

The Institute of
Chartered Accountants of India
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WESTERN INDIA CHARTERED ACCOUNTANTS NEWSLETTER

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Celebrating with pride
Maharashtra Day &
Gujarat Day ...
... contributing to India's growth

Head out to exotic
destinations...
... It's holiday time!

<http://wirc-icai.org>

Meeting of Convenors of Study Circles held on 23rd April, 2013



CA. Priti Savla, Treasurer, WIRC, & Chairperson, Study Circle Committee, CA. Parag Raval, Vice Chairman, WIRC, CA. Mangesh Kinare, Chairman, WIRC, CA. Neel Majithia, Secretary, WIRC, CA. Vishnu Agarwal, RCM & Convenor, Study Circle Committee of WIRC

Interactive Meet with MD of CFA Institute, USA on 2nd May, 2013



CA. Shruti Shah, RCM, CA. Jayesh Gandhi, Mr. Paul Smith, CA. Mangesh Kinare, Chairman, WIRC.

Lecture Meeting on Service Tax Returns held on 4th & 22nd April, 2013



CA. Milind Joshi, CA. Jinit Shah, Faculty, CA. Parag Raval, Vice Chairman, WIRC



CA. Vandana Dodhia, CA. Parag Mahta, Faculty, CA. Shardul Shah, RCM, CA. Viral Chheda.

Lecture Meeting on Use of RTI held on 26th April, 2013



CA. Rakesh Kapoor, CA. Dhiraj Khandelwal, RCM, CA. Vyankatesh Joshi, Faculty



CA. Mahesh Madkholkar, Chairman, WICASA, & Team WICASA receiving memento from J.J. Mahanagar Blood Bank after the Blood Donation Camp, organised by WICASA on 21/4/2013 at RVG Hostel, Mumbai. (Total 102 bottles of Blood collected during the Blood Donation Camp).

Interactive meeting with representatives from the Asian Development Bank on SME Capital Markets in India held on 29th April, 2013



CA. Vishnu Agarwal, RCM, CA. Rajkumar Adukia, CCM, Mr. Shinozaki, CA. Neel Majithia, Secretary, WIRC



Ahmedabad : Felicitation of President and Vice President, ICAI on 6/4/2013. (L-R): CA. P. H. Khandelwal, Branch Chairman, CA. Subodh Agarwal, President, ICAI, CA. K. Raghu, Vice President, ICAI, CA. Amrish Patel, CA. Vikash Jain



Thane : WIRC Office Bearers, RCMs, Mg. Committee Members of Thane Branch & other Members in Gudi Padva Celebration on 11/4/2013.



Nashik : CA. Mangesh Kinare, Chairman, WIRC along with WIRC office bearers and Regional Council Members with the Past Chairmen of Nashik Branch & Branch Managing Committee Members.



CHAIRMAN'S COMMUNICATION

Each work has to pass through these stages—ridicule, opposition, and then acceptance. Those who think ahead of their time are sure to be misunderstood.

—Swami Vivekananda



Respected Seniors & Dear Friends,
Last month several brainstorming and team building activities took place at WIRC. The 'Branch Orientation and Co-ordination Program' was held on 12th and 13th April at the Maharashtra Judicial Academy, Bhayandar. About 160 Managing Committee Members from 27 Branches of our Region attended the program. The inaugural speech by ICAI Vice-President, CA. K. Raghu was inspiring which was followed by a motivating session on leadership and discussion and training on Branch functioning. Members were touched by the down to earth approach of President, ICAI, CA. Subodh Kumar Agrawal, who came all the way to meet the leaders from Branches in late evening.

On the second day, the Branches made presentations about their forthcoming activities and planning was done for WIRC programs at Branches. We also had Study Circle Conveners' meet at the newly inaugurated ICAI Tower on 23rd April. The Conveners from Study Circles across the Region attended the meeting and discussed their future plans. We also had detailed discussions about various issues concerning Study Circles and some of them have already been taken up for necessary action.

The month ended with the detailed deliberations on matters of professional interest in various Committee meetings of WIRC. I thank the co-opted members for actively participating in these meetings and giving their valuable inputs. I also had the opportunity to visit Vasai, Nasik and Surat Branches during last month and had interactions with past Branch Chairmen, Members and Students. From all these deliberations, many action points have been drawn which I will be sharing with members through my communications.

WIRC is planning to develop two concept papers on "Remodeling the Profession" and "Exploring New Professional Avenues". Rising expectations of regulators and general economic scenario pose considerable challenges to our profession. We, therefore, need to collectively work together for our own cause on ideas and thoughts regarding new professional avenues that can be explored and changes in existing practices which may perhaps be required in future; by studying best practices followed internationally or within our country. Needless to say that these ideas have to be backed up by proper check points from the perspective of regulations and code of conduct relating to our profession. We at WIRC will also be taking up this project and will be setting up a Team to compile such concept papers and to refine and develop the consolidated Concept Papers which shall be presented to the Central Council by December. I appeal to all Members of the Region to contribute to this project.

The Government of Maharashtra has issued an Ordinance to align the MCS Act with the 97th Constitutional Amendment. A select committee of 19 MLAs has been formed to give a final look before it gets converted into an Act in the coming monsoon session. However, recently, the Gujarat High Court declared certain provisions of the 97th Amendment dealing with co-operative societies as unconstitutional. In this scenario, WIRC has decided to make a representation to the State Govt. in respect of certain proposed

amendments concerning our profession and it will be our endeavor to meet MLAs in the select committee and brief them about our concerns.

In Gujarat, too, the co-operative law is undergoing a change. Our team of Co-operative Committee (Gujarat) has met the Jt. Commissioner, Co-operative Dept. in Gujarat and briefed him about the steps that can be taken to rationalize the audit empanelment and allotment procedure. Representation will also be made to Govt. of Gujarat in this regard.

The new local body tax (LBT) in Maharashtra is meeting with strong resistance from Trade Associations who are demanding its total revocation. While keeping in mind the concerns of citizens of this State, WIRC would like to look at this issue from the perspective of a professional, especially as regards implementation, assessments, record keeping and harmonization of law throughout the state. We will be forming a sub group to study these issues and make representation to the State Government very shortly. I appeal to members to send their suggestions about the issues to be raised in all these representations.

Acting on the suggestions received from members in Gujarat, WIRC will organise more programs on Gujarat VAT throughout the state, to strengthen the capacity of our members and to encourage more members to practice on Gujarat VAT. After receiving a good response for beginners study course on FEMA, WIRC has announced a beginners study course on Transfer Pricing. Intensive courses on Service Tax, MVAT and Accounting Standards have also been announced. I am sure members would take benefit of these courses.

The ongoing CA exams will conclude on 16th May and all of us at WIRC wish all the best to our students and hope that the results would bear the fruits of their labour. While students will be gearing up to enjoy vacation time after their exams, the members will be balancing their personal and professional responsibilities as the audit season is at full throttle. I wish happy vacations to all and hope that members and students will be rejuvenated by their vacations to effectively tackle the hectic professional season ahead.

On 1st May we celebrated the Foundation Day of two vibrant States of India, Maharashtra and Gujarat. During the last 53 years, these two progressive states in modern India, have played a pivotal role in the overall growth of our country. With their rich culture and history, both these states have a great legacy of bringing forward great personalities and leaders to serve our country. I conclude by quoting one of the greatest sons of the soil and architect of unification of India, **Sardar Vallabhbhai Patel**, who said, "Manpower without Unity is not a strength unless it is harmonized and united properly, then it becomes a spiritual power."

With best regards,

CA. Mangesh Kinare

OFFICE BEARERS

CA. Mangesh Kinare, Chairman **CA. Parag Raval**, Vice-Chairman
CA. Neel Majithia, Secretary **CA. Priti Savla**, Treasurer

EDITORIAL BOARD

Editor: **CA. Mangesh Kinare** Joint Editor: **CA. Neel Majithia**
Members: CA. Shrinivas Joshi • CA. Priti Savla • CA. Sunil Patodia •
CA. Anil Bhandari CA. Shruti Shah • CA. Sushrut Chitale

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FORTHCOMING EVENTS

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

DATE	PROGRAMME	TIME	VENUE	FEES ₹	CPE	PG. NO.
1/6/2013	Full Day Seminar on Due Diligence	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1,200	06	5
4, 5, 6, 7, 10, 11 12-6-2013	Intensive Study Course on Basic Orientation of MVAT & CST	4.45 p.m. to 8.00 p.m.	Seminar Hall of All India Local Self Govt. Bldg, Juhu Lane Andheri (W)	3200	21	5
5/6/2013	7th International Banking & Finance Conference 2013	10.00 a.m. to 6.00 p.m.	Regal Room, Hotel Trident, Nariman Point, Mumbai	4,000 Unstructured	06	5
8/6/2013	Half Day Workshop on Personal Finance Planning	10.00 a.m. to 1.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	500	03	6
8, 15, 22, 29/6/2013 & 6/7/2013	Direct Tax Refresher Course (DTRC 2013)	2.00 p.m. to 6.00 p.m.	Birla Matushri Sabagraha, New Marine Lines, Churchgate	1,700	15	6
12, 14, 15, 19, 21, 22/6/2013	Intensive Study Course on Accounting Standards	5.30 p.m. to 8.30 p.m.	May Fair Banquet Hall, Near Prabhodhankar Thakre Auditorium, Opp. ICICI bank, Borivali (W)	3100	20	7
15/6/2013	Full Day Workshop on MVAT & Local Body Tax (LBT)	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1,200	06	6
18, 20, 22, 25, 27 & 29/6/2013	Intensive Study Course on Service Tax	5.30 p.m. to 9.30 p.m.	Mithibhai Hall, 1st Floor, Mithibhai College, 1st Road, JVPD Scheme, Vile Parle	2250	18	8
19, 21, 24, 26/6/2013	Beginners Study Course on Transfer Pricing	5.00 p.m. to 8.30 p.m.	Khimji Kunverji Vikamsey Auditorium, ICAI Tower, BKC	2,000	12	7
22/6/2013	Seminar on Audit of Co-operative Credit Banks & Credit Societies	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1,200	06	6
29/6/2013	Seminar on Service Tax Updates	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1200	06	7
1/7/2013	8th Mile Sur Mera Tumhara	6.00 p.m. to 10.00 p.m.	Ravindranath Natya Mandir, Sayani Marg, Prabhadevi, Mumbai			8
1, 3, 5, 7 10, 11, 12/6/2013	Intensive Study Course on Service Tax	10.00 a.m. to 6.00 p.m.	SNDT Dome, SNDT College, Cama Lane, Ghatkopar (W)	2250	21	9
6/7/2013	Workshop on Drafting of Deeds & Documents	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1,200	06	8
13/07/2013	Seminar on Professional Opportunities & Expectations from Internal Audit	10.00 a.m. to 6.00 p.m.	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	1,200	06	7
Student						
2/6/2013	CPT Mock Test for June, 2013 Exam	10.30 a.m. to 12.30 p.m. 2.00 p.m. to 4.00 p.m.		200	---	5
25/7 to 30/9/2013	IPCC & Final CA Students Education Crash Courses	6.15 p.m. to 8.30 p.m.	Sydenham College B Road Churchgate	1686	---	8

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

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CPE HRS

Workshop on TDS

DAY & DATE	SATURDAY, 25TH MAY, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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. Shruti Shah	9892407988
	CA. Sarvesh Joshi	9822022292
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Lalit Bajaj	9867692321
	CA. Sachin Phadke	9867350959
	CA. Rahul Lotlikar	9821140019

For more details visit: www.wirc-icai.org

03
CPE HRS

Half day seminar on Revised Audit report format

The Audit report format has been revised and will be applicable in respect of accounting periods commencing from 1 April 2012. There is a need to understand the changes in the audit report format and key considerations in its implementation

DAY & DATE	SATURDAY, 15TH JUNE, 2013	
Venue	Khimji Kunverji Vikamsey Auditorium, ICAI Tower, Near Standard Chartered Bank, Opp. American Consulate Bandra Kurla Complex, Mumbai	
Time	10.00 a.m. to 1.00 p.m. (Registration 9.30 a.m. to 10 a.m.)	
Fees	₹ 500/- (inclusive of course material, & Refreshment) (Please add ₹ 100/- towards CA Benevolent Fund)	
Chief Co-ordinators	CA. Sushrut Chitale	9821112904
	CA. Vishnu Agarwal	9324544607
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Suneet Mahale	9819966674
	CA. Abhijit Baul	9820518821

TOPICS	SPEAKERS
SA 700, 705 & 706 – Revised formats of Audit reports	CA. Murtuza Vajih
Issues in CARO	CA. Aniruddha Godbole

06
CPE HRS

Full Day Seminar on Due Diligence

DAY & DATE SATURDAY, 1ST JUNE, 2013

Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 a.m. to 10.00 a.m.)
Fees	₹ 1,200/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CABF)
Chief Co-ordinators	CA. Sunil Patodia 9820244085 CA. Sushrut Chitale 9821112904 (Regional Council Members)

TOPICS	SPEAKERS
What is Due Diligence – Importance of Due Diligence and financial Due Diligence	CA. Mayank Rastogi
Due Diligence – Direct taxes	CA. Hemal Mehta
Due Diligence – Indirect taxes	CA. Yash Arya
Legal Due Diligence	Adv. Sharad Abhyankar
Due Diligence report	Mr. Rajendra Chitale

