department came to know of the willful suppression with intention to evade payment of duty/service tax. Relevant date has been defined in sub-section (3) to Section 11A and nowhere this sub-section provides that the relevant date means the date of acquiring the knowledge by the Department.

EIRC Grievance Cell for Members

For any grievance/ query on any matter, members are requested to write to grievance.cell-eirc@icai.in



A. Direct Tax

Compiled by **CA Raj Singhania**
rajsinghania_ca@yahoo.co.in

1. S.O. 2049.(E).— Whereas, the Agreement and the Protocol (hereinafter referred to as the said Agreement and the Protocol) was entered into between the Government of the Republic of India and the Government of Fiji, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

2. And whereas, the date of entry into force of the said Agreement and the Protocol is the 15th day of May, 2014, being the date of later of the notifications of completion of the procedures as required by the respective laws for entry into force of the said Agreement and the Protocol, in accordance with paragraph 2 of article 30 of the said Agreement.

3. And whereas, sub-paragraph (a) of paragraph 3 of Article 30 of the said Agreement provides that the provisions of the said Agreement shall have effect in India in respect of income derived in any fiscal year beginning on or after the first day of April next following the calendar year in which the said Agreement enters into force;

4. Now, therefore, in exercise of the powers conferred by section 90 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby directs that all the provisions of said Agreement and the Protocol between the Government of the Republic of India and the Government of Fiji for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, as set out in the Annexure hereto, shall be given effect to in the Union of India with effect from the 1st day of April, 2015.

[Notification No. 35/2014/ F.No. 503/11/2005-FTD-II dated 12.08.2014]

S.O. 2399(E).—In exercise of the powers conferred by Section 295 read with Section 32 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. (1) These rules may be called the Income-tax (8th Amendment) Rules, 2014.

   (2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Income-tax Rules, 1962, in the New Appendix I, in Part-A relating to Tangible Assets, under the heading III. Machinery and Plant, in item (8), in sub-item (xiii), –

   (a) In clause (l), for the words, figures and letters "installed on or before 31st day of March, 2012", the words, figures and letters " installed on or after the 1st day of April, 2014" shall be substituted; and

   (b) In clause (m), for the words, figures and letters "installed on or before 31st day of March, 2012", the words, figures and letters "installed on or after 1st day of April, 2014" shall be substituted.

[Notification No. 43/2014/F.No.152/1/2013-TPL dated 16.09.2014]

B. Service Tax

Compiled by **CA Ankit Kanodia**
ankit@skkassociates.com

1. ST on Radio Taxi services, Ads in internet websites & on film screen in theatres to be effectivefrom Oct 1, 2014 + Substituted Explanation in Section 67A of FA, 1994 to come into force w.e.f 01.10.2014(Notification no.18 /2014-Service Tax, Dated: August 25, 2014).

2. STR, 1994 amended w.e.f 1.10.2014 – new rules 11 & 12 inserted to provide for determination of Rateof exchange & Power to issue supplementary instructions(Notification no.19 /2014-Service Tax, Dated: August 25, 2014).

3. Union Budget 2014-15: enactment of the Finance (No.2) Bill - reg.(TRU Letter: D.O.F. No. 334/15/2014-TRU, Dated: August 25, 2014).

4. a) Appoints, Chief Commissioners of Service Tax, Principal Commissioners of Service Tax, Commissioners of Service Tax, Commissioners of Service Tax (Audit), Commissioners of Central Excise (Audit), Commissioners Large Taxpayer Unit, Commissioners Large Taxpayer Unit (Audit), Commissioner of Central Excise (Appeals) and Commissioners of Service Tax (Appeals) , and all the officers subordinate to such officers, as Central Excise Officers.

   b) Jurisdiction of Service Tax officers. (Notification no. 20 /2014-Service Tax, Dated: September 16, 2014).

5. Empowers Principal Chief Commissioner of Central Excise or the Chief Commissioner of Central Excise or the Chief Commissioner of Service Tax, as the case may be, to specify within his jurisdiction, the jurisdiction of a Commissioner of Service Tax (Appeals) or a Commissioner of Central Excise (Appeals) or a Commissioner of Service Tax (Audit) or a Commissioner of Central Excise (Audit). (Notification no. 21 /2014-Service Tax, Dated: September 16, 2014).

6. Officers in the Directorate General of Audit, Directorate General of Central Excise Intelligence and Directorate General of Service Tax, appointed as Service Tax officers.(Notification no. 22/2014-Service Tax, Dated: September 16, 2014).

7. ST - CBEC rescinds Order relating to appointment of officers and jurisdiction (Order no. 1/2014-ST., Dated: September 16, 2014).

