



WESTERN INDIA CHARTERED ACCOUNTANTS NEWSLETTER

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)



**Focused
Infrastructure
Development**

"Connect with WIRC-ICAI"



 <http://wirc-icai.org>



All India Chartered Accountants Summit held on 22nd & 23rd August, 2015 Organised by WMEC of ICAI



CA. Nihar Jambusaria, CCM, CA. Shrinivas Joshi, CCM, CA. Nilesh Vikamsey, CCM, CA. Manoj Fadnis, President, ICAI, CA. Suresh Prabhu, Railways Minister & Chief Guest, CA. Prafulla Chhajed, Chairman, WMEC-ICAI, CA. Mukesh Kushwah, Vice Chairman, WMEC-ICAI, CA. Bhavna Doshi, CA. Sunil Patodia, Chairman, WIRC



CA. Seema Mehta, CA. Pinki Kedia, Ms. Nithya Easwaran, Faculty, CA. Raamdeo Agrawal, Faculty, CA. Bhavna Doshi, CA. Vijyatta Jaiswal



CA. Archana Chaudhari, Ms. Tanushree Bagrodia, Faculty, CA. Bhavna Doshi, CA. Pinky Mehta, Faculty, CA. Dimple Khetan, CA. Khushi Kothari



CA. Nilesh Vikamsey, CCM, CA. Minal Naik, CA. Shweta Jain, CA. Bhavna Doshi, CA. Shanti Ekambaram, Faculty, CA. Kirti Agrawal, CA. Kiran Wadhvani, CA. Prafulla Chhajed, Chairman, WMEC-ICAI



CA. Renuka Deshpande, CA. Rekha Patwardhan, CA. Karishma Phatarphekar, Faculty, CA. Drushti Desai, Faculty, CA. Bhavna Doshi, CA. Jalpa Sonchhatra, Faculty, CA. Vandana Dodhia, CA. Nikita Kawar, CA. Ami Kothari, CA. Pujja Pincha, CA. Apeksha Mulay



CA. Vasanti Deshpande, CA. Namita Nilange, CA. Minal Suba, Ms. Zia Mody, Faculty, CA. Bhavna Doshi, CA. Prafulla Chhajed, Chairman, WMEC-ICAI, CA. Khushbu Jain, CA. Medha Pande



CA. Umita Desai, CA. Ashwini Doshi, CA. Sandhya Sreeram, Faculty, CA. Smita Bhakkad, CA. Sheela Dattani, CA. Anamika Jain, CA. Radhika Biyani



CA. Khushbu Jain, CA. Bhamidipati Kumar, CA. Richa Agarwal, CA. Puloma Dalal, Faculty, CA. Reeta Shah, Faculty, CA. Nina Kapasi, Faculty, CA. Sangeeta Pandit, Faculty, CA. Vasanti Deshpande, CA. Aditi Sawant

Interactive Meeting & Felicitation CAs ITAT Officers on 12th August, 2015 at Mumbai



CA. B. M. Agarwal, Past Chairman, WIRC, CA. Sunil Patodia, Chairman, WIRC, CA. Gopal Kedia, CA. Vishnu Agarwal, RCM, CA. Shardul Shah, RCM, CA. Prashant Maharshi, CA. Ashwini Taneja



CHAIRMAN'S COMMUNICATION



Dear Professional Colleagues,

The entire nation is mourning the demise of Dr. A.P.J. Abdul Kalam. Known as the 'Missile Man of India', his contribution to science goes beyond all the material recognition bestowed upon him by society. This great man with his modesty, simple living and high thinking set

an outstanding example of innovation in the thought process for decades. Addressing the International Conference of ICAI in September 2005, New Delhi as Chief Guest, he said, "CAs are partners in National Development." He also said, "ICAI and its Members have made a name for themselves in the development of discipline as well standards of accounting. The CA community of India is one of the largest in the world. The 10th plan is focused on agro-food processing and it's time that ICAI gets interested in agricultural sector as in the case of manufacturing and services." On behalf of team WIRC, I express my heartfelt tribute to Dr. Kalam, former President of India, may he live in the memory of the country forever and may people follow in his footsteps, especially the younger generation.

Infrastructure development is a vital component of progress, growth and positive change. As one of the strategic focus areas of ICAI President CA Manoj Fadnis, 'Focused Infrastructure Development' is the keystone of his Action Plan 2015-16. Development in infrastructure is essential to progress – whether it is national, professional or personal.

Understanding that infrastructure is a key driver of our economy and is critically responsible in the development of India, is the reason why the Government is ensuring it remains the number one priority. The Prime Minister himself is focusing on developing infrastructure whether it is roads, solar cities, bullet trains, etc. Hence, Government is formulating development policies with time bound execution to create world class infrastructure in the country.

Our Institute is also following this path. The President's Action Plan is a call to step up the pace of infrastructure development. We can see the results – new branches, study circles, hostels, IT infrastructure, libraries and classes being inaugurated across the country. In the near future we will see the positive results of these steps as new and smart professionals enter our ranks and take the profession to the next level.

Closer to home, we have to understand that this development is not restricted only to brick and mortar but transcends fixed assets. Members in industry as well as practice have to grow infrastructure on two different fronts. One is in terms of developing physical infrastructure such as making the workplace more professional and upgrading technology with assets such as video conferencing and other hi-tech facilities which take you and your clients forward. The second is that of intellectual infrastructure which makes you stronger professionally. These include steps like implementing best practices, encouraging new research oriented studies as well as effecting positive employee modules which create a constructive and encouraging workplace, thus ensuring high morale leading to excellent professional results. I am sure that working towards these aspects will yield us results that will go far in cementing our position as partners in nation building but also as the ultimate professionals.

Celebrating India's glorious 69 years of Independence, we remember the sacrifices of our great leaders who sacrificed their lives to win freedom for our country. The Indian tricolour - which is a symbol of National Pride - was respectfully hoisted at ICAI Tower, BKC, Mumbai, on 15th August, commemorating the nation's Independence Day. Chief Guest was our past chairman: CA Madan M Chaturvedi. A large number of CAs and students participated on the occasion.

On this occasion, the Modi Government promised that Team India will root out corruption. The PM stressed on the need for farmers' welfare and declared that the Ministry of Agriculture would be renamed as the Ministry of Agriculture and Farmers Welfare. He also emphasized, "Start up India Stand up India". We witnessed history, in that for the first time in 34 years, an Indian Prime Minister visited the UAE. During his visit to UAE, PM Modi stated that sectors like infrastructure development and real estate offer US\$ 1 trillion worth of investment opportunities in India. India and UAE together should build infrastructure for India's economic growth.

The events this month included the mega International Conference, Indore, which saw delegates from the world of Accountancy Profession attend this high visibility conference. It was good to see large number of Members from WIRC taking advantage of this grand platform.

The Regional Mega CPE Conclave was organized at Thane which was jointly hosted by Thane, Nanded and Navi Mumbai Branches of WIRC. Dr Subramanian Swami addressed a special session on Black Money menace on this occasion. I appreciate the dedication of this entire team.

This month WIRC team visited WIRC Branches of Jamnagar, Rajkot, Bhavnagar, Anand and Nanded. Also Pune Deccan Study Circle was inaugurated at Pune in the gracious presence of ITAT members.

Women's excellence is seen in all walks of life, empowering themselves as they take on life's challenges. All India Chartered Accountants Summit - Celebrating Women Excellence was organised at Ravindra Natya Mandir by WMEC of ICAI wherein large number of CAs and Women CAs participated. It was inaugurated by CA Suresh Prabhu, Hon'ble Minister of Railways. As a host, I thank one and all for making the event successful.

Teacher's day is just round the corner – a special day to appreciate, honour and remember our teachers. They are the ones who help and guide us during the most difficult of times. It is a formidable challenge to teach a child to reach his or her maximum potential. In the words of William Butler Yeats, "Education is not the filling of a pail but the lighting of a fire". We must credit our teachers who ignite the fire of learning in our minds. Their impact lasts not only for a year but for a lifetime. Their influence stays beyond school, college and university and becomes the beacon of light guiding us through the journey of life. My best wishes and gratitude to all the teachers who have always been the pillars of one's success.

Success does not happen overnight, it is the result of persistence, endurance and hard work. People who have tasted success would like to taste it again and again, and the key to success is simple - Do what is right, the right way, at the right time.

We are once again in the festive months of August and September. My best wishes for Pateti, Onam, Rakshabandhan, Krishna Janmashtami, Ganesh Chaturthi, Jain Paryushan Parv and Eid-ul-Adha.

Remember to always walk through life as if you have something new to learn and you will, and believe in the mantra, "Learn, Unlearn and Relearn".

Swasth Raho, Vyast Raho, Khush Raho.

With best regards,

CA. Sunil Patodia

OFFICE BEARERS

CA. Sunil Patodia, Chairman • CA. Dilip Apte, Vice Chairman

CA. Sushrut Chitale, Secretary • CA. Subodh Kedia, Treasurer

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Recent Judgments



Forthcoming Events

For Seminar registration enquiry contact 3367 1421 / 1424. Cheques should be drawn in favour of "WIRC OF ICAI" and sent to WIRC Office, ICAI Tower, BKC • ICAI Bhawan, Cuffe Parade • R. No. 580, Aayakar Bhawan, Churchgate • RVG Extension Counter, Andheri (W) • Mulund Reading Room, Mulund (W) • Dadar Reading Room, Dadar (E).

Register online for events visit: <http://wirc-icai.org/onlineevents.aspx>

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CPE HRS

Lecture Meeting on How to Communicate Effectively

DAY & DATE		TUESDAY, 15TH SEPTEMBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai		
Time	6.00 p.m. to 8.00 p.m.		
Fees	Free		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Hrishikesh Wandrekar	9892919239	
	CA. Viral Chheda	9833594045	
TOPIC		SPEAKER	
How to Communicate Effectively		Shri Pankaj Mehta	

6

CPE HRS

Workshop on Project Finance

Finance is the life blood of business. Getting the capital structure right and having right sources of finance is important for ensuring the financial success of a business. Thus knowing the various sources of finance and understanding the process of arranging funds from these sources becomes crucial. With an increased exposure of the banking sector to MSME units, possibility of debt funding to such units has increased. A business plan backed by appropriate feasibility study is always necessary.

Objective of the programme – This one day workshop aims to equip the participants with the basic knowledge of project finance and to prepare a detailed feasibility report.

Recommended reading – Working knowledge of excel. The sessions would be conducted in a workshop mode. Participants are expected to carry their own laptops.

DAY & DATE		SATURDAY, 26TH SEPTEMBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai		
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	CA. Abhishek Nagori	9426075397	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Aumkar Gadgil	8007976830	
	CA. Mukund Mall	9322224142	
	CA. Pooja Achhra	9820138828	

TOPICS & SPEAKERS

What Is Project Finance? • Important Aspects in Project Finance • Role of Chartered Accountant in Project Finance • Preparing a detailed Project Report (Assessment of Technical & Economic Feasibility) – **CA. Amit Godse**

Preparing a detailed Project Report (Assessment of Technical & Economic Feasibility) – **CA. Amit Godse**

Sources of Long & Short Term Finance – **CA. Vikram Menda**

Case study on preparing an Excel model to submit with the Project Report – **CA. Amit Godse**

Credit Appraisal – A Banker's perspective

6

CPE HRS

Seminar on Important Aspects of Companies Act, 2013

DAY & DATE		SATURDAY, 12TH SEPTEMBER, 2015	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade		
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	CA. Abhishek Nagori	9426075397	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Ritesh Hibare	9773418343	
	CA. Purnima Chapawat	9769132203	
	CA. Ryan Fernandes	9619262890	

TOPICS

SPEAKERS

Key Changes in provisions pertaining to Accounts (focus on Depreciation, Consolidation, and Disclosures)	CA. N. Jayendran
Writing a Director's Report under Companies Act, 2013	Eminent Faculty
Changes in Auditor's Report for Companies	CA. Manish Sampat
Important Aspects of e-filing under Companies Act, 2013	CA. Avinash Rawani

6

CPE HRS

Workshop on Introduction to Technical Analysis

Technical analysis is a security analysis methodology for forecasting the direction of prices through the study of past market data, primarily price and volume. Using charts, technical analysts seek to identify price patterns and market trends in financial markets and attempt to exploit those patterns. This one day workshop on introduction to technical analysis seeks to introduce the participants to the concept and key aspects of technical analysis.

DAY & DATE		SATURDAY, 26TH SEPTEMBER, 2015	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade		
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	CA. Abhishek Nagori	9426075397	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Swati Bhatkar	9967537989	
	CA. Hiral Mehta	9892592283	
	CA. Prajakta Patil	9819041003	

TOPICS & SPEAKERS

Introduction to Technical Analysis – Definition, Branches, Financial Markets & Business cycle, Basic assumptions – **CA. Suchita Ambardekar**

Dow theory – Interpretation, Typical parameters, Types of charts – **CA. Suchita Ambardekar**

Price Patterns – Bar chart, Support and Resistance areas, Historic support – **Eminent Faculty**

Brief discussion – Trendline, Moving average indicators, Reversal and continuation price patterns – **Eminent Faculty**

6

CPE HRS

Workshop on Investment Banking

This one day workshop aims to provide a comprehensive overview of the investment banking process in raising equity capital and how to prepare related documents such as investor note, financial model and valuation.

DAY & DATE		SATURDAY, 3RD OCTOBER, 2015	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade		
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	CA. Abhishek Nagori	9426075397	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Suneet Mahale	9819966674	
	CA. Nehal Turakhia	9833991898	
	CA. Mayur Momaya	9867952010	

TOPICS & SPEAKERS

Overview of Equity Fund raising and role of Investment Bankers – **CA. Shrirang Tambe**
 Preparing Financial model and Investment Memorandum – **CA. Shrirang Tambe**
 Term Sheet & shareholders' agreement – Important constituents and types – **Eminent Faculty**
 Private Equity Fund's perspective – key do's and don'ts – **Eminent Faculty**

12

CPE HRS

Study Course on Transfer Pricing

DAY & DATE		FRIDAY, 9TH & SATURDAY, 10TH OCTOBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai		
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)		
Fees	₹ 2,400/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)		
Chief Co-ordinators	CA. Dilip Apte	9930314856	
	CA. Shardul Shah	9820287625	
	CA. Abhishek Nagori	9426075397	
	<i>(Regional Council Members)</i>		
Co-ordinators	CA. Aniket Kulkarni	9821690559	
	CA. Jigar Gogri	9320419606	
	CA. Gaurav Parwani	9323674628	

TOPICS

Friday, 9th October 2015

Overview of Transfer Pricing including overview of provisions and rules • Concepts of Associated Enterprise (AE) and International Transaction • Functions, assets and risk analysis (FAR) analysis • Transfer Pricing methods and selection of the most appropriate method • Finding and selection of comparables (specific focus on CUP and TNMM)

Saturday, 10th October 2015

Documentation (including BEPS action plan) and compliance • Specified domestic transactions • Transfer Pricing Audit and issuance of Form 3CEB • Transfer Pricing controversies and recent developments (including Safe Harbour, APA, MAP)

Forthcoming Events



FIRST EVER CROSS BORDER VIDEO CONFERENCE ON INTERNATIONAL TAXATION WITH SPEAKERS FROM VIENNA AND INDIA DISCUSSING CASE STUDIES

The Foundation for International Taxation (FIT) and Institute of the Austrian and International Tax Law at WU in Vienna (Austria) and the Western India Regional Council (WIRC) of the Institute of Chartered Accountants of India (ICAI) are organising a two day case study based workshop on Practical Problems of Treaty Interpretation and Application. The case studies will be discussed by the senior Research Staff under Prof. Michael Lang using video conferencing facilities from Vienna university, who have studied the cases in detail. Case studies have been designed by Prof. Michael Lang. The speakers from Vienna will discuss the cases from an international perspective, and thereafter each case will be discussed by an Indian expert from the Indian perspective.