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CPE HRS

Intensive Study Course on Basic Orientation of MVAT and CST

DAYS & DATES	Mon	Tue	Wed	Thru	Fri
		4/6	5/6	6/6	7/6
	10/6	11/6	12/6		

Venue	Seminar Hall of All India local Self Govt. Bldg, Juhu Lane, Andheri (W)				
Time	4.45 p.m. to 8.00 p.m. (Registration 4.30 p.m. to 4.45 p.m.)				
Fees	₹ 3,200/- for members (inclusive of course material, tea and refreshment) (Please add ₹ 100 towards CA Benevolent Fund as Voluntary Contribution)				
Chief Co-ordinators	CA. Shardul Shah 9820287625	CA. Satyanarayan Mundada 9422080814 (Regional Council Members)			
Co-ordinators	CA. Shirish Pandit 9820133126	CA. Mukesh Pamecha 9869486667 CA. Kamlesh Kothari 9820083144 CA. Pinki Kedia 9869030652			

TOPICS	SPEAKERS
4/6/2013 : • Overview • Registration under MVAT Act, CST Act • Books of Account to be maintained	CA. Harsh Bajaj
5/6/2013 : • Taxable Turnover • Tax Rate and Composition Scheme other than WCT	CA. Kiran Garkar
6/6/2013 : • Input Tax Credit provisions under MVAT Act, 2002 • VAT Refund provisions	CA. Rajat Talati
7/6/2013 : • Provision of Works Contract • Composition Scheme under Work Contract • VAT on Builder and Developer	CA. Mayur Parekh
10/6/2013 : • VAT on Leases • VAT on Intangibles • Audits under MVAT Act, 2002	CA. Deepak Thakkar
11/6/2013 : • Returns • Assessments • Rectification • Interest • Penalties	Eminent Faculty
12/6/2013 : • Local Body Tax (LBT) • Interstate Transactions	Adv. C. B. Thakar

JOINTLY WITH J.B. NAGAR CPE STUDY CIRCLE

06
CPE HRS
Unstructured

7th International Banking & Finance Conference, 2013

**Road To Recovery And Growth
- Role Of Banks And Financial Sector**

DAY & DATE WEDNESDAY, 5TH JUNE, 2013

Venue	Regal Room, Hotel Trident, Nariman Point, Mumbai
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 a.m. to 10.00 a.m.)
Fees	₹ 4,000/- (inclusive of course material, breakfast & lunch)
Chief Co-ordinators	CA. Neel Majithia, RCM 9820327660 CA. Sunil Patodia, RCM 9820344085 CA. Dilip Apte, RCM 9930314856

TOPICS	SPEAKERS
Inaugural Session:	
• Chief Guest	Dr. D. Subbarao Governor, Reserve Bank of India
• Guests of Honour	Mr. Rajkumar Dhoot MP, Rajya Sabha & President, ASSOCHAM Mr. Piyush Goyal, MP, Rajya Sabha Mr. Pratip Chaudhuri, Chairman, SBI

Technical Sessions	
Session I	Financial Sector Reforms – An Unfinished Agenda
Session II	Balance Sheet Re-Structuring for Corporate Recovery (ICAI Session)
Session III	A Bank Account for all – Is this dream realisable?
Session IV	Innovative Tools for Long-Term Infrastructure Funding (Panel Discussion)

Speakers invited for the Conference

• **Mr. A. Krishna Kumar**, Mg. Director & Group Executive (National Banking) & Whole-Time Director, State Bank of India • **Mr. Ajai Kumar**, Chairman & Mg. Director, Corporation Bank • **Mr. Alok Nigam**, Joint Secretary (Banking), Ministry of Finance, Department of Financial Services, GOI • **Ms. Arundhati Bhattacharya**, MD and CEO, SBI Capital Markets Ltd (SBICAP) • **Mr. B. A. Prabhakar**, Chairman & Mg. Director, Andhra Bank • **Mr. B. K. Chaturvedi**, IAS (Rtd.), Member, Planning Commission, Government of India • **Mr. D. Sarkar**, Chairman & Mg. Director, Union Bank of India • **Mr. G. V. Sanjay Reddy**, Vice Chairman, GVK • **Mr. H. R. Khan**, Deputy Governor, Reserve Bank of India • **Dr. K. C. Chakrabarty**, Deputy Governor, Reserve Bank of India • **Mr. K. R. Kamath**, Chairman & Mg. Director, Punjab National Bank • **Mr. M. V. Tanksale**, Chairman & Mg. Director, Central Bank of India • **Mr. Piyush Goyal**, Member of Parliament, Rajya Sabha • **Mr. Pratip Chaudhuri**, Chairman, State Bank of India • **Mr. R. K. Dubey**, Chairman & Mg. Director, Canara Bank • **Dr. Rajiv B. Lall**, Vice-Chairman & Mg. Director, IDFC • **Mr. Rajiv Takru**, Secretary, Department of Financial Services, Ministry of Finance, Government of India • **Mr. Rajkumar Dhoot**, Member of Parliament, Rajya Sabha • **Mr. S. S. Mundra**, Chairman & Mg. Director, Bank of Baroda • **Mr. S. L. Bansal**, Chairman & Mg. Director, Oriental Bank of Commerce • **CA Subodh Kumar Agrawal**, President, The Institute of Chartered Accountants of India (ICAI) • **Mr. T. C. A. Ranganathan**, Chairman & Mg. Director, Export-Import Bank of India • **Ms. V. R. Iyer**, Chairperson & Mg. Director, Bank of India

JOINTLY WITH INDIAN MERCHANTS' CHAMBER

Western India Regional Council of ICAI Announces CPT MOCK TEST for June, 2013 Exam

DAY & DATE	SUNDAY, 2ND JUNE, 2013
Time	Morning session – 10.30 a.m. to 12.30 p.m. Afternoon session – 2.00 p.m. to 4.00 p.m.
Fees	₹ 200/-

To be conducted at Mumbai and all Branches of Western Region
For more details visit <http://wirc-icai.org>

For Registration and information contact 022-3980 2923/22

FORTHCOMING EVENTS

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CPE HRS

Direct Tax Refresher Course (DTRC 2013)

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

DAYS & DATES SATURDAYS, 8TH, 15TH, 22ND, 29TH JUNE & 6TH JULY, 2013

Venue	Birla Matushri Sabagraha, New Marine Lines, Churchgate	
Time	2.00 p.m. to 6.00 p.m. (Reg. 1.30 p.m. to 2.00 p.m.)	
Fees	₹ 1,700/- for all sessions or ₹ 500 per day (inclusive of course material, tea and refreshment) (Please add ₹ 300 / 100 towards CA Benevolent Fund as Voluntary Contribution)	
Chief Co-ordinators	CA. Shruti Shah	9892407988
	CA. Neel Majithia	9820327660
	CA. Sunil Patodia	9820344085
	CA. Shardul Shah	9820287625
	CA. Sandeep jain	9819788099
	CA. Subodh Kedia	9879267750
	<i>(Regional Council Members)</i>	

TOPICS	SPEAKERS	
8th June, 2013		
Taxation of Business Reorganisation (Including LLPs)	CA. Gautam Doshi	
Issues relating to Registration & Taxation of Charitable Organisations	CA. Shariq Contractor	
15th June, 2013		
Principles of Rebuttable Presumptions (arising out of deeming fictions)	CA. Chetan Karia	
Controversies & Issues in Business Deductions (Chapter IV-D)	CA. Sunil Talati	
22nd June, 2013		
Personal Law relating to HUF & taxation thereof	Dr. Girish Ahuja	
Special Provisions relating to taxation of Non-Residents	CA. Sunil Kothare	
29th June, 2013		
Accounting Pronouncements & Taxation (with special reference to tax audit)	CA. Jayant Gokhale	
Fair Market Value with reference to sections 55A & 56(2) and Valuation Rules	CA. Milind Mehta	
6th July, 2013		
Domestic Transfer Pricing	CA. Kishor Phadke	
Evidence & Proceedings under Income-tax Act	CA. Pradip Kapasi	

03
CPE HRS

Half Day Workshop on Personal Finance Planning

DAY & DATE	SATURDAY, 8TH JUNE, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 1.00 p.m. (Registration 9.00 a.m. to 10.00 a.m.)	
Fees	₹ 500/- (inclusive of course material, & refreshment) (Please add ₹ 100/- towards CABF)	
Chief Co-ordinators	CA. Priti Savla	9821426883
	CA. Priyam Shah	9824096112
	<i>(Regional Council Members)</i>	

TOPICS	SPEAKERS	
Use and Effectiveness of Personal Finance planning	CA. Pravin Navander CA. Hemant J. Mehta	

06
CPE HRS

Seminar on Audit of Co-operative Banks & Credit Societies

DAY & DATE	SATURDAY, 22ND JUNE, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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. Girish Kulkarni	9225306814
	CA. Vishnu Agarwal	9324544607
	<i>(Regional Council Members)</i>	
Co-ordinators	CA. Amol Kamat	9823018763
	CA. Vinit Gada	8655840598
	CA. Nikhil Damle	9820170436

TOPICS	SPEAKERS	
Important Provisions in Banking Regulation Act, and Important/circulars/notifications	CA. Uday Karve	
Records & Registers, Relevant provisions of Co-op Act & Rules in Audit	CA. Ramesh Prabhu	
Audit of Advance, Asset Classifications income Recognition, NPA Provisioning	CA. I.B. Sonawalla	
Audit of Transactions other than Advances	CA. D.A. Chaugale Dn. Jt. Registrar, Kolhapur	
Audit Reporting & Subsequent Compliances, CAMEL Rating, LPAR	CA. Suresh Mehta	

06
CPE HRS

Full Day Workshop on MVAT & Local Body Tax (LBT)

DAY & DATE	SATURDAY, 15TH JUNE, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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. Hardik Shah	9825510422
	CA. Girish Kulkarni	9225306814
	<i>(Regional Council Members)</i>	

TOPICS	SPEAKERS	
Recent Changes & Controversies in MVAT	CA. Kiran Garkar	
Moving Toward LBT	CA. Dilip Phadke	
Interactive issues under WCT	CA. Mayur Parekh	
Input Tax Credit under MVAT	CA. Umesh Sharma	

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CPE HRS

Beginners Study Course on Transfer Pricing

DAYS & DATES	WEDNESDAY	FRIDAY	MONDAY
	19/6, 26/6	21/6	24/6
Venue	Khimji Kunverji Vikamsey Auditorium, ICAI Tower, Near Standard Chartered Bank, Opp. American Consulate Bandra Kurla Complex, Mumbai		
Time	5.00 p.m. to 8.30 p.m. (Reg. 4.30 p.m. to 5.00 p.m.)		
Fees	₹ 2000/- (inclusive of course material, Refreshments) (Please add ₹ 100/- towards CABF)		
Chief Co-ordinators	CA. Priti Savla CA. Abhishek Nagori CA. Mahesh Madkholkar (Regional Council Members)	9321426883 9426075397 9820075966	
Co-ordinators	CA. Aniket Kulkarni CA. Namrata Dedhia CA. Kunal Parikh CA. Hrishikesh Wandrekar	9821690559 9987123626 9892429993 9892919239	

TOPICS & SPEAKERS

Basics of Transfer Pricing: Introduction, Brief History, General Philosophy of Transfer Pricing, Comparison between Indian & OECD regulations, Associated Enterprise and International Transaction and other nuances in Indian Transfer Pricing. – **CA Vispi Patel**

FAR Analysis: Comparability Principles, Search of uncontrolled transactions, tested party concept, general principles of documentation. **CA. Vaishali Mane**

Methods : Determination of ALP – I Direct Comparable Uncontrolled Price Method, Resale Method, Other Method with examples

Methods : Determination of ALP – II Net Margin Method, Cost plus Method, Split & Transaction with Examples

Benchmarking: Preparation of Form No. 3CEB, issues relating to the same, Audit procedure, management representation, documentation with examples, etc. – **CA Jiger Saiya**

Use of Database: Search on database with case studies, includes benchmarking analysis and documentation. – **CA Siddharth Balwant & Mr. Gaurav Agrawal**

Recent TP Audit experience:

New Areas: Transfer of Intangibles, Cost contribution, Management services / Cost Allocation, Advance Pricing Arrangements and MAP, etc. – Eminent Faculty

Recent Indian jurisprudence in transfer pricing (covering important lg cases, special bench cases) – **CA. Ameya Kunte**

06
CPE HRS

Seminar on Professional Opportunities & Expectations from Internal Audit

DAY & DATE	SATURDAY, 13TH JULY, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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. Sandeep Jain CA. Anil Bhandari (Regional Council Members)	9819788099 9821037605
Co-ordinators	CA. Y. R. Desai CA. Kiran Nandu CA. Rashmi Bhambani	9820448365 9821471603 9833574427

TOPICS	SPEAKERS
Customer is king	CA. Himanshu Vasa (Chief Internal Auditor Kotak Mahindra Bank)
Professional Opportunities in Industry	CA. Satish Shenoy (Chief Internal Auditor L&T)
Professional Opportunities for CA Firm	CA. Deepji Singhal Eminent Faculty
Management Expectations from Internal Audit	

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CPE HRS

Intensive Study Course on Accounting Standards

DAYS & DATES	WEDNESDAY	FRIDAY	SATURDAY
	12/6, 19/6	14/6, 21/6	15/6, 22/6
Venue	May Fair Banquet Hall, Near Prabhodhankar Thakre Auditorium, Opp. ICICI Bank, Borivali (W)		
Time	5.30 p.m. to 8.30 p.m. (Wednesday & Friday) 2.00 p.m. to 6.00 p.m. (Saturday)		
Fees	₹ 3,100/- (inclusive of course material, tea and refreshment) (Please add ₹ 100 towards CABF)		
Chief Co-ordinators	CA. Parag Raval CA. Dhiraj Khandelwal CA. Mahesh Madkholkar (Regional Council Members)	9824339200 9867642684 9820075966	
Co-ordinators	CA. Dushyant Bhatt CA. Giriraj Khandelwal	8655016163 9820344999	

