

Tax & Corporate law Bulletin

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June 2015

From the Editor's Desk...

Dear Reader,

Greetings for the season,

Income-tax (ninth amendment) rules, 2015 - insertion of rule 51A, Demurrage payments to non-resident purchaser are subject to TDS u/s. 195, Checklist for Private Placement Under Section 42, Government launches online employment portal, Myntra to be app only from May 15,

And read many more...

We eagerly await your feedback on the bulletin.

Yours truly,

Rajput Jain & associates
Chartered accountants



Your partners
for success

For further details,

Please contact....

CA. Swatantra Singh

Singh.swatantra@carajput.com

CA. Parmeshwar Mahaseth

carrier@carputjain.com

CA. Navneet Gupta





info@carajput.com

CA. Manoj Kumar Singh

support@carajput.com

Corporate office: P-6/90,
Connaught circus,
Connaught Place, New Delhi-
110001.
Phone No: - 011- 23343333,
011-43520194

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DIRECT TAX



- **Section 119 of the Income-Tax Act, 1961 - income-tax authorities - instructions to subordinate authorities - extension of due date of filing return of income for assessment year 2015-16.**

The Central Board of Direct Taxes, in exercise of powers conferred under section 119 of the Income-tax Act, 1961, hereby extends the 'due-date' for filing Returns of Income, in terms of clause (c) of Explanation 2 to sub-section (1) of section 139 of the Income-tax Act, 1961, for Assessment Year 2015-16 from 31st July, 2015 to 31st August, 2015 in respect of income tax assesseees concerned.

- **Income-tax (ninth amendment) rules, 2015 - insertion of rule 51A**

Notification no.50/2015 [f.no.142/9/2015-tpl]/so 1683(e), dated 24-6-2015

The Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

In the Income-tax Rules, 1962, after rule 51, the following rule shall be inserted, namely:-

"51A. Nature of business relationship-For the purposes of sub-clause (viii) of Explanation below sub-section (2) of section 288, the term "business relationship" shall be construed as any transaction entered into for a commercial purpose, other than,-

- Commercial transactions which are in the nature of professional services permitted to be rendered by an auditor or audit firm under the Act and the Chartered Accountants Act, 1949 (38 of 1949)

and the rules or the regulations made under those Acts.

- Commercial transactions which are in the ordinary course of business of the company at arm's length price - like sale of products or services to the auditor, as customer, in the ordinary course of business, by companies engaged in the business of telecommunications, airlines, hospitals, hotels and such other similar businesses."

- **Punjab State AIDS Control Society constituted Government of Punjab**

The Central Government hereby notifies for the purposes of the said clause, "Punjab State AIDS Control Society", a body constituted by the Government of Punjab, in respect of the following specified income arising to that body, namely:-

- Amount received in form of grants-in-aid from the Government of India; and
- Interest earned on grants-in-aid from the Government of India.

This notification shall be deemed to have been applied for the financial years 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16. This notification shall be effective subject to the conditions, namely, that the Punjab State AIDS Control Society:-

- Does not engage in any commercial activity;
- Its activities and the nature of the specified income remain unchanged throughout the financial years.

It files return of income in accordance with the provisions of clause (g) of sub-section (4C) of Section 139 of the Income-tax Act, 1961.

RECENT JUDGEMENTS

- **Conversion of outstanding interest into a loan does not constitute "actual payment" of the interest so as to qualify for deduction**

DCIT vs. Jyoti Ltd (ITAT Ahmedabad) dated June 25, 2015

On perusing Section 43B(e), it is seen that interest on any loan or advance from a schedule bank, in



accordance with terms and conditions of the agreement governing such loans or advance, would be allowed as deduction in the previous year in which sum is actually paid by the Assessee.

Explanation 3D has been inserted by Finance Act, 2006 with retrospective effect from 01.04.1997 and the Explanation 3D states that for the removal of doubt it is declared that the deduction, being interest payable, shall be allowed if such interest has been actually paid and any interest referred to in clause (e) which has been converted into a loan or advance shall not be deemed to have been actually paid.

In the present case, it is an undisputed fact that a portion of interest has been converted into loan pursuant to the CDR package approved by the Bankers of the Assessee. Considering the express provision of the Act read along with Explanation 3D and in view of the aforesaid facts, we are of the view that the A.O was right in disallowing the claim of Assessee.