C. CENTRAL EXCISE

1. Misuse of CENVAT Credit - Rule 12AAA of CCR, 2004 amended to include provider of Taxable service(Notification no.25/2014- CX.,(N.T.), Dated: August 25, 2014).

2. Union Budget 2014-15: enactment of the Finance (No.2) Bill - reg.(TRU Letter: D.O.F. No. 334/15/2014-TRU, Dated: August 25, 2014).

3. CENVAT Credit Rules amended relating to service tax certificate for Transportation of goods by Rail (Notification no.26 Central Excise (N.T.), Dated: August 27, 2014).

4. Jurisdiction of Principal Chief Commissioners, Chief Commissioners, Principal Commissioners, Commissioners, Commissioners (Appeals), Commissioners (Audit) of Central Excise (Notification no.27 –CX (N.T.), Dated : September 16, 2014).

5. Officers of Directorate General of Central Excise Intelligence; Directorate General (Vigilance), Directorate General of Revenue Intelligence, Directorate General of Inspection appointed as Central Excise Officers.(Notification no.28 –CX (N.T.), Dated : September 16, 2014).

6. Principal Chief Commissioner of Central Excise or the Chief Commissioner of Central Excise empowered to specify within his jurisdiction, the jurisdiction of a Commissioner of Central Excise (Appeals) or a Commissioner of Central Excise (Audit)(Notification no.29 –CX (N.T.), Dated : September 16, 2014).

7. Amendment in Appeal provisions made by Finance Act, 2014: CBEC issues detailed clarifications(Circular no. 984/08/2014-CX., Dated: September 16, 2014).

8. Instructions in light of Judgment of Hon'ble Supreme Court on Sales Tax Incentive Scheme-reg(Instruction no: F.No. 6/8/2014-CX.1, Dated: September 17, 2014).

9. Minutes of the Conference of the Chief Commissioners and Directors General held on 11 - 12th August, 2014 –reg(Office Memorandum: F.No.296/93/2014-CX.9, Dated: September 17, 2014).

D. CUSTOMS

1. Govt reduces tariff value of gold and silver(Notification no.73/2014-Cus., (N.T.), Dated: August 29, 2014).
2. CBEC notifies Village Mithirohar, Gandhiram as ICD(Notification no.74/2014-Cus., (N.T.), Dated: September 02, 2014).
3. CBEC notifies new Customs Exchange rates effective from September 05, 2014(Notification no.75/2014-Cus., (N.T.), Dated: September 04, 2014).
4. CBEC reduces tariff value of many goods across board(Notification no.76/2014-Cus., (N.T.), Dated: September 15, 2014).
5. Jurisdiction of Principal Chief Commissioner of Customs/ Chief Commissioner of Customs(Notification no.77/2014-Cus., (N.T.), Dated: September 16, 2014).
6. Jurisdiction of Principal Commissioners of Customs; Commissioners of Customs; Additional Commissioners of Customs; Joint Commissioner of Customs; Deputy Commissioner of Customs; Assistant Commissioners of Customs(Notification no.78/2014-Cus., (N.T.), Dated: September 16, 2014).
7. Jurisdiction of Commissioners of Customs (Appeals)(Notification no.79/2014-Cus., (N.T.), Dated: September 16, 2014).
8. DGCEI officers appointed as officers of Customs (to suit the new designations) (Notification no.80/2014-Cus., (N.T.), Dated: September 16, 2014).
9. Officers of Directorate General of Vigilance appointed as officers of Customs (to suit the new designations)(Notification no.81/2014-Cus., (N.T.), Dated: September 16, 2014).
10. DRI officers appointed as Customs Officers - amending Notification No. 17/2002-CUSTOMS (N.T.), dated the 7th March, 2002(Notification no.82/2014-Cus., (N.T.), Dated: September 16, 2014).
11. Officers of the Directorate General of Audit appointed as officers of Customs (to suit the new designations)(Notification no.83/2014-Cus., (N.T.), Dated: September 16, 2014).
12. Officers in Commissionerate of Central Excise (Audit) or Commissionerate of Service Tax (Audit) appointed as officers of Customs for the purpose of conducting audit under the On-site Post Clearance Audit at the Premises of Importers and Exporters Regulations, 2011(Notification no.84/2014-Cus., (N.T.), Dated: September 16, 2014).
13. a. Principal Director General of Revenue Intelligence, to be the Principal Chief Commissioner of Customs who shall have jurisdiction over the whole of India;