Besides, a special lecture on two current vexatious Indian tax issues is planned on each day of the Workshop.

DAYS & DATES

FRIDAY, 16TH & SATURDAY, 17TH OCTOBER, 2015

Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai	
Time	12.00 noon to 8.30 p.m.	
Fees	₹ 9,120/- inclusive of service tax @14% (inclusive of course material, lunch and dinner) Please send registration with cheque for ₹ 9,120/- in favour of Foundation for International Taxation. Download form from website www.fitindia.org	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Course Director	Prof. Michael Lang	

SPEAKERS

Faculty from Vienna (via video conferencing): Eline Huisman, Ina Kerschner, Raffaele Petrucci, Erich Schaffer, Maryte Somare, Laura Turcan, Viktoria Woehrer, Alexander Zeiler

Faculty from India: CA. Bijal Ajinkya, CA. Hitesh Gajaria, CA. Dinesh Kanabar, CA. Samir Kanabar, CA. Nilesh Kapadia, CA. Mayur Nayak, CA. T. P. Ostwal, CA. Uday Ved, CA. Pranav Sayta, CA. Anil Talreja

For more details contact:

Foundation For International Taxation
 622, Maker Chambers V
 6th Floor, 221 Nariman Point
 Mumbai-400 021
 Tel: +91-22-2202 4259/61
 Telefax: +91-22-2202 4260

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- Company Law
- Other Laws
- Miscellaneous

WIRC REFERENCE MANUAL 2015-16



Twelfth Thoroughly Revised And Updated Edition

The WIRC Reference Manual is an easy reference compilation of assorted Laws, Rules, Regulations, Procedures, Pronouncements, Notifications, etc. It covers topics suitable for all accounting, tax and legal professionals. A comprehensive yet handy guide, the Manual is a distillation of the expertise of some of the best minds in our profession.

The Eleventh edition of WIRC Reference Manual as in previous editions will cover a wide range of subjects including Chartered Accountants Acts & Regulations, Accounting and Auditing, Income Tax and Wealth Tax, Indirect Taxes, Company Law. Other Laws besides additional information deemed important.

The WIRC Reference Manual can also be carried in your pocket thanks to a user friendly CD version that is part of the package.

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 Publication Counter

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Forthcoming Events

12
CPE HRS

Two Days Seminar on Ind AS

Description – If accounting is the language of communicating financial results, Accounting standards are its grammar. With the advent of Indian Accounting Standards, it is imperative to understand these new accounting standards. This 2 day programme intends to be an introduction to the key standards in Ind AS which will affect most of the applicable companies. This programme is not addressed to participants who are already experts in Ind AS.

Recommended reading – Participants are requested to read the relevant accounting standards prior to the programme

DAYS & DATES	FRIDAY, 16TH & SATURDAY, 17TH OCTOBER, 2015	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 2,400/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Nandan Khambete	9969955696
	CA. Ajeet Taparā	9920710121
	CA. Pritee Panchal	9819844695

TOPICS

Friday, 16th October 2015

First time adoption & approach to Ind AS; • Impact on India Inc • Employee Benefits • Revenue Recognition • Income Tax

Saturday, 17th October 2015

Consolidation • Financial Instruments • Property, Plant and Equipment and Intangible Assets

6
CPE HRS

Workshop on 'Practice Skills' (For Young Practising Members)

Once a young CA decides to start with his own practice, he faces a number of challenges. These challenges include addressing questions like whether I should practice alone or should I enter into a partnership, which areas of practice should I focus on, how much can I bill clients, how do I manage my office etc. This programme aims to address some of these challenges faced by young practising members and provide perspectives on how they can be dealt with.

Who can attend – This workshop is designed for young practising members up to the age of 35 years.

DAY & DATE	SATURDAY, 31ST OCTOBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Gaurav Save	9969001607
	CA. Reema Jethwa	9619602083
	CA. Himanshu Chhedā	9820676826

TOPICS

Glimpse in to the practice of the future (services, industries, size, skill sets, etc.) – Global and Indian scenario • Moving from general practice to specialisation • Practice management skills & tools – How to build a practice (partnership firm or proprietorship / technology / office management / filing systems) • Journey to Professional excellence

3
CPE HRS

Seminar on e-filing and Other Compliance Requirements

DAY & DATE	SATURDAY, 17TH OCTOBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai	
Time	10.00 a.m. to 1.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 700/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Milind Joshi	9930033939
	CA. Vivek Shah	9819633348
	CA. Vikram Joshi	9821733286

TOPICS

E-filing Requirements post Adoption of Accounts • Secretarial Compliance requirements post Adoption of Accounts

6
CPE HRS

Workshop on 'Income Computation and Disclosure Standards'

DAY & DATE	SATURDAY, 31ST OCTOBER, 2015	
Venue	ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai	
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Y. R. Desai	9820448365
	CA. Neha Patel	9833678901
	CA. Akshay Patil	8879385263

TOPICS

Background of ICDS and overview • ICDS relating to Accounting Policies, Inventories, Government Grants • ICDS relating to Revenue Recognition and Construction contracts • ICDS relating to Provisions, Contingent liabilities and Contingent assets; and Securities • ICDS relating to Tangible Fixed Assets, Effects of changes in Foreign Exchange rates, and Borrowing Costs

6
CPE HRS

Seminar on Valuation

DAY & DATE	SATURDAY, 7TH NOVEMBER, 2015	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & breakfast 9.30 a.m. to 10.00 a.m.)	
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Dilip Apte	9930314856
	CA. Shardul Shah	9820287625
	CA. Abhishek Nagori	9426075397
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Amol Kamat	9823018763
	CA. Nidhi Mewada	9619602084
	CA. Vidyut Jain	9892414386

TOPICS

Valuation of equity shares – Pricing Requirements under various Laws & situations; How to choose the right method & approach • DCF – A method of valuation – Overview, review of Financial projections, Cost of Capital & Computation of DCF value • Drafting the Valuation Report • Valuation Opportunities under Ind AS



GRIEVANCE REDRESSAL MECHANISM ON ADMINISTRATIVE MATTERS

E-SAHAYATAA is a time bound grievance redressal mechanism hosted on ICAI website for administrative matters. Members and students are requested to visit www.icaai.org to log in their grievances. In this context, members and students are requested to log in their grievances to “correct activity”, which has been listed under the e-Sahayataa, so as to avoid delay in resolving such matters/receiving appropriate replies.

In addition to the above, members and students can send their grievances related to administrative matters, to the dedicated e-mail ID wircgrievance@icaai.in. The Grievance Cell under the Grievance Committee of WIRC will further ensure that all such e-mails received are directed/forwarded to the designated/appropriate officials on daily basis on all working days and also will strive to ensure that solutions are provided for such grievances, within a reasonable time.

INTER-ACTIVE VOICE RESPONSE SYSTEM (IVRS) AT BKC, MUMBAI

Members and students are hereby informed the Inter-active Voice Response System (IVRS) at the Institute’s office at BKC, Mumbai is functional 24*7 for automated response on telephone calls. To avail of this facility, you are requested to call on landline telephone Nos. 022-33671400/1500 during regular office hours on all working days between 10.00 a.m. and 5.30 p.m. In case the telephone operator is busy, the call will be directed to the automated response (IVRS) and also after office hours and on holidays.

WEB PORTAL

[www.icaai.org/e-Services/Reprint letter - Members/Students](http://www.icaai.org/e-Services/Reprint%20letter%20-%20Members/Students)

HELP US TO SERVE YOU BETTER

The Students/Members can download and print copies of letters in respect of different activities viz. Registration of CPT/IPCC/Final, Registration & Reregistration/Termination/Completion of Articles, New Enrolment letters of Membership, Member Card and/or Constitution/Reconstitution Certificate of Firm, Firm Card alike from the following portal of ICAI website www.icaai.org.

GMCS

It has been decided to grant extension to students, who were registered for practical training on or after 1st May, 2012 and completed one year of their practical training but not completed the GMCS-I course are required to complete GMCS-I Course latest by 31st December, 2015.

The above students are advised to register at the portal www.icaionlineregistration.org or contact the nearest Regional Council/Branch for registration in GMCS-I course and complete the same at the earliest but not later than 31st December, 2015.

Relaxation to complete Advanced ITT Course after the Final Examination but before enrolling as a member of the Institute – (26/6/2015)

As per Regulation 29C(1)(iv) of the Chartered Accountants’ Regulations 1988, students who have registered for Practical Training on or after February 1, 2013 are required to complete Advanced IT Training before admission to the Final Examination. The Council at its 343rd Meeting held on June 24-26, 2015 has passed a resolution under Regulation 205 of the Chartered Accountants Regulations, 1988 on powers to remove difficulties:

To remove difficulties faced by students registered for articulated training on or after February 1, 2013, such students are permitted to complete Advanced ITT course even after appearing for the Final Examination and, thus, may complete the same before enrolling as a member of the Institute.

Considering the above, students who have registered for Practical Training on or after February 1, 2013 and are eligible to appear in final examinations from November, 2015, are allowed to complete the Advanced ITT course after the final examination but before enrolling as a member of the Institute.

The above announcement is hosted on the ICAI website. This is for the information of the Members, with a request to inform their Articled assistants and other CA students known to them.

ELECTIONS TO THE TWENTY THIRD COUNCIL AND TWENTY SECOND REGIONAL COUNCILS

The next elections to the Council and the Regional Councils of the Institute of Chartered Accountants of India are scheduled to be held on 4th and 5th December, 2015 in cities having more than 2,500 members (i.e. Ahmedabad, Bengaluru, Chennai, Delhi/New Delhi, Gurgaon, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Surat and Thane) and on 5th December, 2015 at all other places in terms of the provisions of Rule 21 of the Chartered Accountants (Election to the Council) Rules, 2006 specified by the Central Government. According to the provisions of clause (3) of Schedule 2 to Rule 6 of the aforesaid Rules, a notice is required to be published giving the voters in cities, having more than one polling booth located at different addresses, an opportunity to exercise their option to vote at a particular polling booth within that city.

Accordingly, an announcement for option for a particular polling booth in cities/towns i.e., Bengaluru, Mumbai, Kolkata and Delhi/New Delhi having more than one polling booth located at different addresses has been hosted on the website of the Institute. For full details kindly visit the Institute’s website www.icaai.org. The link to reach the said announcement is <http://20.227.161.86/38320election2015-27986.pdf>.

EXAMINATIONS

The next Chartered Accountants Examinations have been scheduled to be held for fifteen days from 1st November 2015 to 16th November 2015 – (both days inclusive). These examinations will be held in Single Session (Timings: 2.00 p.m. to 5.00 p.m).

Similarly, the next Common Proficiency Test (CPT) has been scheduled to be held on Sunday, December 13th, 2015.

For more details visit www.icaai.org.

PAYMENT OF ANNUAL MEMBERSHIP FEE FOR THE YEAR 2015-16

The annual membership fee, and in the case of Members in practice, the annual Certificate of Practice fee, were due and payable on 1st April 2015. A circular to this effect was sent to all the Members by this office.

However, it is observed from our records, that necessary payment is still to be received from many of the Members. We would therefore appreciate that members who have not yet paid, may kindly arrange to remit the same at the earliest so as to avoid issuance of further reminder, however, the last date is 30/9/2015 to avoid removal of name from the Register of Members with effect from 1st October, 2015.

The schedule of fee payable is as under:

For Members below age of 60 years		For Members above age of 60 years (As on 1st April 2014)	
Associate Without Certificate of Practice	800/-	Associate Without Certificate of Practice	600/-
Associate With Certificate of Practice	2,800/-	Associate With Certificate of Practice	2,100/-
Fellow Without Certificate of Practice	2,200/-	Fellow Without Certificate of Practice	1,600/-
Fellow With Certificate of Practice	4,200/-	Fellow With Certificate of Practice	3,100/-

The remittance may please be sent to the Institute’s Mumbai Office. The cheque or demand draft should be drawn in favour of “The Secretary, The Institute of Chartered Accountants of India”.

Members whose Professional address is at Ahmedabad/Pune/Surat/Vadodara/Nagpur/Thane, may remit their fees in the respective branches by means of Cheque/Demand Draft drawn in favour of ‘The Secretary, The Institute of Chartered Accountants of India’ payable at Ahmedabad/Pune/Surat/Vadodara/Nagpur/Thane respectively.

Payment of fee can also be made online. Members are required to fill in the Master/Visa Credit/Debit card details along with the name of the cardholder on the payment gateway page for successful transaction online. For payment of membership fee online, please visit the Institute’s website www.icaai.org or the link www.icaai.org/memfee.html.

Study Group Meeting on BFSI & Capital Market

Date : Saturday, 26th September, 2015 **Time** : 9.30 a.m. – 1.30 p.m.