TOPICS	SPEAKERS
12/6/2013 : Updates on Indian Accounting Standards & Financial Statement presentation	CA. Khurshed Pastakia
14/6/2013 : Revenue recognition, Construction contracts & Inventory valuation	CA. Rakesh Agarwal
15/6/2013: Property, plant & equipment, Intangibles, Depreciation & Impairment of Assets and Accounting for taxes & Foreign Exchange	CA. Himanshu Kishnadwala CA. Jayesh Gandhi
19/6/2013: Related party Disclosure & Earnings per share	CA. Chirag Doshi
21/6/2013 : Fair Value Measurement & First time adoption of IFRS	CA. Sanjay Chauhan
22/6/2013 Financial Instruments Consolidation & Lease	CA. Manan Lakhani Eminent Faculty

JOINTLY WITH BORIVALI (CENTRAL) CPE STUDY CIRCLE

06
CPE HRS

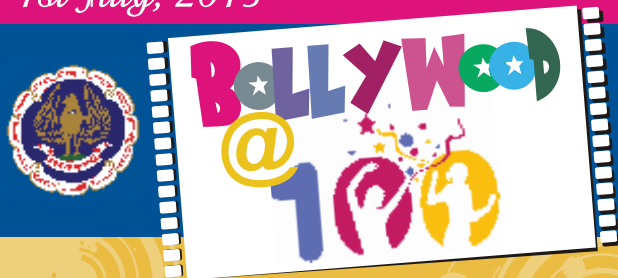
Seminar on Service Tax Updates

DAY & DATE	SATURDAY, 29TH JUNE, 2013	
Venue	J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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. Hardik Shah CA. Dhiraj Khandelwal (Regional Council Members)	9825510422 9867642684
Co-ordinators	CA. Rupesh Gunjal CA. Hitesh Pasad CA. Saurabh Jain	9987641644 9869038488 9769189805

TOPICS	SPEAKERS
Valuation Abatement & Reverse Charge	CA. Girish Raman
Important Exemption	CA. Narendra Soni
CENVAT Credit	CA. Jayesh Gogri
Service Tax Voluntary Compliance Encouragement Scheme, 2013	CA. Manish Gadia

FORTHCOMING EVENTS

Foundation Day Celebration 1st July, 2013



8th Year Mile Sur Mera Tumhara

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

DATE
Monday 1st July, 2013

TIME
06.00 p.m. to 10.00 p.m.

VENUE
Ravindra Natya Mandir
Sayani Road, Prabhadevi, Mumbai, 400 025

**ENTRY
FREE**

AUDITION FOR DANCE, SINGING & ACTING

Date : Sunday 26th May, 2013
Time : 11.00 a.m. to 2.00 p.m.
Venue : J.S. Lodha Auditorium, ICAI Bhawan WIRC,

Chief Co-ordinators

CA. Shruti Shah 9892407988 CA. Priti Savla 9321426883 CA. Sushrut Chitale 9821112904

Co-ordinators

CA. Vijay Bhatt 9820210728 CA. S. Padmanabhan 9987579214 CA. Kedar Limaye 9820287646

CA. Manori Shah
9820190092

IPCC & FINAL C.A. STUDENTS' EDUCATION CRASH COURSES FOR NOVEMBER, 2013 & MAY 2014 EXAMINATIONS

COURSES FOR

CA IPCC

- Accounting / Advanced Accounting
- Business & Company Laws
- Cost Accounting & F.M.
- Taxation
- Auditing & Assurance
- Information Technology & Strategic Management

CA Final

- Financial Reporting
- Strategic Financial Management
- Advanced Auditing
- Corporates & Allied Laws
- Advanced Management Accountancy
- Information Systems Control and Audit
- Direct Taxes
- Indirect Taxes

Time : 6.15 p.m. to 8.30 p.m. on week days
Venue : Sydenham College, 'B' Road, Churchgate
Duration : From July 25th to September 30th, 2013
Fees : ₹ 1,686/- per student for IPCC or Final (Including Service Tax)
Faculty : Eminent personalities possessing rich experience in their respective fields
Co-ordinators : CA. Mahesh Madkholkar 9820075966 (Regional Council Member)
CA. Chandrakant Ruparelia 022 61377600

For further information kindly contact on 3980 2923 (Jointly with BCAS)

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CPE HRS

Intensive Study Course on Service Tax

DAYS & DATES **TUESDAY** **THURSDAY** **SATURDAY**
18/6, 25/6 20/6, 27/6 22/6, 29/6

Venue	Mithibhai Hall, 1st Floor, Mithibhai College, 1st Road, JVPD Scheme, Vile Parle (W)		
Time	5.30 p.m. to 9.30 p.m. (Reg. 5.00 p.m. to 5.30 p.m.)		
Fees	₹ 2,250/- (Inclusive of course material, tea and refreshment) (Please add ₹ 100 towards CA Benevolent Fund as Voluntary Contribution)		
Chief Co-ordinators	CA. Neel Majithia CA. Anil Bhandari CA. Shruti Shah (Regional Council Members)	9820327660 9821037605 9892407988	
Co-ordinators	CA. Gautam Shah CA. Mukesh Trivedi CA. Bharat Oza	9821149285 9820182456 9820042788	

TOPICS	SPEAKERS
18/6/2013 : Basic Concepts, Charging Section, Definition of Service, Declared Services and Rules of Interpretation.	CA. Sunil Gabhawalla
20/6/2013 : Negative List of Services, Important Exemptions, Abatement and Special Rated Services.	CA. Rajiv Luthia
22/6/2013 : Point of Taxation Rules, 2011 and Place of Provision of Service Rules, 2012.	CA. Naresh Sheth
25/6/2013 : Reverse Charge Mechanism and Valuation Rules.	CA. S. S. Gupta
27/6/2013 : CENVAT Credit Rules for Service Providers.	Adv. Shailesh Sheth
29/6/2013 : Procedural Aspects relating to Filing of Returns, Tax Payments, Refunds, Penalties, Prosecution and EA 2000 Audit.	CA. Parag Mehta

JOINTLY WITH VILE PARLE CPE STUDY CIRCLE

06
CPE HRS

Workshop on Drafting of Deeds & Documents

DAY & DATE **SATURDAY, 6TH JULY, 2013**

Venue	J.S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade	
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 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 CA. Subodh Kedia (Regional Council Members)	9930314856 9879267750
Co-ordinators	CA. Kedar Limaye CA. Mayur Momaya CA. Samit Fogla	9820287646 9867952010 9890350382

TOPICS	SPEAKERS
Drafting Deeds & Documents Partnership Deed, LLP Agreement, Memorandum & Articles of Association	CS. Makarand Joshi
Drafting of Business Agreements Business Conducting Agreements, Joint Venture and Collaboration Agreements	Eminent Faculty
Drafting of Wills & Family Arrangement and Partition	Adv. Pravin Veera
Drafting Real Estate Agreements M.O.U., Development Agreement, Lease Deeds & Conveyancing – An Overview	Eminent Faculty
Important Provisions of Bombay Stamp Act, Indian Stamp Act & Registration Act	Eminent Faculty

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CPE HRS

Intensive Study Course on Service tax

DAYS & DATES	Sat	Mon	Tue	Wed	Fri
	1/6	3/6		5/6	7/6
		10/6	11/6	12/6/2013	

Venue	SNDT Dome, SNDT College, Cama Lane, Ghatkopar (West)				
Time	10.00 a.m. to 6.00 p.m. (Registration & Breakfast 9.00 a.m. to 10.00 a.m.)				
Fees	₹ 2,250/- (inclusive of course material, breakfast & lunch) (Please add ₹ 100/- towards CA Benevolent Fund)				
Chief Co-ordinators	CA. Priti Savla			9321426883	
	CA. Mahesh Madkholkar			9820075966	
	CA. Julfesh Shah			9823096540	
	<i>(Regional Council Members)</i>				
Co-ordinators	CA Sanjay Sardhara			9820515808	
	CA. Hemang Shah			9223273189	

TOPICS	SPEAKERS
1/6/2013 : Basic Framework – Brief History – Service tax Law, Act and Rules – Service v/s. Negative approach Section 64 and Charging Section - 66B Declared service	CA Sunil Ghabhawalla

3/6/2013 : Negative List of Services Mega Exemptions • Other Exemptions	CA Ashit Shah
5/6/2013 : CENVAT credit rules as applicable to Service provider • Concept of ISD	CA Bharat Shemlani
7/6/2013 : Principles of Interpretation – Valuation of Services • Abatement • Composition Scheme Rules, 2013	CA Manish Gadia
10/6/2013 : • Refund under Service Tax • Service Tax registration • Payment & penalty • Adjustment of excess payment tax • Issuance of invoices • Filing of returns • Maintenance of records	CA Hemang Shah
11/6/2013 : Taxable Territory Place of Provision of Services Rules, 2013 • Person liable to pay service tax • Reverse Charge mechanism	CA Girish Raman
12/6/2013 : • Summons • Investigations • Audit, Special Audit • Show Cause notice • Rectification of mistake • Applicability of Central Excise Provisions • Appeals Voluntary Compliance Encouragement • Scheme - VCES	CA Rajiv Luthia

JOINTLY WITH GHATKOPAR CPE STUDY CIRCLE

FORTHCOMING BRANCH MEETINGS

Date	Time	Subjects	Speakers	Venue
BARODA				
24 to 31/5/2013		International RRC@ Hong Kong, Macau & Shenzhen		Hong Kong, Macau & Shenzhen
NAGPUR				
19-20/5/2013	9.00 a.m.	WICASA Seminar on Polish Your English & Soft Skill Development	Eminent Speaker	Pench Tiger Resort
22/5/2013		Project Gurukul - Day 2	–	ICAI Bhavan
25/5/2013		Seminar on Internal Audit	Eminent Speakers	ICAI Bhavan
25/5/2013	4.00 p.m.	WICASA Lecture Meet on Importance of Articeship	CA. S.B. Zaware, CCM	ICAI Bhavan
26/5/2013	9.30 a.m.	WICASA How to Face CA- CPT Exam	CA. Pawan Sarda	ICAI Bhavan
29/5/2013		Project Gurukul - Day 3	–	ICAI Bhavan
1/6/2013		Launching CA IPCC Group II Classes	–	ICAI Bhavan
1/6/2013	6.00 a.m.	Information Technology Course (138th Batch)	Eminent Faculty	ICAI Bhavan
1/6/2013	10.30 a.m.	Information Technology Course (139th Batch)	Eminent Faculty	ICAI Bhavan
1/6/2013	4.00 p.m.	Information Technology Course (140th Batch)		
NASHIK				
18/5/2013	4.00 p.m.	Various Government subsidies Scheme- PSI, 2013 (State Government)	CA. Julfesh Shah	
	5.45 p.m.	Various Government subsidies Scheme- PSI, 2013 (Central Government)	Eminent Faculty	
	7.15 p.m.	Brain Trust Session		
PUNE				
19/5/2013 13-16/6/2013 Every Sunday	9.00 a.m.	Advance Excel Workshop for Members 7th Batch		ICAI Bhawan, Bibwewadi
25/5 & 1/6/2013	9.00 a.m.	Indirect Tax Refresher Course		MES Auditorium, Kothrud
SURAT				
18/5/2013	4.00 p.m.	Workshop on Advanced MS Excel	Mrs. Dhvanika Shah	Branch Premises, 2nd Floor, Saifee Building, Nanpura, Surat
18/5/2013	8.00 a.m.	Cricket Match CIT XI vs CA XI		Lalbhai Contractor Ground
VAPI				
19, 26/5/2013 & 2, 09/6/2013	10.00 a.m.	Work shop on Soft Skills	CA. Vivek Patki	Vapi Branch of WIRC of ICAI
22 & 23/6/2013		4th RRC		Pluz Resorts, Silvassa