- **Only payments "in pursuance of a contract" are subject to TDS. Payments made under a legal obligation are not covered.**

JalandharImprovement Trust vs. ITO (ITAT Amritsar) dated June 10, 2015

The appellant has made payments to Punjab Water Supply and Sewerage Board for execution of work relating to sewerage pipe lines and for treatment of polluted water of the city. However, such payments are out of legal obligations rather than contractual arrangements. It is only when payments are made "in

pursuance of a contract" that the provisions of section 194C come into play.

The contract may be oral or written, express or implied but there must be a contract nevertheless. In the present case, the payment is on account of legal obligation under section 24(1) of the Punjab Water Supply and Sewerage Board Act 1976. Accordingly, the provisions of section 194C did not come into play on the facts of this case. Therefore, the impugned demands under section 201(1) and 201(1A) r.w.s. 194C are wholly devoid of any legally sustainable merits.

- **Even if no business is carried, the expenditure incurred to maintain the corporate entity has to be allowed as a deduction.**

Preimus Investment and Finance Ltd vs. DCIT (ITAT Mumbai) June 10, 2015

Permission/denial by the RBI to register an assessee as NBFC does not decide the issue of carrying of business or make the business illegal. If the assessee had violated any provisions of law under the RBI Act it would be penalized by the appropriate authority. But that does not mean that the systematic organized activity carried out by the assessee for earning profit would not be treated as business. The explanation to sec.37 (1) of the Act is not at all applicable to the case under consideration.

In the scrutiny assessment, completed in the earlier years, the AO had assessed the interest income as business income and had allowed all the expenditure related with the business activity. The rule of consistency demands that for deviating from the stand taken in the earlier AY, the AO should bring on record the distinguishing feature of that particular year.

The AO or the FAA has not mentioned even a single line as to how the facts of the case under appeal were different from the facts of the earlier or subsequent years. The disallowance of the expenses was without any basis. In the case of Rampur Timber & Turnery

Co. Ltd.(129 ITR 58), the Hon'ble Allahabad High Court has held that expenditure incurred for retaining the status of the company, namely miscellaneous expenses, salary, legal expenses, travel expenses, expenses would be expenditure wholly and exclusively for the purpose of making and earning income. There is no doubt that the assessee is a corporate entity. Even if it is not carrying on any business activity it has to incur some expenditure to keep up its corporate entity. Therefore expenditure incurred by it has to be allowed.

INDIRECT TAX

Service tax



- **Introduction of facility of payment of rebate/refund claims amount directly to assessee/exporters' bank account.**

Consequent to sanction of rebate/refund claims by the competent authority, cheques are being issued and the same are sent by Registered Post or handed over to the authorized person in person. The present procedure entails paper work and man power deployment by the claimants as authorized persons are required to visit the departmental offices for collection of refund cheques.

There are also instances where cheques are returned due to incomplete address or change in address or some other clerical errors. All these lead to delay in realization of refund amounts by the claimants. Therefore, as a trade facilitation measure, the facility for electronic payment of refund amount directly to assessee's/exporter's bank account is being introduced for all refunds/rebates sanctioned by Service Tax Zone.

- **Whether private railway sidings qualify as 'railway and chargeability of service tax thereon?**



From 1st July-2012, vide Notification No. 25/2012-ST dated 20.06.12 has exempted services by way of construction, erection, commissioning, or installation of original works pertaining to an airport, port or railways, including monorail or metro. Prior 1st July-2012, both 'Commercial or Industrial Construction Service' as well as 'Works Contract Service' were taxable, excluding services provided in respect of roads, airports, railways, transport terminals, bridges, tunnels and dams from the levy of service tax.

- **Only Air-Conditioned or Air-Heated Restaurants to Pay Service Tax.**

Service Tax is chargeable on services provided by restaurants, eating-joints or messes which have the facility of air-conditioning or central air-heating in any part of the establishment at any time during the year in relation to serving of food or beverages. Restaurants, eating-joints or messes which do not have the facility of air-conditioning or central air-heating in any part of the establishment are exempt from service tax. In other words, only air-conditioned or air-heated restaurants are required to pay Service Tax.