Venue : ICAI Tower, BKC **CPE** : 4 hours

Annual Fees : ₹ 1,000/- per annum

Guest Member Fees : ₹ 300/- for this session

Co-ordinator: CA. Pramod Kumar Agarwal 9930266050

ROUNDTABLE DISCUSSION (MODERATOR – CA. MANOJ ALIMCHANDANI)

Roundtable Discussion on Corporate Frauds, Insider Trading Frauds, Cyber Forensics- Internet and Credit Card Fraud, Phishing with Case Studies and Company Annual Reports Analysis – **CA. Shashank Karnad, CA. Ajay Dave, CA. Manoj Alimchandani**



Forthcoming Study Circle Meetings

Date & Day	Time	Subject(s)	Speaker(s)	Venue	Organised by / Convenor / Mobile No.
12/09/2015 Saturday	4.00 p.m.	Issues in various IT Forms	CA. Vijayta Jaiswal	Direct-I Plex, Next to Andheri Subway, Old Nagardas Road, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
12/09/2015 Saturday	5.30 p.m.	Reverse Charge Mechanism under ST,	CA. Vipul Varjivandas Shah	Vrundas Veg Gulmohar Road, Behind Ajanta Talkies, Borivali (W)	Borivali (Central) CPE Study Circle CA. Vijay Kumar Jeyam M: 9821356515
12/09/2015 Saturday	5.30 p.m.	MERI AWAZ SUNO	Eminent Personalities	4th Floor, New SNTD, Bhuriben, Cama Lane, Ghatkopar (W)	Ghatkopar CPE Study Circle CA. Rajesh Dholu M: 9833828892
13/09/2015 Sunday	7.00 a.m. 8.45 a.m.	Power Yoga Recent important case laws and judgments under the Income-tax Act Provisions relating to Tax Audit	CA. Malvika Mitra Adv. K. Gopal CA. Radheshyam Sharma	Hotel Kohinoor, Andheri Kurla Road, J. B. Nagar, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
13/09/2015 Sunday	9.00 a.m.	Recent Judgments in International Tax	CA. Gaurav Chandak	Mysore Association, 2nd Floor, Bhau Daji Road, Matunga Central	Matunga CPE Study Circle CA. Premal Gandhi M: 9234383636
13/09/2015 Sunday	10.30 a.m.	Tax Audit Clinic	CA. Haridas Bhat CA. Jayesh Shah	Hotel Kohinoor, Andheri Kurla Road, J. B. Nagar, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
11/09/2015 Friday	5.30 p.m.	Latest Case Laws under Direct Taxes	CA. Narendra Purohit CA. Narendra Parikh	Rotary Welfare Trust, Near Mahesh Seva Samitee, Date Mala, Ichalkaranji	Ichalkaranji CPE Study Circle CA. Bhalchandra Thigale M: 9823141599
16/09/2015 Wednesday	1.45 p.m.	Merger and Acquisitions overview of tax aspects and recent trends. Service Tax: Overview and recent Case Laws.	CA. Anil Talreja CA. M. S. Mani	Indiabulls Finance Centre, Tower 1, 5th Flr., Senapati Bapat Marg, Elphinstone Mill Compound, Elphinstone (W)	Worli CPE Study Circle CA. Rakesh Shah M: 9820637733
19/09/2015 Saturday	5.30 p.m.	E-filing under companies act for annual compliances	Eminent Faculty	Bhatia Wadi Vasant Rao Chogale Road, Opp. Veer Savarkar Udyan Main Gate, L.T. Road, Borivali (W)	Borivali (Central) CPE Study Circle CA. Vijay Kumar Jeyam M: 9821356515
02-04/10/2015 Friday to Sunday	2.00 p.m.	Women RRC: Balancing Living and Working Life TDS – How Tedious? Manage your Stress	CA. Shakuntala Chhangani CA. Julie Shah CA. Malvika Mitra	Dapoli	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
09-11/10/2015 Friday to Sunday	3.00 p.m.	Seventh Residential Refresher Course, 2015	CA. Zubin Billimoria Ms. Chitra Iyer	Hotel Dreamland, Mahabaleshwar	Borivali (Central) CPE Study Circle CA. Vijay Kumar Jeyam M: 9821356515
09/10/2015 Friday	5.30 p.m.	Private Equity and Due Diligence	CA. Rajiv Arora	Rotary Welfare Trust, Near Mahesh Seva Samitee, Date Mala, Ichalkaranji	Ichalkaranji CPE Study Circle CA. Bhalchandra Thigale M: 9823141599
10/10/2015 Saturday	3.45 p.m.	Issues in E-filing of : TDS Return, Service Tax Return, VAT Return	Eminent Faculty CA. Yash Parmar	Direct-I Plex, Next to Andheri Subway, Old Nagardas Road, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
10/10/2015 Saturday	5.30 p.m.	Deeming Provisions under Income Tax Act	CA. Devendra Jain	4th Floor, New SNTD, Bhuriben, Cama Lane, Ghatkopar (W)	Ghatkopar CPE Study Circle CA. Rajesh Dholu M: 9833828892
11/10/2015 Sunday	7.00 a.m. 8.45 a.m.	Power Yoga Filing of Documents under Companies Act, 2013 Peer Review	CA. Malvika Mitra Eminent Faculty Eminent Faculty	A 52, AIPMA House, Street No 1, Near Tunga International Hotel, MIDC, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
11/10/2015 Sunday	9.00 a.m.	Trust / Estate Planning / TDS	Eminent Faculty	2nd Floor, Eden Hall, Raheja Classique Club, Link Road, Andheri (W)	Andheri Oshiwara CPE Study Circle CA. Suraj Gujarjan M: 9820386681
18/10/2015 Sunday	7.00 a.m. 8.45 a.m.	Power Yoga Cloud Computing Overview of GST	CA. Malvika Mitra Eminent Faculty Eminent Faculty	Hotel Kohinoor, Andheri Kurla Road, J. B. Nagar, Andheri (E)	J. B. Nagar CPE Study Circle CA. Pinki Kedia M: 9820113781
24/10/2015 Saturday	5.30 p.m.	TP Methodologies for software industry Safe Harbour rules under TP	Mr. Ishraq Contractor	Bhatia Wadi Vasant Rao Chogale Road, Opp. Veer Savarkar Udyan Main Gate, L.T. Road, Borivali (W)	Borivali (Central) CPE Study Circle CA. Vijay Kumar Jeyam M: 9821356515
25/10/2015 Sunday	10.00 a.m.	Latest Amendment in MVAT and MVAT Audit Report	CA. Pawankumar Soni	Rotary Welfare Trust, Near Mahesh Seva Samitee, Date Mala, Ichalkaranji	Ichalkaranji CPE Study Circle CA. Bhalchandra Thigale M: 9823141599



Forthcoming Branch Meetings

Date	Time	Subject(s)	Speaker(s)	Venue
PUNE				
07-12/09/2015	7.30 a.m.	Study Circle Meet series for CA-Final students on the topic "Practical approach to Income Tax including Transfer Pricing"		ICAI Bhawan, Bibvewadi, Pune-37
12-13/09/2015	9.30 a.m.	Workshop on Advance Power Point		2nd Floor, Sagar Arcade, Deccan
25/09/2015	5.00 p.m.	Seminar on Transfer Pricing		ICAI Bhawan, Bibvewadi, Pune-37



DIRECT TAX

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

SECTION 14 OF THE WEALTH-TAX ACT, 1957 - RETURN OF WEALTH - CLARIFICATION ON EXTENSION OF DUE DATE OF FILING RETURN OF WEALTH FOR AY 2015-16

LETTER [F. NO. 328/08/2015-WT], DATED 27/7/2015

In terms of Explanation to sub-section (1) of section 14 of the Wealth-tax Act, 1957, 'due date' of filing Return of wealth in relation to an assessee under the Wealth-tax Act shall be the same date as that applicable to an assessee under the Income-tax Act under the Explanation to sub-section (1) of section 139 of the Income-tax Act. Central Board of Direct Taxes *vide* order under section 119 of the Income-tax Act F.No.225/154/ 2015/ITA-II dated 10-6-2015 has extended the 'due date' for filing Return of Income for Assessment Year 2015-16 in respect of assessee falling under clause (c) of explanation 2 to sub-section (1) of section 139 of the Income-tax Act from 31-7-2015 to 31-8-2015. In view of the same, the 'due date' for filing Return of wealth by such assessee for assessment year 2015-16 also stands extended from 31st July 2015 to 31st August 2015.

INCOME-TAX (TENTH AMENDMENT) RULES, 2015 - SUBSTITUTION OF FORMS ITR-3, ITR-4, ITR-5, ITR-6 AND ITR-7

NOTIFICATION NO. 61/2015 [F. NO. 142/1/2015-TPL]/SO 2070(E), DATED 29/7/2015

In exercise of the powers conferred by section 295 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. These rules may be called the Income-tax (Tenth Amendment) Rules, 2015
2. They shall be deemed to have come into force with effect from the 1st day of April, 2015.
3. In the Income-tax Rules, 1962, in Appendix-II, New FORM ITR-3, FORM ITR-4, FORM ITR-5, FORM ITR-6 and FORM ITR-7 shall be substituted for old forms.

INCOME-TAX (ELEVENTH AMENDMENT) RULES, 2015 - INSERTION OF RULES 114F, 114G, 114H AND FORM 61B

NOTIFICATION NO. 62/2015 [142/21/2015-TPL]/2155(E), DATED 7/8/2015

The Central Government with respect to registration of persons, due diligence and maintenance of information, and the Board for matters relating to statement of reportable accounts has made the above amendment. Details of the amendment can be obtained from above citation.

SECTION 90 OF THE INCOME-TAX ACT, 1961 - DOUBLE TAXATION AGREEMENT - AGREEMENT FOR EXCHANGE OF INFORMATION WITH REGARD TO TAXES WITH FOREIGN COUNTRIES - SAN MARINO

NOTIFICATION NO.63/2015 [F. No. 500/02/2003-FTD-I], DATED 12/8/2015

An agreement (hereinafter referred to as the said agreement) between the Government of the Republic of India and the Government of the Republic of San Marino for the exchange of information with respect to taxes was signed at Rome, on the 19th day of December, 2013. The date of entry into force of the said agreement is the 29th day of August, 2014, being the date of the later of the notifications of completion of the procedures as required by the respective laws for entry into force of the said agreement in accordance with paragraph 1 of Article 11 of the said agreement. Paragraph 2 of Article 11 of the said agreement provides that the agreement shall enter into force on the date of later of the notifications and shall thereupon have effect forthwith. 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 provisions of the said agreement between the Government of the Republic of India and the Government of the Republic of San Marino on the exchange of information with respect to taxes, as set out in the said agreement annexed hereto, shall have effect in the Union of India from the 29th day of August, 2014.

INCOME-TAX (TWELFTH AMENDMENT) RULES, 2015 - INSERTION OF RULE 126

NOTIFICATION 70/2015 [F.NO.142/12/2015-TPL]/SO 2240(E), DATED 17/8/2015

In exercise of the powers conferred by Explanation 2 to clause (1) of section 6 read with section 295 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 (Twelfth Amendment) Rules, 2015.
(2) They shall come into force with retrospective effect from the 1st day of April, 2015.
2. In the Income-tax Rules, 1962, in Part XV, after Rule 125, the following Rule shall be inserted, namely:—

'126. Computation of period of stay in India in certain cases.—

- (1) For the purposes of clause (1) of section 6, in case of an individual, being a citizen of India and a member of the crew of a ship, the period or periods of stay in India shall, in respect of an eligible voyage, not include the period computed in accordance with sub-rule (2).
- (2) The period referred to in sub-rule (1) shall be the period beginning on the date entered into the Continuous Discharge Certificate in respect of joining the ship by the said individual for the eligible voyage and ending on the date entered into the Continuous Discharge Certificate in respect of signing off by that individual from the ship in respect of such voyage.'

Explanation: For the purposes of this rule,—

- (a) "Continuous Discharge Certificate" shall have the meaning assigned to it in the Merchant Shipping (Continuous Discharge Certificate-cum-Seafarer's Identity Document) Rules, 2001 made under the Merchant Shipping Act, 1958 (44 of 1958);
- (b) "Eligible voyage shall mean a voyage undertaken by a ship engaged in the carriage of passengers or freight in international traffic where –
 - (i) For the voyage having originated from any port in India, has as its destination any port outside India; and
 - (ii) For the voyage having originated from any port outside India, has as its destination any port in India.

MAHARASHTRA VAT

(Contributed by CA. C. B. Thakar)

CIRCULARS

The Commissioner of Sales-tax has issued circular 12T of 2015 dated 14.8.2015 in which information about Computerised Desk Audit for the year 2012-2013 is given.

The Commissioner of Sales-tax has also issued circular 13T of 2015 dated 14.8.2015 wherein some more aspects of new procedure for obtaining E-Registration Certificates under MVAT Act, CST Act and Profession Tax Act are given.

CORPORATE LAWS

(Contributed by CA. Rahul Joglekar)

SEBI (www.sebi.gov.in)

SEBI Notification No. SEBI/ LAD-NRO/GN/2015-16/006 dated 15th July 2015 - Issue and Listing of Debt Securities by Municipalities Regulations, 2015

SEBI has released this notification dealing with issue of securities by municipalities. These regulations deal with the concepts of eligible municipalities, requirements for public issue, disclosures in the offer



Law Updates

documents, utilisation of issue proceeds, listing of debt securities etc. For a complete text of the circular, please refer the link: http://www.sebi.gov.in/cms/sebi_data/attachdocs/1436964571729.pdf.

SERVICE TAX (Contributed by CA. Rajiv Luthia)

SYNOPSIS OF NOTIFICATIONS, CIRCULARS & LETTERS

CBEC vide Letter F. No. 137/46/2015-ST dated 18th August, 2015 has issued following clarifications regarding the amended provisions of Sections 73, 76 & 78 of the Finance Act, 1994.

In a case involving the extended period, if an assessee pays the service tax, interest and penalty equal to 15% of the tax and makes a request in writing that a written SCN may not be issued to them, then in such cases the SCN can be oral and the representation (if he desires) against it also can be oral as held by Hon'ble Supreme Court in the case of *CC vs. Virgo Steels (2002) 141 ELT 598*.

If the grounds, on which the department feels that there has been short/non-payment of tax, are intimated to the assessee orally with its quantification and the assessee indicates in writing that he has been informed about such grounds and he accepts the grounds and the quantification and is waiving the requirement of a written SCN, then a written SCN need not be issued.

In such cases, the period of 30 days for payment of tax, interest & penalty of 15%, as referred to in clause (i) of 2nd proviso to section 78 can be computed from the date of receipt of such a letter by the department.

There is no bar on an assessee making the payment of tax, interest and penalty of 15% even before the date of receipt of such letter. Such an assessee cannot be placed on a worse footing than one who pays tax, interest and reduced penalty of 15% within 30 days of the receipt of the SCN/receipt of letter by the department.

Conclusion of proceedings may be approved by an officer equal in rank to the officer who is competent to adjudicate such cases. The cases can be closed by officers of DGCEI/Executive Commissionerate/Audit Commissionerate, as the case may be. If multiple issues involving different monetary values arise from the same proceedings, then the sum total involved in all the issues arising from the same proceedings should be considered for conclusion of proceedings. The conclusion of proceedings should invariably be intimated to the assessee in writing. There is no need to issue an adjudication order. Further, there is no need to undertake review of such conclusion of proceedings.

As per section 73(3), in cases not involving fraud, suppression of facts, etc., if the assessee pays the tax and interest thereon, on the basis of his own ascertainment or that ascertained by the department, no penalty is payable and no show cause notice shall be served under sub-section (1) of section 73 in respect of the amount so paid.

Further, as per provisions of clause (i) of proviso to section 76, in such cases not involving fraud, suppression of facts, etc. if the tax and interest thereon is paid within 30 days of the issuance of SCN, no penalty shall be payable and the proceedings shall be deemed to be concluded.

These two provisions have to be read harmoniously to conclude that in cases not involving fraud, suppression of facts, etc., if the assessee pays the tax along with interest, either within 30 days of issuance of SCN or before the issuance of SCN, then in such cases proceedings shall be deemed to be concluded.