FORTHCOMING STUDY CIRCLE MEETINGS

Date & Day	Time	Subjects	Speaker(s)	Venue	Organised by / Convenor / Tel. No.
25/5/2013 Saturday	5.30 p.m.	Doing Business in India: Regulations for Foreign Companies – Transfer Pricing – Licensing Norms – Subsidiary/Liaison Offices of Foreign Companies, Regulatory issues, etc.	CA. Paresh Parekh	TMA Hall, 16 No. Bus Stop, Nr. Dwarka Hotel, Wagle Estate, Thane (W)	Thane Mid Town CPE Study Circle CA. Sarad Beria M: 9820508633
25/5/2013 Saturday	3.30 p.m.	Study Group Meeting Issues in Capital Gain Works Contract Tax under MVAT and CST	CA. Mahavir Jain CA. N. M. Jain	Direct- I- Plex, Old Nagar Das Road, Near Andheri, East Subway, Andheri (E)	J. B. Nagar CPE Study Circle CA. Kamal Dhanuka M: 9867215281
26/5/2013 Sunday	9.30 a.m.	Recent Amendments in Service tax Amnesty Scheme	CA. Jinit Shah CA. Parag Mehta	May Fair Banquet Hall, Near Prabhodhan Thakre Auditorium, Opp. ICICI Bank, Borivali (W)	Borivali (Central) CPE Study Circle CA. Dushyant Bhatt M: 8655016163
26/5/2013 Sunday	8.45 a.m.	MS Excel - Tool for Audit and Financial Analysis Tally Audit Tool	CA. Anand Paurana Shri Darshan Shah	A-52, AIPMA House, Street No. 1, Nr. Tunga International Hotel, MIDC, Andheri (E)	J. B. Nagar CPE Study Circle CA. Kamal Dhanuka M: 9867215281
26/5/2013 Sunday	9.00 a.m.	(a) Important Amendment in (Companies Bill, 2012) (b) Revised Scheduled VI	CA. Durgesh Kabra	Aura Conference Hall, Yoginagar, Jn of Link Road and Yoginagar, Borivali (W)	Borivali (West) CPE Study Circle CA. Mahesh Saboo M: 9819538752
26/5/2013 Sunday	9.30 a.m.	Issues related to Bogus purchases	Shri Reepal Tralshawala	Audio Visual Room, SIMR, Vidyavihar	Chembur CPE Study Circle CA. Radhesh Ramanna M: 9324932401
26/5/2013 Sunday	9.00 a.m.	Service Tax Registration & Penalty	CA. Sameer Kapadia	Patkar College Hall, Patkar Varde College, S. V. Road, Goregaon (W)	Goregaon CPE Study Circle CA. Vipul Somaiya M: 9223418790
	11.30 a.m.	Point of Taxation Rules, 2012 Refund & Rebates under Service Tax	CA. Rajiv Luthia		
28/5/2013 Tuesday	5.30 p.m.	Provisions of Local Body Tax - LBT	Adv. C. B. Thakar	Roman Vision Banquet Hall, 99/101, Keshavji Naik Road, Chinchbunder Mahajan Wadi (CVOD Mahajan Wadi) 3rd Floor, Above Vijay Transport, Masjid Bunder	Masjid Bunder CPE Study Circle CA. Bharat Vasani M: 9820075953
05/06/2013 Wednesday	6.30 p.m.	Right to Information Act Discussion on uploading of Forms 3 CB & 3 CD - Group Discussion	Shri A. G Sheikh	Hotel Woodland, Nadiad	Nadiad CPE Study Circle CA. Hitesh Shah M: 9428435900
8/6/2013 Saturday	5.30 p.m.	E-filing of various forms & returns under Income-tax Act	CA. Avinash Rawani	TMA Hall, 16 No. Bus Stop, Nr. Dwarka Hotel, Wagle Estate, Thane (W)	Thane Mid Town CPE Study Circle CA. Sarad Beria M: 9820508633
8/6/2013 Saturday	4.30 p.m.	Taxable Territory Place of Provision of Services Rules, 2012	CA. Sunil Gabhawalla	Patkar College Hall, Patkar Varde College, S. V. Road, Goregaon (W)	Goregaon CPE Study Circle CA. Vipul Somaiya M: 9223418790
	7.00 p.m.	Principles of Interpretation - Section 66F Valuation of Services Abatement Composition Schemes	Adv. Bharat Raichandani		
9/6/2013 Sunday	9.00 a.m.	(a) Direct Taxes – Survey, Search and Seizure – Current Development (b) Block Assessment	CA. Naresh Jain CA. Jayesh Kala	Aura Conference Hall, Yoginagar, Jn of Link Road and Yoginagar, Borivali (W)	Borivali (West) CPE Study Circle CA. Mahesh Saboo M: 9819538752
9/6/2013 Sunday	9.30 a.m.	Amendment in MVAT Act including State Budget 2013 TDS & TCS Provisions under MVAT Act	Adv. C. B. Thakar CA. Prashant Vora CA. Mayur Momaya	Mulund College AC Auditorium, Near Mulund Railway Station, Mulund (W)	Mulund CA CPE Study Circle CA. Sachin Maher M: 9869028560
9/6/2013 Sunday	9.00 a.m.	CENVAT Credit Rules as applicable to Service Providers Concept of Input Service Distributor	CA. Bharat Shemlani	Patkar College Hall, Patkar Varde College, S. V. Road, Goregaon (W)	Goregaon CPE Study Circle CA. Vipul Somaiya M: 9223418790
	11.30 a.m.	Summons Investigation Audit, Special Audit Show Cause Notice Appeals	Adv. Prasad Paranjpe		
9/6/2013 Sunday	8.45 a.m.	Final Amendment in Finance Bill - Direct Tax/Indirect taxes	CA. Sanjeev Lalan CA. Manish Gadia	Hotel Kohinoor, Andheri Kurla Road, J. B. Nagar, Andheri (E)	J. B. Nagar CPE Study Circle CA. Kamal Dhanuka M: 9867215281
9/6/2013 Sunday	9.15 a.m.	Assessment of Hawala Transactions under Direct Tax	CA. Bhupendra Shah	Mithibai College Hall, 1st Floor, 1st Road, JVPD, Vile Parle (W)	Vile Parle CPE Study Circle CA. Gautam Shah M: 9930448872
15/6/2013 Saturday	5.30 p.m.	Concurrent Audit – Auditing under Computerised Environment & Stock Audit	CA. Arvind Joshi	TMA Hall, 16 No Bus Stop, Nr Dwarka Hotel, Wagle Estate, Thane (W)	Thane Mid Town CPE Study Circle CA. Sarad Beria M: 9820508633
16/6/2013 Sunday	9.30 a.m.	Filing of ITR for AY 2013-14 New features of ITR e-filing portal	CA. Sanjeev Lalan CA. Avinash Rawani	May Fair Banquet Hall, Near Prabhodhan Thakre Auditorium, Opp. ICICI Bank, Borivali (W)	Borivali (Central) CPE Study Circle CA. Dushyant Bhatt M: 8655016163
23/6/2013 Sunday	9.00 a.m.	Rectification, Interest, Penalties Compounding of offences Applicability of Provisions of Central Excise Prosecution	CA. Pranav Mehta	Patkar College Hall, Patkar Varde College, S. V. Road, Goregaon (W)	Goregaon CPE Study Circle CA. Vipul Somaiya M: 9223418790
	11.30 a.m.	Service Tax Amendments with Amnesty Scheme Finance Bill, 2013	CA. Naresh Sheth		
	12.30 p.m.	Brain Storming Session - Q & A	CA. Naresh Sheth CA. Rajkamal Shah		

Note: All Convenors are requested to send their forthcoming programmes only on e-mail Id: wircevents1@gmail.com at the end of the preceding month for the period starting 20th of next month.

APPEAL TO ACTIVELY SUPPORT AND CONTRIBUTE GENEROUSLY TO CHARTERED ACCOUNTANTS BENEVOLENT FUND (CABF)

The objective of CABF is to provide financial assistance for maintenance, education, any other purpose to necessitate persons such as; Member of the Institute, wife & children of the Member, Widow and children of deceased members, relatives or others or dependents of Member. Contributions to CABF are exempted under Section 80(G) of the Income-tax Act, 1961.

INTER ACTIVE VOICE RESPONSE SYSTEM (IVRS) AT CUFFE PARADE, MUMBAI

Members and students are hereby informed the Inter Active Voice Response System (IVRS) at the Institute's office at Cuffe Parade, Mumbai is functional 24*7 for automated response on telephone calls. To avail of this facility, it is requested to call on landline telephone No: 022-39893989 during regular office hours on all working days between 10.00am and 5.30pm, if the telephone operator is busy, then the call will be directed to the automated response (IVRS) and also after office hours and on holidays.

APPLICATION FOR FACILITIES FOR TAKING LECTURES FOR GMCS COURSE AT MUMBAI

WIRC of ICAI invites applications from members of the Institute who are experienced and interested in taking lectures for General Management and Communication skills course at Mumbai. Interested members may send their resume by e-mail to wirc@icai.in.

ISA NOTIFICATION

The Council of the Institute of Chartered Accountants of India is pleased to notify that the Information Systems Audit (ISA) Course Assessment Test will be held on 22nd June, 2013 (Saturday) from 10.30 A.M. to 2.30 P.M. at the following cities provided that sufficient number of candidates offers themselves to appear from each city. Applications for admission to the Assessment Test is required to be made in the prescribed form which may be obtained from the Additional Secretary (Exams), The Institute of Chartered Accountants of India, ICAI Bhawan, Indraprastha Marg, New Delhi – 110 002 on payment of ₹ 100/- per application form.

The forms are also available in the Regional and Branch Offices of the Institute and can be obtained upon cash payment on or from 15th May, 2013. Alternatively, the format of application form can be downloaded from the website of the Institute viz. www.icai.org and the cost of the application form of ₹ 100/- can be added to the Assessment Test fee of ₹ 1,000/- and the Demand Draft for ₹ 1100/- has to be sent. The last date for receipt of duly filled in application forms is 31st May, 2013. Members are requested to take advantage of this opportunity.

RBI NOTIFICATION REGARDING CO-OPERATIVE AUDITS

The Reserve Bank of India, Urban Banks Department, Central Office had advised all Registrars of Co-operative vide notification dated UBD.NAG.No.3638/15.10.003/2012-13 dated April 10, 2013 regarding Appointment of Qualified Chartered Accountants by State Government – Terms and Conditions of Appointment. This notification requires UCBs to incorporate additional terms and conditions while issuing orders of appointment of statutory auditors. The detailed notification is also hosted on WIRC website under Co-operative section.

WIRC Study Group Meeting on BFSI & Capital Markets

DAY & DATE FRIDAY, 21ST JUNE, 2013 **Time:** 5.00 p.m. to 8.30 p.m.
Venue J. S. Lodha Auditorium, ICAI Bhawan, Cuffe Parade

TOPICS Round Table Discussion on Role of CA as Investment Advisor – Challenges and Opportunities
GROUP LEADER CA Abhishek Mistry
CA Mukesh Dalal

For more details contact CA. Shruti Shah, RCM 9892407988
Limited Seats Available for Membership of the Study Group

SIXTY SECOND ANNUAL GENERAL MEETING OF WIRC OF ICAI

The Sixty Second Annual General Meeting of the Members of Western India Regional Council of ICAI will be held on Thursday, 27th June, 2013 at ICAI Bhawan, Cuffe Parade, Mumbai. The detailed notice etc for the said meeting will be sent by e-mail in due course to all the members of the Western Region, whose e-mail ids are available in the records of the Institute. Members who have not furnished their e-mail Ids are requested to update their e-mail Ids at the earliest in the records of the Institute, to enable the above notice being e-mailed to them also.

The said notice, as also the Annual Report of WIRC for 2012-13 and the audited Annual Financial statements of WIRC of ICAI for 2012-13 will be hosted on the WIRC website, <http://www.wirc-icai.org>, in due course. The hard copies of the said annual report and the said audited annual financial statements will be sent only to those members, who are express their desire for the same, in writing, but after the same has been hosted on the WIRC website.

In this context, attention of the members is also invited to Regulation No. 150 of the Chartered Accountants Regulations, 1988 which entitles a member to move a resolution for consideration of the meeting of the members, provided a draft of the resolution is received by the Secretary of the Regional Council at the office of the Regional Council at least 28 days before the date of the meeting. However the Regulation empowers the Chairman of the Meeting to admit a resolution in respect of which a shorter notice of not less than 7 days is given.

E-SAHAYATAA

E-Sahayataa is a grievance redressal mechanism hosted on ICAI website. Members and students are requested to visit www.icai.org to log in their grievances.

WORK DISPOSAL POSITION

The position of disposal of various matters relating to members and students of WIRC as on 30/04/2013

PARTICULARS	DATE
Members Section	
Sole Proprietary Firm Registration	19/04/2013
Partnership Firm Registration – Constitution	10/04/2013
Reconstitution	16/03/2013
Grant of Certificate of Practice	16/04/2013
Fellow Admission	16/04/2013
Change of Address	22/04/2013
New Enrolment	31/03/2013
Restoration of Membership	10/04/2013
Permission for other engagement	22/04/2013
Articles Section	
IPCC Registration with Articles	10/04/2013
Final + Articles Registration	15/04/2013
Industrial Training Registrations	13/03/2013
Re-registration of articles	10/03/2013
Termination of articles	21/02/2013
Completion of articles	26/04/2013
Permission to study for other courses	22/04/2013
Supplementary Registration of articles	26/04/2013
Change of Address	29/04/2013

DIRECT TAX

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

SECTION 92C OF INCOME-TAX ACT, 1961 READ WITH RULE 10B OF THE INCOME TAX RULES, 1962 – TRANSFER PRICING – COMPUTATION OF ARM'S LENGTH PRICE – APPLICATION OF PROFIT SPLIT METHOD {214 TAXMANN 7 (ST.)}

Circular No. 2/2013 (F.No. 500/139/2012) dated 26/03/2013

CBDT hereby clarified that while selecting PSM as the most appropriate method, the following points may be kept in mind:

1. Absence of correlation between cost incurred on R&D activities and return on an intangible developed through R&D activities, discourages the use of transfer pricing methods [like Transactional Net Margin Method].
2. PSM determines appropriate return on intangibles on the basis of relative contributions made by each associated enterprise.
3. Selection and application of PSM will depend upon factors as prescribed under rule 10C(2) of the Rules.
4. In a case, where the Transfer Pricing Officer (TPO) is of view that PSM cannot be applied to determine the arm's length price of international transactions involving intangibles due to non-availability of information and reliable data required for application of the method, he must record reasons for non-applicability of PSM before considering TNMM or CUP.
5. Application of PSM requires information mainly about the taxpayer and AEs. Section 92D & Rule 10D prescribe that sufficient documentation must be maintained. Therefore, there should be good and sufficient reason for non-availability of such information with the taxpayer.
6. Depending upon facts and circumstances of the case, TPO may consider TNMM or CUP method as appropriate method by selecting comparables engaged in development of intangibles in same line of business and make upward adjustments.

