

# Tax & Corporate law Bulletin

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## From the Editor's Desk...

Dear Reader,

Greetings for the season,

*Draft rules for grant of Foreign Tax Credit; Section 50C does not apply to transfer of leasehold rights in land; Extension of time tilal 29-7-2017 for filing ST-3 returns; Clarification on excisability of re-refined or waste oil nd read many more ...*

We eagerly await your feedback on the bulletin.

Yours truly,

**Rajput Jain & associates**

**Chartered accountants**



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July 2017

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*Individually, we are one Drop; Together we are an Ocean*

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global business environment”





## DIRECT TAX



### ➤ Clarification on TDS on GST component comprised in Invoice

Central Board of Direct Taxes („CBDT“) has clarified that wherever the component of 'GST on services' comprised in the amount payable separately, tax shall be deducted at source on the amount paid or payable without including such 'GST on services' component.

### ➤ Rules for Valuation of Unquoted Shares are notified

CBDT has released the final rules for valuation of unquoted shares where transfer for shares is made without consideration or for consideration which is less than for aggregate fair market value of shares. New section 50CA was inserted in the Finance Act, 2017 to provide that where consideration for transfer of the unquoted equity share of a company is less than the FMV of such a share, the FMV shall be deemed to be the full value of consideration for the purposes of computing income under the head “capital gains”. The section further provides that FMV should be determined in the manner as defined in the relevant rule.

### ➤ Non-applicability of provisions of section 269ST on certain transactions

Sec 269ST was inserted by Finance Act, 2017, whereby recipients were prohibited to receive an amount of Rs. 2 lakhs or more during a single day or in a single transaction otherwise than by account

payee cheque or an account payee bank draft or use of electronic clearing system through a bank account. By notification dated July 3, 2017 Central government has exempted certain transactions from the purview of section 269ST of IT Act. These exempted transactions includes receipt by a business correspondent or a white label automated teller machine operator from retail outlet sources on behalf of a banking company or co-operative bank, in accordance with the guidelines issued by the Reserve Bank of India (RBI) etc.

### ➤ Clarification in respect of Sec 269ST of the Income Tax Act

The clarification was sought on whether the provisions of section 269ST of the Act shall apply to one installment of loan repayment or the whole amount of such repayment. It is clarified that in respect of receipt in the nature of repayment of loan by NBFCs or HFCs, the receipt of one installment of loan repayment in respect of a loan shall constitute a „single transaction“.

CBDT amends Clause 31 of Form 3CD

### ➤ Circular No. 11/2016, dated 26<sup>th</sup> July, 2016

CBDT has issued the Income tax (IT) (18th Amendment) Rules, 2017 wherein it has made certain changes with respect to the particulars required to be furnished in clause 31 of the Form No. 3CD i.e. “Particulars of loan accepted or repaid exceeding the limits specified under section 269SS and 269T of the IT Act, 1961”. Some of the changes that have been made in the aforementioned clause are as follows: • Separate disclosure of each specified sum accepted or taken in an amount of Rs. 20,000/- or more • Separate disclosure of particulars of repayment of those loans or deposits or any specified advance whose amount is Rs. 20,000/- or more, is also required if those loans were received either otherwise than by cheque or bank draft or use of electronic clearing system through a bank account or by a cheque or bank draft which is not an account payee cheque or account payee bank draft.



## RECENT JUDGEMENTS



### ➤ **CBDT amends Clause 31 of Form 3CD**

CBDT has issued the Income tax (IT) (18th Amendment) Rules, 2017 wherein it has made certain changes with respect to the particulars required to be furnished in clause 31 of the Form No. 3CD i.e. "Particulars of loan accepted or repaid exceeding the limits specified under section 269SS and 269T of the IT Act, 1961". Some of the changes that have been made in the aforementioned clause are as follows:

- Separate disclosure of each specified sum accepted or taken in an amount of Rs. 20,000/- or more
- Separate disclosure of particulars of repayment of those loans or deposits or any specified advance whose amount is Rs. 20,000/- or more, is also required if those loans were received either otherwise than by cheque or bank draft or use of electronic clearing system through a bank account or by a cheque or bank draft which is not an account payee cheque or account payee bank draft.

### ➤ **Launch of Aaykar Setu - Another E-Initiative by CBDT**

A new tax payer service module „Aaykar Setu“, was launched by the Honourable Finance Minister, Shri Arun Jaitley on July 10, 2017. The module compiles various tax tools, live chat facility, dynamic updates, and important links to various processes within the Income Tax Department in a single module. The tax payers will also be able to receive regular updates regarding important tax dates, forms and notifications on mobile numbers registered with the ITD.

