



The Institute of
Chartered Accountants
of India

(Set up by an Act of Parliament)

WESTERN INDIA CHARTERED ACCOUNTANTS NEWSLETTER

JUNE 2016 | Vol. 42 | No. 06

Log on to <https://wirc-icai.org>
for more information & updates

Together
We Can...



Co-operation



*Individually, we are one drop.
Together we are an ocean.*

**SIXTY FIFTH
ANNUAL GENERAL MEETING**
30th June 2016

**SENIOR CITIZENS GET-TOGETHER
AND MUSICAL PROGRAMME**
3rd July 2016

... Change the
World

NEW MEMBERS MEET AND FELICITATION OF RANK HOLDERS



CA. Kamlesh Saboo
Secretary, WIRC
CA. Shrutu Shah
Chairperson, WIRC
CA. Omprakash Chitlange
Chief Guest, Sr. President,
Century Rayon
CA. Shilpa Shinagare
Treasurer, WIRC





Dear Colleagues,

Co-operation in thought, word and deed is the secret to personal and professional success. To gain co-operation from all, you must make people around you feel important and the only way you can do that is by being genuine and humble.

The Finance Bill, 2016, has been passed with a few amendments by the Lok and Rajya Sabha on 5th and 11th May, 2016, respectively, enabling Government to implement new tax provisions in the annual budget and set up a panel to decide interest rates and monetary policy. The passing of the 'The Insolvency and Bankruptcy Code, 2015', is a step in the right direction. The Code will ensure a much-needed modern framework to deal with the insolvency and bankruptcy of corporate entities in India which is a long-drawn and time consuming process.

Interactive Member-Regulator Meet

• **With Hon. ITAT members:** WIRC organised an interactive meet with ITAT members at ICAI Tower, BKC. Present on the occasion was ITAT President Justice (Retd.) Mr. Dev Darshan Sud.

• **With Hon. Minister of Finance, Government of Maharashtra:** Shri Sudhir Mungantiwar, Minister of Finance, Maharashtra was Chief Guest and Shri Rajiv Jalota, IAS, Commissioner, Sales Tax, Maharashtra was Guest of Honour for 'Meeting on Automation in MVAT'. Deputy Sales Tax Commissioners Shri Nitin Shaligram, Shri Pramod Dumre and Shri Gajanan Khanande demonstrated this new system of e-filing of new MVAT returns. Members appreciated the live demonstration of the new automated system.

Sessions on Professional Opportunities: The interactive meeting on 'Deemed Conveyance on Co-operative Societies' saw Adv. Ameet Mehta give insight from the legal perspective, thus giving Members a deeper understanding of the issues and solutions therein.

The GVAT workshop organised in Jamnagar was fruitful in helping members get a better and deeper understanding of Gujarat State specific VAT requirements.

Study Circle Meeting: The WIRC Study Circle Convenors meeting was attended by Study Circles from across the Western Region. Constructive discussions ranging from capacity building and infrastructure to education saw the involvement of all present.

Committee Meeting: The action plan for the entire year was chalked out by all the Committee Chairpersons during the marathon meetings held at our BKC building. Now all the Chairpersons and Committee members are geared up to perform for the betterment of our Profession.

Branch Visit: Office bearers visited the Nashik, Dhule and Jalgaon Branches to interact with the members in respective branches. This interaction went far in apprising office bearers of ground issues as well as to assure branch members of their support. It was also a good opportunity to discuss about our new curriculum of the Chartered Accountancy course.

Rank Holder's Felicitations

The WIRC organised the felicitation of Rank holders of IPCC Students and Final Students in which more than 30 Rank holders and around 120 students along with their parents were present. This programme was well appreciated by the Chief Guest, parents and students as this is a motivation to the students to perform well in their future endeavours.

Students Mock Tests: The CPT mock tests for WIRC students will shortly take place across the region. The numbers are increasing every year as students take advantage of this mock test to hone their understanding and knowledge for the upcoming examinations.

WIRC Sub-Regional Conference: We are happy to say that our branches are proving our words 'Together We Can' as our 5 medium and small branches (Ahmednagar, Nanded, Amravati, Dhule and Solapur) join hands to jointly host the Sub-Regional Conference organised by WIRC at Shirdi. CA Suresh Prabhu, Hon. Union Minister of Railways will be Chief Guest on the occasion. The Conference will be held on 4th and 5th June and we hope members will take advantage of the dual benefits of attending this Conference as well as visiting the auspicious city.

Important goals can never be achieved by one person alone as no single person has the complete knowledge, complete talent, complete experience, and all other variables that combine to give birth to genuine accomplishments and successes. But the truly intelligent professionals know this secret as they live and believe that together we can.....



CA. SHRUTI SHAH

OFFICE BEARERS

CA. Shruti Shah, *Chairperson*
CA. Hardik Shah, *Vice Chairman*
CA. Kamlesh Saboo, *Secretary*
CA. Shilpa Shinagare, *Treasurer*

EDITORIAL BOARD

CA. Shruti Shah, *Editor*

MEMBERS

CA. Vishnu Agarwal
CA. Sarvesh Joshi
CA. Sandeep Jain
CA. Lalit Bajaj
CA. N. C. Hegde, *Ex-Officio*

Forthcoming Events **Pg 05**

Bulletin Board **Pg 10**

Information Technology **Pg 10**

Law Updates **Pg 11**

Recent Judgments **Pg 16**

Together
We Can...

OPPORTUNITY TO WORK WITH THE LEADERS

A Public Limited Company, in the rubber industry, is looking for Chartered Accountants for the following Departments at Mumbai HO.

• Tax Department

The candidate must have a minimum experience of 5 years or more post qualification in the Taxation Dept. of a manufacturing company. The candidate should have very sound knowledge of Corporate Income Tax and fair knowledge of Indirect Taxes. Candidate must also have at least 3 years of experience in working in SAP FI module.

For more details and applying for the position, kindly mail on accsfinjobs@gmail.com



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Architect, Civil Engineer, Town-Planner & Builder

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Vanmali - Dhuru Hall, Near Rly. Stn., Dadar (W.), Mumbai-400028.

Pragati - 8433557110, Aditi - 9969449896, Smita - 9819470186
Dilip - 9833703655, Anita - 9967017026, Mangal - 9819854009
1800 22 5822, 022-24388174, 24224046, 24220199, 24305382.
datey13@gmail.com ■ www.dateylands.com

Time : 8 to 8, 12 hrs./365 days, NO HOLIDAY

**DATEY JUMBO COLOR ZEROX GROUP
BHAGYASHREE DATEY B.A., LL.B.**

Opportunity For Industrial Training in BASIZ

Basiz Fund Service Pvt. Ltd. is an established service provider of Hedge Fund Services with presence in New York, Singapore, London & India. Basiz has reputed international clients being serviced since many years.

Offering excellent scope to get trained in hedge fund accounting, NAV Calculation, Financial Statements Preparation etc., Basiz seeks Industrial Trainees interested in the fields mentioned above.

Eligibility Criteria

- ζ Pursuing articleship in a CA firm with minimum 1.5 years of articleship.
- ζ Strong academics and analytical skills.
- ζ Must have passed intermediate examination conducted by ICAI.
- ζ Eligible to pursue industrial trainee as per ICAI norms.
- ζ Training shall be for minimum period of 12 months.

Terms & Conditions

The candidates will be selected based on merits through Personal interview. Stipend is not a constraint for the right candidates. Selection will be subject to the rules of The Institute of Chartered Accountants of India.

Interested candidates are requested to forward their detailed bio data to hmmumbai@basizfa.com within 15 days.

READY TO MOVE IN OFFICE SPACE IN BKC ANNEXE

Fully furnished well maintained OFFICE SPACE available on lease / outright in a commercial building at Kala Nagar in Bandra (East).

Area : Built-up : 6,000 sq. ft. on two floors i.e. 3,000 sq. ft. on each floor with attached terrace. (single floor option is also available).

Location Highlights: At close proximity to BKC, W.E. Highway, Airport, Railway station and near to all utilities.

Building Highlights: Nil maintenance charges & negligible property tax.

Office Highlights: Uninterrupted view of W.E. highway/ MIG club from each cabin. Fully ready to move in furniture with approx 20 independent workstations, 8 executive cabins, ample storage cabinets, conference room and all required amenities on each floor. Excellent ambience and well maintained.

**IDEAL LOCATION FOR PROFESSIONAL FIRM
AND / OR MID SIZE CORPORATE**

**Contact : Pankaj Jain - 9167236009 /
9324517188**

Foundation Day Celebrations
 ~ 11th year ~
Mile Sur Mera Tumhara
1st July, 2016

Day & Date:
 Friday 1st July, 2016 | 6.00 p.m. to 10.00 p.m.

Venue:
 Bhaidas Hall, Near Mithibai College,
 Vile Parle (West), Mumbai - 400056

Chief Co-ordinators:

CA. Kamlesh Saboo 9819195333	CA. Shilpa Shinagare 9820053395	CA. Sandeep Jain 9819788099
CA. Priti Savla 9321426883	CA. Drushti Desai 9820335923	

Co-ordinators:

CA. Vijay Bhatt 9820210728	CA. S. Padmanabhan 9820186214
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WIRC REFERENCE MANUAL 2016

Twelfth Thoroughly Revised And Updated Edition



- Chartered Accountants Act & Regulations
- Accounting and Auditing
- Income Tax and Wealth Tax
- Indirect Tax
- Company Law
- Other Laws
- Miscellanea

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.

Coming Soon

Discount of 10% for Bulk purchase of 50 or more copies
 Book Your Copy with wirc@icai.in



Congratulations!

Dr. (CA) Rajkumar S. Adukia has been appointed as member of Audit Advisory Board of Office of Principal Director of Audit (Central), Mumbai, part of office of the Comptroller and Auditor General of India (C&AG).

SENIOR CITIZENS GET-TOGETHER AND MUSICAL PROGRAMME (SUN MERE BANDHU RE...)