SECTION 92C OF INCOME-TAX ACT, 1961 – TRANSFER PRICING – COMPUTATION OF ARM'S LENGTH PRICE – CLARIFICATION ON FUNCTIONAL PROFILE OF DEVELOPMENT CENTRES ENGAGED IN CONTRACT R&D SERVICES WITH INSIGNIFICANT RISK – CONDITIONS RELEVANT TO IDENTIFY SUCH DEVELOPMENT CENTRES {214 TAXMANN 9 (ST.)}

Circular No. 3/2013 (F.No. 500/139/2012) dated 26/03/2013

CBDT hereby clarified that a development centre in India may be treated as a contract R&D service provider with insignificant risk if the following conditions are **cumulatively** complied with:

1. Foreign principal performs most of the economically significant functions involved in research or product development cycle;
2. The principal provides funds/capital and other economically significant assets including intangibles for research or product development;
3. Indian development centre works under direct supervision of foreign principal who not only has capability to control or supervise but also actually controls or supervises research or product development through its strategic decisions to perform core functions as well as monitor activities on regular basis;
4. Indian development centre does not assume or has no economically significant realised risks. In the case of foreign principal being located in a country/territory widely perceived as a low or no tax jurisdiction, it will be presumed that the foreign principal is not controlling the risk; and
5. Indian development centre has no ownership right (legal or

economic) on outcome of research which vests with foreign principal, and that it shall be evident from conduct of the parties.

Detailed & Complete update is available on WIRC Website

SECTION 90 OF INCOME-TAX ACT, 1961 – DOUBLE TAXATION AGREEMENT – AGREEMENT FOR EXCHANGE OF INFORMATION WITH RESPECT TO TAXES WITH FOREIGN COUNTRIES - GIBRALTAR {214 TAXMANN 14 (ST.)}

Notification No. 28/2013 [F.No. 503/11/2009-FTD-I] dated 01/04/2013

The Agreement between the Government of Republic of India and the Government of Gibraltar for Exchange of Information with respect to taxes was signed at London on the 1st day of February, 2013. The Central Government has directed that all the provisions of the said Agreement shall be given effect to in the Union of India with effect from the 11th day of March, 2013.

MAHARASHTRA VAT

(Contributed by CA. C. B. Thakar)

MAVT ACT, 2002

Notifications

1. The Government of Maharashtra has issued Notification dated 30/3/2013 under section 9(1), whereby Schedules A, B, C and D are amended. There are changes in rates of taxes as per proposals in the Budget for 2013-14.
2. The Government of Maharashtra has issued Notification dated 30/3/2013 under entry A-2 under MVAT Act whereby new entry for "Braille Watches" has been added.
3. The Government of Maharashtra has issued two more Notifications dated 30/3/2013 under entries C-101(a) and C-101(b) whereby certain items of textiles for Industrial use are Specified in the said Notifications.
4. The Government of Maharashtra has issued notification dated 30/3/2013 under entry C-107(8) for adding "automated implantable Cardiac Defibrillators" in the said entry.
5. By Notification dated 30/3/2013 issued under section 42, the composition scheme for second hand motor vehicles is amended to add Tractors in the same.
6. The Government of Maharashtra has issued notification dated 4/4/2013 under section 9(1), whereby entries in Schedule B are amended.
7. The Government of Maharashtra has introduced LA Bill No. 1 of 2013 dated 14/3/2013, about amendment made earlier by Ordinance in respect of extension of time limit for assessment.
8. The Government of Maharashtra has introduced LA Bill No. XI of 2013 for carrying out amendments proposed in Budget.

CST Act, 1956

The Government of Maharashtra has issued Notification under dated 30/3/2013, section 8(5) of the CST Act, whereby interstate sale of furnishing cloth is made exempt from CST.

CENTRAL EXCISE

(Contributed by CA. Jayesh Gogri)

Notifications

Tariff

EPCG based Exemption

Exemption has been granted subject to certain conditions when goods cleared against Post Export EPCG duty credit scrip issued under Foreign Trade Policy from whole of duty

(Notification No. 14/2013 – Central Excise dated: 18/04/2013)

FTP related other amendments

Amendments have been made to Notification No. 34/2006 – CE dated

14/06/2006, Notification No. 31/2012 – CE dated 09/07/2012, Notification No. 33/2012 – CE dated 09/07/2012 to give effect to 2013 annual supplement to Foreign Trade Policy for 2009-2014 (Notification No. 15/2013 – Central Excise dated: 18/04/2013)

Non Tariff

Amendments in the Appeal Forms

Additional details shall be required to be given in Forms of Appeal, namely EA-3, EA-4 & EA-5 with effective from 1/06/2013 for details refer Notification No. 6/2013 – Central Excise (N.T.) dated: 10/04/2013

Circular

CBECE has clarified that Units which are enjoying area based exemption, if undertake expansion by acquiring the adjacent plot with at least one common boundary with existing plot and merge it with existing plot/premises to make it one unit, the area based exemption will be available to entire unit for residual period of exemption.

(Circular No. 968/02/2013-CX, dated: 1/4/2013)

CORPORATE LAWS

(Contributed by CA. Jayesh Thakur)

Relaxation of Additional Fees and Extension of Last Date in Filing of various Forms [www.mca.gov.in]

The MCA has issued **Circular No. 07/2013 on 20/03/2013** extending the time limit for filing and relaxation of additional fee on forms has been extended till 31/03/2013. The affirmative step based on the ticket raised by ROC and the additional fee mentioned therein, will be:

- Change of additional fee applicable against respective SRN in the database;
- Regeneration of challan with revised additional fee;
- Extension of validity period of the challan till 7 days from the date of change;
- Sending an e-mail along with challan to the user requesting him to pay the amount as per the revised challan. (User may also download the challan from FO Portal)

One may refer to the above citation for further details.

After issuance of this Circular, the MCA issued **Circular No. 08/2013 on 10/04/2013** extending the time limit for filing and relaxation of additional fee on forms has been extended till 15/04/2013. It is clarified that fee payable for forms on/till 16/01/2013 will remain payable along with additional fee and relaxation of any additional fee will be considered for forms on or after 17/01/2013.

One may refer to the above citation for further details.

Guidelines for Entry of core investment companies (CICs) into Insurance [www.rbi.gov.in]

The RBI has issued **Circular No. RBI/2012-13/466/DNBS(PD) CC.No.322/03.10.001/2012-13 dated 01/04/2013** stating that presently, NBFCs venturing into insurance are guided based on an earlier to NBFC Regulations which contains the 'Guidelines for entry of NBFCs into Insurance'. In view of the unique business model of CICs, RBI has now issued a separate set of guidelines for their entry into insurance business. While the eligibility criteria, in general, are similar to that for other NBFCs, no ceiling is being stipulated for CICs in their investment in an insurance joint venture. It is clarified that CICs cannot undertake insurance agency business. It is also clarified that CICs exempted from registration with RBI do not require prior approval provided they fulfil all the necessary conditions of exemption as provided under/in the earlier RBI Circular of 5/1/2011. Their investment in insurance joint venture would be guided by IRDA norms. The Guidelines are enclosed to this Circular for meticulous compliance.

One may refer to the above citation for further details and the detailed guidelines.

Arbitration Mechanism through Stock Exchanges – Introduction of Common Pool and Automatic Process of selection of arbitrators [www.sebi.gov.in]

The SEBI has issued **Press Release 34/2013 dated 4/4/2013** clarifying that based on inputs received from investors regarding functioning of arbitration mechanism at the stock exchanges, all stock exchanges having nation-wide trading terminals have been advised to pool the list of arbitrators and create a 'common pool', instead of having exchange-wise pools of arbitrators. This pooling of arbitrators is done centre-wise. The selection of arbitrators by stock exchanges as done currently, is now replaced by an 'automatic process'. In order to bring more transparency and fairness the 'automatic process' entails a randomized, computer generated selection of arbitrator, which sends a system generated sms or email to all entities involved in the particular case. This process has come into effect from 1/4/2013. Currently, arbitration facilities at Stock Exchanges with nation-wide trading terminals is available at 8 centres viz Ahmedabad, Chennai, Delhi, Hyderabad, Indore, Kanpur, Kolkata and Mumbai. It is intended to extend the arbitration facility to more cities during the course of the current financial year. One may refer to the above citation for further details. One may also refer to SEBI Circular No. CIR/MRD/ICC/8/2013 dtd. 18/3/2013 for more information.

SEBI invites comments on discussion paper – Risk Management – Safer Markets for Investors [www.sebi.gov.in]

The SEBI has issued **Press Release No. PR No. 42/2013 dtd. 18/4/2013** in relation to putting in place various risk containment measures to address the risks involved in the cash and derivatives market. SEBI has prepared a discussion paper covering various alternative schools of thoughts on steps that can be taken to further fine-tune the risk management system. The same has been placed in public domain on the SEBI website for eliciting views/ comments/suggestions from various stakeholders to be sent by 20/5/ 2013. The discussion paper specifically covers, (a) incentivising internet based trading models posing minimal risk, (b) mitigation of risk to client collateral, and, (c) T+1 settlement as a measure to reduce overall risk in the system

Redress of investor grievances through SEBI Complaints Redress System (SCORES) [www.sebi.gov.in]

The SEBI has issued **Circular No. CIR/01AE/1/2013 on 17/4/2013** stating that in terms of the provisions of section 15C of SEBI Act, 1992, all listed companies are called upon to redress the grievances of investors and inform them within 30 days of the receipt of the complaints. Now, SEBI has also directed that companies which are yet to obtain SCORES user ID and password are required to send their details as per the annexure to the circular to SEBI and to scores@sebi.gov.in and obtain the SCORES user ID and password. In case of failure to obtain the SCORES user ID and password within 30 days of issue of this circular, the same would not only be deemed as non-redressal of investor grievances but also indicate wilful avoidance of the same. Failure to file Action Taken Reports under SCORES within 30 days of receipt of the grievance may also attract the provisions of section 15A(a) of the SEBI Act, 1992.

SEBI Insider Trading Regulations – format for providing suggestions [www.sebi.gov.in]

The SEBI has issued **Circular dated 16/4/2013** and stated that it has constituted a high level committee to review the SEBI (Prohibition of Insider Trading) Regulations, 1992 ("PIT Regulations") and to suggest suitable recommendations for amendments as it considers necessary. A specific format is provide in this Circular in which the inputs and suggestions may be made and which should be sent by 16/5/2013. One may refer to the above citation for further details and the detailed guidelines.

Infrastructure Debt Fund and SEBI (Mutual Funds) Regulations [www.sebi.gov.in]

The SEBI has issued Circular No. CIR/IMD/DF/7/2013 dated 23/4/2013 stating that in respect of placement memorandum, private placement to less than 50 investors has been permitted as an alternative to new fund offer to the public, in case of Infrastructure Debt Funds (IDF).

SERVICE TAX

(Contributed by CA. Rajiv Luthia)

SYNOPSIS OF NOTIFICATIONS, CIRCULARS & LETTERS

CBEC vide Notification No. 5/2013-ST dated 10/4/2013 has substituted Form No.ST-5 (Appeal to Appellate Tribunal u/s.86(1)), Form ST-6 (Memorandum of Cross Objection to Appellate Tribunal U/s.86(4)) & Form ST-7 (Appeal to Appellate Tribunal U/s.86(2) or 86(2A)). The substituted appeal forms would be effective from 1st June, 2013.

CBEC vide Circular No. 969/03/2013-CX dated 11/4/2013 has issued salient features of the changes introduced in the new appeal forms which are notified vide Notification No.5/2013-ST dated 10th April,2013. CBE has clarified that the old forms may continue to be used for a period of 3 months from the date of coming into effect of the new forms, i.e. till 31st August, 2013. From 1st September, 2013 onwards, no appeal shall be filed in the old forms.

CBEC vide Order No. 02/2013-ST dated 12/4/2013 has further extended the last date to 30th April, 2013 for filing of Service Tax Return (ST-3) for the period from 1st July, 2012 to 30th September, 2012. The due date was earlier extended upto 15th April, 2013.

CBEC vide Circular No. 168/3/2013-ST dated 15/4/2013 has clarified that the services provided by way of erection of pandal or shamiana would attract the levy of service tax since the activity of providing pandal and shamiana along with erection thereof and other incidental activities do not amount to transfer of right to use goods. It is a service of preparation of a place to hold a function or event. Effective possession and control over the pandal or shamiana remains with the service provider, even after the erection is complete and the specially made up space for temporary use handed over to the customer.

CBEC vide Notification No. 6/2013-ST dated 18/4/2013 has granted exemption to taxable services provided or agreed to be provided against a scrip by a person located in the taxable territory from the whole of the service tax leviable thereon U/s. 66B. This exemption is applicable to the Focus Market Scheme duty credit scrip issued to an exporter by the Regional Authority in accordance with paragraph 3.14 of the Foreign Trade Policy subject to fulfillment of various conditions mentioned in the said Notification.

CBEC vide Notification No. 7/2013-ST dated 18/4/2013 has granted exemption to taxable services provided or agreed to be provided against a scrip by a person located in the taxable territory from the whole of the service tax leviable thereon U/s. 66B. This exemption is applicable to the Focus Product Scheme duty credit scrip issued to an exporter by the Regional Authority in accordance with paragraph 3.15 of the Foreign Trade Policy subject to fulfillment of various conditions mentioned in the said Notification.

CBEC vide Notification No.8/2013-ST dated 18/04/2013 has granted exemption to taxable services provided or agreed to be provided against a scrip by a person located in the taxable territory from the whole of the service tax leviable thereon U/s. 66B. This exemption is applicable to the Vishesh Krishi and Gram Udyog Yojana (Special Agriculture and Village Industry Scheme) duty credit scrip issued to an exporter by the Regional Authority in accordance with paragraph 3.13.2 of the Foreign Trade Policy subject to fulfillment of various conditions mentioned in the said Notification.

CBEC vide Order No.03/2013-ST dated 23/04/2013 has extended the last date to 31st August, 2013 for filing of Service Tax Return (ST-3) for the period from 1st October, 2012 to 31/3/2013.

GUJARAT VAT

(Contributed by CA. Kishor R. Gheewala)

No ITC if Tax not Paid

New Sub-Section (7A) has been inserted in Section 11 of the Act. to restrict the amount of Input Tax Credit on purchases to the Amount of Tax actually paid in government treasury only.