    b. Director General of Inspection, Customs and Central Excise, to be the Chief Commissioner of Customs who shall have jurisdiction over the whole of India.(Notification no.85/2014-Cus., (N.T.), Dated: September 16, 2014).
14. Modinagar ICD notified for import and export purposes (Notification no. 86/2014-Cus., (N.T.), Dated: September 18, 2014).
15. CBEC notifies Customs exchange rates effective from Sept 19 (Notification no.87/2014-Cus., (N.T.), Dated: September 18, 2014).
16. Proposal for filing of Review Petition before the Hon'ble Supreme Court against order dated 15.02.2013 passed by the Hon'ble Supreme Court in SLP (C) CC No. 3741/2013 filed by the Department in the case of UOI Vs M/s Gujarat Ambuja Exports Ltd. (2013-TIOL-15-SC-CUS)- reg. (Instruction no. F.No, 276/125/2012-CX,8A,CUS., Dated: August 25, 2014).
17. Concurrence of Chief Commissioner of Customs for acceptance of orders of CESTAT/Courts where the amount involved is below the threshold limit for filing appeals – reg(STANDING ORDER No. 11/2014, Date: 01.09.2014).

E. FEMA & FDI

Compiled by **CA Gautam Sharma**
gautam@sarafchandra.com

1. **Refinancing of ECB at lower all-in-cost – Simplification of procedure**

   Reserve Bank of India vide Notification No. **RBI/2014-15/196 A.P. (DIR Series) Circular No.21, dated 27th August, 2014,** have decided to simplify the procedure by delegating powers to the AD Category – I banks to approve even those cases where the AMP of thefresh ECB is exceeding the residual maturity of the existing ECB under theautomatic route subject to the conditions as provided in the circular.

2. **Purchase and sale of securities other than shares or convertible debentures of an Indian company by a person resident outside India**

   Reserve Bank of India vide Notification No. **RBI/2014-15/197A.P. (DIR Series) Circular No.22, dated 28th August, 2014,** with a view to providing flexibility in regard to the manner in which government securities can be acquired by eligible investors, viz., SEBI registered ForeignInstitutional Investors (FIIs), Qualified Foreign Investors (QFIs), registered ForeignPortfolio Investors (RFPIs) and long term investors registered with SEBI, it has now been decided to remove any stipulation as to the manner of acquisition from the said Regulations. Consequently, the eligible investors can acquire such securities in any manner as per the prevalent/approved market practice.Reserve Bank has since amended the Principal Regulations through the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outsideIndia) (Eleventh Amendment) Regulations, 2014 notified vide Notification No.FEMA. 313/2014-RB dated July 2, 2014 c.f. G.S.R. No.487 (E) dated July 11, 2014.

3. **Three divisions of Foreign Exchange Department shifted to FED CO Cell at New Delhi**

   Reserve Bank of India vide Notification No. **RBI/2014-15/204 A.P. (DIR Series) Circular No.23, dated 2nd September, 2014,** have invited the attention of AD Category-I banks, toPress Release dated June 17, 2014 which mentions the shifting of three divisionsof Foreign Investment Division (FID) viz. Liaison/Branch/Project Office(LO/BO/PO) Division, Non Resident Foreign Account Division (NRFAD) andImmovable Property (IP) Division to New Delhi with effect from July 15, 2014. Theaddress for correspondence for the three divisions is FED, CO Cell, ForeignExchange Department, Reserve Bank of India, New Delhi Regional Office, 6,Parliament Street, New Delhi - 110 001, India.

   It is advised that all cases pertaining to these three divisions and the monthly statements as per circulars ibid/reporting for extension or closure of LOs/BOs shall be sent to the FED CO Cell at the address mentioned above. Reporting, by email, for NRFAD shall continue at the same email address.

4. **Exim Bank's Line of Credit of USD 89.90 million to the Government of the Republic of Congo**

   Reserve Bank of India vide Notification No. **RBI/2014-15/205 A.P. (DIR Series) Circular No.24, dated 2nd September, 2014,** have informed that Export-Import Bank of India (Exim Bank) has entered into an Agreement dated March 09, 2014 with the Government of the Republic of Congo for making available to the latter, a Line of Credit (LOC) of USD 89.90 for financing eligible goods, machinery, equipment and services including consultancy services from India for the purpose of financing Development of Transportation system in Congo. The goods, machinery,equipment and services including consultancy services from India for exports under thisAgreement are those which are eligible for export under the Foreign Trade Policy of theGovernment of India and whose purchase may be agreed to be financed by the Exim Bank under this Agreement.Out of the total creditthe goods and services including consultancy services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India and the remaining 25 percent goods and services may be procured by the seller for the purpose of Eligible Contract from outside India.

