

# Tax & Corporate law Bulletin

## **RAJPUT JAIN & ASSOCIATES** **CHARTERED ACCOUNTANTS**

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Rajput Jain & Associates is a Chartered Accountant firm, offering its clients a full range of services. The firm has been setup by a group of young, enthusiastic highly skilled and motivated professional who have taken experience from the top consulting firm and are extensively experienced in their chosen fields. The firm has been providing a wide array of accounting, auditing, taxation, assurance and business advisory service to various clients and other stakeholders.

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July 2015

### From the Editor's Desk...

Dear Reader,

Greetings for the season,

1st July is celebrated as the day of Chartered Accountants. CA day marks the importance of Chartered Accountants in the world of finance. With all the milestones our profession has achieved, it makes us proud to introduce ourselves as a part of this esteemed profession. Some important updates of the month are: Government eases process of e-filing returns using EVC, Investment in companies, Composite FDI policy and read many more...

We eagerly await your feedback on the bulletin.

Yours truly,

**Rajput Jain & associates**  
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GLOSSARY

“Adapting swiftly to the  
global business environment”





➤ **Government eases process of e-filing returns using EVC.**

Currently, taxpayers have been using digital signatures for paperless filing, or forwarding their ITR V with the Central Processing Centre (CPC) after e-filing their income-tax return (ITR). The Government has now announced an alternate way of paperless e-filing via Electronic Verification Code (EVC). The EVC process will benefit a major portion of the return-filing population.

➤ **Section 63 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (22 of 2015)**



The Central Government hereby appoints –

- The 30<sup>th</sup> day of September, 2015 as the date on or before which a person may make a declaration in respect of an undisclosed asset located outside India;
- The 31<sup>st</sup> day of December, 2015 as the date on or before which a person shall pay the tax and penalty in respect of the undisclosed asset located outside India so declared, under the provisions of section 59 of the said Act.

## RECENT JUDGEMENT

- **Interest on income-tax refund received by a non-resident is not effectively connected with the PE (Permanent Establishment) either on asset test or activity test. Accordingly such interest cannot be assessed as business profits but has to be assessed as "interest".**

*DIT vs. Credit Agricole Indosuez (Bombay High Court) (No. 2) dated July 29, 2015.*



### Issue

The High Court had to consider whether the interest received u/s 244A is chargeable to tax at the rate prescribed in Article 12 of DTAA between India and France. The Tribunal restored the issue of the rate at which interest is to be charged to tax on income-tax refund received under Section 244A of the Act to the Assessing Officer to be decided in the light of the Indo France DTAA and the decision of the Special Bench of the Tribunal in the matter of Assistant Commissioner of Income Tax vs. Clough Engineering Ltd. [130 ITD 137].

### Held

The decision of the Special Bench in Clough Engineering 130 ITD 137 had been followed by the Tribunal in M/s DHL Operations B.V., The Netherlands vs. Dy. Director of Income Tax]. The issue before the Tribunal was the rate of tax on which Income tax refund is to be taxed i.e. on the basis of the Articles of DTAA or under the Act. The Tribunal on examination of the DTAA in the above case concluded that interest on income tax refund is not effectively connected with the PE (Permanent Establishment) either on asset test or activity test.

Therefore, taxable under the Article 11(2) of Indo Netherlands tax treaty. The Revenue carried the aforesaid decision of M/s DHL Operations B.V.(supra) in appeal to this Court, being Income Tax Appeal No.431 of 2012. This Court by order dated 17 July 2014 refused to entertain the appeal. In the circumstances no fault can be found with the impugned order of the Tribunal in restoring the issue to the Assessing officer to determine / adopt the rate

of tax on refund in the light of the relevant clauses of Indo France DTAA and the decision of Special Bench in Clough Engineering.