Instant Assessment on Tax Evasion

New Sub-Section (8A) has been inserted in Section 34 of the Act. to enable the assessing authority to make instant assessment in case of Tax Evasion, Tax Liability not Disclosed Correctly or Claim of Excess Tax Credit

Other Changes

Other Changes as announced while presenting the budget for F.Y.2013-2014 (Reported in News Letter Feb-2013) have also been made effective from made 1/4/2013.

FEMA

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

Foreign investment in India by SEBI registered FIIs in Government Securities and Corporate Debt - A.P. (DIR Series) Circular No.94 dated 1/4/2013

RBI had, vide A.P. (DIR Series) Circular No. 80 dated January 24, 2013 revised the limit for investments by FIIs and long term investors in Government securities to USD 25 billion and for corporate debt to USD 51 billion (including sub-limit of USD 25 billion each for bonds of infrastructure sector and non-infrastructure sector and USD 1 billion for QFIs in non-infrastructure sector).

In order to simplify the existing limits, RBI has now decided to merge the existing debt limits into two broad categories as Government Debt & Corporate Debt. The detailed notification contains the revised position is mentioned in the above Circular.

The Non-Resident Indians were not subject to any limit for investment in Government Securities as well as corporate debt and will continue to be regulated as per extant guidelines. The above changes will come into effect from 1/4/2013.

Review of all-in-cost ceiling for Trade Credits for imports into India - A.P. (DIR Series) Circular No. 98 dated 9/4/2013

RBI had revised the all-in-cost ceiling for trade credits for imports into India vide A.P. (DIR Series) Circular No.58 dated December 14, 2012. It has now been decided to continue the said all-in-cost ceiling till June 30, 2013 subject to review thereafter.

Consolidated Foreign Direct Investment (FDI) Policy effective from 5/4/2013 - Circular 1 of 2013 dated 5/4/2013

The Department of Industrial Policy and Promotion (DIPP) has, on April 05, 2013 issued Consolidated FDI Policy - Circular 1 of 2013 which is effective from 5/4/2012. This circular subsumes and supersedes all Press Notes / Press Releases / Clarifications / Circulars issued by DIPP, which were in force as on 4/4/2013, and reflects the FDI Policy as on 5/4/2013.

Clarification on Overseas Direct Investments - A.P. (DIR Series) Circular No. 100 dated 25/4/2013

The RBI has clarified that any overseas entity having equity participation directly/indirectly shall not offer financial products linked to Indian Rupee (e.g. non-deliverable trades involving foreign currency, rupee exchange rates, stock indices linked to Indian market, etc.) without the specific approval of RBI given that currently Indian Rupee is not fully convertible and such products could have implications on the exchange rate management of the country.

Any incidence of such product facilitation would be treated as a contravention of the extant FEMA regulations and would consequently attract action under the relevant provisions of FEMA, 1999.

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

Ss. 2(13), 28(i) & 45(2) Urban land and conversion into stock-in trade

Land acquired in 1958 and 1959 being in urban area and sold in pieces between 1984 and 1991, the IT authorities rightly concluded that capital asset was converted into stock-in-trade and sale of plots would be treated as business activity; s. 45(2) was rightly invoked.

Rajendra Kumar Dwivedi vs. CIT (2013) 257 CTR (All) 263

S. 2(15), proviso & 10(23C)(iv) Services to trade will result into denial of registration

Activity of certification of seeds carried on by the assessee which is rendering its services not directly to the farmers but to its clients/agents who are engaged in trading of certified seeds with profit motive is outside the purview of "charitable purpose" in view of the first proviso to s. 2(15) as such activity is "in relation to trade, commerce or business" and, therefore, assessee is not entitled for approval u/s 10(23C)(iv).

Andhra Pradesh State Seed Certification Agency vs. CCIT (2013) 256 CTR (AP) 380

S. 2(31) & 167B Individual vs. AOP

Assessee having inherited ancestral agricultural land in their individual capacity with definite and defined shares and there was nothing to show that they had acted as AOP, rental income from plinths constructed on such land was assessable in their individual status and not in the status of AOP.

Sudhir Nagpal vs. ITO (2013) 257 CTR (P&H) 253

S. 2(43) & 179 Liability of director of a closely held company vis-à-vis interest & penalty

A director of a company can be made liable u/s 179 for tax as defined u/s 2(43) and not for interest and penalty.

Sanjay Ghai vs. Asstt. CIT (2013) 256 CTR (Del) 241

S. 2(43) & 179 Liability of director of a closely held company

Entire focus and discussion of the Asstt. CIT in the impugned order is with respect to the assessee's neglect in functioning of the company when the company was functional – Nothing came to be stated by him regarding the gross negligence on part of the assessee's due to which the tax dues from the company could not be recovered. S. 179 uses the words "tax dues" and it would therefore, not be possible to stretch the language of s. 179(1) to include interest and penalty also in the expression 'tax due'; non-recovery could not be attributed to any gross negligence or breach of duty on the part of assessee director and therefore order u/s 179 was liable to be quashed.

Maganbhai Hasrajbhai Patel vs. Asstt. CIT (2013) 256 CTR (Guj) 269

Ss. 2(47), 45(1), 45(4) & 47(ii) No transfer by a partner on dissolution of the firm

Payment to assessee partner on dissolution of firm towards his capital contribution did not constitute "transfer" so as to attract capital gains tax.

Chalasan Venkateswara Rao vs. ITO (2013) 257 CTR (AP) 39

S. 4 Amount received on termination of distribution agreement is revenue receipt.

Assessee engaged in several lines of business activities and distributorship contracts and not having established that its trading

structure was adversely affected by non-renewal of the distributorship agreement with one company or it was either prevented or otherwise unable to enter into similar agreements in respect of similar products manufactured by other enterprises, the consideration received by the assessee under a memorandum of settlement for not insisting upon renewal of the said distributorship agreement constituted revenue receipt.

Larsen & Toubro Ltd vs. CIT (2013) 256 CTR (Bom) 253

S. 10(23C)(vi) Illegal method of admission of students does not mean institution ceases to be educational

Violation of the prescribed rules and regulations in the matter of admission of students does not deprive an educational institution of its character as an entity existing solely for the purpose of education and, therefore, approval for exemption u/s 10(23C)(vi) cannot be denied to the assessee-trust which is running educational institutions on the mere ground that the method of admission of students followed by it has been held to be illegal by the Court.

CCIT vs. Geetanjali University Trust (2013) 257 CTR (Raj.) 239

Ss. 26 & 56 House Property vs. Other Income

Income from renting of plinths is assessable as 'income from other sources' and not 'income from house property'.

Sudhir Nagpal vs. ITO (2013) 257 CTR (P&H) 253

Ss. 32(1)(ii) & 37(1) Capital vs. Revenue.

On the facts of the case, so-called lease transaction being a transaction of purchase of factory shed by assessee, lease rent was not allowable as revenue expenditure; assessee was however entitled to depreciation.

Mather & Platt (I) Ltd vs. CIT (2013) 257 CTR (Bom) 100

S. 37(1) Capital vs. Revenue

Professional fees paid by the assessee in respect of its new project was a capital expenditure and not revenue expenditure.

Larsen & Toubro Ltd vs. CIT (2013) 256 CTR (Bom) 252

S. 37(1) Capital vs. Revenue.

Expenditure on corporate membership of a club does not bring into existence an asset or an advantage for the enduring benefit of the business and same is deductible as revenue expenditure.

CIT vs. Groz Beckert Asia Ltd (2013) 257 CTR (P&H)(FB) 1

S. 40(a)(ia) Disallowance for non-deduction of tax in respect of amounts paid during the year

Provisions of s. 40(a)(ia) are applicable to the amounts already paid during the year as also to amounts "payable" as at the end of the year. Decision of Special Bench in Marilyn Shipping 146TTJ 1 (viz) reversed.

CIT vs. Md. Jakir Hossain Mandal (Cal) dated 13-04-2013.

S. 45, 48 & 54 Determination of sale consideration, date of acquisition and exemption u/s 54 vs. 54F

Where the assessee has sold land to developer for construction of multi-storied building, Tribunal was right in holding that the estimated cost of construction of Rs. 66 lakhs shown in the joint development agreement for development of the property should be taken into account and not 50 per cent (1.43 crores) of Rs. 2.86 crores actually spent by the builder in working out the sale consideration for the purpose of s. 45.

Since the allotment of land had been made and the allottee was put in possession prior to 1st April, 1981, the fair market value as on 1st April, 1981 has rightly been taken into consideration for arriving at capital gain and assessee was entitled to indexation benefit accordingly notwithstanding the fact that sale deed was registered in 1987.

Assessee having demolished the building and handed over the vacant space to developer for construction of multi-storeyed building, he was not entitled to exemption u/s 54.

CIT vs. Ved Prakash Rakhra (2013) 256 CTR (Kar) 287

S. 54 & 54F Multiple residential units entitled to exemption

Fact that residential house consists of several independent units cannot be permitted to act as an impediment to the allowance of the exemption u/s 54/54F; it is neither expressly nor by necessary implication prohibited; Tribunal was therefore justified in allowing exemption u/s 54 in respect of entire investment in construction of basement, ground floor, first floor, second floor and third floor.

CIT vs. Gita Duggal (2013) 257 CTR (Del) 208

S. 119(2)(b), 237 & 239 Delay condoned for belated filing of refund claim

Assessee's income being exempt, it was entitled to refund of TDS notwithstanding the fact that returns were filed belatedly; assessee is entitled to condonation of delay in terms of s. 119(2)(b).

North Eastern Electric Power Corporation Employees Provident Fund Trust vs. Union of India (2013) 256 CTR (Gau) 308

Ss. 147/148 Reopening of assessment due to revenue audit's compulsion is void.

If the audit party brings certain aspects to the notice of AO, he is entitled to reopen the assessment after forming his belief. However, if the AO acts under the compulsion of the audit party and not independently, the action of reopening would be vitiated.

Vijay Rameshbhai Gupta vs. ACIT (Guj) dated 23-04-2013.

S.147 Reopening and disclosure of facts

Assessee having explained in great details the entire process of generation of electricity, both by the gas turbine unit and the steam turbine unit in the assessment proceedings for an earlier year and the AO having allowed deduction u/s 80-IA treating the two units as separate undertakings in the relevant assessment year consistent with the findings of the CIT(A), Tribunal and the Committee on Disputes in the earlier year, it cannot be said that the assessee failed to disclose fully and truly all material facts necessary for assessment and, therefore, assessment cannot be reopened after the expiry of four years from the end of the relevant assessment year on the basis that both the units are to be treated as one undertaking for the purpose of deduction u/s 80-IA.

NTPCLtd vs. Dy. CIT (2013) 256 CTR (Del) 217.

S.147 Reopening and change of opinion.

A fresh application of mind by the AO on the same set of facts amounts to a change of opinion and does not warrant reopening.

Mrs. Parveen P. Bharucha vs. Dy. CIT (2013) 256 CTR (Bom) 346

S. 147 Reopening and change of opinion

Once the AO had applied his mind and allowed deduction u/s 80-IA(4) to the assessee on the basis of material before him, it was not

permissible for him to reopen the assessment u/s 147 on the same material on the ground that certain aspects were not considered or that they were overlooked; a change of opinion is no ground for exercise of powers u/s 147.

Agrawal JV vs. ITO (2013) 257 CTR (Guj) 112

S. 147 Reopening based on earlier year's transaction

Reopening on the basis of earlier year's transactions and TPO's opinion was sustainable.

Sysarris Software (P) Ltd vs. Dy. CIT (2013) 257 CTR (Kar) 201

S. 195, 237 & 244A Refund of TDS permissible

Tax deducted at source under mistake and deposited with Government was liable to be refunded without reference to any circular; further, the case of the petitioner was covered u/c. (i)(c) of para (1) of Circular No. 769 dt. 6th Aug., 1998 and not under subsequent Circular No. 790, dt. 20th April, 2000; refund directed with interest.

FAG Bearings India Ltd vs. CCIT (2013) 256 CTR (Guj) 413.

S.220(6) Adjustment of refund not permissible in respect of covered issues

Demand should be stayed if strong prima facie case is made out. Demand on covered issues can not be recovered by adjustment of refund.

HDFC Bank Ltd. vs. ACIT (Bom) dated 15-04-2013

S.234B No interest chargeable where entire income subject to TDS.

Assessee's entire income being subject to TDS, it was not liable to pay advance tax and, therefore, no interest u/s 234B could be charged.

DIT (International Taxation) vs. Chiron Bearing GMBH & Co. (2013) 256 CTR (Bom) 343

Right To Information.

Income Tax department must make return scrutiny guidelines public.

Joginder Pal Gulati vs. OSD-CPIO (Del) dated 17-04-2013.

INTERNATIONAL TAXATION (Contributed by CA. Hinesh Doshi, CA. Vishal Gada, CA. Dolly Waghela)

ITAT Cochin Bench Income-tax Officer (International Taxation)-II Vs M Far Hotels Ltd. [2013] 32 taxmann.com 100 (Cochin - Trib.) Dated 5th April, 2013.

Facts:

The assessee has paid management fee, interest, etc. to a resident of France and has deducted tax without including the surcharge.

All the appeals of the revenue are directed against the independent orders of CIT (A)-III, Kochi dated 30-11-2010 for the assessment years 2003-04 to 2008-09. The taxpayer has also filed cross objections against the very same orders of C.I.T. (A).

The CIT (A) deleted the addition to the tax liability to the extent of addition made for surcharge and education cess as per the rate applicable under the DTAA.