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

TAX ON FISHING NET

Fishing net is covered by Entry No. 25 of Schedule-I i.e. exempt from Tax. It is also covered in Serial Nos. 52 & 53, in Annexure I, in Notification

No.(GHN-14) VAT-2015-S.5(2)(4)-TH Dt.01/04/2015, listing the Items of "Technical Textiles" attracting rate of tax @ 4% + 1% = 5% w.e.f. 1-4-2015. In view of this contradictory position of tax for fishing net, it is, now, clarified by the Commissioner of Commercial Tax, *Vide* Public Circular No. GUJKA/VAT-192/2015-16/o.t.w.173/148 Dt.10-7-2015 that Fishing net is covered by Entry 25 of Schedule I only and is, therefore, exempt from tax.

FEMA (Contributed by CA. Manoj Shah)

Introduction of Composite Caps for simplification of Foreign Direct Investment (FDI) Policy to attract foreign investments

DIPP Press Note No. 8 (2015 Series) dated July 30, 2015

The Government of India has reviewed the extant FDI Policy on various sectors and made following amendments in the Consolidated FDI Policy Circular 2015, effective May 12, 2015 by introducing composite caps, so that uniformity and simplicity are brought in across the sectors in FDI Policy for attracting foreign investments.

Following amendments to the relevant paragraphs of Consolidated FDI policy were approved:

- a. Para 3.6.2 (vi) of the consolidated FDI Policy Circular 2015 is amended and read as under:

It is also clarified that Foreign investment shall include all types of foreign investments, direct and indirect, regardless of whether the said investments have been made under Schedule 1 (FDI), 2 (FII), 2A (FPI), 3 (NRI), 6 (FVCI), 8 (QFI), 9 (LLPs) and 10 (DRs) of FEMA (Transfer or Issue of Security by Persons Resident Outside India) Regulations. FCCBs and DRs having underlying instruments which can be issued under Schedule 5, being in the nature of debt, shall not be treated as foreign investment. However, any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment.

- b. Para 4.1.2 of the Consolidated FDI Policy Circular of 2015 is amended to read as under:

For the purpose of computation of indirect foreign investment, foreign investment in an Indian company shall include all types of foreign investments regardless of whether the said investments have been made under Schedule 1 (FDI), 2 (FII holding as on March 31), 2A (FPI holding as on March 31), 3 (NRI), 6 (FVCI), 8 (QFI holding as on March 31), 9 (LLPs) and 10 (DRs) of FEMA (Transfer or Issue of Security by Persons Resident Outside India) Regulations. FCCBs and DRs having underlying of instruments which can be issued under Schedule 5, being in the nature of debt, shall not be treated as foreign investment. However, any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment.

- c. Para 3.1.4 (i) of the Consolidated FDI Policy Circular of 2015 is amended to read as under:

An FII/FPI/QFI (Schedule 2, 2A and 8 of FEMA (Transfer or Issue of Security by Persons Resident Outside India) Regulations, as the case may be) may invest in the capital of an Indian company under the Portfolio Investment Scheme which limits the individual holding of an FII/FPI/QFI below 10% of the capital of the company and the aggregate limit for FII/FPI/QFI investment to 24% of the capital of the company. This aggregate limit of 24% can be increased to the sectoral cap/statutory ceiling, as applicable, by the Indian company concerned through a resolution by its Board of Directors followed by a special resolution to that effect by its General Body and subject to prior intimation to RBI. The aggregate FII/FPI/QFI investment, individually or in conjunction with other kinds of foreign investment will not exceed sectoral/statutory cap.

- d. Para 6.2 of the Consolidated FDI Policy Circular of 2015 is amended to read as under:

PERFECT INFRAENGINEERS LIMITED

HVAC / MEP Engineers & Contractors

COMPLETED PROJECTS:- MUMBAI METRO



MANTRALAYA



ICAI BKC

QUALITY | SAFETY | SERVICE

PERFECT INFRAENGINEERS LIMITED is proposing (subject to market conditions and other considerations) a Public Issue of its Equity Shares and has filed the Draft Prospectus with SME Platform of NSE i.e., “EMERGE”.

The Draft Prospectus is available on the website of NSE ‘EMERGE’ at www.nseindia.com/emerge, the website of the Lead Managers i.e; Keynote Corporate Services Limited & Small Industries Development Bank of India at www.keynoteindia.com & www.sidbi.in, respectively and also the website of the Issuer Company i.e; Perfect Infraengineers Limited at www.perfectinfra.com. Investor should note that investment in equity shares involves a high degree of risk. For details, investors should refer to and rely on the Draft Prospectus, including the section titled “Risk Factors” of the Draft Prospectus.



- (i) In the sectors/activities mentioned as per annexure, foreign investment up to the limit indicated against each sector/activity is allowed, subject to the conditions of the extant policy on specified sectors and applicable laws/regulations; security and other conditionalities. In sectors/activities not listed therein, foreign investment is permitted up to 100 per cent on the automatic route, subject to applicable laws/regulations; security and other conditionalities. Wherever there is a requirement of minimum capitalisation, it shall include share premium received along with the face value of the share, only when it is received by the company upon issue of the shares to the non-resident investor. Amount paid by the transferee during post-issue transfer of shares beyond the issue price of the share, cannot be taken into account while calculating minimum capitalisation requirement.
- (ii) Sectoral cap i.e., the maximum amount which can be invested by foreign investor, unless provided otherwise, is composite and includes all types of foreign investments, direct and indirect, regardless of whether the said investments have been made under Schedule 1 (FDI), 2 (FII), 2A (FPI), 3 (NRI), 6 (FVCI), 8 (QFI), 9 (LLPs) and 10 (DRs) of FEMA (Transfer or Issue of Security by Persons Resident Outside India) Regulations. FCCBs and DRs having underlying of instruments which can be issued under Schedule 5, being in the nature of debt, shall not be treated as foreign investment. However, any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.
- (iii) Foreign investment in sectors under Government approval route resulting in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities will be subject to Government approval. Foreign investment in sectors under automatic route but with conditionalities, resulting in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities, will be subject to compliance of such conditionalities.
- (iv) The sectors which are already under 100 per cent automatic route and are without conditionalities would not be affected.
- (v) Notwithstanding anything contained in paragraphs (i) and (iii) above portfolio investment, up to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, as the case may be, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as laid down in the FDI Policy.
- (vi) Total foreign investment, direct and indirect, in an entity will not exceed the sectoral/statutory cap.
- (vii) Any existing foreign investment already made in accordance with the policy in existence would not require any modification to conform to these amendments.
- (viii) The onus of compliance of above provisions will be on the investee company.
- e. It is clarified that there are no sub-limits of portfolio investment and other kinds of foreign investments in commodity exchanges, credit information companies, infrastructure companies in the securities market and power exchanges.
- f. In defence sector, portfolio investment by FPIs/FIIs/NRIs/QFIs and investments by FVCIs together will not exceed 24% of the total equity

of the investee/joint venture company. Portfolio investments will be under automatic route.

- g. In Banking-Private sector, where sectoral cap is 74%, FII/FPI/QFI investment limits will continue to be within 49% of the total paid up capital of the company.
- h. There is no cap in the entry route i.e., Government approval requirement to bring foreign investment in a particular sector/activity. Further, subject to the amendments mentioned in this press note, there is no change in other conditions mentioned in the Consolidated FDI Policy Circular of 2015 and subsequent press notes.

For more details please refer the said press note available on the DIPP website at –

http://dipp.nic.in/English/acts_rules/Press_Notes/pn8_2015.pdf

Reporting under FDI Scheme on the e-Biz platform

A.P. (DIR Series) Circular No. 9 dated August 21, 2015

With a view to promoting the ease of reporting of transactions under FDI, RBI, under the aegis of the e-Biz project of the Government of India (GOI) has enabled online filing of the Foreign Currency Transfer of Shares (FCTRS) returns for reporting transfer of shares, convertible debentures, partly paid shares and warrants from a person resident in India to a person resident outside India or *vice versa*.

The design of the reporting platform enables the customer to login into the e-Biz portal, download the reporting form (FCTRS), complete and then upload the same onto the portal using their digitally signed certificates. The FCTRS services of RBI will be made operational on the e-Biz platform from August 24, 2015.

However, for present, the online reporting on the e-Biz platform is an additional facility to the Indian residents to undertake their FCTRS reporting and the manual system of reporting as prescribed in terms of A.P. (DIR Series) Circular No.6 dated July 18, 2014 would continue till further notice.

FEMA DECISIONS

A.V. Francis @ Francis Alukka vs. Assistant Director, Directorate of Enforcement, Cochin [2015] 56 taxmann.com 31 (Kerala) dated February 9, 2015

Subject

- Payment towards customs duty payable by non-resident Indian while importing a car was in violation of provisions of FEMA.

Facts

- The penalty was imposed on the petitioner by adjudicatory authority on finding that the petitioner advanced ₹ 15 lakhs to a non-resident Indian in relation to import of a car.
- The adjudicatory authority found that any payment to the credit of a non-resident Indian was in violation of the provisions of FEMA and therefore a penalty of ₹ 5 lakhs was imposed on the petitioner.
- The petitioner filed writ petition against the order. He submitted that the restriction was only to make payment to a person residing outside India and that restriction would not apply to any person in India, even though he might have status of a non-resident Indian.

Issues

- Whether where petitioner made payment in India towards customs duty payable by non-resident Indian while importing a car, payment to the credit of non-resident Indian was in violation of provisions of FEMA and therefore penalty was to be imposed upon petitioner - Held, yes [In favour of the adjudicating authority].

Held

- The payment was made in India towards customs duty payable by the non-resident Indian while importing the car. The adjudicatory authority with reference to Notification No. 16/2000, dated 3-5-2000

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Note: Only shortlisted candidates will be called for interview.



held that only certain payments are allowed to be made in favour of a resident outside India during his stay in India and not the one that was paid by the petitioner to the importer of car, who is a non-resident Indian.

- As per Regulation 2 of FEMA Notification No. 16 any person resident in India can make any payment in rupees:
 - a. Towards meeting expenses on account of boarding, lodging and services related thereto and travel to and from and within India of a person resident outside India who is on a visit to India;
 - b. To a person resident outside India by means of crossed cheque or a draft as consideration for purchase of gold or silver in any form imported by such person in accordance with the terms and conditions imposed under any order issued by the Central Government under Foreign Trade (Development and Regulations) Act, 1992 or under any other law, rules or regulations for the time being in force.
- The payment effected is not the one referable as permitted under Notification No. 16/2000 dated 3-5-2000.
- Further, Notification No. FEMA/17/RB-2000 dated 3-5-2000 relied by the learned counsel for the petitioner has no application in this matter, as the same deals with the payment in Indian rupees to residents of Nepal and Bhutan.
- The adjudicatory authority passed the order after adverting to the relevant provisions and infirmity with the order passed by the adjudicatory authority in regard to the decision making process.
- Accordingly the grounds raised by the petitioner are rejected and the appeal of the petitioner is dismissed.

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Recent Judgments

DIRECT TAX

(Contributed by CA. Paras K. Savla & CA. Lalchand Choudhary)

SUPREME COURT & HIGH COURTS

Japan Airlines Co. Ltd. vs. CIT (Supreme Court)

S. 194-I: In deciding whether a payment is for “use of land”, the substance of the transaction has to be seen. If the payment is for a variety of services and the use of land is minor, the payment cannot be treated as “rent”

When the airlines pay for these charges, treating such charges as charges for ‘use of land’ would be adopting a totally naive and simplistic approach which is far away from the reality. We have to keep in mind the substance behind such charges. When matter is looked into from this angle, keeping in view the full and larger picture in mind, it becomes very clear that the charges are not for use of land *per se* and, therefore, it cannot be treated as ‘rent’ within the meaning of Section 194-I of the Act

Fibre Boards (P) Ltd. vs. CIT (Supreme Court)

S. 54G does not require that the machinery etc. has to be acquired in the same Assessment Year in which the transfer takes place. It is sufficient if the capital gain is “utilised” towards purchase of P&M by giving advances to suppliers. Section 24 of the General Clauses Act applies also to ‘omissions’ along with repeals’ and saves rights given by subordinate legislation

The aforesaid construction by the High Court of Section 54G would render nugatory a vital part of the said section so far as the assessee is concerned. Under sub-section (1), the assessee is given a period of three years after the date on which the transfer takes place to purchase new machinery or plant and acquire building or land or construct building for the purpose of his business in the said area. If the High Court is right, the assessee has to purchase and/or acquire machinery, plant, land and building within the same assessment year in which the transfer takes place. Further, the High Court has missed the key words “not utilised” in sub-section (2) which would show that it is enough that the capital gain made by the assessee should only be “utilised” by him in the assessment year in question for all or any of the purposes aforesaid, that is towards purchase and acquisition of plant and machinery, and land and building. Advances paid for the purpose of purchase and/or acquisition of the aforesaid assets would certainly amount to utilisation by the assessee of the capital gains made by him for the purpose of purchasing and/or acquiring the aforesaid assets

CIT vs. Bhagat Construction Co. Pvt. Ltd. (Supreme Court)

S. 234B interest is automatic if conditions are met. Form I.T.N.S. 150 is a part of the assessment order and it is sufficient if the levy of interest is stated there

It will be seen that under the provisions of section 234B, the moment an assessee who is liable to pay advance tax has failed to pay such tax or where the advance tax paid by such an assessee is less than 90 per cent of the assessed tax, the assessee becomes liable to pay simple interest at the rate of one per cent for every month or part of the month. The levy of such interest is automatic when the conditions of section 234B are met. The facts of the present case are squarely covered by the decision contained in Kalyankumar Ray’s case in as much as it is undisputed that contained a calculation of interest payable on the tax assessed. This being the case, it is clear that as per the said judgment, this Form must be treated as part of the assessment order in the wider sense in which the expression has to be understood in the context of Section 143, which is referred to in Explanation 1 to section 234B.

Sandvik Asia Limited vs. DCIT (Bombay High Court)

S. 37(1): Law on when expenditure towards property can be termed as

being for protection of the property or for curing a defect and whether that is capital or revenue explained

This payment made by the appellant in its nature is different from a payment made to protect the property. In fact, Supreme Court in the case of *Assam Bengal Cement Co. Ltd. vs. CIT 27 ITR 34* while laying down the criteria to decide/determine whether the payment is of capital or revenue nature has observed that the aim and object of the expenditure would determine the character of the payment. In the present facts, as pointed out above, the entire aim and object of the payment was not only that the certainty of acquisition is aborted but enduring benefit as pointed out above is obtained by the appellant. This would conclusively determine that the payment in this case was capital in nature in the capital field.

