

Tax & Corporate law Bulletin

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NOVEMBER 2010

From the Editor's Desk...

Dear Reader,

Greetings for the season.

May the divine light of Diwali enlighten you on the path of success, wealth and prosperity. We wish u a happy prosperous and safe Diwali.

Updates of this month are as follows: Classification of PXI Controllers, Income-tax (Eighth Amendment) Rules, 2010, Ready forward contracts in corporate debt securities, India gets \$1 billion World Bank loan for 24/7 water supply, Spice Jet to buy aircraft for \$900 million And Read many more...

We eagerly await your feedback on the bulletin.

Yours truly,

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“Adapting swiftly to the
global business environment”



DIRECT TAX

➤ **Income-tax (Eighth Amendment) Rules, 2010 - Amendment in Rule 2BB**

Notification no. 85/2010 [F. NO. 149/45/2010-SO (TPL)], dated 22nd November 2010: The Central Board of Direct Taxes hereby makes the following rule further to amend Income-tax Rules, 1962, namely :

- This Rule may be called the Income-tax (Eighth Amendment) Rules, 2010.
- They shall be deemed to have come into force retrospectively with effect from 1st day of September, 2008.

In the Income-tax Rules, 1962, in rule 2BB, in sub-rule (2), in the Table, against serial number 4, in column 4, for letters, figures and words "Rs. 6,000 per month" the letters, figures and words, "Rs. 10,000 per month" shall be substituted.

➤ **Double Taxation Agreement - Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion with United Mexican States**

Notification no. 86/2010 [F. NO. 503/4/91-FTD-I], dated 26th November 2010: An Agreement and the Protocol between the Government of Republic of India and the Government of the United Mexican States for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income was signed at New Delhi on the 10th day of September, 2007;



The date of entry into force of the said Agreement is the 1st day of February, 2010, being the date of later of the notifications of completion of the procedures as required by the respective laws for entry into force of the said Agreement, in accordance with paragraph 2 of Article 30 of the said Agreement;

sub-paragraph (a) of paragraph 3 of Article 30 of the said Agreement provides that the provisions of the said Agreement shall have effect in India in respect of the taxes withheld at source, for amounts paid or credited on or after 1st April of the calendar year next following the year in which the Agreement enters into force; and in respect of taxes on income, for any fiscal year beginning on or after 1st April of the calendar year next following the year in which the Agreement enters into force;

➤ **Scientific research expenditure – Approved scientific research associations/ institutions**

Notification no. 83 / 2010 [F.NO.203 / 05 / 2010 / ITA – II] / S.O. 2737, dated 1st November 2010: It is hereby notified for general information that the organization Raman Centre for Applied and Interdisciplinary Sciences, Kolkata has been approved by the Central Government for the purpose of clause (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (said Act), read with rules 5C and 5E of the Income-tax Rules, 1962 (said Rules) w.e.f. 1-4-2008 (Assessment year 2009-10) onwards in the category of 'other Institution' partly engaged in research activities subject to the following conditions, namely :—

- The sums paid to the approved organization shall be utilized for scientific research ;
- The approved organization shall carry out scientific research through its faculty members or its enrolled students ;
- The approved organization shall maintain separate books of account in respect of the sums received by it for scientific research, reflect therein the amounts used for carrying out research, get such books audited by an accountant as defined in the Explanation to sub-section (2) of section 288 of the said Act and furnish the report of such audit duly signed and verified by such accountant to the Commissioner of Income-tax or the Director of Income-tax having jurisdiction over the case, by the due date of furnishing the return of income under sub-section (1) of section 139 of the said Act;
- The approved organization shall maintain a separate statement of donations received and amounts applied for scientific research and a copy of such statement duly certified by the auditor shall accompany the report of audit referred to above.