### ➤ **Honda Siel Cars India Ltd vs. CIT (Supreme Court):**

Expenditure incurred under a Technical Collaboration Agreement for setting up of new plant for the first time to manufacture cars constitutes capital expenditure. Dismissing the appeal of Honda Siel in this case, the Supreme Court upheld the decision of high court and observed that virtually life of manufacture of product in the plant and machinery, establishes with assistance of foreign company, is co-extensive with the agreement. The technical collaboration between "Honda India" and "Honda Japan" included not only transfer of technical information, but, complete assistance, actual, factual and on the spot, for establishment of plant, machinery etc. so as to bring in existence manufacturing unit for the products. Thus, a new business was set up with the technical know-how provided by HMCL, Japan and lump sum royalty, though in five installments, was paid therefore to be treated as capital expenditure.

### **CIT vs. Orchid Industries Pvt. Ltd (Bombay High Court):**

Mere fact that parties to whom the share certificates were issued and who had paid the share capital money were not traceable and did not appear before the AO in response to summons does not mean that the transaction can be treated as bogus if the documentation shows the genuineness of the transaction.

### **Mahavir Manakchand Bhansali vs. CIT (Bombay High Court):**

If the delay in filing the return is completely attributable to the revenue for nonfurnishing of copies of the documents and not giving inspection of the documents seized within a reasonable time after making the demand, the interest has to be waived. Though s. 158BFA(1) does not (pre 2002) confer the power to waive interest, it has to be read in on equitable construction because the subject cannot be made to pay for the negligence of the Officers of the State.

### ***Paresh Pritamlal Mehta vs. ITO (ITAT Pune)***



Assessee is engaged in the business of share trading earned Rs. 12.04 lacs as exempt dividend income. The AO made a disallowance of Rs. 46,89,748/- u/s 14A read with Rule 8D. Before the CIT (A), the assessee stated that the Tribunal in assessee's own case for AY 2010-11 has held that no disallowance u/s 14A read with Rule 8D can be made on dividend income from shares held as stock-in-trade.

The Bombay High Court in the case of CIT Vs. India Advantage Securities Ltd. (supra) has confirmed the order of Tribunal wherein it was held that no disallowance u/s 14A read with Rule 8D can be made on shares held as stock-in-trade. However, it restrained from commenting on the judicial indiscipline committed by the CIT (A) and expected that the CIT (A) concerned shall be more careful in future in honouring the orders of the higher Appellate Authorities.

➤ **Section 48: Interest on borrowed money utilized for acquiring shares can be capitalized as cost of acquisition**

*DCIT vs. Fritz D. Silva (ITAT Mumbai)*

The controversy before was as to whether the interest paid by the assessee on loans taken for acquiring the shares in the past can be allowed as a deduction u/s 48 as cost of acquisition while computing capital gain on sale of such shares. In the case before the Hon'ble Madras High Court, the assessee was carrying on the business of investment in shares/securities and the profit derived from sale of shares was held subject to capital gains. Apart from other issues, the Revenue had contested the order of the Tribunal wherein the assessee was allowed the interest liability incurred on borrowings utilized to acquire the shares, while determining the cost of acquisition of shares for the purpose of computing capital gain. The Hon'ble High Court affirmed the decision of this Tribunal that the interest payable on moneys borrowed for acquisition of shares should be added to the cost of acquisition of shares for the purpose of computing capital gains. The assessee had also asserted before the CIT (A) without rebuttal, that the interest cost so incurred in the past was not claimed as a deduction against any other income. Therefore, having regard to the factual

findings of the CIT (A), in our view, the legal position as propounded by the Hon'ble Madras High Court in the case of Trishul Investments Ltd (supra) supports the plea of the assessee that interest paid for acquisition of the shares would partake the character of cost of shares and, therefore, assessee had rightly capitalized the interest along with the cost of acquisition for the purpose of computing capital gains.

## INDIRECT TAX

### GST



#### **Central Goods and Service Tax Acts (CGST) Notifications**

##### ***Turnover Limit for Composition Levy for CGST is notified***

Central Government on the recommendation of the GST Council has prescribed the aggregate turnover limit of Rs. 75 Lakhs for eligible registered person for Composition Levy. The central tax payable by such persons shall be 1 % in case of manufacturer, 2.5% in case of food/restaurant services and 0.5% in case of other suppliers like traders and agents. The above limit is Rs. 50 Lakhs for taxpayers registered in some special category states i.e. Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand. Further, Manufactures of ice cream, pan masala and tobacco are kept out of the list of eligible manufacturer who can opt for composition scheme.