CIT vs. Pudumjee Pulp & Paper Mills Ltd. (Bombay High Court)

Ss. 36(1)(vii)/ 36(2): The principal part of the Inter-corporate Debt (ICD) can be claimed as a bad debt if the interest thereon has been offered to tax in some year

The debt comprises not only the brokerage which was offered to tax but also principal value of shares which was not received. Therefore, even if a part of debt is offered to tax, section 36(2)(i) of the Act, stands satisfied. The test under the first part of section 36(2)(i) of the Act is that where the debt or a part thereof has been taken into account for computing the profits for earlier Assessment Year, it would satisfy a claim to deduction under Section 36(1)(vii) read with Section 36(2)(i) of the Act.

CIT vs. Dalmia Dyechem Industries (Bombay High Court)

S. 271(1)(c): The rigours of penalty provisions cannot be diluted only because a small number of cases are picked up for scrutiny. No penalty can be levied unless if assessee’s conduct is “dishonest, mala fide and amounting to concealment of facts”. The AO must render the “conclusive finding” that there was “active concealment” or “deliberate furnishing of inaccurate particulars”.

Conditions under Section 271(1)(c) must exist before the penalty can be imposed. DR tried to widen the scope of the appeal by submitting that the decision of the Apex Court should be interpreted in such a manner that there is no scope of misuse especially since minuscule number of cases are picked up for scrutiny. Because small number of cases are picked up for scrutiny does not mean that rigours of the provision are diluted. Whether a particular person has concealed income or has deliberately furnished inaccurate particulars, would depend on facts of each case.

Reliance Industries Ltd vs. CIT (Bombay High Court)

S. 221: Penalty for failure to pay TDS in time can be levied even if the assessee voluntarily pays the TDS. Financial hardship, diverse locations and lack of computerisation are not good excuses. The fact that CIT(A) decided in favour of the assessee & deleted the penalty does not necessarily mean that two views are possible

Parliament treats a person who has deducted the tax and fails to pay it to revenue as a class different from a person who has not deducted the tax and also not deposited the tax with revenue. This is for the reason that in the first class of cases the assessee concerned after deducting the tax, keeps the money so deducted which belongs to another person for its own use. In the second class of cases, the assessee concerned does not take any advantage as he pays the entire amount to the payee without deducting any tax and does not enrich itself at the cost of the Government. Therefore, although penalty is also impossible in the second class of cases, yet in view of the proviso to section 201(1) of the Act, it is open to such assessee to satisfy the Assessing Officer that as they have good and sufficient reasons no penalty is impossible. It is in the above view that in the first class of assesseees the Parliament has provided for prosecution under section 276B of the Act for failing to pay the tax deducted at source.

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DIT vs. Credit Agricole Indosuez (Bombay High Court)

Strictures passed regarding the “casual and callous” and “frivolous” manner in which senior officers of the dept. authorise filing of appeals. Strictures also passed against counsel for acting as a “mouthpiece” of the Department in persisting with unmeritorious appeals. CBDT directed to take appropriate action.

Undoubtedly, an Advocate has to fearlessly put forth his client's point of view, however the same has to be tempered /guided by truth and justice of the dispute. In matters of tax, justice requires that there must be certainty of law which presupposes equal application of law. Thus where the issue in controversy stands settled by decisions of this Court or the Tribunal in any other case and the Revenue has accepted that decision, then in that event the Revenue ought not to agitate the issue further unless there is some cogent justification such as change in law or some later decision of an higher forum etc

DIT vs. Credit Agricole Indosuez (Bombay High Court)

S. 244A: Interest on income-tax refund received by a non-resident is not effectively connected with the PE (Permanent Establishment) either on asset test or activity test. Accordingly such interest cannot be assessed as business profits but has to be assessed as “interest” under Articles 11/ 12

Interest on income tax refund is not effectively connected with the PE (Permanent Establishment) either on asset test or activity test. Therefore, taxable under the Article 11(2) of Indo-Netherlands tax treaty.

CIT vs. Bisleri Sales Ltd. (Bombay High Court)

Ss. 28(va)/115JA: Non-compete consideration received prior to insertion of s. 28(va) is not taxable. Amount credited to reserves without a corresponding debit to the P&L A/c cannot be added to the “book profits”

To invoke clause (b) of the Explanation below Section 115JB (identical to Section 115JA) of the Act, two conditions must be satisfied cumulatively viz. there must be a debit of the amount to the Profit and Loss account and the amount so debited must be carried to Reserves. Admitted position in this case is that there is no debit to the Profit and Loss account of the amount of reserves. The impugned order has in view of the self evident position taken a view that in the absence of the amount being debited to Profit and Loss account and taken directly to the reserve account in the balance sheet, the book profits as declared under the Profit and Loss account cannot be tampered with.

CIT vs. Ovira Logistics (P) Ltd. (Bombay High Court)

S. 43B: Service-tax billed to customer but not collected from him cannot be disallowed u/s. 43B on ground of non-payment to treasury

Section 43B does not contemplate liability to pay the service tax before actual receipt of the funds in the account of the assessee. Liability to pay service tax into the treasury will arise only upon the assessee receiving the funds and not otherwise.

CIT vs. Deogiri Nagari Sahakari Bank Ltd. (Bombay High Court)

Interest on NPAs and Stick Loans, even if accrued as per the mercantile system of accounting, is not taxable as per prudential norms.

The assessee herein being a Co-operative Bank also governed by the Reserve Bank of India and thus the directions with regard to the prudential norms issued by the Reserve Bank of India are equally applicable to the Co-operative banks. The provisions of section 45Q of Reserve Bank of India Act has an overriding effect vis-a-vis income recognition principle under the Companies Act. Hence, section 45Q of the RBI Act shall have overriding effect over the income recognition principle followed by co-operative banks. Hence, the Assessing Officer has to follow the Reserve Bank of India directions 1998. In UCO Bank the Supreme Court considered the nature of CBDT circular and held that the Board has power, *inter*



Recent Judgments

alia, to tone down the rigour of the law and ensure a fair enforcement of its provisions, by issuing circular in exercise of its statutory powers under section 119 of Act which are binding on the authorities in the administration of the Act, it is a beneficial power given to the Board for proper administration of fiscal law so that undue hardship may not be caused to the assessee and the fiscal laws may be correctly applied.

CIT vs. Forever Diamonds Pvt. Ltd. (Bombay High Court)

S. 115JB: Department's grievance that if amount is not credited to P&L A/c, accounts are not correctly prepared as per Schedule VI to the Companies Act, 1956 and adjustment to book profits can be made is not acceptable if auditors and ROC have not found fault with Accounts.

The Assessing Officer does not have power to embark upon the fresh enquiry with regard to the entries made in the books of account of the Company when the accounts of an assessee Company is prepared in terms of Part II Schedule VI of the Companies Act scrutinised and certified by the statutory auditors, approved by the Company in general meeting and thereafter filed before the Registrar of Companies who has a statutory obligation also to examine and be satisfied that the accounts of the company are maintained in accordance with the requirements of the Companies Act. If the grievance of the revenue is to be accepted, then the conclusiveness of accounts prepared and audited in terms of section 115JB of the Companies Act would be set at naught

CIT vs. Vaish Associates (Delhi High Court)

S. 40(b)(v): Provision in partnership deed for payment of salary at percentage share of profits multiplied by "allocable profits" is valid and entitles claim for deduction. S. 37(1): Contribution by law firm to IFA to create awareness of its activities is business expenditure

A plain reading of Clause 6(a) leads us to a conclusion that the term 'allocable profits' was used to mean 'book profits' as used in Section 40(b)(v) of the Act or otherwise the reference to the section in the clause has no meaning. When the partners have understood and meant that the word "allocable profits" to mean surplus/book profits, prior to calculation of partners' remuneration, and when such an understanding is manifest in its actions, we do not see any reason why the Revenue authorities should not understand this term in the same sense.

Thomas George Muthoot vs. CIT (Kerala High Court)

S. 40(a)(ia): (a) The second proviso inserted by Finance Act, 2012 cannot be treated as retrospective in operation (b) The fact that the payees have already paid tax on the amounts paid does not mean that a disallowance for failure to deduct TDS cannot be made, (c) S. 40(a)(ia) cannot be interpreted to mean that it applies only to amounts "paid" and not to those "payable"

The fact the second proviso was introduced with effect from 1-4-2013 is expressly made clear by the provisions of the Finance Act, 2012 itself. A statutory provision, unless otherwise expressly stated to be retrospective or by intendment shown to be retrospective, is always prospective in operation. Finance Act, 2012 shows that the second proviso to section 40(a)(ia) has been introduced with effect from 1-4-2013. Reading of the second proviso does not show that it was meant or intended to be curative or remedial in nature, and even the appellants did not have such a case. Instead, by this proviso, an additional benefit was conferred on the assessees. Such a provision can only be prospective

CIT vs. Bharat Hotels (Delhi High Court)

S. 32: A licensee who is in full control of the building and can exercise the rights of the owner in his own right is entitled to depreciation.

The very concept of depreciation suggests that the tax benefit on account of depreciation legitimately belongs to one who has invested in the capital asset, is utilising the capital asset and thereby losing gradually investment

caused by wear and tear, and would need to replace the same by having lost its value fully over a period of time

C. S. Atwal vs. CIT (Punjab & Haryana High Court)

S. 2(47)(v)/(vi): Entire law on whether the entering into a joint development agreement with an irrevocable power of attorney in favour of the developer results in a "transfer" for purposes of capital gains explained

The concept of possession to be defined is an enormous task to be precisely elaborated. "Possession" is a word of open texture. It is an abstract notion. It implies a right to enjoy which is attached to the right to property. It is not purely a legal concept but is a matter of fact. The issue of ownership depends on rule of law whereas possession is a question dependent upon fact without reference to law. To put it differently, ownership is strictly a legal concept and possession is both a legal and a non-legal or pre-legal concept. The test for determining whether any person is in possession of anything is to see whether it is under his general control. He should be actually holding, using and enjoying it, without interference on the part of others. It would have to be ascertained in each case independently whether a transferee has been delivered possession in furtherance of the contract in order to fall under section 53A of the 1882 Act and thus amenable to tax by virtue of section 2(47)(v) read with section 45 of the Act.

CIT vs. PVS Memorial Hospital Ltd. (Kerala High Court)

Ss. 40(a)(ia)/194C/194J: Deduction u/s 194C instead of u/s. 194J renders the shortfall liable for disallowance u/s. 40(a)(ia)

The expression "tax deductible at source under Chapter XVII-B" occurring in Section 40(a)(ia) has to be understood as tax deductible at source under the appropriate provision of Chapter XVII-B. Therefore, as in this case, if tax is deductible under Section 194J but is deducted under Section 194C, such a deduction would not satisfy the requirements of Section 40(a)(ia). The latter part of this Section that such tax has not been deducted, again refers to the tax deducted under the appropriate provision of Chapter XVII-B. Thus, a cumulative reading of this provision, therefore, shows that deduction under a wrong provision of law will not save an assessee from Section 40(a)(ia) of the Income-tax Act, 1961.

TRIBUNALS

M/s. Majestic Exports vs. JCIT (ITAT Chennai)

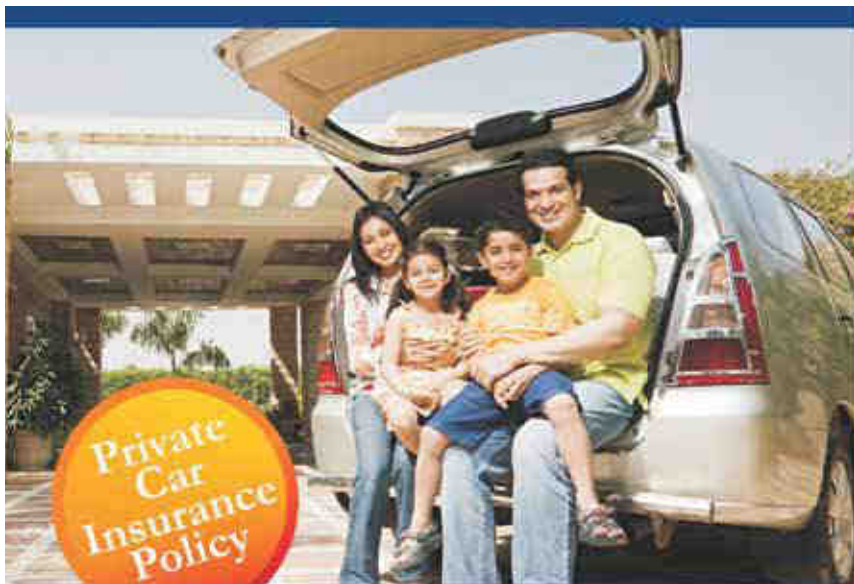
Loss suffered on account of forex derivative contracts (Exotic Cross Currency Option Contracts) cannot be treated as speculative loss to the extent that the derivative transactions are not more than the total export turnover of the assessee. If the derivative transaction is in excess of export turnover, the loss in respect of that portion of excess transactions has to be considered as speculative loss because the excess derivative transaction has no proximity with export turnover.

ITAT made it clear that total transaction considered for determining this business loss from derivative transactions cannot be more than the total export turnover of the assessee for the assessment year under consideration and if the derivative transaction is in excess of export turnover, then that loss suffered in respect of that portion of excess transactions to be considered as speculative loss only as that excess derivative transaction has no proximity with export turnover and the Assessing Officer is directed to compute accordingly.

Perfect Paradise Emporium Pvt. Ltd. vs. ITO (ITAT Delhi)

Ss. 41(1)/68: Unclaimed liabilities to creditors, even if fictitious and bogus, cannot be assessed u/s. 41(1) in the absence of a write-back. The bogus credits can be assessed u/s. 68 only in the year the credits were made and not in the year they are found to be not payable

Applying the ratio in the cases mentioned supra, the amount in question cannot be brought to tax in the year under appeal under the provisions of Section 41(1) of the Act. It is trite law that an addition under Section 68 can be made only in the year in which credit was made to the account of the creditors in the books of account maintained. Admittedly, in this case



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Responsibility is our policy

the credit to the account of creditors was made in the earlier years and therefore, the amount even cannot be brought to tax under Section 68 in the year under appeal. However, it is open to the Department to levy tax on such amount by resorting to the remedies available under the provisions of Act by duly following the procedure known to the law.

Cheil India Pvt. Ltd. vs. ITO (ITAT Delhi)

Ss. 40(a)(ia): In an appeal against an order passed by the AO to give effect to the ITAT's order, the CIT(A) has no jurisdiction to enhance the assessee with respect to a new source of income or disallowance of expenditure.