**Sunday, 3rd July, 2016
10.00 a.m.**

Chief Co-ordinators:

CA. Kamlesh Saboo 9819195333	CA. Shilpa Shinagare 9820053395
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Co-ordinators:

CA. Vijay Bhatt 9820210728	CA. S. Padmanabhan 9820186214
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ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
11/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Real Estate Financing <ul style="list-style-type: none"> Sources of Capital at Various Stages in Projects, Real Estate Markets – Equity, Mezzanine and Debt Financing Conventional Sources of Funding Vibrant market of distressed debt assets-unlocking and recycling capital Legal Documentation in Debt and Equity Real Estate Transaction – Important Considerations 	Shri Puneet Bhatia CA. B. L. Maheshwari Shri Jitendra Singha Shri Pradeep Joy	CA. Drushti Desai 9820335923 CA. Kamlesh Saboo 9819195333 CA. Balkishan Agarwal 9377110634	CA. Vikas Vishwasrao 9892915272 CA. Meera Joiser 9819354164 CA. Premal Gandhi 9324383636
18/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on NBFC <ul style="list-style-type: none"> Directions of RBI relating to NBFCs Acceptance of Deposits Prudential norms & Auditors duties Credit Evaluation of NBFC – Crisil Perspective Audit Issues & Tax Issues Foreign Investment in NBFC Sector – Consolidation & Limitation 	CA. Jayant Thakur CA. Hardik Chokshi CA. Charanjit Attra CA. Bhavesh Vora	CA. Rakesh Alshi 9819427242 CA. Vikrant Kulkarni 9881880073 CA. Manish Gadia 9820537986	CA. Aniket Kulkarni 9821690559 CA. Reema Jethwa 9619602083 CA. Mayur Momaya 9867952010
25/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Fraud & Forensic Accounting <ul style="list-style-type: none"> Window to the world of Fraud– Forensic Accounting; Use of simple Forensic Tests Novel Methods of Investigation Case Studies on Fraud, Interviewing and Field Investigations 	CA. Chetan Dalal CA. Mahesh Bhatki CA. Sarang Dalal CA. Chetan Dalal CA. Mahesh Bhatki CA. Meghana Dalal CA. Sarang Dalal	CA. Sushrut Chitale 9821112904 CA. Umesh Sharma 9822079900 CA. Purushottam Khandelwal 9825020844	CA. Arun Prithwani 9820917280 CA. Neha Patel 9833678901 CA. Mukund Mall 9322224142
02/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on LLP <ul style="list-style-type: none"> Formation of LLP & Conversion to and from LLP Drafting of LLP Agreement & Taxation of LLPs 	CS. Rahul Sahasrabudhe CA. Vijay Kevalramani	CA. Priti Savla 9321426883 CA. Sarvesh Joshi 9822022292 CA. Abhijit Kelkar 9422126890	CA. Hrishikesh Wandrekar 9892919239 CA. Hiral Mehta 9892592283 CA. Jayesh Vora 9820274272
09/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Tax Planning for NRIs <ul style="list-style-type: none"> Tax Planning for NRIs Investment Options for NRIs under FEMA and repatriation facilities Do's & Don'ts under FEMA for NRIs TDS provisions for payment to non-Residents 	CA. Rajesh Athavale CA. Manoj Shah CA. Mayur Nayak CA. Rajesh Patil	CA. Vishnu Agarwal 9324544607 CA. Kamlesh Saboo 9819195333 CA. Pradeep Agrawal 9898560967	CA. Ritesh Hibare 9773418343 CA. Shrenik Doshi 7710077038 CA. Abhishek Katre 9821968858
09/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Co-op. Credit Society <ul style="list-style-type: none"> Formation of Co-op credit Society incl. Multi State Co-op Cr. Society Audit & Accounts Provisions IRAC norms and Asset Classification Introduction to Salary Earners Co-op. Credit Society 	Eminent Faculty Eminent Faculty Eminent Faculty Eminent Faculty	CA. Shilpa Shinagare 9820053395 CA. Vikrant Kulkarni 9881880073 CA. S. G. Mundada 9422080814	CA. Swati Bhatkar 9967537989 CA. Nitin Jaisinghani 9967523958 CA. Ashish Bakliwal 9004315053
16/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on ICDS <ul style="list-style-type: none"> Introduction to ICDS – ICDS 1- Accounting Policies, ICDS 2– Inventories, ICDS 3– Construction Contracts, ICDS 4– Revenue Recognition, ICDS 6– Effects of Changes in Foreign Exchange Rate ICDS 5– Tangible Fixed Assets, ICDS 7– Government Grants, ICDS 8– Securities, ICDS 9– Borrowing Cost, ICDS 10– Provisions, Contingent Liabilities and Contingent Assets 	CA. Vyomesh Pathak CA. Divyang Thakker	CA. Kamlesh Saboo 9819195333 CA. Sandeep Jain 9819788099 CA. Balkishan Agarwal 9377110634	CA. Aalok Mehta 9892001645 CA. Devang Doshi 9967923276 CA. Mihir Mehta 9773393007

ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
30/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,000/-	Seminar on Internal Audit: Transformation and Effectiveness <ul style="list-style-type: none"> Contemporary Observations made by Internal Audit in the past – Key Outcomes of Internal Audit Overcoming management resistance through Softer Skills and Approach Standards on Internal Audit – Importance of Standards and Compliance Fraud, Risk Management and Big Data including Emerging Compliances 	Eminent Faculty CA. Huzeifa Unwala CA. Murtuza Kachwala Eminent Faculty	CA. Pradeep Agrawal 9898560967 CA. Sushrut Chitale 9821112904 CA. Aniket Talati 9825551448	CA. Sachin Holmukhe 9820561266 CA. Neeti Mishra 9324679343 CA. Dhvani Karia 9819900489

ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai (Classroom)

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.
18/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,500/-	IT Security and Policies – A new avenue for CAs <ul style="list-style-type: none"> Network, Server, Application Security, Main and Emerging Security issues, Analyse the Security challenges 	Dr. Onkar Nath Shri N. D. Kundu	CA. Aniket Talati 9825551448 CA. Lalit Bajaj 9867692321 CA. Kamlesh Saboo 9819195333
16/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,500/-	Professional Opportunities in Health Care Industry <ul style="list-style-type: none"> Current threat landscape for the healthcare industry, Weighing the risks associated with cyber security including legal obligations, such as the cost of breaches, compliance standards, emerging laws; Panel Discussion on Cyber liabilities and how organisations can evaluate their cyber insurance options 	CA. Dinesh Jain	

ICAI Tower, Near Standard Chartered Bank, BKC, Mumbai (Classroom)

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
11/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Audit of Co-operative Housing Societies A Practical Approach <ul style="list-style-type: none"> Model Bye laws - 2014 Management of Co-op. Hsg. Society, Election Rules & Annual Legal Compliance Reporting Requirements and Format of Financial Statements Step by Step Approach to Co-op. Hsg. Society Audit with Sample Format 	CA. Ramesh Prabhu Shri Subhash Patil (Jt. Registrar CIDCO) Shri Rajesh Shah (DSA–Mumbai Div.) CA. Vijay Joshi	CA. Shilpa Shinagare 9820053395 CA. Hardik Shah 9825510422 CA. Vikrant Kulkarni 9881880073	CA. Y. R. Desai 9820448365 CA. Prachi Kulkarni 9819179198 CA. Viral Chheda 9833594045
18/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Drafting, Deeds and Documentation <ul style="list-style-type: none"> Conveyancing – An Overview (including drafting of Wills) Important Provisions of : (i) Maharashtra Housing (Regulation and Development) Act, 2012 (ii) The Real Estate (Regulation and Development) Act, 2016 Drafting of Lease Deed, Tenancy Agreement, Leave and Licence Agreement Drafting of documents relating to Partnership (including drafting of Deed of Partnership, Deed of Admission, Deed of Retirement, Deed of Dissolution) Drafting of documents relating to Family Arrangement and Partition 	Adv. Pravin Veera Adv. K. K. Ramani Adv. Mahesh Shah Adv. Pravin Veera Adv. Parimal Golwala	CA. Sandeep Jain 9819788099 CA. Priyam Shah 9824096112 CA. Abhijit Kelkar 9422126890	CA. Kamal Naulakha 9869431440 CA. Deepika Agarwal 9920178906 CA. Gauri Mejari 9892322927

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Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
20th to 26th 06/2016 Monday to Sunday 42 CPE Hrs	10.00 a.m. ₹ 10,000/-	7 Day Intensive Workshop on Recent Trends in Profession – Best Blend of AS, Ind AS and Companies Act, 2013 20/06/2016 – Major Changes CA 2013 & Ind AS • Companies Act 2013 Overview • Overview of Ind AS 21/06/2016 – Key Provisions – Assets & Audit under AS, Ind AS & CA 2013 • Assets • Audit 22/06/2016 – Financial Statements & Business Combinations • Format, Consolidation • Business Combination, Associate & Joint Ventures 23/06/2016 – Internal Financial Control and Ind AS Implementation Challenges • Internal Financial Controls • Ind AS Implementation Challenges 24/06/2016 – Loans, Deposits, Income Taxes & Foreign Exchange • Loans, Borrowings and Deposits (Section 180 & Section 73) • Income Tax, Foreign Exchange 25/06/2016 – Financial Instruments, CSR, Related Party & Professional Opportunities • Financial Instruments • Corporate Social Responsibilities, Related Party Transactions (Section 138), Professional Opportunities 26/06/2016 – Ind AS Implementation – A Practical Approach • First Time Adoption • Practical Case Study of Convergence	CA. Anand Bathiya CA. Chintan Patel CA. Parag Kulkarni CA. Himanshu Chopsey CA. Sandesh Mundra CA. Anand Sanghvi CA. Khushroo Panthaky CA. Alok Jajodia CA. Sukrut Mehta CA. Vishal Doshi CA. K. G. Pasupathi CA. Yogesh Sharma CA. Rakesh Agarwal	CA. Purushottam Khandelwal 9825020844 CA. Kamlesh Saboo 9819195333 CA. Priti Savla 9321426883	CA. Parag Raval 9824339200 CA. Sunil Sharma 9769949829 CA. Pritee Panchal 9819844965t
24/06/2016 Friday 2 CPE Hrs	5.00 p.m. ₹ 200/-	Lecture Meeting on Opportunities for CAs under Insolvency and Bankruptcy Code-2016	CA. Sahil Dhowan	CA. Manish Gadia 9820537986 CA. Lalit Bajaj 9867692321 CA. Balkishan Agarwal 9377110634	CA. Kailash Kataruka 9619814133 CA. Abhishek Ruia 9833287183 CA. Suchi Agarwal 9920368499
25/06/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Mergers & Acquisitions • Opening Session- M&A perspective • Tax and regulatory- mergers, demergers and restructuring • Valuations and M&A • Accounting considerations in M&A scenarios	Shri Vijay Paradkar, Deputy Head M&A - Mahindra and Mahindra CA. Deepa Dalal CA. Parag Ved CA. Jigar Parikh	CA. Vishnu Agarwal 9324544607 CA. Sarvesh Joshi 9822022292 CA. S. G. Mundada 9422080814	CA. Milind Joshi 9930033939 CA. Adesh Gupta 9819806769 CA. Vipul Agarwal 9821359804
02/07/2016 Saturday 4 CPE Hrs	2.00 p.m. ₹ 700/-	Seminar on MVAT updates and Amnesty • Recent Updates under MVAT and Allied Law • Settlement (Amnesty) Scheme under MVAT and Allied Laws	CA. Harsh Bajaj CA. Deepak Thakkar	CA. Manish Gadia 9820537986 CA. Umesh Sharma 9822079900 CA. Priyam Shah 9824096112	CA. Hemant Gandhi 9820051454 CA. Ramesh Kookda 9820679448 CA. Anish Singhania 9820185990
16/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Indirect Tax in Real Estate and Construction (Jugalbandi) • Service Tax provisions relating to Construction and Real Estate • VAT and Entry Tax provisions relating to Construction and Real Estate Brain's Trust Session • Brain's Trustees • Moderator	CA. Naresh Sheth CA. Janak Vaghani CA. Sushil Solanki Adv. P. C. Joshi CA. Ashit Shah	CA. Manish Gadia 9820537986 CA. Umesh Sharma 9822079900 CA. Drushti Desai 9820335923	CA. Jinit Shah 9870070607 CA. Aalok Mehta 9892001645 CA. Parita Shah 9820717644 CA. Shantesh Warty 9819947969