- **Reliance on statements of third party without giving the assessee the right of cross-examination results in breach of principles of natural justice.**

There has been a breach of principles of natural justice in as much as the Assessing Officer has in his order placed reliance upon the statements of representatives of M/s Inorbit and M/s Nupur to come to the conclusion that claim for expenditure made by the appellant is not genuine. Thus the appellant was entitled to cross examine them before any reliance could be placed upon them to the extent it is adverse to the appellant. This right to cross examine is a part of the **audialtremptem principle (listen to the other side)** and the same can be denied only on strong reason to be recorded and communicated. The impugned order holding that it would have directed cross examination if it felt it was necessary, is hardly a reason in support of coming to the conclusion that no cross examination was called for in the present facts. This reason itself makes the impugned order vulnerable.

- **The obligation to deduct TDS is only with respect to "income". As amounts paid as "reimbursement of expenses" do not have the character of income, there is no obligation to deduct TDS.**

#### Issue

The AO disallowed the amount of Rs. 19,69,83,236/- as deduction for the reason that the assessee deducted TDS only on the service charges paid by it to M/s DLF Land Ltd. According to the AO, TDS ought to have been deducted under the amount paid by the assessee towards reimbursement expenses to M/s DLF Land Ltd.

#### Held

The assessee has correctly relied upon Industrial Engineering Projects Pvt. Ltd. A Division Bench of

this Court in that case specifically held that "reimbursement of expenses can, under no circumstances, be regarded as revenue receipt" and therefore, it is not liable to income tax. The Court relied upon the Supreme Court's decision in CIT v. Tejaji Farasram Kharawalla Ltd., [1968] 67 ITR 95 (SC), where the Court had held that it is only the amount that exceeds the expenditure incurred by the agent that would be liable to tax. More recently, this Court in Fortis Health Care Ltd. (supra) has also held that amount received towards reimbursement of expenses is not taxable under the Act.

## INDIRECT TAX

### SERVICE TAX

- **Finance Ministry's Clarification on service charges Collected By Restaurants/Hotels/Eateries**



Some restaurants/hotels/eateries besides charging for the food and beverages are also charging 'service charges' in their bills. The proceeds of the 'service charges' are retained by the restaurants/hotels/eateries.

Some of the consumers have a misapprehension that these 'service charges' are being collected by the restaurant on behalf of the Government as tax.

It is clarified that these 'service charges' collected by the restaurants/hotels/eateries are retained by the restaurants/hotels/eateries and are not 'service tax' imposed by the Government.

It is further clarified that effective service tax rate in respect of services provided in relation to serving of

food or beverage by a restaurant, eating joint or mess having the facility of air - conditioning or central air-heating in any part of the establishment is 5.6% (14% of 40%) of the total amount charged.

### CENTRAL EXCISE

#### ➤ Excise Duty on Specified Products Subject To Non-Availment of Cenvat Credit.



#### *Notification No.35/2015-C.E., Dated 17<sup>th</sup> July 2015*

Section 5A of the Central Excise Act, 1944 read with sub-section (3) of section 3 of the Additional Duties of Excise Act, 1957 the Central Government made the following further amendment in the notification of the Government of India in the Ministry of Finance No 30/2004-Central Excise, dated 9th July, 2004, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 421(E), dated the 9th July, 2004.

In the said notification, in the opening paragraph, for the proviso, the following proviso shall be substituted, namely:-

"Provided that the said excisable goods are manufactured from inputs on which appropriate duty of excise leviable under the First Schedule to the Central Excise Tariff Act or additional duty of customs under section 3 of the Customs Tariff Act, 1975 (51 of 1975) has been paid and no credit of such excise duty or additional duty of customs on inputs has been taken by the manufacturer of such goods (and not the buyer of such goods), under the provisions of the CENVAT Credit Rules, 2004."

#### ➤ Exemption to Textile Products Subject To Non-Availment of Cenvat Credit.

#### *Notification No.37/2015-C.E., Dated 21<sup>st</sup> July 2015*

Section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957), the Central Government hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No 30/2004-Central Excise, dated the 9th July, 2004, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i), vide number G.S.R. 421(E), dated the 9th July, 2004.