5. **External Commercial Borrowings (ECB) in Indian Rupees**

Reserve Bank of India vide Notification No. **RBI/2014-15/207 A.P. (DIR Series) Circular No.25, dated 3rdSeptember, 2014,** with a view to providing greater flexibility for structuring of ECB arrangements, it has decided that recognised non-resident ECB lenders may extend loans in Indian Rupees subject to the conditions as stipulated in the said circular.Further for the purpose of executing swaps for ECBs denominated in Indian Rupees, the recognised ECB lender, if it desires, may set up a representative office in India following the prescribed laid down process. It may also be noted that the hedging arrangement for ECBs denominated in Indian Rupees extended by non-resident equity-holders shall continue to be governed by the provisions of AP (DIR Series) Circular No. 63 dated December 29, 2011.

6. **Exim Bank's Line of Credit of USD 26.50 million to the Government of the Republic of Honduras**

Reserve Bank of India vide Notification No. **RBI/2014-15/214 A.P. (DIR Series) Circular No.26, dated 5th September, 2014,** have informed thatExport-Import Bank of India (Exim Bank) has entered into an Agreement dated January 15, 2014 with the Government of the Republic of Honduras for making available to the latter, a Line of Credit (LOC) of USD 26.50 million for financing eligible goods, machinery, equipment and services from India for the purpose of financing Development of Agriculture and Irrigation Infrastructure in the Jamastran Valley in Honduras. The goods, machinery, equipment and services including consultancy services from India for exports under this Agreement are those which are eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this Agreement.Out of the total creditthe goods and services including consultancy services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India and the remaining 25 percent goods and services may be procured by the seller for the purpose of Eligible Contract from outside India.

7. **Exim Bank's Line of Credit of USD 18 million to the Government of the Republic of Mauritius**

Reserve Bank of India vide Notification No. **RBI/2014-15/215 A.P. (DIR Series) Circular No.27, dated 5th September, 2014,** have informed that Export-Import Bank of India (Exim Bank) has entered into an Agreement dated May 05, 2014 with the Government of the Republic of Mauritius for making available to the latter, a Line of Credit (LOC) of USD 18 million for financing eligible goods, machinery, equipment and services including consultancy services from India for the purpose of financing acquisition of Waterjet Fast Attack Craft by Mauritius. The goods, machinery, equipment and services including consultancy services from India for exports under this Agreement are those which are eligible for export under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this Agreement.Out of the total creditthe goods and services including consultancy services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India and the remaining 25 percent goods and services may be procured by the seller for the purpose of Eligible Contract from outside India.

8. **Risk Management and Inter Bank Dealings: Hedging Facilities for Foreign Portfolio Investors (FPIs)**

Reserve Bank of India vide Notification No. **RBI/2014-15/216 A.P. (DIR Series) Circular No.28, dated 8th September, 2014,** with a view to enhance the hedging facilities for the FPIs holding securities under the Portfolio Investment Scheme (PIS) in terms of schedules 2, 2A, 5, and 8 of the Foreign Exchange Management (Transfer or issue of security by a person residentoutside India) Regulations, 2000 (Notification No. FEMA 20 /2000-RB dated 3rd May 2000) as amended from time to time, as announced in the Monetary Policy Statement of April 1, 2014, have decided to permit FPIs to hedge the coupon receipts arising out of their investments in debt securities in India falling due duringthe following twelve months subject to the condition that the hedge contracts shall not be eligible for rebooking on cancellation. The contracts can however be rolled over on maturity provided the relative coupon amount is yet to be received.

9. **Deferred Payment Protocols dated April 30, 1981 and December 23, 1985 between Government of India and erstwhile USSR**

Reserve Bank of India vide Notification No. **RBI/2014-15/228 A.P. (DIR Series) Circular No.29, dated 12th September, 2014,** have invited the attention of AD Category-I banks, to the revision that has taken place on September 04, 2014, relating to the A.P. (DIRSeries) Circular No. 20 dated August 12, 2014 wherein the Rupee value of the Special Currency Basket was indicated as INR 83.137417 effective from August 12, 2014. According to the revision, the Rupee value of the Special Currency Basket has been fixed at INR 80.580297 with effect from September 09, 2014.

10. **Data on Import of Gold Statement - Submission under XBRL**

Reserve Bank of India vide Notification No. **RBI/2014-15/231 A.P. (DIR Series) Circular No.30, dated 15th September, 2014,** decided to move from manual reporting of the above mentioned statements to eXtensible Business Reporting Language (XBRL) system from half year ended September 2014. The details may be accessed at https://secweb.rbi.org.in/orfsxbrl/. For User name and password, AD banks are advised to submit the fill-in form (format annexed) through email on or before September 26, 2014.AD banks are advised to submit the statement in soft copy (through XBRL) as well asmanual statement (MS-Excel file through email) for month/half year ending September, 2014. From the month of October, 2014 onwards, the submission of manual statements (monthly as well as half yearly) would be dispensed with. All other instructions remain unchanged.