The Id.DR submitted that the taxpayer had to deduct tax u/s 195 of the Act @10.5% inclusive of surcharge. Therefore, the CIT (A) is not correct in deleting the addition by following the DTAA.

Held:

The Tribunal upheld the order of the CIT(A) stating that since the Double Taxation Avoidance Agreement (DTAA) between the Government of India and France does not say anything about inclusion of surcharge and education cess for the purpose of deduction of tax at source and also referring to section 90(2) of the act which says that 'Where the Central Government has entered into an agreement with the Government of any country outside India or specified territory outside India, as the case may be, under sub-section (1) for granting relief of tax, or as the case may be, avoidance of double taxation, then, in relation to the assessee to whom such agreement applies, the provisions of this Act shall apply to the extent that are more beneficial to that assessee.'

Since the Tribunal dismissed the additional deduction of surcharge, the issue of treatment of assessee as assessee in default u/s 201(1) and levy of interest u/s 201(1A) does not arise.

INCOME TAX OFFICER Vs RIGHT FLORISTS PVT LTD (2013-TII-61-ITAT-KOL-INTL) Dated: April 12, 2013

Facts:

The assessee is a florist and uses advertising on search engines, i.e. by Google and Yahoo, to generate business. The assessee had made payments in that respect to Google Ireland Limited and Overture Services Inc USA (Yahoo USA) without withholding tax from these payments.

AO disallowed these expenses u/s 40(a) (i) of the Act.

In appeal, however, the Commissioner (Appeals) deleted the impugned disallowance. Aggrieved, the Revenue appealed to the Tribunal.

Held:

The Tribunal held that since the expression 'permanent establishment' is not defined by legislation at all and not adequately defined even by judge made law, it will be appropriate to look at primary meaning of permanent establishment in the context of the tax treaties.

The Tribunal also held that traditional concept of PE fails in this virtual world even when a reasonable level of commercial activity is crossed by foreign enterprise.

It stated that the interpretation of the expression 'permanent establishment', even in the context of tax treaties, does not, therefore, normally extend to websites unless the servers on which websites are hosted are also located in the same jurisdiction.

It also stated that when an expression or a clause from the OECD Model Convention is used even in a bilateral tax treaty involving a non OECD country, it may be generally proceeded on the basis that it is used in the same meaning and with the same connotations as assigned to it by the OECD Model Convention Commentary. Therefore, when an expression or a clause from the OECD Model Convention is used even in a bilateral tax treaty involving a non OECD country, one may generally proceed on the basis that it is used in the same meaning and with the same connotations as assigned to it by the OECD Model Convention Commentary.

It affirmed that, the 'reservations' so expressed to the commentary is relevant only to the extent that in interpreting any tax treaty, entered into after expressing those 'reservations' or making those 'observation', to that extent, related commentary cannot be taken as contemporanea expositio.

It also confirmed that the Government of India's reservations on the OECD Commentary are relevant only to the extent that OECD Commentary, to that extent, cannot be treated as a fair index of intention of the Government of India and as contemporanea expositio in respect of tax treaties entered into by India

after so expressing its reservations.

As far as applicability of Section 9(1) (vi) is concerned, coordinate benches, in the cases of Pinstorm and Yahoo, have dealt with the same and, for the detailed reasons set out in these erudite orders, concluded that the provisions of Section 9(1) (vi) cannot be invoked. The Tribunal affirmed that, we are in considered and respectful agreement with the views so expressed.

It affirmed that the lowest common factor in 'managerial, technical and consultancy services' being the human intervention, as long as there is no human intervention in a technical service, it cannot be treated as a technical service under Section 9(1)(vii).

It held that the service which is rendered by the Google is generation of certain text on the search engine result page which is a wholly automated process and no human touch is involved in the whole process of actual advertising service provided by Google, in the light of the legal position that any services rendered without human touch, even if it be a technical service, it cannot such a technical service which is covered by the limited scope of Section 9(1) (vii) of the Act.

It avowed that according to the Indo-USA treaty, unless services rendered by the service provider results in transfer of technology and enable the recipient of service to make use of technical knowledge by himself and without recourse to the service provider, mere rendition of such services cannot be brought to tax as fees for technical service. So far as online advertising is concerned, there no transfer of any technology of any kind, and as such any payment for such service is outside the ambit of source taxation under Article 12, it is concluded by the Tribunal that the payments made to Yahoo could not be brought to tax in India.

It held that when recipient of an income does not have the primary tax liability in respect of an income, the payer cannot have vicarious tax withholding liability either.

M/s KLM ROYAL DUTCH AIRLINES VS DEPUTY DIRECTOR OF INCOME TAX (INTERNATIONAL TAXATION) (2013-TII-69-ITAT-DEL-INTL) Dated: 12th April, 2013

Facts:

The assessee, a foreign airline with a Permanent Establishment (PE) in India had earned income from ground handling and technical handling services rendered to other airlines in India which were considered by the assessee as a part of its business of operation of aircraft in international traffic and hence covered under Article 8 of India's DTAA with Netherlands.

The Assessing Officer (AO) however held that income from ground handling and technical handling services rendered to other airlines was a separate, distinct activity, not covered under Article 8 and therefore was taxable under Article 7 of the treaty without considering the Tribunal's decisions in various assessment years, as the department was in appeal which were pending before the jurisdictional High Court for adjudication.

In appeal, the AO's order was confirmed by the CIT (A). Thereafter, the aggrieved assessee appealed to the Tribunal.

Held:

The Tribunal held that, the expression "profit from the operation of ship or air-craft in international traffic" has not been defined in Indo-Netherlands DTAA. This question arose before the ITAT in the case of Lufthansa German Airlines also. The ITAT while explaining the meaning of profit from the operation of ships or air-craft in international traffic has taken into consideration the byelaws of international airlines

technical pool (IATP) because this organization authorized its members to share aircrafts, air-crafts pooling, ground handling equipment and manpower all over the world. The ITAT has considered the relevant clauses of IATP manual and thereafter concluded that any receipt received by the assessee due to participation in the pool as provided in IATP manual and also explained in sub-article 4 of Indo-German DTAA will not be taxable in India under sub Article 1 of Article 8. In the present appeals, there is no disparity on facts. The Tribunal held that income from rendering ground handling and technical handling services to other airlines is covered under Article 8 of the relevant tax treaty and it cannot be held as taxable under Article 7 of the same treaty, concluding that the income from ground handling and technical handling services is not taxable in India.

IHI CORPORATION VS ADDITIONAL DIRECTOR OF INCOME-TAX (INTERNATIONAL TAXATION) ([2013] 32 taxmann.com 132 (Mumbai - Trib.)) Dated, March 13th 2013

Facts:

The assessee, incorporated in and tax resident of Japan engaged in manufacturing of heavy machinery, providing technology oriented products and services to industrial, private and public sectors. The assessee was awarded three engineering, procurement, construction and commissioning contracts by Petronet LNG Limited in India. The contract consideration under these agreements is segregated into onshore portion comprises of onshore supply of equipments and services in India and offshore portion comprises of offshore supply of equipment and services from outside India. For the execution of this contract the assessee set up a project office in India.

In the return filed by the assessee it offered income received from onshore activities to tax in India with the claim of applicability of India-Japan Tax Treaty or the domestic law, whichever is beneficial to it? However, the assessee did not offer to tax income from offshore supply and offshore services by claiming that it did not accrue or arise in India.

The Assessing Officer as well as the Dispute Resolution Panel (DRP) held that the offshore services were liable to be considered as Fees for technical services under Article 12 of the DTAA.

Aggrieved, the assessee appealed to the Tribunal.

Held:

The Tribunal held that by explanation below section 9(2) of the act, the income from fees for technical services shall be deemed to accrue or arise in India to a nonresident whether or not, inter alia, the non-resident has rendered services in India and will fall within the purview of section 9(1)(vii) of the Act.

The Tribunal held that, the Hon'ble Supreme court as well as the Hon'ble jurisdictional High Court has held in unequivocal terms in the assessee's own case for the earlier years that the income on account of offshore services is not chargeable to tax as per Article 7 of the DTAA.

It held that the income from offshore services, albeit chargeable u/s 9(1) (vii) but exempt under the DTAA, cannot be charged to tax in the light of section 90(2). The impugned order is, therefore, set aside to this extent.

It affirmed that as the assessee is a non-resident, naturally any amount payable to it which is chargeable to tax under the Act, is otherwise liable for deduction of tax at source, it is held that no interest can be charged u/s 234B and 234C of the Act.

The penalty proceedings u/s 271(1) (c) is premature and accordingly dismissed.

M/s CHIRON BEHRING VACCINES PVT LTD Vs ASST

COMMISSIONER OF INCOME TAX (2013-TII-80-ITAT-MUM-TP) Dated: April 23, 2013

Facts:

The assessee, a subsidiary of Novartis India, was engaged in the business of manufacturing and distribution of vaccines. The assessee's international transactions with its AE, Chiron Behring GmbH & Co. on account of payment towards royalty and export of vaccines were subjected to a transfer pricing adjustment.

The assessee had paid royalty to Chiron GmbH and deducted tax at source on this payment at the rate of 10 per cent. The AO held that the tax ought to have been deducted at the rate of 20 per cent whereby due to this short deduction, the AO made a disallowance under section 40(a) (i).

In appeal, the CIT (A) deleted the addition made on account of the transfer pricing adjustment. As for deduction of tax at source, he held that the tax was required to be deducted at the rate of 10 per cent only but there was a short fall due to non-grossing up and hence partial disallowance under section 40(a) (i) was sustained.

In the cross appeals before the Tribunal, the assessee submitted that similar transfer pricing adjustments were made in the preceding year and the Tribunal had restored this matter for determination of arm's length price for these transactions to the AO / TPO.

Held:

The Tribunal held that, regarding the transfer pricing adjustment, we set aside the impugned order and remit the matter of computation of ALP in respect of these international transactions to the file of AO / TPO for fresh determination in accordance with the directions given by the Tribunal in its order for assessment year 2002-2003.

The Tribunal held that, the assessee paid royalty and deducted tax at the rate of 10%. The provisions of section 40(a) (i) cannot be invoked where there is a short deduction of tax at source. The tribunal held that, no disallowance u/s 40(a) (i) is called for in respect of the royalty payment.

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

Business Auxiliary Services vs. Banking and Financial Services

Where the assessee-bank was engaged in providing bill collection services to various telephone companies for a fee, it was held that Collection of receivables rendered by bank is a 'cash management service'. Further it was held that though in a broad sense cash management is a business auxiliary service the services rendered by the assessee bank would not be liable under the category of business auxiliary services more particularly under clause (vii) of S.65(1) since clause (vii) of section 65(19) is with reference to services covered under clause (i) to (vi) which do not specifically cover banking and other financial services. It is more appropriately covered under the category of banking and other financial services which excluded cash management services upto 31.5.2007. Accordingly bill collection services provided by the assessee- bank were held not taxable until 31.05.07 [CCE vs. Federal Bank Ltd (2013) 29 STR 554 (Ker)].

Clearing & Forwarding Agent Service:

Where on facts, the Tribunal found that the assessee was appointed as a 'consignment agent' for sale of goods to Nepal as per the agreement between the assessee and SAIL, and its activities included receiving of goods, transportation, storing, stock verification, invoicing, dispatch and maintaining records of receipt and dispatch of goods and stocks

and were not limited to just loading and unloading of the cargo it was held that the assessee's services rendered to M/s SAIL fall under the scope of 'clearing and forwarding agent' service and not under 'Cargo Handling Service'. Accordingly, the exemption of cargo handling for export cargo would not apply and assessee would be liable for service tax [United Enterprises vs. CCE & ST 2013 (29) STR 605 (Tri-Kol)].

Commercial Coaching and Training Service

Where the assessee had sent its employees to its overseas parent company for training, which training was imparted without charging any fee, for which the assessee had incurred expenditure in foreign exchange for travel, accommodation and other expenses incurred by its employees while staying abroad and not for training it was held that the assessee was not liable to pay any service tax under reverse charge mechanism as they had not paid any remuneration for training. If at all any charges were paid for training outside India then the same would not be liable for service tax as per provisions of Taxation of Services (Provided from Outside India and Received in India) Rules, 2006 [CST vs. Heidelberg India Pvt Ltd. 2013 (29) STR 620 (Tri-Chennai)].

Goods Transport Agency Services

Where on facts it was found that the assessee had hired vehicles from its vendors and they were not responsible for transporting the goods and no consignment note was issued by them, the Tribunal held that no 'Goods Transport Agency Services' was provided to the assessee and hence the assessee was not liable to pay service tax as a payer of freight [Birla Ready Mix vs. CCE (2013) 30 STR 99 (Tri.-Del.)].

Rent-a-Cab Service

Where the assessee had contracted to provide cab on call basis and at scheduled rates and not on term basis without any exclusive control to the customer, the Tribunal held that its services were in the nature of transportation and would not be liable for service tax under 'Rent-a-cab Service' [CCE vs. Singh Travels (2013) 30 STR 96 (Tri.-Del.)].

Short-term Accommodation Service

The services of providing accommodation to pilgrims in guest houses would be liable for service tax under the category of 'Short-term Accommodation Service' [Tirumala Tirupati Devasthanams vs. Superintendent (2013) 30 STR 27 (A.P.)].

Valuation

- "Turnover charges, stamp duty, charges, SEBI fees, DEMAT charges, charged by a stockbroker to a client were not in the nature of "commission or brokerage" and hence was not liable for service tax for the period prior to 2004 [LSE Securities Ltd vs. CCE, 2013(29) STR 591 (Tri-Del.)].
- A husband and wife operated two proprietary concerns 'A' & 'B' respectively in the same premises. 'A' provided coaching for students and paid service tax on the coaching fee. 'B' sold the study material to the students of 'A' and no service tax was paid on the 'sale'. On facts, it was found that 'B' was a dummy unit and the real income belonged to 'A'. Hence, the Tribunal held that charges for the study material was part of the coaching service provided by 'A' and hence liable for service tax [Soni Classes vs. CCE (2013) 30 STR 92 (Tri.-Del.)].