RECENT JUDGEMENT

➤ **Non-examination of issue by AO does not make assessment order prejudicial to interests of revenue for s. 263 revision**

Institute of Chartered Accountants of India vs. DIT (E) (ITAT Delhi)

Fact of the case

The assessee, a statutory body established under the Chartered Accountants Act 1949 for regulating the profession of Chartered Accountants, obtained exemption u/s 10(23C)(iv) pursuant to a notification issued by the CBDT. The notification provided that the exemption would not apply to profits and gains of business unless the business was incidental to the attainment of the objectives of the assessee and separate books of accounts were maintained. The AO accepted the assessee's claim for exemption and completed the assessment. The DIT (E) exercised revisional powers u/s 263 and took the view that the assessment order was erroneous & prejudicial to the interests of the revenue on the ground that

- the activity of running coaching classes was not provided for in the CA Act and so the income from coaching class was "business" income and not eligible for s. 10(23C)(iv) exemption:-
- Expenditure incurred overseas for traveling, membership fee of foreign professional bodies etc meant that the application of income was outside India which was not permitted by s. 10(23C) (iv).

It was noted that the AO had not applied his mind to the issues and so the assessment order was set aside with direction to make a fresh assessment.

Held

The objection of the DIT that the CA Act does not contemplate running of coaching classes is wrong. The major activity of the assessee revolves around chartered accountancy education and training and nominal fees are charged for this purpose. The discharge of a statutory function does not amount to a commercial or business activity. Further, the assessee is exempt not only u/s 10(23C)(iv) but also u/s 11 as an educational institute;

The objection that overseas expenses could not have been incurred without permission of the CBDT as required by s. 11(1)(c) is not sustainable because there is no such requirement u/s 10(23C)(iv). Further, the mere fact that expenditure has been incurred on foreign travel does not mean that the assessee has incurred expenses for purposes which are not for India. Instead, the assessee has to maintain status and standard of professional qualification of chartered accountancy and observe developments taking place in the world.



➤ **Section 147 reopening on mechanical basis void even where section 143(3) assessment not made**

Sarthak Securities vs. ITO (Delhi High Court)

Fact of the case

The assessee-company allotted shares to four companies. The allottee companies were active as per the records of the ROC and were allotted PAN and assessed to income-tax. Though the assessee filed a return, no assessment u/s 143(3) was made. The AO subsequently received information from the ADIT (Inv) unit that the assessee had received "bogus accommodation entries" in the form of share application money from the said four companies. The AO accordingly issued a notice u/s 148 seeking to reopen the assessment. The assessee challenged the reopening on the ground that

- The reasons did not disclose the basis on which the ADIT had termed the subscription money as bogus accommodation entries

- The AO had assumed the information provided by the ADIT as gospel truth without verification or application of mind
- As the alleged bogus shareholders were on the records of the department, they should be pursued against and not the assessee.

Held

The AO was aware of the existence of the companies with whom the assessee had entered into transaction. The said companies were not fictitious companies and their existence or identity was not disputed. The companies had bank accounts and payments were received by the assessee through banking channel. The argument that the companies were used as conduits is not acceptable in view of *Lovely Exports 216 CTR 195 (SC)* where it was held that share money cannot be regarded as undisclosed income u/s 68 if the names of the payers are given to the AO. The reasons showed no application of mind as to how income had escaped assessment.

- **ITAT President requested to make it compulsory for assesseees to amend Form 36 for change of address instead of merely intimating vide letter**

Jagjivandas Nandlal vs. ITAT (Bombay High Court)

Fact of the case

The assessee claimed that it had filed a letter before the Tribunal pointing out that it had changed its address and that notice of hearing should be sent to the new address. However, the Tribunal sent a notice to the old address mentioned in Form No. 36. As the assessee did not appear for the hearing, the Tribunal dismissed the appeal (following *Multiplan 38 ITD 320 (Del)*) with the finding that “the RPAD notice has not been returned” by the postal authorities. The assessee filed a MA in which it pointed out that the notice had been returned by the postal authorities with the endorsement “Not found at given address. Returned to Sender” and pleaded for recall of the ex-parte dismissal order. However, the Tribunal dismissed the MA as well. The assessee challenged the dismissal by a Writ Petition.