11. **Foreign Direct Investment (FDI) in India - Issue of equity shares under the FDI Scheme against legitimate dues**

Reserve Bank of India vide Notification No. **RBI/2014-15/234 A.P. (DIR Series) Circular No.31, dated 17th September, 2014,** have reviewed the extant guidelines for issue of shares/convertible debentures under the automatic route in consultation with the Government of India and, accordingly, it has been decided to permit issue of equity shares against any other funds payable by the investee company, remittance of which does not require prior permission of the Government of India or Reserve Bank of India under FEMA, 1999 or any rules/ regulations framed or directions issued thereunder and as provided in the circular.

MEMBER AT HELM

CA Shilpa Goursaria, (Membership No. 066828) had qualified the Civil Services Examination (IAS) and is presently working with the Govt. of West Bengal

WORK DISPOSAL STATUS

The position of action taken on various matters relating to members and students of EIRC

ARTICLES SECTION as on 26/09/2014

PARTICULARS	DATE
New Registration	24/09/2014
Industrial training Registration	23/09/2014
Re-registration	23/09/2014
Termination	23/09/2014
Completion	09/09/2014
Permission to Study	24/08/2014
Supplementary Registration	25/09/2014
Change of Address	26/09/2014

WORK DISPOSAL STATUS OF VARIOUS ACTIVITIES RELEATED TO MEMBERS SECTION as on 26/09/2014

1)	New Enrolment	10/09/2014
2)	Grant of Certificate of Practice	19/09/2014
3)	Grant of Fellow Admission	19/09/2014
4)	Firm Registration / Constitution	19/09/2014
5)	Reconstitution of Firms	19/09/2014
6)	Restoration	17/09/2014
7)	Change of address	15/09/2014
8)	Permission of other engagement	17/09/2014

BOARD OF STUDIES SECTION - as on 26/09/2014

CPT REGISTRATION	10/09/2014	
IPCC REGISTRATION	03/09/2014	
FINAL REGISTRATION	18/09/2014	
	BY HAND	**BY POST**
ISSUANCE OF STUDY MATERIALS - CPT	UPTO DATE	21/08/2014
ISSUANCE OF STUDY MATERIALS - IPCC	UPTO DATE	25/08/2014
ISSUANCE OF STUDY MATERIALS - FINAL	UPTO DATE	21/08/2014
GMCS CERTIFICATE ISSUANCE	UPTO DATE	
ORIENTATION CERTIFICATE ISSUANCE	UPTO DATE	
ITT CERTIFICATE ISSUANCE		24/08/2014
CHANGE OF NAME/ADDRESS	UPTO DATE	

REQUIRED FOR READING ROOM

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1	The Great Rebalancing	Pettis M	Princeton University Press	New Jersey 2013
2	The Leaderless Economy	Temin P & Vines D	Princeton University Press	New Jersey 2013
3	Critical Chain Project Management	Lawrence P. Leach	Artech House	Boston 2014
4	Valuation And Risk Management In Energy Markets	Swindle G	New York	Cambridge 2014
5	Sahara The Untold Story	Bandyopadhyay T	Jaico Publisjomg House	Ahmedabad 2014
6	Other People's Money	Bagli C V	Penguin	New York 2014
7	Banking The World	Cull R & Others	The Mit Press	Cambridge 2013
8	Virtual Economies	Lehdonvirta V & Castronova E	The Mit Press	Cambridge 2013
9	Total Loss Prevention Management A Profit Centre	Singh R K	Venus	New Delhi 2014
10	Industrial Security Management	Singh R K	Vitasta	New Delhi 2014
11	Romancing The Balance Sheet	Lamba A	Drawbridge	India 2014
12	Security Of Bank & Cash In Transit	Sinha R K	Vitasta	New Delhi 2014
13	Treatise On The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Puri S.D & Puri S	Snow White	Mumbai 2014

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EIRC DEEPLY MOURNS THE SAD DEMISE OF

CA AMAL KUMAR SUR
Membership No. 001350
Passed away on 27th August 2014

CA DEVAPRIYA KAR
Membership No. 050593
Passed away on 18th August 2014

CA SUSHIL KUMAR SARAOGI
Membership No. 014764
Passed away on 30th June 2014

CA MANASH MOHAN MUKHERJEE
Membership No. 015254
Passed away on 04th December 2013

CA PABITRAM KUMAR BASU
Membership No. 004882
Passed away on 12th June 2013

We pray to the almighty that may their soul rest in peace

F.No.153/53/2014-TPL (Pt.I)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF DIRECT TAXES)

North Block, TPL Division
New Delhi, the 26th September, 2014

Press Release

Subject: Extension of due date for filing of Return of Income from 30th Sept, 2014 to 30th Nov, 2014 in specified cases, regarding.