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Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
16/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Practical Workshop on Online Compliance of Co-op. Society (Mah.) • Post Audit Compliances and 89A Inspection • Fraud Prevention and detection WRT Co-op. Audit	CA. Amit Mohare CA. Santosh Giri CA. Gopal Singh	CA. Shilpa Shinagare 9820053395 CA. Abhijit Kelkar 9422126890 CA. Lalit Bajaj 9867692321	CA. Bipeen Mundade 9223290561 CA. Mehul Sheth 9820297310 CA. Prajakta Patil 9819041003

J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade, Mumbai

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Chief Co-ordinators / Mobile Nos.	Co-ordinators / Mobile Nos.
09/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Service Tax in Logistics Industry • Recent developments in applicability, valuation, reverse charge, POT & CENVAT related to Transport of goods by Air, Water, Road & Rail • Recent developments in applicability, valuation, reverse charge, POT & CENVAT related to Transport of passengers by Air, Water, Road & Rail • Case Studies in Logistics Industry – Panellists	CA. Parag Mehta CA. Ankit Chande CA. Sunil Gabhawalla CA. Girish Raman	CA. Hardik Shah 9825510422 CA. Priti Savla 9321426883 CA. Aniket Talati 9825551448	CA. Path Navandar 98198 73691 CA. Vikram Joshi 9821733286 CA. Aumkar Gadgil 8007976830
16/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Service Tax in Construction Industry • Recent Amendments in applicability, valuation, POT & CENVAT related to Builders & Developers • Recent Amendments in applicability, valuation, POT, CENVAT & Refunds related to Contractors including Government Contracts • Case Studies in Construction Industry – Panellists	CA. Keval Shah CA. Jinit Shah CA. Rajiv Luthia CA. Naresh Sheth	CA. Sandeep Jain 9819788099 CA. Priyam Shah 9824096112 CA. Sushrut Chitale 9821112904	CA. Hemang Shah 9223273189 CA. Akshay Tambe 9892701496 CA. Kalpesh Kothari 9029371777
23/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on e-filing under DT & IDT for newly Qualified CAs • TDS • ITR • MVAT • Service Tax	CA. Ravi Soni CA. Atul Mehta CA. Kunal Davda CA. Prerana Shah	CA. Hardik Shah 9825510422 CA. Drushti Desai 9820335923 CA. Pradeep Agrawal 9898560967	CA. Viral Mehta 9819030563 CA. Dawal Acharya 9819411101 CA. Manisha Bhonsle 8097443088
30/07/2016 Saturday 6 CPE Hrs	10.00 a.m. ₹ 1,200/-	Seminar on Forensic Audit & Data Analytics • Importance of System Audit – Different types of System Audit • Various Methodologies to Conduct Technology Audit–Standard and COBIT • Forensic Audit • Data Analytics in Forensic Audit	CA. Nandmohan Shenoy CA. Nandmohan Shenoy Eminent Faculty Eminent Faculty	CA. Aniket Talati 9825551448 CA. Rakesh Alshi 9819427242 CA. Lalit Bajaj 9867692321	CA. Abhijit Totade 9819659151 CA. Ashwin Raje 9769908479 CA. Arpit Kabra 9819007027

Study Group Meetings

Date, Day & CPE Hrs	Time & Fees	Topic(s)	Speaker(s)	Venue	Organised by / Convenor / Mobile Nos.
07/06/2016 Tuesday 3 CPE Hrs	5.00 p.m. Per Annum ₹ 1,000/-	Co-operatives • Sec. 82 and Sec. 89A	Eminent Faculty	Conference Room, 6th Floor, ICAI Tower, BKC, Mumbai	Co-operatives CA. Ramesh Prabhu 9820106766
18/06/2016 Saturday 4 CPE Hrs	9.30 a.m. Per Annum ₹ 1,000/-	BFSI & Capital Market • 36th Roundtable Discussion with Mentoring / Finance and Industry Focus - Innovations • In Balanced Scorecard and Analysis of Important Sectors with Case Studies • Mentors Panel	CA. Dushyant Shah CA. Rounak Maheshwari CA. Anupam Petkar CA. Nipun Mehta CA. Manoj Alimchandani	Conference Room, 6th Floor, ICAI Tower, BKC, Mumbai	BFSI & Capital Market CA. Pramod Agarwal 9930266050
22/06/2016 Wednesday 3 CPE Hrs	5.00 p.m. Per Annum ₹ 1,000/-	Indirect Tax • Issues in Rule 6 of CENVAT Credit Rules, 2004 and Analysis of Services by Government and its CENVAT Credit	CA. Rahul Jain	Conference Room, 6th Floor, ICAI Tower, BKC, Mumbai	Indirect Tax CA. Jinit Shah 9870070607
22/07/2016 Friday 3 CPE Hrs	5.00 p.m. Per Annum ₹ 1,000/-	Indirect Tax • VAT and Service Tax implications on E-Commerce Business Transactions	CA. Rajat Talati CA. Naresh Sheth	Conference Room, 6th Floor, ICAI Tower, BKC, Mumbai	Indirect Tax CA. Jinit Shah 9870070607

SIXTY FIFTH ANNUAL GENERAL MEETING OF WIRC OF ICAI

NOTICE is hereby given that the Sixty Fifth Annual General Meeting of the Western India Regional Council of The Institute of Chartered Accountants of India, will be held on Thursday, 30th June, 2016 at 9.30 a.m. at ICAI Tower, Near Standard Chartered Bank, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, to transact the following business:

1. To receive the Sixty Fifth Annual Report of the Western India Regional Council of ICAI.
2. To receive the Audited Financial Statements of WIRC of ICAI for the year ended 31st March, 2016 and
3. To transact any other business with the permission of the Chair.

BY ORDER OF THE
WESTERN INDIA REGIONAL COUNCIL OF ICAI

CA. Kamlesh Saboo,
Secretary
Date: 30th May, 2016

Notes:

The 65th Annual Report of WIRC of ICAI is hosted on <http://www.wirc-icai.org>. The hard copies of the same shall be supplied to members on request received in writing. Members requiring any further information / details etc., in respect of the above should send a written request addressed to the Secretary, Western India Regional Council of ICAI by 21st June, 2016.

E- SERVICES ON ICAI WEBSITE www.icai.org

There are many e-services available on the web portal of ICAI website www.icai.org. The e-services icon is available on the home page of www.icai.org. Prominent among the different e-services are given below :

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 e-services portal of ICAI website www.icai.org. The link for the same is www.icai.org/e-Services/Reprint letter-Members/Students

- Online Membership Fees Payment including balance membership fees
- Online Payment for enrolment for the various certificate courses organised by ICAI
- Online submission of Form No: 117 for Firm Name approval
- E-CA Journal
- ICAI Mobile Application for Members and Students

CHARTERED ACCOUNTANTS BENEVOLENT FUND (CABF) FOR MEMBERS

The Chartered Accountants Benevolent Fund (CABF) was set up in 1962 by ICAI for providing welfare and support to the CA Members and their families who are in distress.

A Member on paying ₹ 2500/- can become life Member of CABF and subsequently make Annual/Voluntary contribution.

The CABF provides financial assistance for medical treatment and monthly financial assistance to Members or family Members who are eligible to receive such sustenance. Financial assistance in lump sum is also given to the Members/Widows/Relatives in case of accidental death/unnatural death of a member aged below 55 years as well as for medical treatment under specified category. Members are requested to contribute generously to the CABF.

The Committee for Capacity Building of Members in Practice of ICAI has initiated various measures for the benefits of the Members of ICAI through arrangements with leading service providers which the Members may avail at their choice. For details, please visit http://www.icai.org/new_post.html?post_id=933&c_id=41.

INFORMATION TECHNOLOGY UPDATE CORNER

Welcome! WIRC is starting a new series on latest updates in the field of Information Technology. The 'IT Update Corner' is intended to keep members abreast with news and views on the topic with short-URL links to read the update in detail on the source web page.

#BigData: Is big data a dictatorship of data and potential for misuse? A lot of data gets generated daily and gets captured – from financial information to healthcare to social demographic trends to individual customer preference. While big data capturing and analysis of same is a science of correlation, it can be misused to profile and punish people only based on intent. Read more: <http://goo.gl/7Ez2c5>.

#BigData #NLP #TextAnalytics: World is now more digitally connected and continues to grow. Huge text data get captured but largely remains unused. Natural language processing (NLP) is a field of computer science, artificial intelligence, and computational linguistics to achieve interactions between computers and human (natural) languages. Text analytics deploys combination of linguistic, statistical, and machine learning techniques that model and structure the information content of textual sources for business intelligence, exploratory data analysis, research, or investigation. Text analytics spans across virtually all verticals – Finance, Banking, Insurance, Media, Retail, Legal, Security, Government and can be applied for fraud prevention, compliances, anti-money laundering, claims processing, etc. Read more: <https://goo.gl/pgxVj3>.

#CyberCrimes: Email fraud targeting senior management is on rise. Over the past one year, there has been a sharp uptick in email fraud targeting high officials of corporate world, NGOs, Government organisations. Hackers interest themselves in obtaining confidential information costing victims millions of rupees. SOPs for mail management and awareness remains key for risk mitigation. Read more: <http://goo.gl/CSrT7b>.