Held

The President of the Tribunal is requested either to frame rule or issue practice note making it clear that in the event of change of address there should be amendment to the cause title of the memo of appeal followed by amendment to Form No.36 with further reiteration that any correspondence in this behalf shall not be entertained by the Tribunal. If the procedure suggested is adopted, then the parties before the Tribunal would be compelled to amend their memo of appeal or cross objections and Form No.36 so that the Tribunal can make due service of notice and avoid ex-parte hearing and challenge thereto. We hope the Tribunal shall take note of anxiety expressed by this Court and inform this Court the compliance of this order.

- **Large volume of purchase & sale of shares does not per se mean activity is business**

DCIT vs. SMK Shares & Stock Broking (ITAT Mumbai)

Fact of the case

The assessee, a broker in the BSE, disclosed short-term capital gains and long-term capital gains on sale of shares. The AO accepted the LTCG as such though he held that the STCG was assessable as “business profits” on the ground that the assessee was a stock broker & there was large volume and frequency (more than 300) transactions. On appeal, the CIT (A) reversed the AO.

Held

Dismissing the appeal as volume of transactions is an important indicator of the intention of the assessee whether to deal in shares as trading asset or to hold the shares as investor, it is certainly not the sole criterion. The AO’s conclusion that since sale and purchase had been determined by the volatility in the market, the same is against the basic feature of investor is not based on sound rational reasoning. A prudent investor always keeps a watch on the market trends and, therefore, is not barred under law from liquidating his investments in shares.

The assessee did not borrow funds for investment in shares is an important aspect which cannot be lost sight off while deciding the true intention of the assessee

The AO accepted the offering of LTCG also showed that the assessee's status as investor was accepted by him;

Some part of the STCG had arisen out the earlier investment which had been accepted as being on investment account. As the modus operandi of the assessee remained the same in regard to other shares purchased during the year, the assessee's claim could not be negated only on the basis of frequency of the transaction.

INDIRECT TAX

Customs

➤ Classification of PXI Controllers, Input / Output Modules, Signal Converters and Chassis and its parts

Circular No. 42/ 2010-Customs dated 29th November 2010: It has been brought to the notice of the Board that there are divergent practices regarding classification of PXI Controllers, Input/Output Modules, Signal Converters and Chassis and its parts. Essentially, PXI Controllers are designed for measurement and automation applications, which require high performance and a rugged industrial form. Further, Input/Output Modules are tailored to a specific function as a part of a regulating and controlling apparatus like a sensor, thermostat etc. Therefore, one has to look at the PXI machine holistically for the purpose of classification but some field formations are classifying these under CTH 8471 as Automatic Data Processing machines while others are doing so under CTH 9032 as automatic or controlling instruments and apparatus.

➤ Enforcement of statutory measures (Phytosanitary requirement) for import of food grains before release of consignments by the Customs authorities



Circular No.41/2010-Customs dated 3rd November 2010: The import of food grains to India is regulated under the Destructive Insects and Pests Act, 1914 and Plant Quarantine (Regulation of Import into India) Order, 2003 issued thereunder. As per this Order, it is mandatory to conduct the pest risk analysis of each commodity before allowing clearance into the country.

The import consignments of food grains are required to comply with certain phytosanitary norms as prescribed under Plant Quarantine (Regulation of Import into India) Order, 2003.

Instances have come to notice of the Board where phytosanitary requirements are not being implemented properly in respect of import of food grains into India by field formations. The matter was also taken up with Ministry of Agriculture and Food Safety and Standards Authority of India (FSSAI) in order to put in place various statutory standards and also ways to enforce them strictly and more effectively.

Central Excise

➤ To waive condition relating to PPA to power projects promoted by state electricity boards/corporation notified as state transmission utility and licensee

Notification no. 34/2010-C.E.dated 18th November 2010: The Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance, No.33/2005-Central Excise, dated the 8th September, 2005. In the said notification, after condition (ii), the following proviso shall be inserted, namely:—

"Provided that this condition shall not apply to the power generation projects promoted by State electricity boards or corporations which are notified by the respective State Governments as the State Transmission Utility and Licensee."