As per the provisions of the Income-tax Act, 1961 ('the Act'), for an assessee, who is required to obtain Tax Audit Report (TAR) under section 44AB of the Act, the due date for furnishing his return of income is 30th September of the Assessment Year.

2. The Central Board of Direct Taxes ('the Board') vide order dated 20th August, 2014 extended the due date for obtaining and furnishing of Tax Audit Report under section 44AB of the Act for Assessment Year 2014-15 from 30th September, 2014 to 30th November, 2014. Subsequently, a number of representations were received in the Board requesting for extension of the due date for furnishing of return of income also.

Writ petitions were also filed in various High Courts for directing the Board to extend the due date for furnishing of return of income from 30th September, 2014 to 30th November, 2014 in conformity with the extension of the due date for filing of Tax Audit Report.

3. The Gujarat High Court vide judgement dated 22.09.2014 directed the Board to extend the due date for furnishing the return of income to 30th November, 2014, except for the purposes of charging of interest under section 234A of the Act for late filing of return of income. Other High Courts also directed the Board to look into the practical difficulties of the petitioners and take a just and proper decision in this matter.

4. In compliance to the judgments of various High Courts and after considering the representations received for extension of the due date, the Board, in exercise of its power conferred by section 119 of the Act, has extended the `due-date' for furnishing return of income from 30th September, 2014 to 30th November, 2014 for the Assessment Year 2014-15 for all purposes of the Act in the case of an assessee, who is required to file his return of income by 30th September, 2014, and is also required to get his accounts audited under section 44AB of the Act or is a working partner of a firm whose accounts are required to be audited under section 44AB of the Act.

5. There shall be no extension of the "due date" for the purposes of charging of interest under section 234A of the Act for late filing of return of income and the assessees shall remain liable for payment of interest as per the provisions of section 234A of the Act.

6. For removal of doubt, it is clarified that for an assessee (other than working partner of a firm which is required to obtain and furnish Tax Audit Report), who is required to file its return of income by 30th September, 2014 but not required to obtain and furnish Tax Audit Report under section 44AB, the due date for furnishing of return of income for assessment year 2014-15 remains as 30th September, 2014.

(Rekha Shukla)
Commissioner of Income Tax
(Media & Technical Policy)
Official Spokesperson, CBDT

GUWAHATI BRANCH

Inauguration of Workshop on "Empowering Women CAs"
Lighting of the Lamp by Hon'ble Member of Parliament Smt. Smt Bijoya Chakravarty

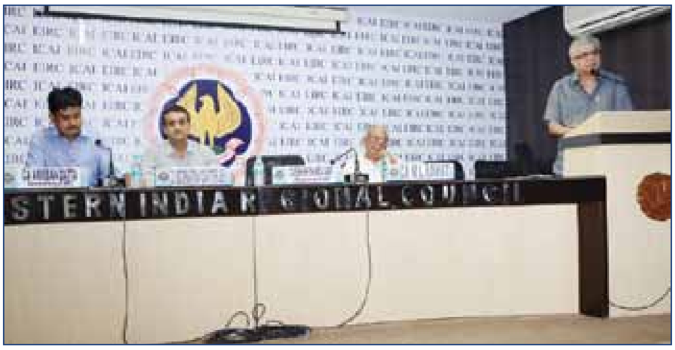
SILIGURI BRANCH

Seminar on One Person Company - Companies Act 2013 by CA Manoj Banthia from Kolkata

Seminar on Peer Review on 3rd September 2014

L - R: CA Pramod Dayal Rungta, Vice Chairman, EIRC, CA Sumantra Guha, Council Member, ICAI, CA Naveen N D Gupta, Council Member, ICAI, CA Mukesh Singh Kushwah, Council Member, ICAI, CA Subhash Chandra Saraf, Chairman, EIRC

Seminar on Investor Awareness on 4th September 2014



L – R: CA Anirban Datta, Secretary, EIRC, CA Subhash Chandra Saraf, Chairman, EIRC, CA M L Rawat, CA Siddhartha Chatterjee