#CyberSecurity Google Trust: API plans to replace Passwords with Trust Score by 2017. Google had added two-factor authentication whereby even if password confidentiality is compromised, an instant generated PIN was required to access account. Now Google intends to use your biometrics data – like your typing patterns, your current location, and more – to strengthen the second layer of authentication with a better, automatic and trustworthy approach. Read more: <http://goo.gl/qSxgE8>.

#DotBharat – promoted by Government of India: Make your business more popular across the globe with Indian identity .IN Domain and contribute to raise the graph of India as a digital superpower! The .IN Registry, an autonomous body, has been created by NIXI, the National Internet eXchange of #India. The .IN Registry ensures operational stability, security and reliability of the .IN domain. The .IN Registry facilitates the registration of domain names through its accredited registrars spread all over world. Visit: www.inregistry.in Get .IN Domain: www.getyourown.in.

(Disclaimer: Copyright - source links. These links are being provided as a convenience and for informational purposes only; they do not constitute an endorsement or an approval by the WIRC of ICAI of any of the products, services or opinions of the corporation or organisation or individual. The WIRC of ICAI bears no responsibility for the accuracy, legality or content of the external site or for that of subsequent links.)

DIRECT TAX

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

FILING OF APPEAL OR APPLICATION FOR REFERENCE BY INCOME TAX AUTHORITY- SECTION 268A OF THE INCOME TAX ACT, 1961 [238 TAXMAN (st.) 5]

The monetary limits for filing appeals before the Income Tax Appellate Tribunals and High Courts were raised to ₹ 10 lakh and ₹ 20 lakh respectively by Circular 21 of 2015, dated 10/12/2015.

The CBDT *vide* letter F.No.279/MISC/M-142/2007-ITJ (PART) dated 08/03/2016, clarified that monetary limits of ₹ 10 lakh for filing appeals before the Income Tax Appellate Tribunals would apply equally to cross objections under section 253(4) of the Act. Cross objections below this monetary limit, already filed, should be pursued for dismissal as withdrawn/not pressed. The filing of cross objections below the monetary limit may not be considered henceforth.

Similarly, references to High Courts below the monetary limit of ₹ 20 lakh should be pursued for dismissal as withdrawn/not pressed. References below this limit may not be considered henceforth.

ASSOCIATION OF PERSON - ASSESSABLE AS - CLARIFICATION REGARDING TAXABILITY OF CONSORTIUM MEMBERS - SECTION 4 OF THE INCOME TAX ACT, 1961 [238 TAXMAN (st.) 6]

- 1) The CBDT *vide* Circular No. 7/2016 dated 7/3/2016 clarified with a view to avoid tax-disputes and to have consistency in approach while handling these cases, the Board has decided that a consortium arrangement for executing EPC/Turnkey contracts which has the following attributes may not be treated as an AOP.
 - a) Each member is independently responsible for executing its part of work through its own resources and also bears the risk of its scope of work i.e., there is a clear demarcation in the work and costs between the consortium members and each member incurs expenditure only in its specified area of work.
 - b) Each member earns profit or incurs losses, based on performance of the contract falling strictly within its scope of work. However, consortium members may share contract price at gross level only to facilitate convenience in billing.
 - c) The men and materials used for any area of work are under the risk and control of respective consortium members.
 - d) The control and management of the consortium is not unified and common management is only for the *inter se* co-ordination between the consortium members for administrative convenience.
- 2) There may be other additional factors also which may justify that consortium is not as AOP and the same shall depend upon the specific facts and circumstances of a particular case, which need to be taken into consideration while taking a view in the matter.
- 3) It is further clarified that this circular shall not be applicable in cases where all or some of the members of the consortium are Associated Enterprises within the meaning of section 92A of the Act. In such cases, the Assessing Officer will decide whether an AOP is formed or not keeping in view the relevant provisions of the Act and judicial jurisprudence on this issue.

DOUBLE TAXATION AGREEMENT - BENEFITS OF INDIA-UK DOUBLE TAXATION AVOIDANCE AGREEMENT TO UK PARTNERSHIP FIRMS - SECTION 90 OF THE INCOME TAX ACT, 1961 [238 TAXMAN (st.) 10]

The CBDT *vide* circular No. 2/2016 dated 25/2/2016 in exercise of the powers conferred under section 119 of the Income Tax Act, clarifies that the provisions of India-UK DTAA would be applicable to a partnership that is a resident of either India or UK, to the extent that the income derived by such partnership, estate or trust is subject to tax in that State as the income of a resident, either in its own hands or in the hands of its partners or beneficiaries. This clarification was in the apprehensions that the term "person" in the DTAA does not specifically include "partnership" have been brought to the notice of the board and the clarification was sought on whether the provisions of the treaty are applicable to a partnership.

CERTAIN ACTIVITIES NOT TO CONSTITUTE BUSINESS CONNECTION IN INDIA - SECTION 9A - INSERTION OF RULES 10V, 10VA, 10VB AND FORM NO.3CEJ AND FORM NO. 3CEK [238 TAXMAN (st.) 11]

The CBDT *vide* Notification No. SO 1101(E)[No.14/2016 (F.No.142/15/2015-TPL)] dated 15/03/2016 gives Income Tax (Fifth Amendment) Rules 2016. This is in exercise of the power conferred by section 9A read with section 295 of the Income-tax Act. It inserts Rule 10V which provides for guidelines for application of section 9A. The Rule 10VA provides for the approval of the fund. The Rule 10VB provides for the statement to be furnished by the fund. The new Form No. 3CEJ is prescribed being report from an accountant to be furnished for the purpose of section 9A relating to arm's lengths price in respect of the remuneration paid by an eligible investment fund to the fund managers. It also prescribed new Form 3CEK being annual statement u/s. 9A of the Income-tax Act.

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

MVAT Act, 2002

Notifications

- (i) The Government of Maharashtra has issued notification dated 20/4/2016 by which amendment is made in Schedule Entry A-51 to include 'towels' in the same.
- (ii) The Government of Maharashtra has issued notification under Section 42 dated 30/3/2016 to make amendments in composition schemes covered by above section.

MVAT Amendment Act 2016

The Government of Maharashtra proposed various amendments in MVAT Act and allied Acts.

To give effect to the same the Maharashtra Tax Laws (Levy, Amendment and Validation) Act, 2016 (Mah. Act No. XV of 2016 dated 26/4/2016 is brought into effect.

Various amendments are made in various sections.

Maharashtra Settlement Act

One of the budget proposals was to grant Amnesty Scheme. The Government has enacted The Maharashtra Settlement of Arrears in Disputes Act, 2016 dated 22/4/2016 to implement the Amnesty Scheme.

MVAT Rules, 2005

- (i) The Government of Maharashtra has issued notification

dated 22/4/2016 to amend certain rules in MVAT Rules. The changes are mainly to bring in E formalities in various Rules as well as modify return periodicity.

- (ii) The Government of Maharashtra has issued one more notification dated 29/4/2016 to further amend MVAT Rules. By this amendment various rules are changed in light of budget proposals.

Order under section 8(3D)

The Government of Maharashtra has issued order dated 29/4/2016 for exemption for sizing and warping of yarn under MVAT Act.

CST (Bom.) Rules

The Government of Maharashtra has issued notification dated 22/4/2016 to amend CST (Bom.) Rules. By amendment certain forms are substituted.

Circulars

1. The Commissioner of Sales Tax has issued circular bearing No. 10T of 2016 dated 3/5/2016 explaining the provisions of Settlement of Arrears in Disputes Act, 2016.
2. The Commissioner of Sales Tax has issued circular bearing No. 11T of 2016 dated 6/5/2016 by which the exemption of late fees u/s. 6(3) of the Maharashtra State Tax on Professions, Trade, Callings and Employment Act, 1975 to the Government Aided Educational Institutions is clarified.
3. The Commissioner of Sales Tax has issued circular bearing No. 12T of 2016 dated 6/5/2016 by which the procedure for Profession Tax Enrolment Amnesty Scheme, 2016 is explained.

GUJARAT VAT

(Contributed by CA. Kishor R. Gheewala)

REDUCTION IN RATES

VAT Act

Vide Notification No. (GHN-28) VAT – 2016 – S.5(2)(51)-TH dated 12th May, 2016, u/s. 5(2)(a) of the GVAT Act, rates of tax have been reduced as under w.e.f. 1/4/2016.

- New Entry No. 112 – Tax on Motor vehicles, covered by Entry 80A of Schedule II of the Act, sold to the dealers engaged in business of sale of such vehicles, in excess of 15% including additional tax is exempted.
- New Entry No. 113 - Tax on (i) Tankers, loading rickshaws, goods carriage vehicles except goods carrier trucks. (ii) Chassis of school buses, Passenger buses, goods carrier trucks, goods carriage vehicles, tanker, loading rickshaws, in excess of 15% including additional tax is exempted.

Entry Tax Act

Vide Notification No. (GHN-29) GEA – 2016 – (S.12)(12)-TH dated 12th May, 2016, u/s. 12(2) of the Entry Tax Act, rates of tax have been reduced as under.

- New Entry No. 3 – Tax on Tractors in excess of 5% is exempted.
- New Entry No. 4 – Tax on Motor vehicles including chassis of such motor vehicles and the body which is built on chassis on such motor vehicles covered under entry at serial No. 10 of Schedule appended to the Government Notification, Finance Department No. (GHN-18)(GEA-2016-(S.3)(6)-TH dated 1st April, 2016 imported by a registered dealer who is

engaged in the business of sales of such vehicles, in excess of 15% is exempted. w.e.f. 1/4/2016.

REMISSION OF TAX

Vide Notification No. (GHN-24) VAT-2016-S.41(1)(16)-TH dated 30th April, 2016 as amended by Notification No. (GHN-32) VAT-2016-S.41(1)(17) dated 19th May, 2016, u/s. 41(1) of the GVAT Act, Remission of tax is granted on sales of Kerosene through the Public Distribution System in Gujarat and sales of Kerosene meant for sale through the public distribution system in Gujarat by the oil marketing, companies and the distributors and dealers in the subsequent chain of sale of such Kerosene.

NO TAX INVOICE

Vide Notification No. (GHN-31) VAT-2016-S.60(1)(02)-TH dated 19th May, 2016, u/s. 60(1)(e) of GVAT Act, New Entry 2 is inserted to prohibit the issue of tax invoice on sales of Kerosene meant for sale through the public distribution system in Gujarat by the oil marketing, companies and the distributors and dealers in the subsequent chain of sale of such Kerosene.