In the said notification, in the opening paragraph, after the proviso, the following Explanation shall be inserted, namely:—

"Explanation.— For the purposes of this notification, appropriate duty or appropriate additional duty includes nil duty or concessional duty, whether or not read with any relevant exemption notification for the time being in force."

## INTERNATIONAL TAXATION



#### ➤ The payment made for Design review falls in FTS and whether the same is liable for TDS u/s. 195?

*ITO vs. Nokia India Pvt. Ltd. [2015] TS-378-ITAT-2015 (JPRs), dated July 8, 2015.*

### Facts of the case

The assessee, Nokia India Pvt Ltd. is a wholly owned subsidiary of Nokia Corporation, it was in the process of setting up a manufacturing facility at Chennai, and for this purpose assessee engaged a contractor, Leighton Contractors Pvt. Ltd. for design, manufacturing and completion for the manufacturing facilities.

Further assessee also engaged a Finnish company, engaged in the business of providing consulting services in relation to HVAC electrical and fire protection systems for the purpose of reviewing the design, construction plans prepared by the Leighton Contractors India Pvt Ltd. In consideration to the services rendered the assessee paid to Finnish Company.

The assessee was of view that the said payments were not liable to be taxed in India under the Article 13 or Article 7 of DTAA entered between India and Finland and thus the assessee did not withheld any taxes on the said payments. However, during assessment the Income Tax Officer considered assessee as defaultee u/ss. 201(1) and 1(A) for not – deducting TDS u/s. 195 w.r.t payments made to Finnish Company as the services provided were in the nature of technical services. On appeal, CIT (A) allowed the appeal of assessee, aggrieved Revenue filed an appeal before Delhi ITAT.

### Issue

Whether the payment made for Design review falls in FTS and whether the same is liable for TDS u/s. 195?

### Held

ITAT observed that Article 13(4) (c) of the DTAA between India and Finland provides that FTS means payment for provision of services which ‘make available’ technical knowledge, experience, skill, know-how or processes, or consist of the development and transfer of a technical plan or technical design.

ITAT held services can be said to ‘make available’ technical knowledge etc., where such technical knowledge is transferred to the person utilising the service and such person is able to make use of the technical knowledge etc., by himself in his business or for his own benefit and without recourse to the performer of services in the future.

Further ITAT observed that the Finnish company did not have any office/ place of business in India and also the services performed were performed primarily from outside India and its employees made intermittent visits to India only for the purpose of attending meetings with the assessee. Observing this ITAT clarified that the company did not have a PE in India under the provisions of Article 5 of the India-Finland tax treaty.

ITAT thus ruled in favour of assessee and held that payment made by assessee to a Finnish co. for reviewing design/drawings prepared by the contractor, not Fees for Technical Service (‘FTS’) under Article 13 of IndiaFinland DTAA and thus TDS u/s. 195 not applicable.

## FEMA

### ➤ Investment in companies engaged in tobacco related activities.

*A.P. (DIR Series) Circular No. 2 dated July 3, 2015*

In terms of Annex A of Schedule 1 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, foreign direct investment is prohibited in manufacturing of cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes.



It is clarified that the prohibition applies only to manufacturing of the products mentioned therein and foreign direct investment in other activities relating to these products including wholesale cash and carry, retail trading etc. shall be governed by the sectoral restrictions laid down in the FDI policy framed by the Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, Government of India and in the Schedule 1 of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.

➤ **Foreign Investment in India by Foreign Portfolio Investors.**

*A.P. (DIR Series) Circular No. 6 dated July 16, 2015*



In terms of Schedule 5 to the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 notified vide Notification No. FEMA.20/2000- RB dated May 3, 2000, as amended from time to time and to A.P. (DIR Series) Circular No. 71 dated February 3, 2015 and A.P. (DIR Series) Circular No. 73 dated February 6, 2015 in terms of which all future investments by an FPI within the limit for investment in corporate bonds shall be required to be made in corporate bonds with a minimum residual maturity of three years.