Seminar on New Provisions in Tax Audit Report on 8th September 2014

L – R: CA Pramod Dayal Rungta, Vice Chairman, EIRC, CA K K Chapparia

Seminar on Life After Death - Succession Planning through HUF, AOP and Trust on 9th Sept. 2014

L – R: CA Subhash Chandra Saraf, Chairman, EIRC, CA Ramesh Patodia, CA Anirban Datta, Secretary, EIRC

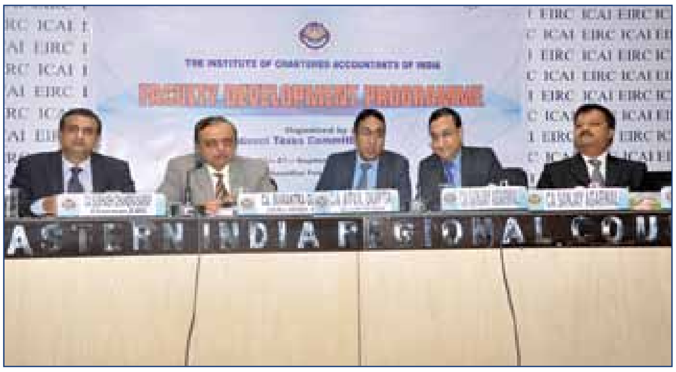
Income Tax Training on 12th September 2014

CA Subhash Chandra Saraf, Chairman, EIRC welcoming the dignitaries in the Training Programme

Seminar on Finance (No. 2) Act, 2014 – Direct Tax Implications on 16th September 2014

L – R: CA Ranjeet Kumar Agarwal, Past Chairman, EIRC, CA Sanjay Bhattacharyya

Faculty Development Programme on 20th and 21st September 2014



L – R: CA Subhash Chandra Saraf, Chairman, EIRC, CA Sumantra Guha, Council Member, ICAI, CA Atul Kumar Gupta, Council Member, ICAI, CA Sanjay Agarwal, Council Member, ICAI, CA Pramod Dayal Rungta, Vice Chairman, EIRC

Lighting the Inauguration Lamp – L: R – CA Sushil Kumar Goyal, Past Chairman, EIRC, CA Pramod Dayal Rungta, Vice Chairman, EIRC, CA Sumantra Guha, Council Member, ICAI, CA Subhash Chandra Saraf, Chairman, EIRC, CA Atul Kumar Gupta, Council Member, ICAI, CA Ranjeet Kumar Agarwal, Past Chairman, EIRC

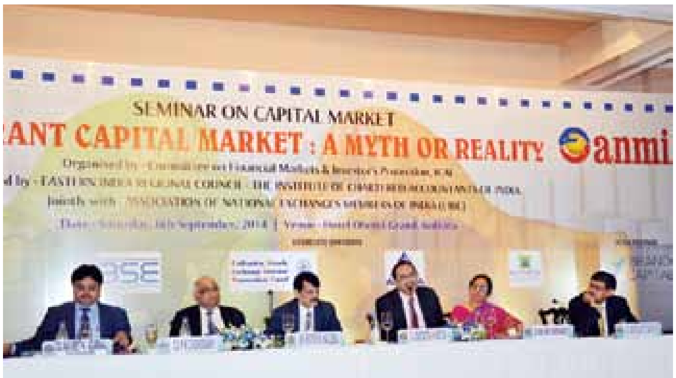
Seminar on Capital Market on 6th September 2014

L – R: CA Anirban Datta, Secretary, EIRC, CA Bijay Murmuria, Past President, ANMI, CA Abhijit Bandyopadhyay, Council Member, ICAI, CA Subhash Chandra Saraf, Chairman, EIRC, CA P K Bindlish, Chief General Manager, SEBI, Mr. Ravi Varanasi, Chief – Business Development, NSE, CA Pramod Dayal Rungta, Vice Chairman, EIRC

Releasing the Official Souvenir – L – R: CA Anirban Datta, Secretary, EIRC, CA Bijay Murmuria, Past President, ANMI, CA Abhijit Bandyopadhyay, Council Member, ICAI, CA Subhash Chandra Saraf, Chairman, EIRC, CA P K Bindlish, Chief General Manager, SEBI, Mr. Ravi Varanasi, Chief – Business Development, NSE, CA Pramod Dayal Rungta, Vice Chairman, EIRC

Lighting the Inauguration Lamp

L – R: CA Sunil Kumar Sahoo, Member, EIRC, Mr. Gopal Agrawal, CIO Mirae Asset Global, CA Mahendra Jajoo, Ex- Head – Fixed Income, Pramerica Assets, CA Rakesh Somani, Past President, ANMI, CA S P Tulsian, CEO, Premium Investments, CA Manish Goyal, Treasurer, EIRC