In respect of such air-conditioned or air-heated restaurants which are required to pay Service Tax, 60% of the value is to be deducted from the total amount charged while applying the rate of Service Tax and tax is to be calculated on the balance 40%. With the increase in the rate of Service Tax to 14% (subsuming the Education Cesses) with effect from

1.6.2015, the effective rate of tax will be 5.6% of the total amount charged. Prior to 1.6.2015, when the rate of Service Tax was 12.36% (including Education Cesses), the effective rate was 4.94%.

Central Excise

- **Notification No. 32/2015-Central Excise Dated-4th June, 2015.**



Exemption from Excise Duty to Ethanol produced from molasses generated from cane crushed Vide Notification No. 32/2015-Central Excise dated June 4, 2015, the Central Government has amended the Notification No. 12/2012-Central Excise dated March 17, 2012, thereby exempting 'Ethanol' produced from molasses generated from cane crushed in the sugar season 2015-16 i.e. October 1, 2015 onwards, for supply to the public sector oil marketing companies, namely, Indian Oil Corporation Ltd., Hindustan Petroleum Corporation Ltd., or Bharat Petroleum Corporation Ltd., for the purposes of blending with petrol, has been exempted from whole of Excise duty leviable thereon under Central Excise Tariff Act.

- **Regarding facility of centralized registration to manufacturers of aluminum roofing panel**

The Central Board of Excise and Customs hereby exempts from the operation of said rule, every manufacturing unit engaged in the manufacture of aluminum roofing panels falling under tariff item 7610 90 10 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), subject to the conditions that such roofing panels are consumed at the site of manufacture for execution of the project and the manufacturer of such goods has a centralized billing or accounting system in respect of such goods manufactured by different manufacturing units and

opts for registering only the premises or office from where such centralized billing or accounting is done

INTERNATIONAL TAXATION

- **Demurrage payments to non-resident purchaser are subject to TDS u/s. 195.**

ITO vs. Karishma Goa Mineral Trading Pvt. Ltd. [2015] TS -369-ITAT- 2015 (Panaji), dated 18th June, 2015



Facts of the case

Assessee was an iron ore exporter. The assessee had sold goods representing iron ore on FOB basis to China based company. The assessee had to deliver the goods at Goa port. Based on the agreement it was decided that, if there was a delay in loading of the goods on the ship hired by the purchaser, the assessee was to pay the demurrage. As there was a delay in loading of the goods, the assessee had paid demurrage of to the said China based company. The Revenue had disallowed demurrage payments made by the assessee to the foreign buyer on the ground that the assessee had not deducted TDS u/s. 195 of the Act. Whereas the CIT (A) was of the view that TDS need not be deducted u/s 195 in case of the payment of demurrage charges.

Issue

Whether demurrage payments to non-resident purchaser are subject to TDS u/s. 195?

Held

ITAT held that assessee sold goods on FOB basis and paid demurrage charges owing to delay in loading goods on ship hired by the foreign buyer. Explanation 1(b) to Sec 9(1)(i) provides that in case of a non-resident, no income shall be deemed to accrue or arise in India through or from operations confined to purchase of goods in India for the purpose of export. No income accrues in India as foreign buyer got compensation towards demurrage incurred through the operation confined to purchase of goods in India, hence TDS not applicable. Thus decision was in favour of the assessee.

CORPORATE LAW

- **Extension of time for filing of Notice of appointment of the Cost Auditor for the F.Y, 2015-16 in Form CRA-Z and filing of cost audit report to the Central Government for the F.Y, 2014-15 in form CRA-4.**

The Ministry has received several representations about the non-availability of the revised form CRA-z on MCA-21 required for filing of notice of appointment of the Cost Auditor for the F.Y. 2015-16, although the time limit for filing of the same has either lapsed or will be lapsing. The revised form CRA-2 has now been notified on 12th June, 2015 and is available on the MCA21 system for filing.