The direction to the Assessing Officer by the CIT (Appeals) to disallow payments made by the assessee under sec. 40(a)(ia) of the Act was a question of taxability of income from a new source of income which has not been considered by the Assessing Officer, hence it was exceeding of jurisdiction by the CIT(Appeals) in a set aside matter by the ITAT in the present case. Though the CIT(Appeals) has co-terminus powers as of the Assessing Officer and is empowered to do what an Assessing Officer can do for the assessment, the directed disallowance was new source of income, which was not the subject matter of setting aside order by the ITAT

Dishnet Wireless Limited vs. DCIT (ITAT Chennai)

Ss. 194C/ 194J: No obligation to deduct TDS at stage of making provision for expenditure if payee cannot be identified. No obligation to deduct TDS if services (roaming charges) are rendered without human intervention and are not "technical services"

The assessee has to issue Form 16A prescribed under Rule 31(1)(b) of the Income-tax Rules, 1962 for the tax deducted at source. The assessee has to necessarily give the details of name and address of deductee, the PAN of deductee and amount or credited. In this case, the assessee could not identify the name and address of deductee and his PAN. The assessee also may not be in a position to quantify the amount required for incurring the

expenditure for dismantling and restoration of site to its original position. In those circumstances, the provision which requires deduction of tax at source fails. Hence, the assessee cannot be faulted for non-deduction of tax at source while making a provision

ACIT vs. Tristar Jewellery Exports Pvt. Ltd. (ITAT Mumbai)

Bogus sales and purchases: Reliance on statement of supplier who confesses to providing accommodation entries without giving assessee right of cross-examination violates principles of natural justice and the addition has to be deleted in toto.

The reassessment order is as a result of violation of the natural principle of *audi alteram partem*. A statement recorded at the back of a party cannot be used against such party without confronting such statement to the party. Hence, on this score alone, the reassessment order is unsustainable in the eye of law and we hereby cancel the same.

Malineni Babulu (HUF) vs. ITO (ITAT Hyderabad)

Ss. 40(a)(ia)/ 194A/ 197A(1A): If payer obtains declarations in Forms 15G/15H, tax is not deductible at source. Failure to furnish such declarations to CIT may attract penalty u/s. 272A(2)(f). However, disallowance u/s. 40(a)(ia) cannot be made

The assessee has received such Forms as prescribed from those persons to whom interest was paid/being paid and accordingly no deduction of tax was to be made in such cases. The default for non-furnishing of the declarations to the Commissioner of Income-tax as prescribed may result in invoking penalty provisions under section 272A(2)(f), for which separate provision/procedure was prescribed under the Act. However, once Form 15G/ Form 15H was received by the person responsible for deducting tax, there is no liability to deduct tax. Once there is no liability to deduct tax, it cannot be considered that tax is deductible at source under Chapter XVII-B as prescribed under section 40(a)(ia) of the Income-tax Act, 1961.



Recent Judgments

Rollatainers Ltd. vs. ACIT (ITAT Delhi)

S. 147: The revenue audit cannot perform functions of judicial supervision and a reopening based on the interpretation of the audit cannot be sustained. However, a reopening based on communication of the law or factual inaccuracy by the audit is valid

The logic in not sustaining the initiation of reassessment on the basis of interpretation of law by the audit party is that the internal auditor cannot be allowed to perform functions of judicial supervision over the Income-tax authorities by suggesting to the Assessing Officer about how a provision should be interpreted and whether the interpretation so given by the AO to a particular provision of the Act is right or wrong.

DCIT vs. Envision Investment & Finance Pvt. Ltd. (ITAT Mumbai)

(i) DR can only support the AO's order and cannot set up an altogether new case before the ITAT, (ii) Loss on sale of shares, even if a speculation loss, can be set-off against the gains on sale of shares

Even if the loss claimed by the assessee relating to share transactions as well as loss resulting on valuation of closing stock is treated as speculation loss, the same is entitled to be set-off against the profit on sale of shares in view of DLF Commercial Developers Ltd. 261 CTR (Del) 127.

Glen Williams vs. ACIT (ITAT Bengaluru)

Ss. 41(1)/68: Old unclaimed liabilities which are not written back by the assessee can neither be assessed as "cash credits" u/s 68 nor assessed u/s. 41(1) as "remission or cessation of liability"

On the applicability of section 68, the ITAT was of the view that those provisions will not apply as the balances shown in the creditors account do not arise out of any transaction during the previous year relevant to AY 2009-10. The provisions of sec. 68 are clear in as much as they refer to "sum found credited in the books of account of an assessee maintained for any previous year". Since the credit entries in question do not relate to previous year relevant to AY 2009-10, the same cannot be brought to tax u/s. 68 of the Act. The proper course in such cases for the Revenue would be to find out the year in which the credits in question were credited in the books of account and thereafter make an enquiry in that year and make an addition in that year, if other conditions for applicability of section 68 are satisfied

DCIT vs. Cybertech Systems & Software P. Ltd. (ITAT Mumbai)

S. 271(1)(c): Claim that interest income is eligible for s. 10B exemption, though upheld by the ITAT for an earlier year, is so implausible that it attracts penalty for concealment/ furnishing inaccurate particulars of income

The ITAT, in view of the foregoing, find no merit in the Assessee's case. The ITAT held that it has not adduced any explanation, much less substantiated it, except for a bald assertion (i.e., of the said interest income as being a part of the Assessee's business income). The reliance on the decisions by the Hon'ble jurisdictional High Court, which ITAT found to be in fact supportive of the Revenue's case, with the law in the matter being, in fact, well settled, is only a false plea or a ruse. Reliance on the decision by the Tribunal for a subsequent year (AY 2000-01) is, under the circumstances, again, completely misplaced. A plausible explanation towards its claim/s saves penalty u/s. 271(1)(c), in view of, again, the settled law in the matter which though is completely missing in the present case.

CIT vs. Hind Agro Industries (ITAT Chandigarh)

S. 144: If books are rejected and Gross Profit rate is estimated, separate disallowance of expenses cannot be made

When such an estimate is made it is in substitution of the income that is to be computed under s. 29. In other words, all the deductions which are referred to under s. 29 are deemed to have been taken into account while

making such an estimate. This will also that the embargo placed in s. 40 also taken into account.

Shivalik Venture Pvt. Ltd. vs. DCIT (ITAT Mumbai)

S. 115JB: (i) Even if an amount is credited to the P&L A/c, the assessee can seek exclusion of that amount for purposes of "book profits" if a note to that effect is inserted in the Accounts (ii) The exemption conferred by S. 115JB to sums exempt u/s. 10 should be extended to all sums which are not chargeable to tax

The profit arising on transfer of capital asset to its wholly owned Indian subsidiary company is liable to be excluded from the Net profit., i.e., the Net profit disclosed in the Profit and Loss account should be reduced by the amount of profit arising on transfer of capital asset and the amount so arrived at shall be taken as "Net profit as shown in the profit and loss account" for the purpose of computation of book profit under Explanation 1 to s. 115JB of the Act. Alternatively, since the said profit does not fall under the definition of "income" at all and since it does not enter into the computation provisions at all, there is no question of including the same in the Book Profit as per the scheme of the provisions of sec. 115JB of the Act.

DCIT vs. Garware Polyester Ltd. (ITAT Mumbai)

S. 115JB: Amount towards waiver of loan under OTSS, credited to "General Reserves" and not to the P&L Account cannot be added to "book profits"

Assessing Officer has not specified categorically that as to how the Parts II & III of Schedule VI has not been followed or is against the prescribed accounting standard there is a requirement of law that waiver of loan taken for utilising capital expansion is to be routed only through profit and loss account and cannot be credited to the 'General Reserve', i.e. directly in the Balance sheet.

INTERNATIONAL TAXATION

(Contributed by CA. Hinesh Doshi & CA. Ronak Soni)

Measurement Technology Limited, In re (TS-430-AAR-2015) (AAR) dated 3-8-2015

Facts of the case

The applicant, Measurement Technology Ltd. is a company incorporated in UK. It is a wholly owned subsidiary of MTL Instruments Group Ltd., UK (MTL group). MTL group has a subsidiary in India styled as MTL Instruments Private Limited ('MTL India').

Applicant entered into two agreements with MTL India:

- To provide managerial services through an employee designated as Group Operations Director (GD) from the UK to MTL.
- To provide procurement services to MTL India.

Revenue sought to tax management consultancy services on the ground that services provided by applicant provided knowledge and experience of global standardisation to MTL India and as such services were imbued with expertise same should be regarded as technical.

With regard to procurement services, revenue regarded said service as technical and consulting services contending that strategy developed by the applicant and implemented by MTL India also partakes the character of royalties under Article 12(3)(a) of India-UK treaty being payment for the use of plan, or for information concerning industrial, commercial or scientific experience.

Issue

The applicant sought ruling as to whether the services rendered by it in pursuance to the above agreements chargeable to tax in India as per the provisions of India-UK Treaty?

Held

AAR rules that amount received by applicant (a UK Co.) for providing 'management services' and 'procurement services' to its Indian affiliate not fees for technical services (FTS) under Article 13 of India-UK DTAA.

Management services was provided through GD of the applicant based in UK, for giving general business guidance to Indian affiliate through telephone calls, e-mails, occasional visits to India (not exceeding 30 days in a year).

These are routine managerial activities and cannot be classified as technical or consultancy services as applicant does not 'make available' any technical knowledge.

With respect to procurement services, AAR states that applicant constituted a procurement team in UK to look into global sourcing requirements of raw materials for the entire group, including Indian affiliate.

These types of services can never be classified as technical or consultancy in nature and not making available any technical knowledge, experience, know-how etc.

AAR, further, rejects Revenue's stand that payment may be covered under "Royalties", holds such services do not create any intellectual property.

Thus AAR, ruling in favour of applicant, ruled that amount received by the applicant for services rendered as per both the agreements was not chargeable to tax in India as per the provisions of the India-UK Tax Treaty.

Partners Harvard Medical International Inc. vs. ADIT (International Taxation) 41 ITR (T) 183 [2015] [Mumbai Trib.] dated 3-7-2015

Facts of the case

The assessee is a non profit educational entity incorporated in USA.

It has provided various educational and consultancy services under the agreements entered with various Indian entities.

The assessee claimed that none of the receipt is taxable in India as per the provisions of Indo-US DTAA. It was further contended that receipts fall in the category of business receipts and they are not taxable in India, since the assessee does not have permanent establishment in India.

The A.O. treated all the receipts as taxable on the ground that 90% of the receipts are taxable as Royalty and balance 10% is taxable as Fee for Included Service (FIS).

Aggrieved by this assessee preferred appeal before CIT(A).

The learned CIT(A) passed the order deciding points against each of them stating that the receipts are partially taxable.

Aggrieved by this assessee preferred appeal before ITAT.

Issue

Whether the assessee is liable to pay tax on the amounts received from the persons mentioned below in respect of services provided to them?

- Wokhard Hospitals Ltd.
 - Consulting Agreement
 - Award Agreement and
- iii) Education and Teaching Agreement
- Sri Ramchandra Medical College & Research Institution (SRMCRI)
 - Education & Teaching Agreement
- Carol Info Services Ltd. (CAROL)
 - i) Consulting Agreement.
- Reimbursement of expenses.



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Held

The Tribunal held that, fees received by the assessee under Consulting Agreement (Wokhard Hospitals & Carol) and under Award Agreement (Wokhard Hospitals), it is neither taxable as FIS nor as Royalty. Also, the assessee does not have any PE in India and, therefore, the payment received by it cannot be taxed in India. Similar view was taken by Tribunal in earlier years in assessee's own case.

The Tribunal also considered the issue relating fees received under Education and Teaching Agreement from Wokhard Hospitals and SRMCRI. Since the assessee had allowed the SRMCRI to use its logo, the tax authorities had taken the view that the fee received also pertains to Royalty for use of Logo. In respect of this receipt also, the Tribunal held that they cannot be considered as Royalty or FIS and further it cannot also be taxed as business profits, since the assessee does not have PE in India.

In respect of amount received by way of reimbursement of expenses the Tribunal held that the same cannot be taxable, since the main receipts have been held to be not taxable.

In the result, all the appeals of the assessee are allowed.

Sigma Aldrich Chemicals vs. ACIT [TS-424-ITAT-2015 (Bang)] dated 24-7-2015

Facts of the case

The assessee has claimed an amount of ₹ 21,28,791/- as paid to Sigma Aldrich USA towards management fee as "Business Expenditure".

The AO disallowed the same holding that the assessee had already paid an amount of ₹ 31.42 lakhs to Sigma Aldrich, Germany and ₹ 32.81 lakhs to Sigma Aldrich, USA towards cost of catalogues etc.

On appeal, the CIT(A) held that the said payment is reasonable. However, it held that since the payment in question is for technical or consultancy services which are made available to the assessee, provisions of sec. 40(a)(ia) are attracted.

Aggrieved, the assessee had filed an appeal with ITAT.



Recent Judgments

Issue

Whether management fees paid by the assessee to its US affiliate towards marketing, publishing, graphics and catalogue printing is liable for TDS.

Whether the payments in question qualify as “technical and consultancy services” under the India-US DTAA so as to invoke Section 40(a)(ia).

Held

The learned counsel for the assessee submitted that payment made to Sigma Aldrich, USA is primarily towards cost of time spent by Sigma Aldrich, USA personnel in marketing, publishing, graphics and catalogue printing on behalf of the assessee and there is no technical know-how or knowledge which is made available to the assessee in this regard.

He further submitted that the term ‘make available’ is not defined under the India-USA DTAA and further the memorandum of understanding appended to the India-USA DTAA explains that unless the technology can be utilised by the recipient without recourse to the service provider, the services cannot be termed as fees for included services.

As the payment of management fee to its AEs was referred to the TPO for determination of ALP and the TPD has accepted the reasonableness of the payment.

The issue was then remitted to the file of AO for reexamination of the nature of the transaction and only if it falls within the definition of ‘technical and consultancy services’ under the India-USA DTAA, the provisions of sec. 40(a)(ia) can be applied.

In view of the same, this ground of appeal is treated as allowed for statistical purposes.