CORPORATE LAWS

(Contributed by CA. Rahul Joglekar)

MCA (www.mca.gov.in)

MCA Circular No. 04/2016 dated 27th April 2016 – Clarification with regard to Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

MCA has clarified that with regard to the accounting period for which the accounts would need to be prepared using the Accounting Standards, as amended through the Companies (Accounting Standards) Amendment Rules, 2016 that the amended Accounting Standards should be used for preparation of accounts for accounting periods commencing on or after the date of notification i.e., accounting period commencing from 1st April 2016. For complete text of the notification, please refer the link: http://www.mca.gov.in/Ministry/pdf/General_Circular_27042016.pdf.

CENTRAL EXCISE

(Contributed by CA. Jayesh Gogri)

Notifications

a) Tariff

1. Concessional rate of duty withdrawn on specified wireless data modems

Now, wireless data modem cards with PCMCIA or USB or PCI express ports falling under tariff heading 8517 will be chargeable to excise duty at the applicable tariff rate.

(Notification No. 20/2016-CE dated 5th May, 2016 and Notification No. 21/2016-CE dated 5th May, 2016)

2. Amendments to Mega Exemption Notification No. 12/2012-CE dated 17th March, 2012

- a) The rate of excise duty payable has been reduced from 9.50% to 9.35% on specified gold bar, other than tola bar manufactured in a factory:

Starting from the stage of:

- Gold dore or concentrate
- Gold dore bar
- Silver dore bar

During the process of copper smelting.

- b) The populated circuit boards used in manufacture of broadband modem, routers, set-top box, Digital Video Recorder (DVR)/Network Video Recorder, (NVR), specified lithium batteries, CCTV cameras and reception apparatus for television shall not be entitled to exemption from duty.
- c) Concessional rate duty benefit provided to speakers for manufacture of mobile handsets is now withdrawn. Also, exemption from duty applicable to inputs or parts or sub-parts for manufacture of speakers of mobile handsets is also been withdrawn.
- d) Concessional rate of duty of 4% is conditionally prescribed for manufacture of populated printed circuit board of Lithium-ion battery other than battery for mobile handset, Broadband Modem, Router, Set-top box for gaining access to internet, Digital Video Recorder (DVR)/Network Video Recorder, (NVR), CCTV Camera/IP Camera etc. Furthermore, parts or components used in said manufacture of goods is also granted exemption.
- e) Alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels would enjoin exemption from excise duty up to 31st March, 2017.
- f) Newly inserted items comprising organic chemical and misc. chemical products:

Sr. No.	CETSH	Description of Excisable Goods	Rate	Date of Effect
113B	2905 or 3823 11 12	The following goods for use in the manufacture of alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels, namely:- (i) RBD Palm Stearin (ii) Methanol (iii) Sodium Methoxide	Nil	Applicable up to 31/3/2017
113C	29 or 38	Alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels.	6%	Applicable from 1st April, 2017
113D	2905 or 3823 11 12	The following goods for use in the manufacture of alkyl esters of long chain fatty acids obtained from vegetable oils, commonly known as bio-diesels, namely:- (i) RBD Palm Stearin (ii) Methanol (iii) Sodium Methoxide	6%	Applicable from 1st April, 2017

(Notification No. 22/2016-CE dated 5th May, 2016; Notification No. 23/2016-CX dated 17th May, 2016)

b) Non-Tariff

1. Insertion to abatement notification relating to Retail Sale price (RSP)

Notification No. 49/2008-CE(NT) dated 24th December, 2008 notifies goods which are valued at RSP less permissible abatement. Now, abatement is also made available to 'Routers' covered under tariff item 8517 69 30 @ 20% of the RSP.

(Notification No. 25/2016-CE (NT) dated 5th May, 2016)

2. Infrastructure Cess on export of goods

Infrastructure cess on Specified goods is considered as a duty of excise for the purpose of export of goods. If, goods are exported without payment of duty under Rule 19 of Central Excise Rules (CER) no infrastructure cess has to be paid. Moreover, where goods are exported under the claim of rebate under Rule 18 of CER, rebate of infrastructure cess can be claimed.

(Notification No. 26/2016-CE (NT) dated 5th May, 2016)

Circulars

1. Extension of time limit for obtaining of registration by Jewellery manufacturers

Time limit for taking Central Excise registration of an establishment by a jeweller is being extended up to 1/7/2016. Further, jewellers may discharge their duty liability for the months of March, April and May 2016 along with the payment of excise duty for the month of March, 2016.

(Circular No. 1026/14/2016-CX dated 23rd April, 2016)

2. Withdrawal of Circulars/Instruction on excisability of bagasse, aluminium/zinc dross skimmings

Hon'ble Supreme Court in case of *M/s. Union of India and Ors. vs. M/s DSCL Sugar Ltd.* [2015-TIOL-240-SC-CX] dated 15/7/2015 have examined the issue of excisability of bagasse and similar other by-products or wastes arising during the course of manufacture of an excisable product and held that bagasse is not a manufactured product.

Therefore, circulars of the Board on the aforesaid subject viz. 904/24/2009-CX dated 28/10/2009, 941/02/2011-CX dated 14/2/2011 and instruction issued *vide* F.No.17/02/2009-CX(Pt.) dated 12/11/2014 have become *non-est* and are rescinded.

Reversal of CENVAT credit of inputs and input services shall be applicable on bagasse, dross and skimmings of non-ferrous metals or any such by product or waste, which are non-excisable goods and are cleared for a consideration from the factory shall be treated as exempted goods in accordance with Rule 6 of CENVAT Credit Rules, 2004 (as amended).

(Circular No. 1027/15/2016-CX dated 25th April, 2016)

3. Clarification on segregation of impurities viz. iron, steel, rubber, plastic, dust etc. from honey grade brass scrap

This circular provides clarification in respect of activity of segregation of imported foreign material (honey grade brass scrap) undertaken by brass manufacturers which involves removal of impurities viz. iron, steel, rubber, plastic, dust etc.

Upon examination it is clarified that the clearance of segregated foreign materials namely iron, steel, rubber, plastic, dust etc., from honey grade brass scrap before feeding in the furnace cannot be treated as removal of "inputs as such" as envisaged under Rule 3(5) of CENVAT Credit Rules, 2004. The segregated foreign material in such situation shall be cleared on payment of Central Excise duty on transaction value as per its appropriate classification and rate of duty determined on merits.

(Circular No. 1029/17/2016-CX dated 10th May, 2016)

SERVICE TAX

(Contributed by CA. Rajiv Luthia)

SYNOPSIS OF NOTIFICATIONS, CIRCULARS & LETTERS

W.e.f. 20th August, 2014, Entry No. 5A was inserted in Notification No. 25/2012-ST dated 20th June, 2012 to grant exemption to "Services rendered by i) Kumaon Mandal Vikas Nigam Ltd. & ii) "Committee" or "State Committee" (as defined in Section 2 of the Haj Committee Act, 2002) in respect of a religious pilgrimage facilitated by the Ministry of External Affairs of the Government of India, under bilateral arrangement" from the levy of Service tax.

In exercise of powers conferred by section 11C of the Central Excise Act, 1944 read with section 83 of the Finance Act, 1994, Central Government, vide Notification No. 25/2016-ST dated 17th May, 2016, has granted retrospective exemption to such services for the period from 1st July, 2012 to 19th August, 2014.

CBEC, vide Circular No. 193/03/2016-ST dated 18th May, 2016, has clarified that Service Tax liability for services provided by an arbitral tribunal (including the individual arbitrators of the tribunal) shall be on the service recipient if it is a business entity located in the taxable territory with a turnover exceeding ₹ 10 lakh in the preceding financial year.

With the enactment of Finance Bill, 2016, following changes have come into effect w.e.f. 14th May, 2016

Relevant clause of Finance Bill, 2016 / Notification	Particulars
145 (a)	Definition of "approved vocational education course" u/s. 65B (11) omitted
145 (b)	Clause (a) of Explanation 2(ii) to section 65B related to lottery distribution amended
146 (a)	Educational services covered u/s. 66D (1) removed from Negative List
147	Section 66E(j) inserted whereby activity of "assignment by the Government of the right to use the radio-frequency spectrum and subsequent transfer thereof" is treated as Declared Service
148	Sub-section 2 inserted in Section 67A to provide that the time or the point in time with respect to the rate of service tax shall be such as may be prescribed
149	Time limit for issuance of Notice u/s. 73 increased from 18 months to 30 months
Notification No. 14/2016-ST dated 1st March, 2016	Interest u/s. 73B for delayed payment of any amount in excess of the service tax reduced from 18% to 15%
150 & Notification No. 13/2016-ST dated 1st March, 2016	Interest u/s. 75 for delayed payment of Service Tax reduced to 15% / 24%
151	Section 78A related to penalty on Directors etc. amended

152	Monetary limit of certain offences u/s. 89 increased from ₹ 50 lakh to ₹ 2 crore
153	Section 90 related to cognizance of offence amended
154	Section 91 related to power to arrest amended
155	Section 93A conferring powers to grant rebate amended
156	Retrospective exemption to services rendered to Government etc. during the period from 1st July, 2012 to 29th January, 2014 Retrospective exemption to services rendered to Government etc. during the period from 1st April, 2015 to 29th February, 2016 Retrospective exemption to services of construction of airport or port during the period from 1st April, 2015 to 29th February, 2016
157	Retrospective amendment to Notification No. 41/2012-ST (granting refund of Service tax for services used in export of goods) for the period from 1st July, 2012 to 2nd February, 2016

FEMA

(Contributed by CA. Manoj Shah, CA. Sudha G. Bhushan & CA. Mitesh Majithia)

Foreign Investment in units issued by Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs) and Alternative Investment Funds (AIFs) governed by SEBI regulations

A.P. (DIR Series) Circular No. 63 dated April 21, 2016

With a view to rationalising foreign investment regime for Alternative Investment vehicles and to facilitating foreign investment in collective investment vehicles for real estate and infrastructure sectors, it has been decided, in consultation with the Government of India, to allow foreign investment in the units of Investment Vehicles registered and regulated by SEBI or any other competent authority.

At present, Investment Vehicle will include the following:

- REITs registered and regulated under the SEBI (REITs) Regulations 2014;
- InvITs registered and regulated under the SEBI (InvITs) Regulations, 2014;
- AIFs registered and regulated under the SEBI (AIFs) Regulations 2012.

The term 'Unit' shall mean beneficial interest of an investor in the Investment Vehicle and shall include shares or partnership interests.