➤ Clarification on quantity discounts, bonus quantities, etc. Cleared without payment of duty under mrp based assessment

Circular no.938/28/10-CX, dated 29th November 2010: A larger bench of CESTAT in the case of Indica Laboratories v. CCE, Ahmedabad 2007(213) ELT 20(T-

LB), has held that quantity discount, bonuses etc. are applicable for the valuation of goods under section 4 of the Central Excise Act, 1944 and not in case of goods valued under Section 4A.

The party has appealed against the said order before High Court of Gujarat. However, no stay has been granted by the High Court against the said order of the larger bench of tribunal. You may accordingly take necessary action as per the order of the larger bench of tribunal to protect the revenue interests.

FEMA

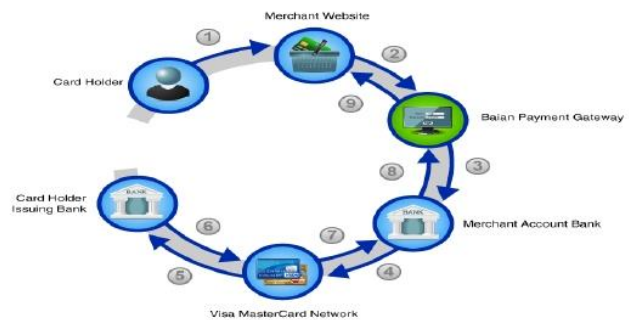
➤ **KYC Norms/AML Standards/Combating Financing of Terrorism/Obligation of Authorised Persons under PMLA, 2002, as amended by PML (Amendment) Act, 2009- Money Changing Activities**

RBI/2010-11/287 A.P. (DIR Series) Circular No.18 dated 25th November 2010: Know Your Customer (KYC) norms / Anti-Money Laundering (AML) standards / Combating the Financing of Terrorism (CFT) / Obligation of Authorised Persons under Prevention of Money Laundering Act, 2002 (PMLA), as amended by Prevention of Money Laundering (Amendment) Act, 2009 - Money changing activities. The RBI has issued clarifications / instructions with regard to the captioned subject and has further modified the instructions contained in A.P. (DIR Series) Circular No. 17 [A.P. (FL/ RL Series) Circular No. 04] dated November 27, 2009.

➤ **Processing and Settlement of Export related receipts facilitated by Online Payment Gateways**

RBI/2010-11/281 A.P. (DIR Series) Circular No. 17 dated 16th November 2010: Online Payment Gateways have emerged as a popular mode of facilitating e-commerce transactions. Some of these Online Payment Gateway Service Providers (OPGSPs) have also been facilitating cross-border transactions. We have recently reviewed the service model provided by these OPGSPs with reference to the provisions of the Foreign Exchange Management Act (FEMA), 1999.

It was observed that a few OPGSPs have not only facilitated conclusion of the transactions but also



allowed exporters to retain the export proceeds abroad without repatriation resulting in violation of the provisions of FEMA, 1999. Acknowledging however the importance of the services provided by the OPGSPs to the exporters, particularly in facilitating small value export transactions, it has been considered necessary to issue a set of guidelines to cover such e-commerce arrangements.

CORPORATE LAW

➤ **Ready forward contracts in corporate debt securities**

Circular No. IDMD.PCD. 22/11.08.38/2010- 11 dated 9th November 2010: The RBI has issued Circular regarding the existing measures to develop the corporate bond market for which repo transactions were permitted in corporate debt securities. The directions in this regard are reviewed taking into consideration the market feedback and it has been decided that:-

- The repo trades in corporate debt securities are permitted to be settled on T+0 basis in addition to the existing T+1 and T+2 basis under DvP I (gross basis) framework,
- The minimum haircut, applicable on the market value of the corporate debt securities prevailing on the date of trade of 1st leg, which was earlier stipulated as 25 per cent, has been revised as under:

Rating	AAA	AA+	AA
Minimum haircut	10%	12%	15%

The above haircuts are minimum stipulated haircuts where the repo period is overnight or where the re-

margin frequency (in case of longer tenor repos) is daily. In all other cases, the participants may adopt appropriate higher haircuts.