SERVICE TAX

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

Service tax liability cannot be transferred

The assessee, a service provider, can by way of a contract transfer the service tax burden on a third party but he cannot ask the Revenue to recover the tax dues from such third party or wait for discharge of the liability till the he has recovered the tax amount from such third party [*Delhi Transport Corporation vs. CST (2015) 38 STR 673 (Del.)*]

Banking and other Financial Services

Where the appellant a stock broker registered with SEBI was dealing in shares bonds and securities on behalf of the client, the Tribunal held that it cannot be said to be a financial institution liable to pay service tax on the said activities under the category of ‘banking and other financial services’ [*Parag Parikh Financial Advisory Services Ltd. vs. C.S.T. Mumbai (2015) 38 STR 490 (Tri.-Mum.)*]

Commitment charge levied by the banks on the customers who do not draw their sanctioned loan is to compensate itself for the loss of interest that would have been earned by it if the customer had drawn money from the loan account. Thus the same is integrally connected with the lending services and hence would be liable for service tax [*Punjab National Bank vs. CCE & ST (2015) 38 STR 498 (Tri.-Del.)*]

Business Auxiliary Services

Where the appellant had entered into a high sea sale agreement for sale of naphtha and furnace oil imported by it for which it had charged an additional handling charge and facilitation charges to the buyer the Tribunal held that it was a transaction of sale of goods on principal to principal basis and hence demand of service tax on the charges received under the category of business auxiliary services was unsustainable [*Indian Oil Corporation Ltd. vs. CCE (2015) 38 STR 501 (Tri.-Mum.)*] relying on *CST vs. Nahar Industrial Enterprises Ltd. (2010) 19 STR 166 (P&H)*

Where the appellant had entered into service agreement with M/s Modi Xerox to undertake repair and maintenance services in respect of the Modi Xerox machines located at the customer’s premises and for which it billed the Modi Xerox who in turn directly billed the customers for the repairs and maintenance services, the Tribunal held that the appellant is providing services on behalf of client (i.e. Modi Xerox) and hence the same would be taxable only w.e.f. 10-9-2004 under the category of business auxiliary services (provision of service on behalf of the client) and not under Repairs and Maintenance Service [*Kunjil Enterprises vs. CST (2015) 38 STR 518 (Tri.-Mum.)*]

Club or Association Service

Services rendered by member’s club to its members or by co-operative societies to its members would not be liable for service tax under the category of club or association services on the principle of mutuality as held in *Ranchi Club Ltd. vs. CC (2012) 26 STR 401 [Matunga Gymkhana vs. CST (2015) 38 STR 407 (Tri.-Mumbai)* relying on *FICCI vs. CCE 2014-TIOL-701-CESTAT-DEL.*

In this case the Tribunal held that –

- On facts considering the characteristics and the nature of activities carried out, the assessee organisations (FICCI & ECSEPC) the same were held to be having public service objectives and were of charitable nature and hence excluded from the definition of Club or Association Service;
- On application of the principle of mutuality, services provided by the appellants to their respective members would not fall within the ambit of “Club or Association” service nor the consideration whether by way of subscription/fee or otherwise received therefor be exigible to service tax. In any event the relevant provisions viz., Section 65(25a) and Section 65(105)(zzze) of the Act, to the extent these provisions purport to levy service tax in respect of services provided by a Club or Association to its members has been declared *ultra vires* by the Gujarat High Court in case of Sports Club of Gujarat;
- Services provided by appellants to non-members is not liable under Club or Association services prior to 1-5-2011 but post 1-5-2011 the same may be liable but since SCN was not issued on the basis of amended provisions sustaining of demand for the period post 1-5-2011 was not permissible.
- So far as one of the assessees ECSEPC is concerned since it was an organisation formed to effectuate the policy under the Foreign Trade (Development and Regulation) Act, 1992, and it also being an Export Promotion Council falling within the ambit of the Foreign Trade Policy, it was outside the purview of “Club or Association” as defined in 65(25a) as it excludes any body established or constituted by or under any law.

[*Federation of Indian Chambers of Commerce & Industry vs. CST (2015) 38 STR 529 (Tri.-Del.)*]

Management Consultancy Services

Where the appellant had rendered general support services (use of infrastructural/utility facilities, staff, fire fighting equipments etc.); operational services (assistance for waste disposal & use of sewerage system); and secretarial services it was held that the same was not in the nature of consultancy for management of a company and hence would not be liable for service tax under the category of “management consultancy” services [*Konkan Synthetic Fibres vs. CCE (2015) 38 STR 403 (Tri.-Mum.)*]

Management, Maintenance and Repair Service

The demand under the category of ‘Management, maintenance and repair service’ for the service of maintenance and repairs of roads rendered by the Respondent to the National Highways Authority of India for the periods 16-11-2005 to 31-3-2008 is not liable for service tax in view of the retrospective exemption granted vide Section 97 of the Finance Act, 2012. [*CCE&C vs. Rajdeep Buildcon Pvt. Ltd. (2015) 38 STR 696 (Tri.-Mum.)*]

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Manpower recruitment and supply services

Where the appellant had entered into contract with sugar factories for providing services such as harvesting cane from the fields, loading them in the vehicles and delivering them at the factory site etc. the Tribunal held that the appellant cannot be said to be engaged in manpower recruitment and supply services [CCE vs. Godavari Khore Cane Transport Co. Ltd. (2015) 38 STR 468 (Bom.)]

Scientific and Technical Consultancy Service

Where the appellant was engaged in undertaking exploration work and for which it receives 100% grant in aid from the Government as reimbursement of actual expenses incurred by it, the Tribunal held that –

- The activity of location of mineral deposits and preparing detailed reports are in the nature of survey and exploration of mineral services liable for service tax only w.e.f. 10-9-2004 and not prior to that date under the category of scientific or technical consultancy services
- The grant in aid received would not be liable for service tax since it was only a reimbursement of actual expenses incurred and not in the nature of fees for services. The exploration reports were kept by the appellant with itself and not given to the Government.
- It had paid service tax on the service charges received by it on the sale of reports to other customers

[Mineral Exploration Corporation Ltd. vs. CCE (2015) 38 STR 421 (Tri.-Mum.)]

Sponsorship Service

Where the appellant had entered into a contract for sponsoring a cricket team the Tribunal held that the appellant would not liable to pay service tax under reverse charge mechanism on the sponsorship services since –

- On facts the sponsored team had paid service tax on the transaction under the category of business auxiliary services as a service

provider and hence service tax cannot be demanded on the same transaction under the category of sponsorship services from the service recipient.

- Sponsoring the cricket team would not be covered within the sponsorship services.

[Coca Cola India Pvt. Ltd. vs. CST (2015) 38 STR 497 (Tri.-Del.)]

Sponsorship of IPL cricket tournament is in the nature of sponsorship of a sporting event and hence the same would not be liable for service tax under the category of Sponsorship Services (at the relevant time) [Citibank NA. vs. CST (2015) 38 STR 520 (Tri.-Mumbai)]

Import of Service

The service receiver in India was not liable to pay service tax respect of the services received from a service provider located outside India prior to the introduction of section 66A i.e. before 18-4-2006. [CCC&E vs. Moser Baer India Ltd. (2015) 38 STR 687 (All.)]

Valuation

Where the assessee was engaged in repair of transformers and had shown the value of consumables like transformer oils, components and parts separately in its invoices and paid VAT on that, it was held that the same was excludible from the value of taxable service under Notification No. 12/2003-ST dated 20-6-2003 [CCE vs. Mahendra Engineering Ltd. (2015) 38 STR 233 (All.)]

Where in case of repairs of transformers invoices disclosed value of goods [consumables like transformers oil, component parts like HV/LV coils] and service separately and on which VAT/sales tax was paid by them, the Tribunal held that the repair contract would have to be treated as split contract for sale of goods and provision of service and service tax could be charged only on service portion. Further the revenue’s argument that value



Recent Judgments

of goods have to be included in taxable value in view of Rule 5(1) of the Valuation Rules was also rejected since the said Rule 5(1) had been struck down as unconstitutional in *Intercontinental Consultants and Technocrats Pvt. Ltd. vs. Union of India (2015) 29 STR 9(Del.) [Samtech Industries vs. CCE (2015) 38 STR 240 (Tri.-Del.)]*.

Inclusion of Reimbursements in the value of taxable services rendered by Customs House Agents on the grounds that the conditions prescribed for the exclusion from the value of taxable services under Rule 5(2) of the Valuation Rules had not been satisfied is incorrect since Rule 5(1) of the said Valuation Rules had been struck down as unconstitutional [*Aashita International Ltd. vs. CST (2015) 38 STR 246 (Tri.-Ahmd.)*]

Incentive is a receipt for appreciation of performance of service provided. Since it is not known as to whether such incentive would be received or not while providing the taxable service, the same would not be liable to service tax [*Oswal Cable Products vs. CST (2015) 38 STR 437 (Tri.-Del.)* relying on *CCE vs. Facinate Advertising & Marketing (2013) 31 STR 77 (Tri.-Del.)*]

Valuation (cum-tax benefit)

In absence of any documentary evidence to show that amount received by the appellant from the service recipient was inclusive of service tax, cum tax benefit cannot be granted [*CCE vs. Rudra Galaxy Channel Ltd. (2015) 38 STR 445 (Tri.-Mum.)* relying on *Amrit Agro Industries Ltd vs. Cmmr (2007) 210 ELT 183 (SC)*].

Share Transfer Agent service/ Valuation (Reimbursement)

Appellant is a Share Transfer Agent (STA) and also acts as a Registrar to an Issue (RTA). A service tax demand of ₹ 4.62 crores for the period 10/9/2004 to 31/7/2007 under STA/RTA service was levied by including the value of reimbursable expenses (on actual basis) viz. postage and other expenses incurred by the appellant in the taxable value. The Tribunal set aside the entire demand on the ground that-

- The service of STA/RTA came into the tax net only w.e.f. 1-5-2006 and the demand for service tax on reimbursements under this category prior to this date is not sustainable even though service tax was paid on STA/RTA fees wrongly under the category of 'Business Auxiliary services'.
- The demand for service tax on reimbursement of postage and the stationery expenditure for the period 10-9-2004 to 31-7-2007 is not sustainable since –
 - 'Postage' is in the nature of a duty/tax charged under the Indian Post Office Act, 1898 and service tax cannot be levied on an amount charged as duty/tax since the same is not consideration for rendering any service.
 - The reimbursement of postage and cost incurred towards stationery is recovered from the service receiver on actual basis by the appellant in the capacity as a pure agent and hence not includible in the taxable value u/s. 67.
 - Further, Rule 5(1) of the Service Tax (Determination of Value) Rules, 2006 has been declared as *ultra vires* and has been set aside by the Delhi High Court in *Intercontinental Consultants & Technocrats Pvt. Ltd. vs. UOI (2013) 29 STR 9 (Del.)* and hence there is no law subjecting reimbursements to tax.

[*Link Intime India Pvt. Ltd. vs. CCE (2015) 38 STR 705 (Tri.-Mumbai)*]

Demand

The Tribunal, following the ratio of the High Court decision in *CCE & ST vs. Janta Travels Pvt. Ltd. (2009) 13 STR 488 (P&H)*, set aside the demand holding that there is no 'service' rendered when commission received by the appellant is returned by him due to the fact that service could not be fully completed. [*Agarwal Motors vs. CCE (2015) 38 STR 775 (Tri.-Del.)*]

Different classification of the same activity of the appellant for different periods based on the mode of payment made by the service receiver shows total confusion on the part of the Revenue as to the 'nature of tax' and the 'measure of tax' and hence the demand was held liable to be set aside by the Tribunal on this ground alone before dealing with of course the specific taxability issues which were also considered [*Royal Western India Turf Club Ltd. vs. CST (2015) 38 STR 811 (Tri.-Mum.)*]

Penalty

Minimum penalty imposable u/s. 76 is equivalent to amount of tax and maximum penalty imposable is twice the amount of tax. There is no discretion with the authorities to reduce the penalty below the minimum prescribed limit [*CCE vs. Rudra Galaxy Channel Ltd. (2015) 38 STR 445 (Tri.-Mum.)* relying on *UOI vs. Shivraton Advertisers (2008) 12 STR 690 (Raj.)*]

In the present case the Tribunal held there was a reasonable cause for waiver of penalty u/s. 78 since –

- The non-payment of service tax was detected from the books of account of the assessee hence there appeared to be no intention to evade payment of service tax
- The assessee had paid the entire tax before issuance of the SCN
- The unit was declared as a sick company under Sick Industrial Companies Act, 1985
- The adjudicating authority had dropped the penalty u/s. 76 on the grounds of reasonable cause

[*Garodia Special Steels Ltd vs. CCE (2015) 38 STR 527 (Tri.-Mum.)*]

Mode of Service of order

An appeal against the order in originals dated 15-2-2008 & 31-3-2009 was filed by the assessee on 13-3-2013. It had contended that the said orders were received by it through speed post only on 2-3-2013 and hence the appeals were filed in time. However the CCE(A) had dismissed the appeals on the grounds that the same were filed beyond the condonable period of delay. On appeal the Tribunal held that since under section 37C the permitted mode of communication of order was through Regd. Post (A.D.) and not through Speed Post there was not sufficient compliance of the provisions of section 35C(1)(a) and hence the Tribunal held that the service of order would be deemed to be on 2-3-2013 and hence the appeals filed were in time [*Marketing Times Automobiles Pvt. Ltd. vs. CCE (2015) 38 STR 414 (Tri.-Del.)*]

Condonation of delay

A delay of 6 months in filing of appeal before the Tribunal by the appellant, a public sector undertaking, due to reason that the order was not communicated to its authorised person was condoned by the High Court [*G.M.T.D. Bharat Sanchar Nigam Ltd. vs. CC & CE (2015) 38 STR 691 (Uttarakhand)*]

Pre-deposit

Where there is tax demand and penalty, only pre-deposit of tax can be ordered. Only where appeal is against penalty pre-deposit of penalty can be ordered [*Share Microfin Ltd. vs. CCEx&ST (2015) 38 STR 457 (A.P.)*]

Refund of pre-deposit

When an appeal is held in favour of the assessee then all amounts deposited by him, whether by way of tax or interest, assume the character of 'deposit' and are liable to be fully refunded. The department erred in rejecting a part of the refund on the premise that there was a mismatch between amount calculated by the appellant and the lower appellate authority [*Roshan R. Jaiswal vs. CCE (2015) 38 STR 772 (Tri.-Mum.)*]

Refund

The jurisdiction for filing of the refund claim in respect of export of goods is the Commissionerate having jurisdiction over the factory from where



goods are exported and not the Commissionerate having jurisdiction over the registered office of the assessee [*CCE vs. Noble Grains Ltd. (2015) 38 STR 525 (Tri.-Mumbai)*]

The order of the lower authorities rejecting the refund of service tax for the period July 2006 to July 2008 paid by the appellants, who are engaged in construction of residential flats, on the ground of time bar and unjust enrichment was set aside by the Tribunal holding that –

- There is no prescribed form under the service tax laws for making a payment 'under protest'. Letter written by the appellant to the department that payment is being made under pressure from department would be sufficient proof that such payments are 'under protest' and hence the provisions of time bar under section 11B of the Central Excise Act, 1944 would not apply.
- The burden of unjust enrichment is discharged by the appellants which is evident from the letters written by them to the intended buyers that price agreed is not inclusive of service tax and such tax has been paid by the appellants out their own pockets which fact has also been certified by a Chartered Accountant.