Penalty

- Even if extended period of limitation is invoked in the show cause notice ('SCN') no penalty u/r. 15 (4) of the Cenvat Credit Rules, 2004

for wrong availment of cenvat credit would be impossible unless the willful misstatement or suppression of facts etc. with an intent to evade payment of tax for imposing the said penalty is alleged in the SCN [Inox Air Products Ltd. vs. CCE (2013) 30 STR 47 (Tri.-Bang.)].

- Where the assessee under a bona fide belief that service tax collected by him was payable only on completion of service and not on receipt advance payments did not pay service tax but paid the service tax along with interest before the issuance of SCN and the SCN issued also did not allege suppression or willful misstatement of facts etc. the penalty imposed u/s. 78 therein was set aside [Active Construction Co. vs. CCE & ST (2013) 30 STR 73 (Tri.-Kolkata)].
- Where the assessee under a bona fide belief did not pay service tax on handling / storage of empty containers and the adjudicating authority while setting aside penalty levied u/s. 78 had also recorded that there was no mala fide intention to evade tax, penalty imposed u/s. 76 was also set aside by the Tribunal on the ground of "reasonable cause" [Balmer Lawrie & Co. Ltd. vs. CST (2013) 30 STR 75 (Tri.-Kolkata)].
- Where the assessee had discharged the service tax liability along with interest before issuance of SCN the Tribunal held that the SCN should not have been issued in view of section 73(3) and accordingly no penalty u/s. 76 would be impossible [M.R. Coatings Pvt. Ltd. vs. CCE (2013) 30 STR 76 (Tri.-Ahmd.)].

Export Rebate

Where the appellant, a call centre BPO was continuously exporting its services (every call attended was an export), considering the nature and peculiarities of the business, the High Court held that, the description, value, service tax payable on input services actually required to be used in providing the taxable service to be exported are not determinable prior to the date of export so as to comply with the 'prior declaration' formality as per para 3 of Notification no.12/2005-ST dated 19.4.2005 to claim rebate of tax paid on input services used for export of services. In such cases it was held that after the export if such particulars are furnished to the service tax authorities within a reasonable time along with the necessary documentary evidence so that their accuracy and genuineness may be examined, and if those particulars are not found to be incorrect or false or unauthenticated or unsupported by

Obituary



CA. Ajit K. Golechha M. No.031348 left for heavenly abode on 31st March, 2013. May the departed soul rest in peace.



CA. Vamanrao Bhide M. No. 005477, (Past Vice Chairman – WIRC of ICAI, and Past Chairman – Pune Branch of WIRC), left for heavenly abode on 20th March 2013. May the departed soul rest in peace.



CA. Uday Shantilal Shah M. No. 013979, (Past Chairman, Sangli Branch of WIRC), left for heavenly abode on 28th April, 2013. May the departed soul rest in peace.

documentary evidence, the rebate claims must be allowed [*Wipro Ltd vs. UOI 2013(29) STR 545 (Del)*].

Refund

- Notification No. 41/2007 prescribes time limit of 60 days for filing refund claim of service tax paid on services used for export of goods. Notification No 32/2008 dated 7.12.08 increased the said limit to 6 months. The Tribunal held that the 6 months limit would not apply to refund claims made prior to the amendment [*Kalyanihayes Lemmerz Ltd. vs. CCE (2013) 30 STR 71 (Tri. – Mumbai)*].
- Refund claim can be rejected even without issuing a show cause notice simply by issuing a letter and there would not be a violation of natural justice since the remedy to appeal against such rejection i.e. the letter is available to the assessee [*Aaryan Mines and Minerals Corpn. vs. CCE (2013) 30 STR 78 (Tri. – Ahmd.) relying on CCE vs. U.P. Sheet & Metal Containers Pvt. Ltd. (1991) 51 ELT 90 (Tribunal)*]
- When the assessee claims refund under specific exemption notification then the time limit prescribed therein for filing the claim would be applicable and not the one prescribed under Section 11B of the Central Excise Act, 1944. Hence, where the notification time limit was exceeded the claim was held to be time barred [*Aaryan Mines and Minerals Corpn. vs. CCE (2013) 30 STR 78 (Tri. – Ahmd.)*].

Cenvat Credit

- The following credits on input services were held by the High court to be admissible / inadmissible to a company engaged in manufacture of drugs:
 - (i) Credit on clinical testing services availed prior to commencement of commercial production was allowed in view of the fact that the final product could be manufactured only after obtaining regulatory approval of the clinically tested samples and therefore such services were directly related to the manufacture of the final product. The department plea that unless goods reaches commercial production stage cenvat credit was not admissible was rejected.
 - (ii) Service tax paid (as a recipient of service) on commission paid to foreign agents for 'sale of final products' was held inadmissible since –
 - (a) They are not services directly or indirectly in relation to manufacture of final products or clearance of final product from the place of removal;
 - (b) The services are not in relation to 'sales promotion' but are for actual sales of goods on behalf of the principal;
 - (c) They are not 'activities related to business' "such as" (meaning of the same nature) accounting, auditing, financing share registry etc. since it is not of the same nature.
 - (iii) Cenvat credit on courier services used for transportation of goods outside factory would be admissible for the period prior to 1.4.2008, being service used in relation to clearance of final products from the place of removal.
 - (iv) Cenvat credit in respect of clearing and forwarding agent's service would be admissible for the period prior to 1.4.2008 as being services used in relation to clearance of final products from the place of removal
 - (v) (a) Cenvat credit on repair and maintenance of copier machine,

air – conditioner and water cooler are admissible being services necessary for the factory building as well as for activities relating to business and therefore, integrally connected with the business of the manufacturer.

- (b) The services of interior decorator and commercial or industrial construction being services used in relation to repair / renovation of factory would fall under the inclusive part of the definition of 'input services' and cenvat credit on the same would be admissible.

Notwithstanding the above, cenvat credit on the above services and services of a management consultant would be admissible since the said services are specifically mentioned as input services u/r. 6(5) of the Cenvat Credit Rules, 2004 and all services mentioned in rule 6 (5) are essentially 'input services' as defined in rule 2(l).

Note: The rule 6(5) of CCR, 2004 allows cenvat credit on specified input services which are not used exclusively in relation to manufacture of exempted product. However, the said rule has been omitted vide notification no.3/2011-C.E. (N.T.) w.e.f. 1-4-2011.

- (vi) Credit on Technical inspection and certification services availed for calibration and checking of measurement instrument used for manufacture of products is admissible as being a service in relation to manufacture of final products.

[*CCE vs. Cadila Healthcare Ltd. (2013) 30 STR 3 (Guj.)*].

- Cenvat credit on commission paid to agents for sales was allowed as being in the nature of "sales promotion" which is expressly mentioned in the inclusive part of the definition of 'input service' [*Wadpack Pvt. Ltd. vs. CCE (2013) 30 STR 51 (Tri. – Bang.) relying on Commissioner vs. Ultratech Cement Ltd. (2010) 20 STR 577 (Bom.)*].
- Cenvat credit of service tax paid on maintenance of aircraft used by the managing director of company was allowed subject to verification that the aircraft was used for business activity [*Lakshmi Machine Works Ltd. vs. CCE (2013) 30 STR 98 (Tri. – Chennai)*].
- The sales office of the authorised distributor of vehicles can be registered as an 'input service distributor' and the registration cannot be denied on the ground that it was not a service provider unit [*CCE vs. Varun Motors (2013) 30 STR 31 (Tri. – Bang.)*].

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CA. Subhash Udaipuri M. N. 40485 has been elected as the District Governor of Lions Club International, District 323 A3 for the Year 2013-14



CA. Ajit C. Shah M. No. 031566 has been appointed as **Professional Director** in Board of Directors of **The Ahmedabad District Co-op. Bank Ltd.** a lead Co-operative Bank of Ahmedabad.

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Aurangabad : Seminar on Appeal Drafting, MVAT Issues & LBT held on 20/4/2013. **(L-R):** Shri Gautam Sancheti, CA. Sanjeev Lalan, Past Chairman, WIRC & Faculty, CA. Dilip Phadke, Faculty, CA. Rajkumar Kothari, Branch Chairman, CA. Girish Kulkarni, RCM, CA. Amar Nilange



Gandhidham : Group photograph taken during the Friendly Cricket Match organised between Gandhidham Branch of WIRC of ICAI and Income Tax office, Gandhidham held on 23/3/2013. Match was won by Gandhidham Branch of WIRC.



Jalgaon : Photograph of Launching of News letter of Jalgaon Branch of WIRC of ICAI. **(L-R):** CA. Jayesh Lalwani, CA. B. V. Naik, Shri Vilas Jain, CA. Parikshit Bhadade, Branch Chairman, CA. Kaushal Mundada, CA. Pallavi Mayur



Jamnagar : Seminar on Practical Issues in filling of returns & Registration under VAT and Domestic Transactions Transfer Pricing held on 20/4/2013. **(L-R):** CA. Chetan Agarwal, CA. Prashant Maharishi, Faculty, CA. Bharat Bhatt, Branch Chairman, CA. Kaupil Doshi, CA. Parag Sumaria



Nagpur : Shri Kakasaheb Lokhande, Chairman, Samruddhi Urban Bank Ltd. lighting the auspicious lamp at the Seminar on New Co-operative Act held on 20/4/2013. **(L-R):** Shri Jagdish Killol, Faculty, CA. Suren Duragkar, CA. Kirti Agrawal, CA. Julfesh Shah, RCM, CA. Swapnil Agrawal, Branch Chairman, CA. Umang Agrawal, CA. Sandeep Jotwani, CA. Kirit Kalyani



Navi Mumbai : His Excellency, Shri Nikhil Kumar, Governor of Kerala, visited Navi Mumbai to inaugurate "Mutimedia Lab & IT Centre" held on 16/4/2013. **(L-R):** CA. Sree Kumar Nair, Branch Chairman, CA. Satish Shanbhag, CA. Narendra Mangal, CA. Sameer Gavli, Shri Navneet Jaipuriyar



Pune : Direct Tax Refresher Course held on 20/4/2013. **(L-R):** CA. Jagdeesh Dhongde, Branch Chairman, CA. Vipin Gujarathi, CA. C. V. Chitale, Faculty, CA. S. B. Zaware, CCM, CA. Sarvesh Joshi, RCM, CA. S. G. Mundada, RCM, CA. Rajeshkumar Patil



Surat : Felicitation of WIRC Office Bearer & Seminar on Income Tax & Corporate Laws. **(L-R):** CA. Balkishan Agrawal, CA. Hardik Shah, RCM, CA. Parag Raval, Vice Chairman, WIRC, CA. Jay Chhaira, CCM, CA. Vijay Jagani, Branch Chairman, CA. Mangesh Kinare, Chairman, WIRC, CA. Dhinal Shah, CCM, CA. Neel Majithia, Secretary, WIRC



Vasai : CA. Ramanand Gupta, Branch Chairman Receiving Certificate of Appreciation from Dr. Sanjeev Naik, MP & his team at Sanjeevani Education & Career Fair held on 6, 7/4/2013.



Vapi : Seminar on Practical Aspects of Ethics in Profession held on 27/4/2013. **(L-R):** CA. Hitesh Patel Branch Chairman, CA. Virendra Shah Faculty, CA. Vimal Desai, CA. M. D. Prajapati

Inauguration of WIRC Study Group on BFSI & Capital Markets held on 5th April, 2013



CA. Mangesh Kinare, Chairman, WIRC, CA. Shruti Shah, RCM, CA. Nipun Mehta, Faculty, CA. Sandeep Nayak, Faculty, CA. P. Sitaram, Faculty, CA. Bharat Sampat, Faculty, CA. Manoj Alimchandani & other members

Seminar on E-Filing of Returns under Direct Tax and Indirect Tax Laws held on 20th April, 2013



CA. Shirish Pandit, CA. Sunil Patodia, RCM, CA. Jinit Shah, Faculty, CA. Vishnu Agarwal, RCM, CA. Pinki Kedia, CA. Kamal Dhanuka, CA. Kamlesh Kothari, CA. Rakesh Gupta

Other Speakers



CA. Avinash Rawani



CA. Somit Goyal

Seminar on Companies Bill, 2012 held on 20th April, 2013



CA. Alka Adatia, CA. Anand Bathiya, Faculty, CA. Mahesh Madkholkar, RCM

Other Speakers



CA. Jayant Thakur



CA. Anand Banka

Seminar on Valuation of Equity Shares using DCF Method held on 13th April, 2013



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CA. Pratik Singhi



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Seminar on Service Tax Intricacies in Composite Transactions held on 27th April, 2013



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Prof. Vivek Doshi

8-10/4/2013



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BRANCH ORIENTATION & CO-ORDINATION PROGRAMME
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Inauguration: CA. Priti Savla, Treasurer, WIRC, Shri Kurekar, Director, Maharashtra Judicial Academy, CA. Parag Raval, Vice Chairman, WIRC, CA. K. Raghu, Vice President, ICAI, CA. Mangesh Kinare, Chairman, WIRC, CA. Tarun Ghia, CCM, CA. Neel Majithia, Secretary, WIRC

Group Photograph of Branch Chairmen with Vice President, ICAI, CA. K. Raghu, CCMs & RCMs



Speakers at the Orientation Programme



CA. Gurunandan Savnal



CA. Sanjeev Maheshwari CCM



CA. Nihar Jambusaria CCM



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