In view of the delay in availability of revised Form CRA-2 on the MCA21 portal, however, the additional fee on account of any delay beyond the prescribed period of 30 days from the date of Board Meeting in which the appointment of the Auditor was made for filing of CRA-2 for the financial year starting on or after 1st April, 2015 is waived for all such filings till 30th June, 2015,

The revised e-Form CRA-4 has also been notified vide the above mentioned notification and will be made available on MCA-21 portal shortly. Therefore, on the similar lines mentioned in above paras, additional fees on delayed filing of form CRA-4 beyond the prescribed period of 30 days from the date of receipt

of a copy of Cost Audit Report from the Cost Auditor for the Financial Year starting on or after 1st April, 2014 is also waived for all such filings till 31st August, 2015.

- **Reporting of fraud u/s 143(12) of Companies Act.**



Without causing harm to anything contained in this section, if an auditor of a company, in the course of the performance of his duties as auditor, has reason to believe that an offence involving fraud is being or has been committed against the company by officers or employees of the company, he shall immediately report the matter to the Central Government within such time and in such manner as may be prescribed.

The statutory auditors of the company are required to report under the same. Likewise, the cost accountant in practice, conducting cost audit under Section 148 of the Act; and to the company secretary in practice, conducting secretarial audit under Section 204 of the act are also required to report the same.

- **Checklist for Private Placement Under Section 42.**

To ensure that person to whom offer has been made does not exceed 200 in a financial year for each kind of security. It is to be noted that any offer or investigation made to qualified institutional buyers or to employees of the company under scheme of employee stock option shall not be considered while calculating the limit of two hundred people. No allotment against any previous offer / Invitation of any kind of security is pending

Company has passed special resolution for each offer / invitation (Except in case of NCDS, where one resolution in a year for all offers during the year is sufficient)

➤ **Directors having frequent visit outside India.**

Foreign companies are given one year to comply with the new rule. The first compliance year will be calculated from April 1, 2014 to December 31, 2014. The requirement will thus be pro-rated to at least 136 days of residence in the country for the first year, according to General Circular No. 25/2014 released by the Ministry of Corporate Affairs. Subsidiaries of foreign companies in India will be required to have at least one resident director on its board by 1st April, 2015, in accordance with the updated Companies Act 2013.

The matter has been examined. It is clarified that the, 'residency requirement' would be reckoned from the date of commencement of section 149 of the Act i.e. 1st April, 2014, The first 'previous calendar year, for compliance with these provisions would, therefore, be Calendar year 2014. The period to be taken into account for compliance with these provisions will be the remaining period of calendar year 2014 (i.e. 1st April to 31st December). Therefore, on a proportionate basis, the number of days for which the director(s) would need to be resident in India. during Calendar year.2014, shall exceed 136 days

FEMA

➤ **BEF Statement – Submission under XBRL**



A.P. (DIR Series) Circular No. 110 dated June 18th, 2015

It has been decided to move from manual reporting of BEF Statement to extensible Business Reporting Language (XBRL) system from half year ended June

2015. With effect from the half year ending June 2015, BEF submission would be online and Bank-wise instead of the present system of branch-wise submission, to the respective Regional Offices of the RBI. Further, earlier banks used to submit BEF data in Parts I & II on incremental basis. However, in the proposed module, AD banks have to submit data in a single format (Annex I) giving details of all remittances for import exceeding USD 100,000, as on the end of June and December of every year, in respect of which importers have defaulted in submission of appropriate document evidencing import within 6 months from the date of remittance. All other instructions remain unchanged.

➤ **Overseas Foreign Currency Borrowings by Authorised Dealer Banks.**

A.P. (DIR Series) Circular No. 112 dated June 25, 2015.

AD Category-I banks were allowed to borrow funds from their Head Office or overseas branches or correspondents outside India or any other entities as permitted by Reserve Bank, up to a limit of hundred per cent of their unimpaired Tier I capital as at the close of the previous quarter or USD 10 million (or its equivalent), whichever is higher, subject to such conditions as the Reserve Bank may direct. Vide A.P. (DIR Series) Circular No. 61 dated October 10, 2013, permission was also granted to AD Cat-I banks to borrow from international / multilateral financial institutions for a limited period up to November 30, 2013.

With a view to providing greater flexibility in seeking access to overseas funds, it has now been decided to permit AD Category-I banks to borrow from international/multilateral financial institutions without approaching Reserve Bank for a case by case approval. These shall include International / Multilateral Financial Institutions of which Government of India is a shareholding member or which have been established by more than one Government or have shareholding by more than one Government and other international organisations.