The Reserve Bank of India (RBI) has also clarified that foreign investment in units of REITs registered and regulated under the SEBI (REITs) Regulations, 2014 will not be included in "real estate business" for the purpose of Regulation 4(b)(iv) of Notification No. FEMA 1/2000-RB dated May 3, 2000.

For salient features of this new investment regime, refer the circular available at <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10358&Mode=0>.

RBI has since issued following amendment regulations to amend the relevant subject Regulations to give effect to above amendments:

- Foreign Exchange Management (Permissible Capital Account Transactions) (Fourth Amendment) Regulations, 2015 - Notification No. FEMA 345/2015-RB dated November 16, 2015;
- Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Eleventh Amendment) Regulations, 2015 - Notification No. FEMA 355/2015-RB dated November 16, 2015; and
- Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Second Amendment) Regulations, 2016 - Notification No. FEMA 362/2016-RB dated February 15, 2016.

Money Transfer Service Scheme (MTSS) – Submission of statement/returns under XBRL

A.P. (DIR Series) Circular No. 70 dated May 19, 2016

Presently all authorised persons, who are Indian Agents under MTSS are required to submit quarterly statement of the quantum of remittances received in the prescribed format. They are now advised to report the above mentioned statement in eXtensible Business Reporting Language (XBRL) system from the quarter ending June, 2016.

Rupee Drawing Arrangement – Submission of statement/returns under XBRL

A.P. (DIR Series) Circular No. 71 dated May 19, 2016

Presently, AD Category-I banks are required to submit statement E on total remittances received every quarter. They are now advised to report the above mentioned statement in eXtensible Business Reporting Language (XBRL) system from the quarter ending June, 2016.

CO-OPERATIVE SECTION

(Contributed by CA. Ramesh Prabhu)

Interim Order dated 2nd May, 2016 issued by Aurangabad Bench of Bombay HC on Revised Audit Fee GR dated 29/10/2014 issued by Dept. of Co-operation, Pune

Aurangabad Bench of Hon'ble High Court of Mumbai has given an interim stay on the lesser fees prescribed by the circular dated 15/5/1992 in the case of WP 596 of 2015 with WP/ 2871/2013 with CA/7654/2015 in WP/2871/2013 with CP/42/2015 in WP/2871/2013 with WP/9355/15. The case was filed by *Ahmednagar Dist. Certified Auditors Service Association vs. State of Maharashtra and others* on which interim stay was given on 2nd May, 2016. The Co-operative Committee (Maharashtra) of WIRC through CCONPO of ICAI has sought the clarification on various points dated 19th May, 2016 regarding the impact on the fees to be charged by the auditors due to above interim order. The said interim order and the letter seeking clarification is hosted on the co-operative section of WIRC website.

Co-operative Audit and Inspection: Sec. 89A Inspection of Co-op. Societies

Every DSA has been advised by the Commissioner for Co-operatives and Registrar of Co-operative Societies to take the review of Audits completed by the Panel Auditor for the year 2014-15. Accordingly, every panel auditors including CAs have received the notices from the DSA to submit the audit Reports for the year 2014-15 which has been completed and which are pending irrespective of the fact whether their appointment is done by the Society or by the Registrar under section 81 of the MCS Act, 1960. So all the panel auditors are required to comply with the same at the earliest.

Every officer of the Co-operative department has been advised *vide* circular dated 25/6/2015 issued by the Co-operative Commissioner to carry out inspection of the societies under section 89A of the MCS Act, 1960. Necessary formats for inspection under section 89A also has been prescribed for different class of Societies *vide* circular dated 30/10/2015. The main area of violation inspected and reported are Sections 24A, 26, 28, 43, 65, 66, 67, 70, 82, 146, Rules 49A, 54, 55, 65, 69, 107A and the violation of the notification and the circular issued by the department from time-to-time.

Both these circulars are uploaded in English and Marathi on WIRC website under Co-operative Section. Societies have started receiving the notices from the DSA and the Registrar's Office regarding the inspection to be carried of their societies. During the inspection the inspecting officer will be scrutinising the audit report for failure to report serious irregularities in the working of the society in addition to the five areas covered under section 89A of the MCS Act, 1960 on which they are required to submit their inspection report which are as under:

89A(1): It shall be competent for the Registrar to inspect or cause to be inspected the working of any society to ensure that—

- The provisions of the Act, rules and bye-laws of the society are being properly followed by the society;
- The records and books of account are kept in proper forms;
- Overall view is taken to ensure that the business of the society is being run on sound business principles and under professional and efficient management;
- The society is following the co-operative principles and the directives or directions given by the State Government in accordance with the provisions of this Act and the rules made there under;
- The returns as provided by section 79 are submitted to the registrar regularly and properly.

Therefore, the auditors are expected to complete their audit and submit the report covering the above five areas which affect the working of the society including the other reporting requirement as per section 81 of MCS Act, 1960 and Rule 69 of the MCS Rules, 1961.

The Auditors who have generated the e-order for their appointment done by the society in their AGM by visiting the auditors login in Mahasahakar website or to whom the registrar has allotted the audits proviso orders u/s. 81 of the MCS Act, 1960 who failed to generate the e-order are expected to do the audit and file their reports online. The auditors who could not generate the e-order for the appointment done by the society, need to approach the District Deputy Registrar and get the orders issued by the DDR under proviso to section 81 revoked by the DDR by submitting necessary resolution appointing them as auditor and get the Society appointed auditor confirmed by the DDR on Mahasahakar website.

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Obituary

CA. Shriniwas Sitaram Nadkarni

M. No. 008241 left for Heavenly Abode on 20/2/2016. May the departed soul rest in peace.

DIRECT TAX

(Contributed by CA. Paras K. Savla & CA. Hemant Shah)

S. 10(23C)(iiiab) Fees received from students not part of Government grants/contributions

For grant of exemption u/s. 10(23C)(iiiab) for educational institution, one of the conditions is that such institution should be wholly or substantially financed by the Government. The funds received from the Government contemplated under section 10(23c)(iiiab) of the Act must be direct grants/contributions from Governmental sources and does not include any fees collected from students even though same is authorised under the relevant statute – *Visvesvaraya Technological University vs. ACIT [2016] 68 taxmann.com 287 (SC)*.

148 – Reassessment in respect of increased rent

Assessee was entitled for enhanced rent on retrospective basis. It was observed that no right to receive the rent accrued to the assessee at any point of time in earlier years. Right came to be vested only in the year in which it was crystallised. It has to be held that the notice seeking to reopen the assessment for the assessment year is without jurisdiction and authority of law – *P.G. & W. Sawoo (P.) Ltd. vs. ACIT [2016] 69 taxmann.com 188 (SC)*.

S. 263 – Revision power of CIT

Unlike the power of reopening an assessment under Section 147 of the Act, the power of revision under Section 263 is not contingent on the giving of a notice to show cause. In fact, section 263 has been understood not to require any specific show cause notice to be served on the assessee. Rather, what is required under the said provision is an opportunity of hearing to the assessee.

There can be no doubt that so long as the view taken by the Assessing Officer is a possible view the same ought not to be interfered with by the Commissioner under section 263 of the Act merely on the ground that there is another possible view of the matter. Permitting exercise of revisional power in a situation where two views are possible would really amount to conferring some kind of an appellate power on the Revisional Authority.

Making a claim which would *prima facie* disclose that the expenses in respect of which deduction has been claimed has been incurred and thereafter abandoning/withdrawing the same gives rise to the necessity of further enquiry in the interest of the Revenue. The notice issued under Section 69-C of the Act could not have been simply dropped on the ground that the claim has been withdrawn. In these circumstances *suo motu* Revisional Jurisdiction of C.I.T. under section 263 of the Act was held valid – *CIT vs. Amitabh Bachchan [2016] 69 taxmann.com 170 (SC)*.

158BE(2) – Exclusion of period of stay from time limit of assessment

During the course of the block assessment, Assessing Officer has ordered for special audit. However such request for special audit was squashed down by appellate authority. It was held that even if such request for special audit has been squashed, benefit of Explanation 1 to section 158BE(2) is available i.e., the benefit of exclusion of the period during which there was a stay order is to be given to the Revenue. In other words Explanation 1 which permits exclusion of such a time is not dependent upon the final outcome of the proceedings in which interim stay was granted – *VLS Finance Ltd. vs. CIT [2016] 68 taxmann.com 368 (SC)*.

192 – Payment of tip collected by hotel to employees not salary

Payment of tip collected by hotel to the employees is not subject

to TDS, since such sums are payment of salary to employees – *ITC Ltd. vs. CIT [2016] 68 taxmann.com 323 (SC)*.

High Courts

S. 2(15) r.w.s. 11(4A) – Rent received by education trust is not business income

It is well-settled principle of law that the test to determine as to what would be a charitable purpose within the meaning of section 2(15) of the Act, is to ascertain what is the dominant object of the activity; whether it is to carry out a charitable purpose or to earn profit. If the predominant object is to carry out a charitable purpose and not to earn profit the purpose would not lose its charitable character merely because the some profit arises from the activity.

Letting out certain floors of educational institution was incidental and not the principal activity of the assessee-trust. It was held that rent as received by the assessee for the assessment year have been received from educational activity which is the dominant activity of the assessee-trust. The separate books of account cannot be insisted upon as the said activity becomes part and parcel of the educational activities carried out by the assessee-trust. In such a case, the benefit of exemption under section 11(4A) cannot be denied – *DIT(E) vs. Lala Lajpatrai Memorial Trust [2016] 69 taxmann.com 158 (Mumbai)*.

S. 10(38) – Transfer of shares in off market transaction does not deprive assessee from claiming loss

Assessee transferring shares in an off market transacted to enjoy claim set off and carry forward of such a loss arising on such transaction is a glaring example of tax planning rather than the tax avoidance. Accordingly it was held that the loss suffered on such transactions is a genuine loss which cannot be disallowed as it does not fall within the ambit of section 10(38) because of non-payment of STT – *Mridu Hari Dalma Parivar Trust vs. Assessing Officer [2016] 68 taxmann.com 376 (Delhi-Trib.)*

S. 14A – No disallowance of interest when interest free funds used to invest in shares and other tax free instruments

It was observed that the entire investment in shares, mutual funds and tax free bonds were not made out of borrowed funds but made out of issue of fresh capital at a premium and same could also be observed on examining the resolutions of the Board of Directors as well as the balance sheet for the relevant period. Thus it was held that since the entire investment made in shares, mutual funds and tax free bonds were from its own interest free funds, there could be no question of disallowance of interest payable on the borrowed funds – *CIT vs. Nicholas Piramal (India) Ltd. [2016] 69 taxmann.com 164 (Mumbai)*.