➤ **Facilitating transactions in mutual fund schemes through the stock exchange infrastructure**

Circular No. CIR/IMD/DF/17/2010 dated 9th November 2010: The SEBI has issued Circular in relation to the current dispensation whereby units of mutual fund schemes are permitted to be transacted through registered stock brokers of recognized stock exchanges. In order to provide more avenues for purchasing and redeeming mutual fund units, in addition to the existing facilities of purchasing and redeeming directly with the mutual funds and stock brokers, it has been decided that units of mutual funds schemes may be permitted to be transacted through clearing members of the registered stock exchanges as also to permit depository participants of registered depositories to process only redemption request of units held in demat form.



Also, it has been decided with respect to investors having demat account and purchasing and redeeming mutual funds units through stock brokers and clearing members that investors shall receive redemption amount (if units are redeemed) and units (if units are purchased) through broker/clearing member's pool account. Mutual Funds(MF)/Asset management Companies(AMC) would pay proceeds to the broker/clearing member (in case of redemption) and broker/clearing member in turn to the respective investor and similarly units shall be credited by MF/AMC into broker/clearing member's pool account (in case of purchase) and broker/clearing member in turn to the respective investor.

Payment of redemption proceeds to the broker/clearing members by MF/AMC shall discharge MF/AMC of its

obligation of payment to individual investor. Similarly, in case of purchase of units, crediting units into broker/clearing member pool account shall discharge MF/AMC of its obligation to allot units to individual investor.

➤ **Display of details by stock brokers including trading members**

Circular No. Cir/MIRSD/9/2010 dated 4th November 2010: The SEBI has issued Circular in relation to display by stock brokers of brand names/logos of their group companies on their portals. SEBI has observed that a few stock brokers are using brand names/logos of their group companies in their portals, notice/display boards, advertisements, publications, correspondences with outsiders and various documents. They are either not using the names as registered with SEBI or using the brand names/logos of group companies more prominently. This creates confusion in the minds of the investors in the market. In consultation with the Investors Associations and major stock exchanges, it has been decided that while a stock broker may use the brand name / logo of its group companies, it must display more prominently,

- Its name as registered with SEBI, its own logo, if any, its registration number, and its complete address with telephone numbers in its portal /web site, if any, notice / display boards, advertisements, publications, know your client forms, and member client agreements,
- Its name as registered with SEBI, its own logo, if any, its registration number, and its complete address with telephone numbers, the name of the compliance officer, his telephone number and e-mail address in contract notes, statement of funds and securities, and correspondences with the clients.

In this regard, the stock exchanges are directed to bring this to the notice of their members and make necessary amendments to the bye-laws, rules and regulations to implement the above decision. They shall include the compliance of the said circular as part of their inspection and internal audit by stock brokers. They shall also monitor compliance of this circular by stock brokers and send annually a list of stock brokers who have not complied with the circular, while sending report on internal audit of the stock brokers.

➤ **Reopening/revision of annual accounts after their adoption in the annual general meeting**

Circular No. 05/2010 dated 22nd November 2010: The Ministry of Corporate Affairs has issued General Circular drawing attention to the provisions of section 220 of the Companies Act, 1956 which provide for the manner in which annual accounts (viz., balance sheet and profit and loss account etc.) are laid before annual general meeting for adoption by shareholders and filed with Registrar. This Ministry, vide General Circular Number 1/2003 (F. No. 17/75/2002) dated 13-1-2003 had directed the grounds and manner in which accounts can be reopened/revise by companies and thereafter adopted by shareholders. A copy of such circular is attached to the above circular. The Ministry has noticed that few companies have been filing their annual accounts under section 220 more than once resulting into filing/availability of more than one such account in the Registry for a particular financial year

POLICY WATCH

➤ **Govt plans stricter watch on FDI use**

The government plans to keep a tight vigil on foreign investment inflows by making it mandatory for companies bringing in foreign equity to periodically disclose the end-use of such funds. The Economic Intelligence Council (EIC), led by finance minister Pranab Mukherjee, has called for 'full disclosure' of FDI details by the industry. The department of industrial policy & promotion (DIPP) is working on a format for submitting information to the government.