The Reserve Bank has been receiving enquiries about the applicability of the aforesaid directions on investment by FPIs in security receipts (SRs) issued by the Asset Reconstruction Companies (ARCs). It is clarified that the restriction on investments with less than three years residual maturity shall not be applicable to investment by FPIs in SRs issued by

ARCs. However, investment in SRs shall be within the overall limit prescribed for corporate debt from time to time.

➤ **Export factoring on non-recourse basis.**

*A.P. (DIR Series) Circular No. 5 dated July 16, 2015*

In order to facilitate exports, Authorised Dealer Category-I (AD Category-I) banks have been permitted to provide 'export factoring' services to exporters on 'with recourse' basis by entering into arrangements with overseas institutions for this purpose without prior approval from the Reserve Bank of India subject to compliance with guidelines issued by the Department of Banking Regulation in this regard.

Factoring of export receivable on non-recourse basis will be allowed subject to conditions as under:

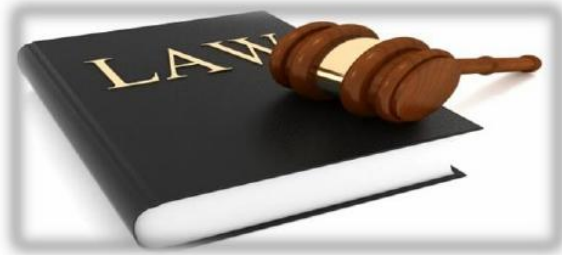
- AD banks may take their own business decision to enter into export factoring arrangement on non-recourse basis. They should ensure that their client is not over financed. Accordingly, they may determine the working capital requirement of their clients taking into account the value of the invoices purchased for factoring. The invoices purchased should represent genuine trade invoices.
- In case the export financing has not been done by the Export Factor, the Export Factor may pass on the net value to the financing bank/ Institution after realising the export proceeds.
- AD bank, being the Export Factor, should have an arrangement with the Import Factor for credit evaluation & collection of payment.
- Notation should be made on the invoice that importer has to make payment to the Import Factor.
- After factoring, the Export Factor may close the export bills and report the same in the Export Data Processing and Monitoring System (EDPMS) of the Reserve Bank of India.
- In case of single factor, not involving Import Factor overseas, the Export Factor may obtain



credit evaluation details from the correspondent bank abroad.

- KYC and due diligence on the exporter shall be ensured by the Export Factor.

## CORPORATE LAW



- **Relaxation of additional fees and extension of last date of in filling of forms MGT-7(Annual Return) and AOC-4(Financial Statement) under the companies Act, 2013.**

### *Circular No.10/2015 dated 13<sup>th</sup> July 2015*

This Ministry has clarified vide circular 8/2014 dated 04 April 2014 that provisions of Companies Act, 2013 relating to financial statements, auditors report and Board's Report shall apply in respect of financial years commencing on or after 1<sup>st</sup> April 2014. Form AOC-4 or Form AOC-4 XBRL (Format of filling of financial statements) shall, as applicable, have to be used for filling of such statement for financial years commencing on or after 1<sup>st</sup> April, 2014. Attention is also invited to this Ministry's General Circular 22/2014 dated 25/06/2014 wherein it has been clarified that MGT-7(Form of Annual Return) shall apply to annual returns in respect of financial years ending after 1<sup>st</sup> April,2014.

The electronic versions of Forms AOC-4, AOC -4 XBRL and MGT-7 are being developed and shall be made available for electronic filling latest by 30<sup>th</sup> September 2015. In addition, a separate form for filling of consolidated financial statement with the nomenclature AOC-4 CFS will be made available latest by October 2015.MGT-7 has been notified while AOC-4, AOC-4 XBRL and AOC-4 CFS will be notified shortly.