INTERNATIONAL TAXATION

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

SKF Technologies (India) Pvt. Ltd. vs. DCIT [2016] 68 taxmann.com 318 (Bengaluru-Tribunal) dated 31st March, 2016

Facts

The assessee was engaged in the business of manufacture and trading of oil seals. It had international transactions reported in Form 3 CEB filed for the impugned assessment years.

One of the international transactions as mentioned was payment for group IT services to its AE in Sweden.

The AO disallowed reimbursement of IT expenditure to its AE in Sweden for non-deduction of tax at source by applying section 40(a)(i). As per the AO no supporting evidence was filed by the assessee to show that these were reimbursement of expenditure. AO also noted that assessee was selling its entire product line in

India and there could not be any services rendered by M/s. SKF Data Services in Sweden, for such business operations.

According to the assessee there was no profit element in the reimbursement to its AE in Sweden and thus there was no requirement of TDS on such payment. There were no technical services rendered by AE. Technical services even if it was presumed to have been rendered, unless the 'make available' clause was satisfied, payments thereof could not be taxed in India.

The assessee also relied on DTAA between India and Sweden and the protocol indexed to it wherein it was mentioned that India-Canada DTAA had to be applied.

The DRP, upheld order of AO and assessment was completed by making an addition in accordance with AO's recommendations.

Consequently, assessee preferred an appeal before ITAT.

Issue

Whether the payment for group IT services to AE would attract disallowance u/s. 40(a)(i) without verifying whether any technical services were rendered by AE to assessee and whether 'make available' clause in Article 12(4) of DTAA between India and Canada were satisfied or not?

Held

ITAT found that none of the lower authorities had carefully looked into the 'make available' clause in Article 12(4) of the DTAA between India and Canada which was called into operation by the assessee.

Lower authorities did not look into the applicability of the DTAA in relation to the alleged cost sharing passed on by AE in Sweden, to the assessee for the IT related services.

Question whether any technical services were rendered by AE in Sweden, to the assessee and how far the 'make available' clause was or was not satisfied were never verified either by the TPO or the DRP. Hence, this aspect requires a fresh look by the Assessing Officer.

The orders of the authorities on the aspect of disallowance under section 40(a)(i) are set aside and matter is remitted back to the file of the Assessing Officer for consideration in accordance with law.

Thus ground of the assessee stands allowed.

Raytheon Ebasco Overseas Ltd. vs. DCIT (2016) TII-61-ITAT-Mumbai dated 11th March, 2016

Facts

The assessee was a company incorporated in US has entered into a contract with Jindal Tractebel Power Company Limited (JTPCL) to set up a power plant in Karnataka. The nature of services rendered to JTPCL included providing of engineering and designing work for the power plant.

Overall responsibility and management of the project was carried out by the assessee from outside India and it had no Permanent Establishment (PE) in India and no technical services were provided by the assessee to JTPCL as envisaged by the Act/DTAA.

AO held that as per section 9(1)(vii) and Article 12(4)(b) of DTAA the place that was relevant for taxation purposes was the place where the services had been actually utilised. Also if the fee received by the assessee was for services utilised in India then the income would deem to accrue or arise in India.

AO held that services rendered by the assessee were fee for included services (FIS) as per the provisions of Article 12(4)(b) of the Indo-US DTAA.

Aggrieved by the order assessee preferred an appeal before the

FAA who held that the AO had rightly assessed such FIS. This was further upheld by the CIT(A).

Aggrieved assessee filed appeal before Tribunal.

Issue

Whether to be classified as FTS the services should enable the service receiver to carry out services by obtaining the technical by obtaining technical knowledge/experience/skill possessed by the service provider?

Held

Tribunal was of the opinion that technical services or the start-up services, provided by the assessee, did not include any construction, assembly mining or like projects and therefore the payment received by it would not constitute FTS as per the provisions of the Act.

Referring to the decision of the Hon'ble Madras High Court delivered in the case of Neyveli Lignite Corporation (243 ITR 459) the AO held that income had accrued to Hungarian company in India and hence the Indian company was liable for deduction of tax. The Hon'ble Court decided the issue in favour of the assessee and held that receipts could not be brought to tax in India, that the payments made by it were not taxable under the provisions of Section 9 of the Act.

As regards whether the services rendered by the assessee could be termed FIS as per the provisions of Article 12 of the DTAA, it is clear that to be classified as FTS the services should enable the service receiver to carry out services by obtaining the technical knowledge/experience/skill possessed by the service provider.

It is possible that service provider may utilise its own technical knowledge in providing the services but that in itself would not render the services being treated as making available to the service receiver.

If the twin test envisaged in the judgment of De Beers India Minerals (P) Ltd. (346 ITR 467) is applied to the facts of the case it has to be held that on perusal of the contracts, entered into by the assessee with JTPCL, reveal that the services provided by it under the contracts did not in any way make available technical knowledge and experience skill or know-how to the Indian company. It had supplied the equipments to Indian company outside India, so the payments made by JTPCL to the assessee would not constitute FIS, as per Article 12 of the Treaty.

SERVICE TAX

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

Works Contract Services

The five types of works contracts covered by Section 65(105) (zzzza) (works contract services) would be liable to service tax only w.e.f. 1/6/2007 under the category of works contract service and not prior to that date under any other category of service. [CCE & C, Kerala vs. Larsen & Toubro Ltd. (2015) 39 STR 913 (SC) overruling G.D. Builders vs. UoI (2013) 32 STR 673(Del.).]

Limitation

Where the revenue had conducted investigation during the period August 2008 to December 2008 but had issued show cause notice after a lapse of 1¼ years in September 2010 the Tribunal held that the extended period of limitation was not invocable [Shree Alloys Industries Pvt. Ltd. vs. CCE (2015) 39 STR 869 (Tri.-Del.).]

Penalty

Where assessee takes CENVAT credit in the absence of invoices which were not found during the course of audit, but thereafter

no efforts were made to produce original invoices, the Hon'ble Tribunal upheld the penalty. [*CCE vs. Taurus Agile Technology Corporation P. Ltd. (2015) 39 STR 880 (Tri.-Del.)*].

Refund

Refund of service tax on terminal handling service cannot be denied on the ground that terminal handling service has been charged by the shipping line under Business Auxiliary Services instead of by the port operator under Port Services. [*Sopariwala Exports vs. CST (2015) 39 STR 884 (Tri.-Mum.)*].

Where the assessee paid tax on services rendered outside India but claimed refund of it after a year (i.e., beyond the period of limitation) on the ground that the amount paid could not be considered 'tax' but is only a 'deposit' and therefore cannot be considered as barred by limitation, the Court held otherwise observing that –

- Since the tax was paid in TR-6 challans (i.e., challans for payment of service tax) the amount paid is tax and not a deposit;
- Even if a payment is made under a mistake of law, the bar of limitation would apply.

[*Asst. CST vs. Natraj and Venkat Associates (2015) 40 STR 31 (Mad.-DB) setting aside Natraj and Venkat Associates vs. Asst. CST (2010) 17 STR 3 (Mad.-SB)*].

Refund of CENVAT Credit

Where the assessee had not shown all the eligible credits in its ST-3 return but filed a revised return, on facts the Tribunal held that –

- Refund was to be granted on the basis of balance of CENVAT credit available in the CENVAT account and not on the basis of the balance shown in the ST-3 return.
- The mistake made in the ST-3 return was a rectifiable mistake which was made good by the assessee by filing a revised ST-3 return.

Hence the refund claim was held to be admissible [*Serco Global Services Pvt. Ltd. vs. CST (2015) 39 STR 892 (Tri.-Del.)*].

Input service distributor

Where the assessee had availed credit on various services received by 3 offices and were utilised for payment of duty liability in respect of its single manufacturing unit the Tribunal held that denial of CENVAT credit on the grounds of non-registration as an Input Service Distributor (ISD) is unwarranted since as per Rule 7 of the CENVAT Credit Rules, 2004 registration of ISD is required only if there are more than one manufacturing units/service providing units. [*CCE vs. Taurus Agile Technology Corporation P. Ltd. (2015) 39 STR 880 (Tri.-Del.)*].

CENVAT Credit

Services rendered by consignment agent in relation to promotion of sale would fall within the expression 'sales promotion' as mentioned in the definition of input services and hence CENVAT credit thereon would be admissible [*Vishal Pipes Ltd. vs. CCE (2015) 39 STR 864 (Tri.-Del.)*].

Credit of service tax paid on courier services availed for speedier delivery of final products to the customers would be admissible being an activity relating to the business of the assessee. Denial of CENVAT credit as being in the nature of services in relation to outward transportation beyond the place of removal is incorrect [*CCE vs. Sakata Inx India (2015) 39 STR 865 (Tri.-Del.)*].

Credit of service tax paid on clearing and forwarding agent services is admissible. However, credit of service tax paid on commission agent's services is inadmissible [*CCE vs. Nutrine Confectionery Co. Ltd. (2015) 39 STR 866 (Tri.-Bang.)*].

Credit of service tax paid on lending (to be read as renting) of office, maintenance charges, brokerage or commission paid for obtaining office premises, insurance of plant and machinery, security charges, housekeeping charges, medical and accident insurance of employees, being availed in the course of business of manufacturing is admissible [*CCE vs. Taurus Agile Technology Corporation P. Ltd. (2015) 39 STR 880 (Tri.-Del.)*].

In this case the Tribunal held that –

- Denial of CENVAT credit on the grounds that the invoices contain the previous address of the appellant is incorrect.
- Availment of CENVAT credit on mobile phone bills which are used by the officials of the assessee is admissible.
- Dismantling of plant and machinery for shifting it to new premises being an integral part of business activity, CENVAT credit thereon is admissible.
- CENVAT credit on Chartered accountants services availed in the course of business activity is admissible.

[*Paradise Plastics Enterprises Ltd. vs. CCE (2015) 39 STR 889 (Tri.-Del.)*].

Where in a case demand for extended period of limitation and penalties imposed were set aside, the question of confiscation does not arise. [*CST vs. Idea Cellular Ltd. (2015) 39 STR 993 (Tri.-Mum.)*].

For a port services provider, the following input services was allowed as being essential input services to run its business – canteen services (outdoor catering services), garden maintenance service, event management services availed for opening ceremony and ceremonial occasions and brokerage service for finding residential accommodation. [*Gateway Terminals (I) Pvt. Ltd. vs. CCE (2015) 39 STR 1027 (Tri.-Mum.)*].