There is no mechanism for monitoring the actual use of FDI and regulatory agencies do not go beyond mandatory clearances at the time of approving foreign investment proposals. This has the government worried since it does not want FDI flows to be exploited for

money laundering or diversion of foreign investment flows for speculation in the stock market or real estate.

➤ **India gets \$1 billion World Bank loan for 24/7 water supply**

India has sought assistance worth USD 1 billion (about Rs 4,600 crore) from the World Bank for ensuring 24/7 water supply in about 10 cities.

According to officials, the loan has been approved in-principle by the Bank.

"The modalities are being worked out with the World Bank officials to launch a pilot water supply project in the country," a senior official from the Urban Development Ministry said.



"We are in the process of selecting the cities where the water supply scheme will be implemented. There are certain factors to be considered before the selection and it will be decided after the discussion with state governments and civic authorities," he said.

"However, there are many cities facing water crisis due to the inadequate water supply system and we want to address it with the World Bank assistance," said the official.

➤ **Government to decide on permitting sugar exports by month-end**

Food and Agriculture Minister Sharad Pawar today said the government would take a decision on allowing normal export of sugar after assessing the cane-crushing situation by month-end.

"I will get the report on full crushing on November 20-21, then I will apply my mind on sugar export (under OGL)," Pawar told reporters here.

The open general licence (OGL) is a permit that the government issues to mills for export of sugar without curbs.



At present, the government has allowed export of 1.1 million tonnes of sugar through the advance licence scheme, under which mills are obligated to export the same quantity they imported in 2004-5 and 2008-09 season by March next year.

The minister said that the country would have a surplus sugar of 3.5 million tonnes in the 2010-11 marketing season (October-September) after considering the estimated 25 million tonnes of output and 5 million tonnes of carry-over-stock from last year.

Industry Watch and Corporate Highlight

➤ **Spice Jet to buy aircraft for \$900 million**

Gurgaon-based airline Spice Jet plans to invest \$900 million (Rs 994 crore) to launch a regional airline connecting India's fast-growing non-metropolitan cities



to metros, signaling the return of business confidence in the aviation sector which faced turbulent times after the 2008 economic crisis triggered a decline in passenger traffic.

The budget airline, which was taken over by the media baron Kalanithi Maran in June this year, has placed an order for 30 Q400 Next Gen turboprop aircraft from the Canadian manufacturer Bombardier . Out of these, 15 are firm orders and 15 optional. Initial deliveries will materialize by the second quarter of 2011 when the airline will commence its regional operations.

➤ **Govt reduces toll tax on multi-axle vehicles**

The transport ministry is believed to have decided to reduce the toll tax on multi-axle vehicles, one of the main demands of truckers who have threatened to go on an indefinite strike from December 5.

"In the meeting held with the AIMTC -- the truckers association -- on Friday, the government had agreed to reduce the toll tax on multi-axle vehicles to Rs 2.50 per kilometer from existing Rs 3.45 per km," a source said on condition of anonymity.



However, this could not be officially confirmed. Officials of All-India Motor Transport Congress (AIMTC) could not be reached for comments.

Sources in the ministry added that truckers wanted parity between the toll paid on two-axle vehicles and those paid on multi-axle vehicles.

➤ **Future Group to double Pantaloon stores in 3-4 years**

Future Group said it will double the number of its flagship multi-brand 'Pantaloon' stores in the next three to four years, as it embarks on an image makeover for the apparel and accessories chain to target youngsters.

Group Company Pantaloon Retail India, which opened its 50th store, spread across 31,109 sq ft here, plans to add another 50 Pantaloon stores across metros and smaller cities.

pantaloons

"In the next 3-4 years, we are looking to add around 50 new Pantaloon stores across the country," Future Group Director and CEO (Retail) Rakesh Biyani told reporters here.