- **Clarification with regard to circulation and filing of financial statement under relevant provisions of the Companies Act, 2013.**

### *General Circular No. 11/2015 dated 21 July, 2015*

Stakeholders have drawn attention to the proviso to section 101(1) of the Companies Act, 2013 (Act) which allows general meetings to be called at a shorter notice than twenty one days, and sought clarification as to whether provisions of section 136 would also allow circulation of financial statements at a shorter notice if conditions under section 101 are fulfilled.

The matter has been examined and it is clarified that a company holding a general meeting after giving a shorter notice as provided under section 101 of the Act may also circulate financial statements (to be laid/considered in the same general meeting) at such shorter notice.

## POLICY WATCH

- **Cabinet approves central irrigation plan, national common agriculture market**

The Union Cabinet has cleared the Pradhan Mantri Krishi SinchaeYojana (PMKSY), with an outlay of USD 7.9 billion spread over a period of five years starting from 2015-16. This irrigation project aims to provide irrigation to every village by converging the various ongoing irrigation schemes. A sum of USD 834 million has been allocated in the current financial year for the program. Another proposal approved was from the department of agriculture to create a national common agriculture market, by digitally integrating more than 580 regulated wholesale markets across the country by 2017-18 with an allocation of USD 31.5 million.

- **Composite FDI policy announced.**

The Union Cabinet has cleared the policy for composite foreign investment limits by including Foreign Direct Investment (FDI), Foreign Institutional Investors (FII) and other routes like NRI



Investments. Under the new policy, FDI, foreign portfolio investment and investments by non-resident Indians would be clubbed together under a composite cap. Currently, companies require board resolution to increase FII limits beyond 24 per cent.

➤ **India to build a strategic uranium reserve.**

India is working on creating a strategic uranium reserve to ensure its atomic power reactors do not face shortage of the crucial nuclear fuel. The reserve pool could be anywhere between 5000 MT to 15,000 MT which can last for 5-10 years. Over the past one year, India has been pursuing its case to buy uranium from different countries including Australia and Canada. It is also procuring uranium from Russia for its indigenous reactors. After Hyderabad another Nuclear Fuel Complex is coming up in Kota in Rajasthan.

➤ **Customs pact signed between India and Russia to boost trade to USD 30 billion**

India and Russia plan to increase trade to USD 30 billion by 2025 from USD 9.5 billion in 2014, by overcoming challenges of inadequate connectivity, language barriers, etc. Both countries have reached an agreement on customs to provide rapid clearances of imported goods at ports, on both sea and land. Further, both India and Russia recently concluded an agreement to set up a Joint Study Group which will recommend the framework of a Free Trade Agreement (FTA) between India and the Eurasian Economic Union comprising Russia, Kazakhstan, Belarus and Armenia. To improve transportation of goods easily, both countries are working on a North

South corridor that will facilitate trade between India and Russia.

## **INDUSTRY WATCH & CORPORATE HIGHLIGHT**

➤ **16 defence projects get industrial licences.**

The Department of Industrial Policy & Promotion (DIPP) has granted 16 industrial licenses for defence projects worth USD 96.6 million. The approved proposals included applications from the Tata Group, Pipavav, Samtel Thales and Titagarh Wagons. The DIPP's industrial licenses committee has granted a total of 73 licenses to defence projects since last June in line with the government's objective of promoting defence manufacturing under its 'Make in India' initiative. The approved licences are for manufacture of various kinds of arms and ammunition such as helicopters, aircrafts, radars, bullet proof jackets and helmets, tanks, war-fare systems, mortar bombs, missiles and guns.

➤ **FDI in equity rises 48% after launch of 'Make in India.'**

Foreign direct investment (FDI) in equity rose 48 per cent after the launch of the 'Make in India' initiative. The 'Make in India' initiative was launched on September 25 last year and between October 2014 and April 2015, equity FDI rose 48 per cent. In 2014-15, investment by foreign institutional investors (FIIs) reached USD 40.92 billion. FDI inflows under the approval route grew 87 per cent to USD 2.22 billion in the last fiscal.