Such borrowings should be for the purpose of general banking business and not for capital augmentation and shall be subject to the applicable prudential conditions stipulated in the A.P. (DIR Series) Circular no. 40, 2013 dated September 10, 2013.

➤ **Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Fourth Amendment) Regulations, 2015.**

Notification No. FEMA.344/2015 RB Dated June 11, 2015.

In Regulation 2

- **After clause (ie), the following new clause shall be added, namely:-**

“employees’ stock option” means the option given to the directors, officers or employees of a company or of its holding company or joint venture or wholly owned overseas subsidiary/subsidiaries, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price;”

- **After clause (x), the following new clause shall be added, namely:-**

“sweat equity shares” means such equity shares as issued by a company to its directors or employees at a discount or for consideration other than cash, for providing their know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called;”

- **For the existing Regulation 8, the following shall be substituted, namely:-**

“An Indian company may issue “employees stock option” and/or “sweat equity shares” to its employees/directors or employees/directors of its holding company or joint venture or wholly owned

overseas subsidiary/subsidiaries who are resident outside India, provided that :

- The scheme has been drawn either in terms of regulations issued under the Securities Exchange Board of India Act, 1992 or the Companies (Share Capital and Debentures) Rules, 2014 notified by the Central Government under the Companies Act 2013, as the case may be.
- The “employee’s stock option”/sweat equity shares issued to non-resident employees/directors under the applicable rules/regulations are in compliance with the sectoral cap applicable to the said company.
- Issue of “employee’s stock option”/sweat equity shares in a company where foreign investment is under the approval route shall require prior approval of the Foreign Investment Promotion Board (FIPB) of Government of India.
- Issue of “employee’s stock option”/sweat equity shares under the applicable rules/regulations to an employee/director who is a citizen of Bangladesh/Pakistan shall require prior approval of the Foreign Investment Promotion Board (FIPB) of Government of India.

POLICY WATCH

➤ **Digital India initiative launched.**

The Digital India initiative has been launched which aims at making all citizens digitally literate and bring



internet and e-governance to all sections of the society. It also promises to connect 250,000 villages in India by 2019. The government’s tech push, which

plans to provide electronic governance and universal phone connectivity across the country, aims to bridge India's digital divide, bringing in large investments in technology manufacturing. The plan aims to stop net imports of technology and electronics by 2020.

➤ **Government clears USD 13.3 billion coastal road project.**

The Ministry of Environment and forests has granted environment clearance for the ambitious 35-km coastal road connecting south and north Mumbai. The project is expected to cost over USD 13.3 billion that involves reclamation of the coast. The project report on combining the 35 km coastal road between Nariman Point and Kandivali in north Mumbai and the Mumbai Metro III Colaba-Bandra-SEEPZ corridor is expected to be ready in the next three months. This will also have the involvement of experts from the Netherlands. The coastal road project will be completed in two years once construction starts.

➤ **Government launches online employment portal.**

The government has launched a digital employment exchange that will enable industrial enterprises to find suitable workers and job-seekers to find employment. This government initiative is aimed at strengthening communication between stakeholders and improving efficiencies in service delivery in the micro, small and medium enterprises (MSME) ministry. This online portal will develop entrepreneurship and will provide employment to the youth as well. It will be accessible free of cost for the next one month, for both employers and jobseekers.

➤ **Government proposes tax benefits for credit and debit card payments.**

The central government has introduced proposals to encourage electronic transactions. These include income tax benefits for payments made through debit or credit cards. Transaction charges on card payments

at petrol pumps, gas agencies and railway tickets are also proposed to be scrapped. The government may also make it mandatory for all transactions above USD 100,000 to only be conducted electronically. These measures are a part of a broader strategy to discourage the use of cash and check the parallel economy. The government has also proposed appropriate changes in the regulatory structure, if required, to promote mobile-based payment systems.