He said 18 such stores are in the process of being opened and agreements with various real estate developers have been signed for a dozen more.

➤ Dell enters India Smartphone market, launches two 3G handsets

US computer-maker Dell made its entry into the highly competitive Indian Smartphone market today with the launch of two high-end 3G-enabled handsets, priced at Rs 10,999 and 16,990 respectively.

The company is targeting both high and low-end users with the two smart phones, dubbed XCD28 (Rs 10,999) and XCD35 (Rs 16,990).

"With this launch, we extend (our) pioneering edge to the smart phones market... as starting with the XCD series, we look to offer technology solutions to a much larger audience," Dell India General Manager Consumer & SMB Mahesh Bhalla said.



"India is one of the fastest growing global markets for mobile devices, as well as personal computers," Dell Inc Vice -President Worldwide Business Development & Strategy Farooq Butt said.

➤ Reliance Life launches Classic Ulip plan

Anil Ambani Group company Reliance Life Insurance launched a unit-linked insurance plan that will provide policyholders the benefits of regular savings with enhanced protection and market-linked returns.

The new unit-linked plan (Ulip), Reliance Life Insurance Classic Plan, would provide protection to policyholders in the age group of 7-65 years.

"The unique proposition of Reliance Life Insurance Classic Plan is that it offers flexibility and triple benefit of savings, insurance and investment - all in one single plan," Reliance Life said in a statement.

The plan also offers liquidity through partial withdrawals and loans, top-up payment option and rider benefits to enhance protection cover, it added.

This is the second Ulip scheme launched by Reliance Life after the insurance regulator Insurance Regulatory and Development Authority came out with its revised guidelines on Ulips a few months ago.





➤ Mahindra & Mahindra to take Reva to China



World's largest electric carmaker Reva Motors, owned by utility vehicle major Mahindra & Mahindra (M&M), plans to enter China, hoping to cash in on a rising demand for ecofriendly cars.

Reva, established in 1994 at Bangalore as a joint-venture between Indian Maini Group and AEV LLC of California, has added brownfield capacity of 30,000 cars this year to take its total capacity to around 40,000 cars per year.

Statutory compliance calendar for the month of November 2010

Due date	Statutory compliance under Act	Particulars	Governing Authority
			
06/11/2010	Service Tax	Payment of monthly service tax for the month of November by all tax payers electronically	Central Board of Excise and Custom
	Central Excise	Payment of monthly central excise duty for the month of November on goods by assesses other than SSI units electronically	Central Board of Excise and Custom
07/11/2010	Income Tax	Deposit of Income Tax TCS and TDS deducted in November	Central Board of Direct Tax.
	NBFC-ND-SI	Monthly return of source and application of funds, profit and loss account, asset classification	Reserve Bank of India.
	NBFC-D	Monthly return of exposure to capital markets in form NBS-6 by NBFC having total assets of ` 100 crore and above	Reserve Bank of India.
10/11/2010	Central Excise	Monthly central excise return in form ER-1/ER-2 by other than SSI	The Central Board of Trustees , The Employees' Provident Fund Scheme, 1952
	NBFC-ND-SI	Monthly statement of short term dynamic liquidity in form NBS-ALM1	Reserve Bank of India.
	Central Excise	Monthly return of receipts and consumption of Principal Inputs by specified manufacturers of excisable goods in form ER-6	The securities and exchange board of India Act-1992
15/11/2010	Provident Fund	(a) Payment of monthly dues of Provident Fund for the month of October (b) Monthly return in form 5 for employees joining Provident Fund during October along with declaration in form 2 furnished by the employees (c) Monthly return of Provident Fund in form 10 of employees leaving the service during October	The Central Board of Trustees , The Employees' Provident Fund Scheme, 1952
21/11/2010	ESIC	Payment of ESIC contribution for the month of November	The employees' state insurance Act-1948. Ministry of labour and employment.
25/11/2010	Provident Fund	Monthly contribution <i>statement</i> (abstract) in form 12A, along with copy of receipted challans regarding payment of contribution.	The Central Board of Trustees , The Employees' Provident Fund Scheme, 1952