➤ **India's annual solar investments to surpass those in coal by 2020.**

India is set to become one of the largest renewable energy producers in the world, matching China's target of 100GW capacity by 2020. India has raised its 2022 solar energy target to 100GW from 20GW and needs to invest about USD 200 billion to meet this target and to set up around 60,000MW of wind power capacity by 2022. In 2014-15, the cumulative solar power capacity in India was about 3,744 MW, accounting for about 10.5% of the total renewable energy generated in the country. The country could see annual investments in solar surpassing those in coal by 2019-20 with commitments worth about USD 35 billion from global companies already in hand.

➤ **Government extends capital subsidy to electronic products.**

To boost its Make in India and Digital India programmes, the government has extended capital subsidy to 15 new electronic products including consumer electronics items and Internet of Things (IoT) products. The modified special incentive package scheme (MSIPS) which was expiring on 26 July, has now been extended for another five years. MSIPS provides capital subsidy to units engaged in electronics manufacturing of 20% within special economic zones (SEZs) and 25% outside SEZs.

➤ **Foreign inflows touch USD 1 billion in July.**

Overseas investors have invested a net amount of about USD 1 billion in the Indian capital markets so far in July. This is on the back of positive global cues and easing of foreign investment norms. This follows a massive outflow of foreign investors' funds in the previous two months from Indian equity and debt markets. The net inflow by Foreign Portfolio Investors in equities so far in July stood at USD 775.4 million while the same in the debt market has risen to USD 242.2 million, resulting in an overall net inflow of USD 1.02 billion.

➤ **Hector Beverages raises around USD 30 million from investors.**

Hector Beverages Pvt. Ltd has raised close to USD 30 million from investors Advent Management and



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house Capital Group, valuing the maker of the Paper Boat brand of traditional Indian drinks at more than USD100 million. Existing investors Catamaran Ventures, Footprint Ventures and Sequoia Capital also participated in the current fund-raising. Hector's Paper Boat range of drinks currently account for 75% of its sales. The non-alcoholic beverages market, comprising carbonated drinks, juices, bottled water, ready-to-drink tea and coffee, and sports drinks, in India is expected to have sales of USD 5.18 billion by the end of 2015.

**Rosneft to invest in Indian solar power market**

Russia's OAO Rosneft, the world's largest publicly traded oil company, is exploring a huge investment in solar energy in India. Rosneft wants to set up a capacity ranging between 10,000MW to 20,000MW, at an investment of around USD 946 million per MW. A 10,000MW capacity will entail an investment of around USD 9.5 billion. Rosneft's plans are also driven by India's plans to install 100,000MW of solar power capacity by 2022. India needs as much as USD 200 billion to meet its target

➤ **Amazon to invest USD 5 billion for a bigger market share in India.**

Amazon, the world's largest online retailer, is to make a USD 5 billion investment to grow India into its biggest market outside the US. It is also set to add instant video and subscription based ecommerce services for high-end buyers, called Amazon Prime, in India later this year. Amazon has completed two

years in India, where its business is now worth at least USD 2 billion in gross merchandise values on the ecommerce side, and includes fast-growing revenue from top Amazon Web Services (AWS) customers in the country.

➤ **Lupin to acquire US generics firm Gavis for USD 880 million**

Lupin Ltd, India's fourth largest drugmaker, plans to acquire New Jersey-based, USA based Gavis Pharmaceuticals Llc. and its affiliate Novel Laboratories Inc. for USD 880 million. The acquisition broadens Lupin's pipeline in dermatology, controlled substance products and other high value and niche generics. Mumbai-based Lupin seeks to bolster its presence in the US, its largest market, where its sales fell 31% from a year ago to USD 180 million in April-June, leading to a net profit decline of 16% to USD 82.8 million. The company reported a 6% drop in sales to USD 480.6 million in the quarter to 30 June.

➤ **Jabong's Q1 loss widens to R114 crore even as sales rise**



The Rocket Internet-backed online fashion retailer Jabong has registered a loss of Rs 113.9 crore in the first quarter of this year against a loss of Rs 69.4 crore a year earlier. Its gross merchandise value (GMV) increased by 54% to Rs 35.5 crore compared to Rs 23.05 crore in the same quarter last year. GMV is the combined value of all the sold products, which does not include discounts, returns and damages.