Export of Services

When FIRC was in Indian rupees the Tribunal held that the condition of realisation of exports proceeds in convertible foreign exchange as required under Rule 3(ii) of the Export of Service Rules, 2005 was complied by the assessee since –

- Under the Exchange Control Manual of RBI, FIRC is issued only on receipt of foreign exchange.
- The Indian Rupees was received through the account of a bank situated in a foreign country as the payment in rupees shall be deemed to be repatriation and realisation of foreign exchange in India.

[*Sun-area Real Estate Pvt. Ltd. vs. CST (2015) 39 STR 897 (Tri.-Mumbai)*].

Precedent

It is incumbent upon the adjudicating authority to follow the decision of a Larger Bench of the Tribunal cited by an assessee unless he distinguishes the factual situation in the assessee's case from that of the Tribunal decision which calls for a different interpretation. [*Muthoot Finance Ltd. vs. UoI (2015) 40 STR 26 (Ker.)*].

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Personal Column

Mumbai based CA Firm having experience, seeks work on assignments / sub contract / retainership basis / acquiring practice anywhere in Mumbai. **Contact: Mobile-9819483906; E-mail-nimesh_thar@yahoo.co.in.**



Ahmedabad: Seminar on Startup India on 7/5/2016. (L-R): CA. Ruchi Sanghvi, CA. Nirav Choksi, Ms. Nidhi Bohra, Faculty, CA. Vikash Jain, Branch Chairman, CA. HershJani



Amravati: Photograph taken during the Seminar on Changes in VAT & MS State Budget 2016 on 23/4/2016



Ahmednagar: Workshop on Project Finance & New Startups on 30/04/2016. (L-R): CA. Sanit Mutha, CA. Ravi Katariya, CA. Julfesh Shah, Faculty, CA. Sushil Jain, Branch Chairman, CA. Sagar Mitkary, Faculty, CA. Pramod Nahar, CA. Swapnil Gore



Aurangabad: Study Circle Meet on Latest Amendments in TDS dated 10/5/2016. (L-R): CA. V. D. Abhyankar, CA. Sapna Lunawat, CA. Renuka Deshpande, Branch Chairperson, CA. Anand Chirputkar, Faculty, CA. Hitesh Tatiya, Faculty



Baroda: Workshop on Internal Financial Control (IFC) on 14/5/2016. (L-R): CA. Viral Shah, Branch Chairman, CA. Khushroo Panthaky, Faculty, CA. Dhiren Parikh



Dhule: Team WIRC Visit at Branch on 07/5/2016. (L-R): CA. Subodh Agrawal, CA. Jayesh Gaud, CA. Shilpa Shinagare, Treasurer, WIRC, CA. Kamlesh Saboo, Secretary, WIRC, CA. Shruti Shah, Chairperson, WIRC, CA. V. C. Agrawal, Branch Chairman, CA. Bipin Jain, CA. Manoj Disa, CA. Sandeep Jain, RCM, CA. Avinash Ghundiyaal



Jalgaon: Workshop on Issues Related to E-TDS Returns held on 8/5/2016. WIRC Team with All Jalgaon Branch Past Chairman's & Committee Members as well as Senior Members



Jamnagar: Two Days' Workshop on Enabling GVAT Practice on 8/5/2016. (L-R): CA. Amit Mehta, CA. Abhay Desai, Faculty, CA. Priyam Shah, RCM & Faculty, CA. Bhavik Dholakia, Branch Chairman, CA. Soham Mashruwala, Faculty



Nagpur: Seminar on Sales Tax held on 16/4/2015. (L-R): CA. Sandeep Jotwani, CA. Ritesh Mehta, CA. Ajit Gokarn, CA. Swapnil Ghate, Branch Chairman, CA. Sanjay Agrawal, CA. Saket Bagdia, CA. Kirit Kalyani



Nashik: Interactive meet of Members with Team WIRC. (L-R): CA. Rajendra Shete, CA. Milan Lunawat, CA. Manish Gadia, RCM, CA. Vikas Hase, CA. Vikrant Kulkarni, RCM, CA. Ravi Rathi, Branch Chairman, CA. Shruti Shah, Chairperson, WIRC, CA. Kamlesh Saboo, Secretary, WIRC, CA. Shilpa Shinagare, Treasurer, WIRC, CA. Randhir Gujarathi, CA. Harshal Surana, CA. Balkishan Agarwal, RCM, CA. Rekha Patwardhan



Pune: Seminar on New Automation, Amendments & Amnesty Scheme under MVAT on 8/5/2016. (L-R): Shri Chandrakant Kumbhare, Faculty, DCST. Gajanan Khanad, Faculty, Shri Nitin Shaligram, Faculty, Shri Shaukat Sheikh, Joint Commissioner & Faculty, Dr. Vikas Doke, Joint Commissioner & Faculty, Shri Ananta Rakh, Joint Commissioner & Faculty



Sangli: Seminar on MVAT - Recent Amendments and Automation on 11/5/2016. (L-R): CA. Ramesh Joshi, Branch Chairman, Mrs. Vaishali Kashid, Dy. Commissioner, Shri Yogesh Kulkarni, Dy. Commissioner, CA. Umesh Sharma, RCM, CA. Anil Joshi



Thane: Group photograph taken during the VAT Seminar on 12/5/2016



Vapi: Seminar on Reporting in Company Audit on 29/4/2016. Seen in picture: CA. Durgesh Kabra, Faculty & others



Vasai: Seminar on New Automation in MVAT and E-Filing of New Forms held on 7/5/2016. (L-R): CA. Nitesh Kothari, CA. Unmesh Narvekar, Shri. Vasant Pichad, Joint Commissioner of Appeal Sales Tax Dept., Captain Vinod Sharma, President-MBSSI, CA. Vimal Agrawal, Branch Chairman, Shri Shubhash Yengde, Joint Commissioner of Sales Tax Dept., CA. Subhash Chhajed, Faculty, Shri Appasaheb Gorde Dy. Commissioner of Sales Tax

SEMINAR ON IMPORTANT PROVISIONS OF COMPANIES ACT



CA. Sachin Phadke, CA. Priti Savla, RCM, CA. Durgesh Kabra, Past Chairman, WIRC & Faculty, CA. Shardul Shah, CA. Abhishek Katre



CA. Krupa Gandhi



CA. Surendra Kashta



CA. Siddique Khatri

WORKSHOP ON ADVANCE EXCEL



CA. Ajay Dave, CA. Rishabh Pugalia, Faculty, CA. Manish Gadia, RCM

MEETING ON ISSUES IN FIRST TIME ADOPTION OF IND AS



CA. Mayur Momaya, CA. Keyur Dave, Faculty, CA. Drushti Desai, RCM

SEMINAR ON INTERNATIONAL TAXATION FOR BEGINNERS



CA. Swati Bhatkar, CA. Manish Gadia, RCM, CA. Siddharth Banwat, Faculty, CA. Gaurav Save



CA. Ganesh Rajgopalani



CA. Harshal Bhuta



CA. Namrata Dedhia

SEMINAR ON TAXATION OF CO OP SOCIETIES



CA. Ramesh Prabhu, Faculty CA. Pramod Shingte, Faculty, CA. Shilpa Shinagare, Treasurer, WIRC, CA. Z. A. Sayyed, CA. Deepak Thakkar, Faculty, CA. Kamlesh Kothari



CA. Rohit Bora

SEMINAR ON IND-AS



CA. Nidhi Pandya, CA. Reema Jethwa, CA. Yagnesh Desai, Faculty CA. Hrishikesh Wandrekar



CA. Bhaskar Iyer



CA. Himanshu Chapsy

SEMINAR ON ICDS



CA. Amol Kamat, CA. Drushti Desai, RCM, CA. Vishal Palwe, Faculty, CA. Akshay Patil



CA. Chandresh Bhimani



CA. Geeta Ramrakhiani



CA. Lakshit Desai

WORKSHOP ON ONLINE COMPLIANCE & FORMATION OF CO-OP SOCIETY



Shri Santosh Giri, Faculty, CA. Vijay Mungale, Faculty, CA. Tarun Ghia, CCM, CA. Ramesh Prabhu, CA. Manoj Pandit



Shri J. B. Jadhav

INTERACTIVE MEETING ON DEEMED CONVEYANCE



CA. Shilpa Shinagare, Treasurer, WIRC, Adv. Ameet Mehta, Faculty, CA. Kamlesh Saboo, Secretary, WIRC

SEMINAR ON ACCOUNTING STANDARD



CA. Punit Mehta, CA. Bhaskar Iyer, Faculty, CA. Dinesh Todi

SEMINAR ON COMPANY AUDIT & REPORTING



CA. Dinesh Todi, CA. Paresh Clerk, Faculty, CA. Durgesh Kabra, Past Chairman, WIRC, CA. Rupal Shah



STUDY GROUP MEETING ON IFRS



CA. Rajesh Mody, CA. Tejas Parikh, Faculty

SEMINAR ON DO'S & DON'TS IN E-FILING UNDER VARIOUS LAWS



CA. Vivek Shah, CA. Ravi Soni, Faculty, CA. Dhavni Karia



WORKSHOP ON E-OFFICE FOR CAs



CA. Ashwin Raje, CA. Giriraj Soni, Faculty, CA. Samir Thakkar, Faculty, CA. Manish Gadia, RCM



SEMINAR ON POST ASSESSMENT ISSUES UNDER IT ACT



CA. Ritesh Hibare, CA. Rajesh Kothari, Faculty, CA. Dhaval Shah, Faculty

STUDY GROUP MEETING ON ISA



CA. Murtaza Ghadiali, Dr. Onkar Nath, CA. A. K. Vishvanathan, CA. N. D. Kundu, CA. Avinash Gokhale



**INTERACTIVE MEETING
WITH ITAT MEMBERS &
EXPECTATIONS FROM BENCH**

CA. Rajkumar Adukia, Past CCM & Faculty, CA. Vishnu Agarwal, RCM, Shri Justice Dev Darshan Sud, President ITAT, CA. Shilpa Shinagare, Treasurer, WIRC, CA. Vimal Punmiya, Faculty



MEETING OF STUDY CIRCLE CONVENORS



CA. Vishnu Agarwal, RCM, CA. Sarvesh Joshi, RCM, CA. Shruti Shah, Chairperson, WIRC, CA. Kamlesh Saboo, Secretary, WIRC, CA. Shilpa Shinagare, Treasurer, WIRC

STUDY GROUP MEETING ON FAFP



CA. Vishnu Gavkare, Smt. Indu Arora, CA. Chetan Dalal, Faculty, CA. Shruti Shah, Chairperson, WIRC, CA. Ajay Dave

SEMINAR ON PROJECT FINANCE



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