CORPORATE HIGHLIGHTS

➤ **Indian auto component industry grows by 11% in FY 15.**

The Indian auto component industry has registered a growth of 11% during the Financial Year (FY) 15, clocking a turnover of USD 38.5 billion. The industry has also seen a Compounded Annual Growth Rate (CAGR) of 11 per cent over the last six years. The auto component industry is expected to scale USD 100 billion in turnover by 2020 with exports to grow in range of USD 35-40 billion. The industry's focus on exports, quality and various cost saving initiatives has helped it weather the weak business environment leading to a double-digit growth. Exports of auto components grew by 11.4 per cent to USD 11.2 billion from USD 10.2 billion in 2013-14, registering a CAGR of 29 per cent in the last six years.

➤ **Corporate dividend payout ratio highest in 11 years.**

Indian companies rewarded their shareholders in 2014-15 with the biggest chunk of their profits in at least 11 years. The dividend payment ratio that is the share of net profits given as dividends of BSE-100

companies rose to 34.5% in 2014-15. This is the highest since 2004-05. Of these 100 companies, the dividend payout ratio of 78 private companies rose to 34% - the highest in at least 11 years while that of 22 state-run companies fell slightly to 35.40% from 38.5% a year before, still the second highest in at least 11 years.

➤ **Government ramps up solar power capacity target.**

India's target of solar power capacity under the Jawaharlal Nehru National Solar mission (JNNSM) has been raised five times. India will aim to generate 100,000 MW from solar power by 2022. The revised target envisages tapping 40 GW from rooftop solar panels and 60 GW through large-and medium-scale grids connected solar power projects. This will make India one of the largest green energy producers in the world. The new solar target of 100 GW is expected to abate over 170 million tonnes of carbon-dioxide in its life cycle. Apart from creating technology hubs for manufacturing, it will also result in direct and indirect employment opportunities in both the skilled and unskilled sector.

➤ **Stock exchange for unlisted startups GREX launched in Hyderabad.**

The Indus Entrepreneurs (TiE) in association with incubation centre, The Entrepreneur Zone (TEZ) launched Pune-based Grex Alternative Investments Market (GREX). This will be the country's first stock exchange for unlisted startups and is scheduled to go live in July 2015. It aims to create an alternative funding option for startups and more exit options for investors who back risky ventures. GREX will



encourage the public to participate and contribute to the growth of startups. It is designed to be an integrated platform not only for capital needs but also for naturally providing visibility and access to companies.

➤ **IndiGo owner InterGlobe Aviation files for USD 400 million.**

IPO InterGlobe Aviation Ltd., which operates passenger airline IndiGo, filed a draft red herring prospectus with the Securities Exchange Board of India (SEBI) seeking its approval to launch an initial public offering (IPO) to raise funds. IndiGo, which started operations in 2006, has emerged as India's biggest airline by domestic market share with a fleet of 96 aircraft. The issue will consist of a fresh issue aggregating up to USD 200 million and an offer for sale (OFS) of up to 30.1 million equity shares valued at approximately USD 200 million by certain selling shareholders of the company. In all, the company is expected to raise USD 400 million.

➤ **BigBasket to tie up with 1,800 grocery stores in private-label push.**

Online grocery store BigBasket will tie up with about 1,800 grocery stores to sell its private-label products across categories such as vegetables, staples and bakery in a move aimed at increasing revenue four-fold and improving profitability this financial year. It aims to close 2015-16 with revenue of USD 126 million as against USD 32 million the previous year. BigBasket which started operations in Bengaluru in December 2011 is now present in five other cities namely Hyderabad, Chennai, Delhi, Pune and Mumbai and will expand to 50 more by the end of this financial year.

➤ **Mahindra Aerospace signs multi-million dollar deal with Airbus.**

Mahindra Aerospace signs a multi-million dollar aero-components production contract by Airbus group company Premium AEROTEC.

The multi-year contract envisages manufacturing and supply by Mahindra of a variety of metallic



components that will be fitted into several Airbus aircraft programs as part of assemblies produced by Premium AEROTEC. Mahindra Aerospace's deliverables under this contract will be in excess of a million parts per annum, which will be produced at the new Mahindra Aerostructures facility located at Narsapura, near Bengaluru. Airbus and Mahindra are already global partners in the aerospace engineering domain with Tech Mahindra being one of the engineering services providers to the Airbus Group.