Even though this quarter saw an increase in its loss compared to the first quarter last year, the net revenue increased to Rs 199.20 crore. However, on

comparison with its peers in the fashion category, it showed the least growth in the revenues at 35.9%. The German investor had clubbed all its five fashion portfolio companies under one umbrella called Global Fashion Group (GFG).

➤ **Bank to e-auction pledged properties**







With a view to recovering bad loans, Indian Bank is planning to hold online auction of pledged properties related to sticky loans next month. The bank plans to start conducting e-auctions from next month. It plans to e-auction properties mortgaged relating to around 280 accounts next month. The amount lent by the bank to these accounts will be of Rs 600 crore.

➤ **Timeline: Toshiba's accounting probe**

Toshiba Corp had announced a summary of an independent investigation into accounting irregularities. People familiar with the matter said it could result in up to 400 billion yen (\$3.2 billion) in charges and the resignation of Chief Executive Hisao Tanaka. Following are key moments in the saga since Toshiba first announced the accounting probe in April.

- April 3 – Toshiba says probing possible improper accounting, may have under-reported costs of infrastructure projects in the business year through March 2014. Says looking into whether it adequately spread costs of multi-year projects in its accounts.
- May 8 – Expands investigation plans to set up third-party committee. Cancels dividend payment, withdraws earnings outlook.

Statutory compliance calendar for the month of July 2015			
Due date	Statutory compliance under Act	particulars	Governing Authority
			
06/07/2015	Service Tax	Payment of monthly service tax by all tax payers electronically	Central Board of Excise and Custom
	Central Excise	Payment of monthly central excise duty on goods by assesses other than SSI units electronically	Central Board of Excise and Custom
07/07/2015	Income Tax	Deposit of Income Tax TCS and TDS deducted	Central Board of Direct Tax.
	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.
	NBFC-ND-SI	Monthly return of source and application of funds, profit and loss account, asset classification	Reserve Bank of India.
10/07/2015	Central Excise	Monthly central excise return in form ER-1/ER-2 by other that SSI	Central Board of Excise and Custom
	Central Excise	Monthly return of receipts and consumption of Principal Inputs by specified manufacturers of excisable goods in form ER-6	Central Board of Excise and Custom
	NBFC-ND-SI	Monthly statement of short term dynamic liquidity in form NBS-ALM 1	Reserve Bank of India.
15/07/2015	Income Tax	(a) Income Tax TDS/TCS statement in form 24Q/26Q/27EQ (Other than Government) for the quarter April to June (b) Return in form 27Q in respect of TDS from interest, dividend or any other sum payable to non-residents for the quarter April to June (c) Monthly return of Provident Fund in form 10 of employees leaving the service	Central Board of Direct Tax.
	Provident Fund	(a) Payment of monthly dues of Provident Fund (b) Monthly return in form 5 for employees joining Provident Fund during April along with declaration in form 2 furnished by the employees (c) Monthly return of Provident Fund in form 10 of employees leaving the service	The Central Board of Trustees , The Employees' Provident Fund Scheme, 1952
21/07/2015	ESIC	Payment of ESIC contribution for the last month	The employees' state insurance Act-1948. Ministry of labour and employment.

## 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
- Tax Planning Strategy– Optimum use of Corporate Tax Incentives.
- Implementing and Operating in the tax consolidation regime
- Preparation of return of Income Tax, Service Tax, Excise Duty and VAT.

### AUDIT & ASSURANCE

- Statutory Audit including Tax Audit & VAT Audit
- Internal Audit and Concurrent Audit
- Management Audit and Operational Audit
- Cost Audit/Reviews
- System and process control reviews.
- Secretarial Audit.

### OUTSOURCING ACCOUNTANTS

- Annual financial report preparation
- 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.

### 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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