Glossary

AAR	Authority of Advance Rulings
ADR	American Depository Receipt
ALP	Arm's Length Price
AO	Assessing Officer
AP	Association of Persons
APA	Advance Pricing Agreement
ATM	Automated Teller Machine
AY	Assessment Year
BCD	Basic Customs Duty
BI	Body of Individuals
BP	Balance of Payments
CA	Chartered accountant
CAD	Current Account Deficit
CBDT	Central Board of Direct Taxes
CBEC	Central Board of Excise & Customs
CENVAT	Central Value Added Tax
Customs Act	Customs Act, 1962
CIT	Commissioner of Income Tax
CPI	Consumer Price Index
CSR	Corporate Social Responsibility
CD	Countervailing Duty
DDT	Dividend Distribution Tax
DTA	Domestic Tariff Area
ECB	External Commercial Borrowings
ESI	Employee's state insurance
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act
FERA	Foreign Exchange Regulation Act
FII	Foreign Institutional Investors
FIPB	Foreign Investment Promotion Board
FPI	Foreign Portfolio Investment
FTS	Fees for Technical Services
FY	Financial Year
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GI	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	Institute of chartered accountant
IFRS	International Financial Reporting Standard
IDR	Indian Depository Receipt
IIP	Index of Industrial Production
IRDA	Insurance Regulatory Development Authority
ITR	Income tax return

LCD	Liquid-crystal Display
MP	Madhya Pradesh
MP	Market price
MF	Mutual fund
MSME	Micro Small and Medium Enterprises
NBFC	Non Banking Finance Company
NHAI	National Highway Authority of India
NPS	National Pension Scheme
NRI	Nonresident in India
NABARD	National Bank for Agriculture and Rural Development
OEM	Original Equipment Manufacturer
OET Act	Odessa Entry Tax Act, 1999
PSU	Public Service Undertakings
P&L	Profit & loss
PF	Provident fund
POTR	Point of Taxation Rules
QE	Quantitative Easing
QFI	Qualified Foreign Investor
RBI	Reserve Bank of India
REF	Renewable Energy Fund
REIT	Real Estate Investment Trust
Rules	Income-tax Rules, 1962
SA	Standard on Auditing
SAD	Special Additional Duty
SC	Scheduled Caste
SC	Supreme Court
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
ST	Scheduled Tribes
ST	Service Tax
STP	Software Technology Park
STR	Service Tax Rules
STCG	Short Term Capital Gain
TIN	Transaction identification number
TNNM	Transactional Net Margin Method
Tribunal	Income tax Appellate Tribunal
TDS	Tax Deducted at Source
TPO	Transfer Pricing Officer
TED	Terminal Excise Duty
VAT	Value Added Tax
VCC	Venture Capital Companies
VCF	Venture Capital Fund
WPI	Wholesale Price Index
WT	Wealth tax
WB	World bank

BUSINESS ADVISORY

- Growth Planning
- Succession Planning.
- Strategic Decision Appraisal
- Risk, Uncertainty and Change Management Services
- Strategic Decision Implementation – National and Global Platform
- Wealth Management Services.

TAXATION SERVICES

- Direct Taxation Advisory
- Service Tax, Excise duty, VAT Registration Services
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- Implementing and Operating in the tax consolidation regime
- Preparation of return of Income Tax, Service Tax, Excise Duty and VAT.

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- Internal Audit and Concurrent Audit
- Management Audit and Operational Audit
- Cost Audit/Reviews
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- Secretarial Audit.

RBI, FEMA, SEBI Services

- Setting up Liaison Office, Branch Office and Project Office.
- RBI Consulting
- Private Equity Finding Advisory.
- Project Financing.
- Credit Rating.
- Business Asset Valuation.
- Due Diligence.

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- Preparation of general and special purpose statutory accounts
- Processing Payroll
- Cash management reporting
- Accounting system reviews
- Financial analysis
- General Accounting Support, as required by client.



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