[*Ind Swift Lands Ltd. vs. CCE&ST (2015) 38 STR 819 (Tri.-Del.)*]

Refund of CENVAT Credit

CENVAT Credit of any input services used for providing output services which are exported is eligible for refund under Notification No. 5/2006-C.E. (N.T.). Thus where the appellant had availed CENVAT Credit of service tax paid on advertising services which in turn were used for another input service viz., manpower recruitment services refund of the same would be admissible under Notification No. 5/2006-C.E. (N.T.). Further there being no restriction in CENVAT credit rules for availing credit before registration is granted credit availed on input services availed during the period prior to obtaining centralised registration is admissible. [*CST vs. J.P. Morgan Services India Pvt. Ltd. (2015) 38 STR 410 (Tri.-Mumbai)*]

CENVAT Credit

Manpower supply services used for –

- Cleaning the yard within the sugar factory so as to keep the factory premises clean so as to comply with the mandatory requirement under Section 11 of the Factories Act is eligible for input credit;
- Weighment of sugarcane and its unloading at the factory being an activity in relation to manufacture of sugar is admissible as input credit,
- Cane area survey and sugarcane development by educating the farmers to ensure supply of good quality sugar cane is admissible as input credit

[*Mawana Sugars Ltd. vs. CCE&ST (2015) 38 STR 424(Tri.-Del.)* see also *CCE vs. Maruti Suzuki India Ltd. (2015) 38 STR 503 (Tri.-Del.)*]

Where CENVAT credit taken was reversed without utilisation, no liability to pay interest would arise [*Oswal Cable Products vs. CST (2015) 38 STR 437 (Tri.-Del.)* relying on *CCE vs. Bill Forge Pvt. Ltd. (2012) 26 STR 204 (Kar.)*]

The appellant in the present case had availed exemption under Notification No. 4/2004 in respect of services provided to SEZ. It had availed credit on entire input services. Revenue contended that the utilisation of credit was required to be restricted to 20% of the tax payable on output services u/r 6(3)(c). Hence the appellant had post receipt of SCN paid service tax on exempted services provided to SEZ. On appeal the Tribunal held that the appellant had by paying service tax on exempted services foregone the exemption under Notification No.4/2004 and hence no credit was required to be reversed by it. Further there was subsequent retrospective amendment in credit rules by inserting Rule 6(6A) which clearly stated that there was no need to reverse credit in respect of services provided to SEZ [*Link Intime India Pvt. Ltd. vs. CST (2015) 38 STR 506 (Tri.-Mum.)*]

Financial advisory services availed for disposal of shareholding for making available finances for meeting working capital requirement is in the nature of financing covered within the definition of input services [*CCE vs. GMR Industries Ltd. (2015) 38 STR 509 (Tri.-Bang.)*]

Where the appellant had not charged service tax on two of its invoices the Tribunal held that it cannot be presumed that the appellant had rendered exempted services and hence was not required to reverse CENVAT credit under Rule 6(3)(c) of CENVAT Credit Rules, 2004 [*Globe Ground India Pvt. Ltd. vs. CCE&ST (2015) 38 STR 510 (Tri.-Del.)*]

CENVAT credit on security and maintenance services availed at the residence of the Managing Director does not have any nexus with the output service provided by the appellant and hence credit thereon is not admissible [*Globe Ground India Pvt. Ltd. vs. CCE&ST (2015) 38 STR 510 (Tri.-Del.)*]

CENVAT credit on chassis of motor vehicle which were converted by appellant into water carts and toilet carts to be used in providing airport services cannot be denied on the ground that the carts were not registered under Motor Vehicles Act and hence would not be considered as capital goods [*Globe Ground India Pvt. Ltd. vs. CCE&ST (2015) 38 STR 510 (Tri.-Del.)*]

Credit of service tax paid on travel agents services availed for travelling of company officials for procurement of raw materials and marketing of goods is admissible [*Indswift Laboratories Ltd. vs. CCE (2015) 38 STR 522 (Tri.-Del.)*]

Credit of service tax paid on technical knowhow services acquired by the appellant for producing new products would be admissible after the payment has been made for the value of input service. The same cannot be denied on the ground that the credit should be availed only when the commercial production of the product has commenced [*Indswift Laboratories Ltd. vs. CCE (2015) 38 STR 522 (Tri.-Del.)*]

Where there is no dispute regarding consumption of input services and payment of service tax thereon, the Tribunal held that credit would be admissible even if the invoices are not in the name of assessee's unit but in the name of its head office [*CCE & ST vs. Dayalal Meghji And Company (2015) 38 STR 557 (Tri.-Del.)*]

Congratulations !



CA. Rewati Paithankar

(M. No. 036761) is elected as the Vice Chairperson of Bhagini Nivedita Sahakari Bank Ltd.



CA. Dr. Ashokkumar Pagariya

(M. No. 034311) is elected unanimously as Vice Chairman of Shree Laxmi Co-operative Bank Ltd., Pune.



CENVAT credit of service tax paid on input services availed by the job worker in respect of goods cleared for the principal manufacturer without payment of duty is admissible in view of the Larger Bench decision in *Aurangabad Auto Engg. Pvt. Ltd. vs. CCE 2011 - TIOL - 1010 - CESTAT-Mum* [*Prerna Fine Chem Pvt. Ltd. vs. CCE (2015) 38 STR 693 (Tri.-Mum.)*]

Where the appellant, a manufacturer of 'concentrates' used in manufacture of 'aerated water', had procured services of advertising and marketing for promotion of 'aerated water' that was not manufactured by them, the Tribunal following the propositions laid by the High Court in the appellant's own case in *Coca Cola India Pvt. Ltd. vs. Commissioner (2009) 15 STR 657 (Bom.)* for an earlier period, held that denial of CENVAT credit on such advertisement and marketing services by the lower authority was incorrect on the ground that these services would fall within the ambit of 'input service' given under Rule 2(l) of the CENVAT Credit Rules, 2004 since the advertisement services for 'aerated water' impact the sale and manufacture of 'concentrates' [*Coca Cola India Pvt. Ltd. vs. CCE (2015) 38 STR 695 (Tri.-Mum.)*]

The issue in this case is whether CENVAT credit on services of Rent-a-Cab, outdoor catering, Business Auxiliary service, Insurance, pandal & shamiana, testing and analysis etc. is admissible for the period prior to 1-4-2011. The Tribunal held that –

- Credit of 'Rent-a-Cab service' is admissible in view of CBEC Circular No. 943/4/2011-CX dated 29-4-2011 clarifying such credit is available for the period prior to 1-4-2011;
- Credit of services of outdoor catering, insurance, pandal & shamiana, and testing and analysis is admissible as these services are related to promotion of Respondent's business which view has also been held by the *Bombay High Court in CCE vs. UltraTech Cement Ltd. (2010) STR 577 (Bom.)*;
- Credit of Sodexo coupons issued to employees is not admissible under 'Business Auxiliary Service' since it has no nexus in relation to any business activities of the Respondent.

[*CST vs. Ford Business Service Centre Pvt. Ltd. (2015) 38 STR 700 (Tri.-Chennai)*]

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Team WIRC deeply regrets the passing of Dr. A.P.J. Abdul Kalam may his soul rest in peace.



Ahmedabad: All Gujarat Conclave on Co-operative Societies held on 21/8/2015. (L-R): CA. Satyendra Jha, CA. Parag Raval, RCM, CA. Subodh Kedia, Treasurer, WIRC, CA. Saurabh Chokshi, Chief Guest, CA. Amrish Patel, Branch Chairman, CA. Priyam Shah, RCM



Baroda: ICAI International Tax Convention held on 7/8/2015. (L-R): CA. Rohan Phatarphekar, CA. Yash Bhatt, Branch Chairman, CA. Arpan Dodia



Bhavnagar: Felicitation of Team WIRC along with Branch Committee Members



Goa: CA. V. Murali, Chairman, Board of Studies, ICAI, lighting the Traditional Lamp at National Conclave for CA Students held on 11-12/8/2015. (L-R): Shri Durgesh Kamat, CA. Anup Borkar, CA. Vinesh Pikale, CA. Yeshwant Kamat, CA. Kiran Kharangate, Branch Chairman, CA. Naveen Daivajna



Jalgaon: 69th Independence Day Flag Hoisting Ceremony by Senior Member CA. Pukhraj Jain, CA. Kaushal Mundada, Branch Chairman, CA. Anil Bhandari, Imm. Past Chairman, WIRC, CA. Jayesh Lalwani



Jamnagar: Group photograph taken during the WIRC Team Visit on 8/8/2015. (L-R): CA. Hardik Shah, Chairman, WICASA, CA. Sushrut Chitale, Secretary, WIRC, CA. Parag Sumaria, Branch Chairman, CA. Sunil Patodia, Chairman, WIRC, CA. Prashant Maharishi, CA. Subodh Kedia, Treasurer, WIRC, CA. Dilip Apte, Vice Chairman, WIRC, CA. Bharat Bhatt, with Managing Committee Members & Past Chairmen of Branch



Nanded: WIRC Chairman Sir's official visit. (L-R): CA. Kunal Malpani, CA. Kamlesh Saboo, CA. Gaurav Bhartiya, Branch Chairman, Shri Manjunath Pujar, CA. Sunil Patodia, Chairman, WIRC, Mrs. Vinita Patodia, CA. Atul Dhoot



Nashik: Group photograph taken during the Sub Regional Conference held on 12-13/7/2015



Pune: Inaugural Session on Two- Days Awareness Programme on Ind AS/ IFRS-1st & 2nd August, 2015



Rajkot: Felicitation of Team WIRC on 8/8/2015 along with Branch Committee Members



Vapi: Investment Awareness Programme for Members & Public Jointly with VIA Association at Vapi



Vasai: Group photo taken at Orientation Programme for Newly Qualified Chartered Accountants organised by Committee for Members in Industry on 17/8/2015

Seminar on HUF and Family Arrangement held on 22nd August, 2015



CA. Y. R. Desai, Adv. Pravin Veera, Faculty, CA. Manoj Karlekar, Faculty, CA. Prathamesh Prabhu

Lecture Meeting on Ethics in Profession held on 20th August, 2015



CA. Sushrut Chitale, Secretary, WIRC, Shri Julio Ribeiro, Past Police Commissioner, CA. Anil Bhandari, Imm. Past Chairman, WIRC, CA. Narayan Varma, CA. Y. H. Malegam, Past President, ICAI, CA. Nitin Shingala, Faculty, CA. Priti Savla, RCM



Intensive Study Course on Company Law held from 6th to 15th July, 2015



CA. Abhay Arolkar



CA. Abhay Mehta



CA. Durgesh Kabra



CA. Alok Saxena



CA. Anand Banka



CA. Anand Bathiya



CA. Avinash Rawani



Shri Jayant Arya



CA. Paresh Clerk



CA. Rajendra Kanoongo



CS. Rishikesh Vyas

Workshop on Appearing before Tribunals held on 25th July, 2015



CA. Shantesh Warty, CA. Tarun Ghia, CCM, Adv. Prachi Manekar, Faculty, CA. Parag Raval, RCM

Other Speakers



CA. Vishwas Mehendale



CA. Piyush Chhajed



Adv. Uday Warinjkar

7 Day Intensive Workshop on IND AS held on 30th July, 2015



CA. Atul Shukla, Faculty, CA. Priyam Shah, RCM, CA. Gaurav Parwani

Other Speaker



CA. Charanjit Attra

How to Conduct Tax Audit for Students on 7th August, 2015



Mr. Pulkit Kedia, Mr. Vaibhav Tailor, CA. Nimesh Chothani, Faculty, CA. Rakesh Vora, Faculty

Seminar on Foreign Exchange Management Act held on 25th July, 2015



CA. Shardul Shah, RCM, CA. Priti Savla, RCM, CA. Amit Amlani, Faculty, CA. Vikas Vishwasrao

Other Speakers



CA. Darshana Jain



CA. Mitali Pakle



CA. Sudha Bhushan

1st Meeting of Indirect Tax Study Group on 31st July, 2015



CA. Shardul Shah, RCM, CA. Dhiraj Khandelwal, RCM, CA. Manish Gadia, CA. Sandeep Jain, Chairman, IDT, WIRC, CA. Prashant Deshpande, Faculty, CA. Shruti Shah, RCM, CA. Vishnu Agarwal, RCM

Seminar on Treasury Operations held on 1st August, 2015



CA. Poornima Jain, CA. Shardul Shah, RCM, CA. Neel Majithia, RCM, CA. Deepak Mundra, Faculty, CA. Ankit Sanghvi

Other Speakers



CA. Nishith Agarwal



CA. Prasanna Shetty



CA. Naveen Jain



Women Wing Programme held on 1st August, 2015



CA. Seema Mehta, CA. Pinki Kedia, CA. Prafulla Chhajed, CCM, CA. M. P. Reddy, CA. Malvika Mitra, CA. Julie Shah, CA. Vijyatta Jaiswal

Half Day Seminar on Internal Audit held on 8th August, 2015



CA. Mahesh Madkholkar, RCM, CA. Amit Pandit, Faculty, CA. Murtuza Kachwala, Faculty, CA. Vikram Joshi

Students Programme held on 8th August, 2015



CA. M. P. Reddy, CA. Pinki Kedia, CA. Julie Shah, CA. Hemant Gandhi

Other Speakers



CA. Himani Shah



CA. Mandeep Singh Talwar



CA. Vijyatta Jaiswal

Late RCM CA. Girish Kulkarni Memorial Lecture on Professional Opportunities in Australia held on 10th August, 2015



CA. Shardul Shah, RCM, CA. Sunil Patodia, Chairman, WIRC, CA. Yateender Gupta, Faculty, CA. Dilip Apte, Vice Chairman, WIRC, CA. Priti Savla, RCM

Seminar on Tax Audit & Documentation held on 8th August, 2015



CA. Bipeen Mundada, CA. Mahesh Madkholkar, RCM, CA. Mangesh Kinare, Past Chairman, WIRC, CA. Sanjeev Lalan, Past Chairman, WIRC & Faculty, CA. Shantesh Warty

Other Speakers



CA. Mehul Shah



CA. Ameet Patel

Seminar on Business Restructuring and M&A held on 8th August, 2015



CA. Gaurav Save, CA. Umesh Gala, Faculty, CA. Priti Savla, RCM

Other Speakers



CA. Jigar Parikh



CA. Deepa Dalal



CA. Ajay Agashe

Seminar on Real Estate Financing held on 22nd August, 2015



CA. Vivek Shah, CA. Shardul Shah, RCM, Shri Puneet Bhatia, Faculty, CA. Shardul Sonawane

Other Speakers



CA. B. L. Maheshwari



CA. Kuldeep Jain



Shri Pradeep Joy

Inauguration of All India Chartered Accountants Summit held on 22nd & 23rd August, 2015 Organised by WMEC of ICAI



CA. Sandeep Jain, RCM, CA. Nihar Jambusaria, CCM, CA. Nilesh Vikamsey, CCM, CA. Mukesh Kushwah, Vice Chairman, WMEC-ICAI, CA. Prafulla Chhajed, Chairman, WMEC-ICAI, CA. Manoj Fadnis, President, ICAI, CA. Suresh Prabhu, Railways Minister & Chief Guest, CA. Bhavna Doshi, CA. Sunil Patodia, Chairman, WIRC, CA. Shrinivas Joshi, CCM, CA. Raamdeo Agrawal, Faculty, CA. B. M. Agarwal, Past Chairman, WIRC, CA. Priti Savla, RCM, CA. Mahesh Madkholkar, RCM, CA. Shruti Shah, RCM, CA. Sushrut Chitale, Secretary, WIRC

Flag Hoisting Ceremony on Independence Day on 15th August, 2015 at ICAI Tower, BKC



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