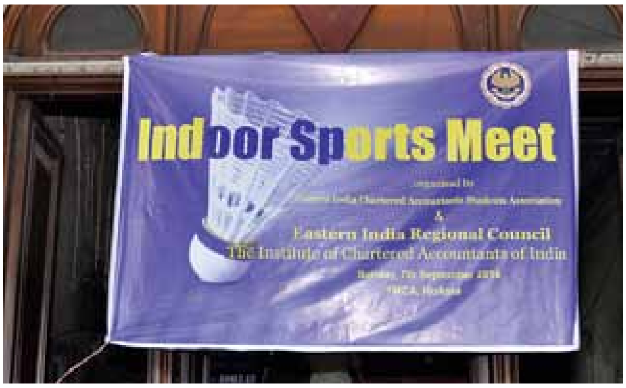
L – R: CA Ranjeet Kumar Agarwal, Past Chairman, EIRC, CA P K Choudhary, Group CEO, ICRA Ltd., Mr. Prithvi Haldea, Prime Database, CA Swatantra Kumar Rustagi, Past President & Director, ANMI, Dr. (Mrs.) Uma Shashikant, MD, Centre for Investor Education, CA Sudip Bandyopadhyay, CEO, Destimoney

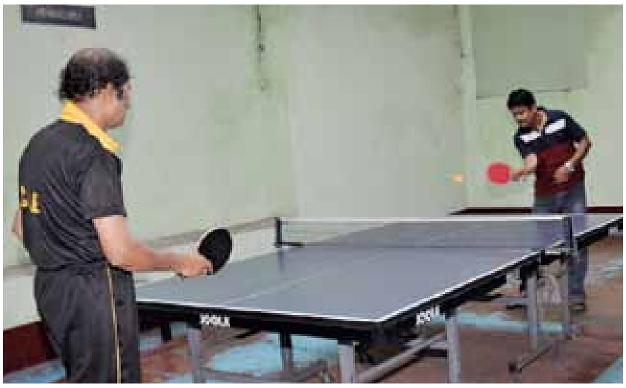
L – R: Mr. Rajesh Bajaj, Director, ANMI, Mr. Gopal Agrawal, CIO Mirae Asset Global, CA Subhash Chandra Saraf, Chairman, EIRC, Mr. Basav Bhattacharya, Financial Journalist, Mr. Prithvi Haldea, Prime Database, Dr. (Mrs.) Uma Shashikant, MD, Centre for Investor Education, CA Sudip Bandyopadhyay, CEO, Destimony

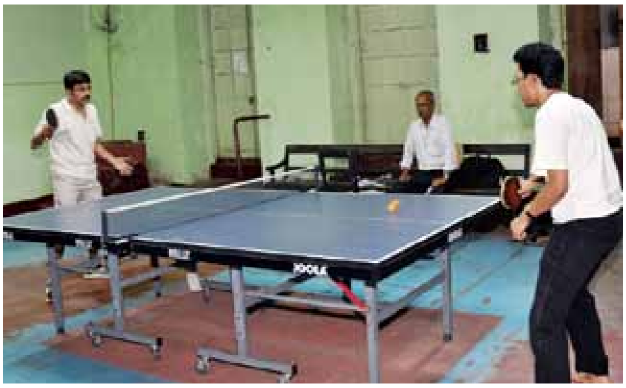
The Panelists along with the representatives of EIRC,ICAI and EIRC, ANMI

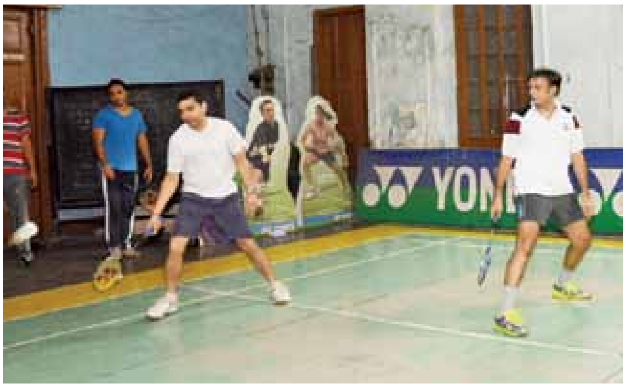
Glimpse of Audience Attending the Seminar on Capital Market with ANMI

INDOOR SPORTS MEET ON 07TH SEPTEMBER 2014









Seminar on Professional Opportunities in Systems Area w.r.t. DISA qualifications on 23rd September 2014

L – R: CA Pramod Dayal Rungta, Vice Chairman, EIRC, Mr. Aveek Gupta

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