➤ **Good service raises USD1.6 million from Sequoia Capital.**

Goodservice has raised USD 1.6 million in seed funding from venture capital firm Sequoia Capital. The Goodservice app, currently available on Android, or by messaging a dedicated number on Whatsapp allows users to chat with Goodservice agents and request them to book a plumber, a caterer, deliver food from a restaurant, or even find a temporary personal secretary. The company, which operates in Delhi and NCR, plans to use the funds to invest in technology and to expand operations to all metros. An iOS app is under development, and the company would launch it in the next couple of weeks.



➤ **Hyderabad to be home to giant Google campus**

Google has entered into an agreement with the Telangana government for setting up one of the largest campuses outside the US and its first ever own campus in the country.

As per the MoU, Google has been allocated 7.2 acres in Gachibowli, the main IT corridor in Hyderabad where Google will build its own facility. This facility for Google in Hyderabad, when fully built, will be one of the largest facilities globally with a built-up space of about 2 million sq ft, a release from the government said.

The facility in Hyderabad will be Google's first fully owned campus in India and is expected to house thousands of employees given its huge built-up area. Google expects the facility to be complete and fully operational in about four years and is supposed to start operations before the summer of 2019.

About 12 months will be spent on planning and the construction work is supposed to start around the summer of 2016, and should take about two and a half years, according to Google.

➤ **Myntra to be app only from May 15**

The Flipkart-owned online fashion retailer Myntra announced on Tuesday that it will shut down its website and go "app only" from May 15 onwards. The company decided to take this step after it saw that close to 95% of the internet traffic and 70% of sales at present are via mobile devices.

Myntra plans to provide its users a set of features that would enable discovery and consumption of fashion products, content and services—personalised to individual's need, taste and choice.

Myntra was acquired by Flipkart for \$300 million last year and both have already shutdown their mobile websites and redirect its customers to respective apps.

Statutory compliance calendar for the month June 2015			
Due date	Statutory compliance under Act	particulars	Governing Authority
			
06/06/2015	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 on goods by assesses other than SSI units electronically	Central Board of Excise and Custom
07/06/2015	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.
10/06/2015	Central Excise	Monthly central excise return in form ER-1/ER-2 by other than 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-ALM1	Reserve Bank of India.
15/06/2015	Provident Fund	(a) Payment of monthly dues of Provident Fund for the month of May (b) Monthly return in form 5 for employees joining Provident Fund during May 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 May	The Central Board of Trustees , The Employees' Provident Fund Scheme, 1952
	ESIC	Payment of ESIC contribution for the month of May	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

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- Business Asset Valuation.
- Due Diligence.

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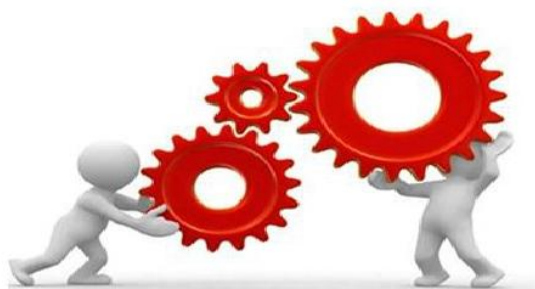
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- Service Tax, Excise duty, VAT Registration Services
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BRANCHES / AFFILIATES:-

The head quarter of **Rajput Jain & associates**, Chartered Accountant is located in Delhi, India. Beside this **Rajput Jain & associates** has presence all over India, with Nepal, and United States of America, Australia, through its associates / affiliates.

CORPORATE OFFICE

P-6/90, Connaught Place, Connaught Circus,
New Delhi-110001, India.

Phone No: -011-23343333.

DELHI BRANCH

204, Prakash Chamber, 6 Netaji Subhash
Marg, Main Road Daryaganj, New Delhi-
110002, India.

Phone No: - +91-9871857333; 011-43520194.

UTTAR PRADESH BRANCH

B-2, Shanchar Vihar, ITI Mankapur, District
Ghonda, Uttar Pradesh, 271308241, India.

Phone No: - +91-9811322785.

NEPAL BRANCH

Building No:-65, Ward No: - 10, Lakhe Chaur
Marg, Kathmandu Metropolitan Kathmandu,
Nepal.

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