##### **Rules for Chapters IV to XVI are notified**

Central Government vide notification No. 10 has notified rules for Determination of value of supply, Input tax credit rules, Tax Invoice, debit and credit



notes rules, Accounts and Records, Returns, Payment of Taxes, Refund, Assessment and Audit, Advance Ruling, Appeals and Revision, Transition Provisions, Anti-profiteering and E-way Rules. To further amend these rules, separate notification No. 15/2017 has also been issued.

➤ **Notification on number of HSN digits required on tax invoice**

Central Board of Excise and Customs has held that registered person having aggregate turnover in the previous year upto Rs. 1.5 crore is not required to mention HSN code on the tax invoice. If the aggregate turnover is between Rs. 1.5 crore to 5 crore, then only 2 digits of HSN Code shall be mentioned and further, if aggregate turnover in previous year exceeds 5 crore then, only 4 digits of HSN code shall be mentioned in the tax invoice.

➤ **Interest rates for delayed payments under GST**

Central Government has notified the rate of interest of 18% p.a on delayed payment of taxes under GST, rate of 24% p.a in case undue and excess claim of input tax credit or undue and excess reduction in output tax liability. Where refund is withheld, taxpayer shall be entitled to rate of interest of 6% p.a and in case of further delay of 60 days in release in refund, taxpayer shall be paid additional interest of 6% p.a

➤ **Notification issued for conditions and safeguards for the registered person who intends to supply goods or services for export without payment of integrated tax**

The CBEC has notified categories of registered taxpayers who shall be eligible for furnishing letter of undertaking instead of bond and also specified that such persons shall be free from any prosecution or offence under CGST or under any existing law.

➤ **Bond/ Letter of Undertaking allowed to be furnished manually with Jurisdictional Deputy/Assistant Commissioner**

To ease out the difficulty faced in filing online Form GST RFD – 11 for furnishing information on

Bond/Letter of Undertaking for export of goods or services without payment of Integrated Tax, Central Board of Excise & Customs („CBEC“) vide its circular has allowed the filing of such forms manually till the module for furnishing of Form RFD– 11 is available on the common portal. For this CBEC has stated that the acceptance of the Bond/Letter of Undertaking required to be furnished by the exporter shall be done by the jurisdictional Deputy/Assistant Commissioner.

➤ **Clarification on multiple issues related to Bond/Letter of Undertaking for exports without payment of integrated tax**

CBEC has clarified vide circular dated July 7, 2017 that bond to be furnished for exports shall be running bond as consignment-wise bond would be a significant compliance burden on the exporters.

For clarity on the amount of bank guarantee as a security for the bond, it is directed that the jurisdictional Commissioner may decide about the amount of bank guarantee depending upon the track record of the exporter.

If Commissioner is satisfied with the track record of an exporter then furnishing of bond without bank guarantee would suffice. In any case the bank guarantee should normally not exceed 15% of the bond amount.

Exporters can furnish the bond/Letter of Undertaking to Central Tax Authority or State Tax Authority till the administrative mechanism for acceptance of these documents by Jurisdictional Deputy/Assistant Commissioner is implemented.

**Press Releases**

**Relaxation in filing returns for July and August 2017**

The GST Council has now proposed a relaxation in return filing for the month of July and August. It has been decided that, for the first two months of GST implementation, tax would be payable based on a simple return (Form GSTR-3B) containing summary of outward and inward supplies which will be submitted before the 20th of the succeeding month.



➤ **Applicability of Representational Services provided by advocates to be covered under Reverse Charge**

The CBEC has clarified vide press release that legal service has been defined to mean any service provided in relation to advice, consultancy or assistance in any branch of law, in any manner and includes representational services before any court, tribunal or authority. Legal Services provided either by individual advocate including a senior advocate or a firm of advocates are liable for payment of GST under Reverse Charge by the business entity.

➤ **Clarification on services provided by Educational Institute**

The CBEC has clarified vide press release that education upto Higher Secondary School level does not suffer GST on output services and also on most of the important input services. Some of the input services like transport, canteen etc. provided by private players to educational institutions were subject to service tax in pre-GST era and the same is continued in GST regime.

**Meaning of Registered Brand Name for chargeability of appropriate GST rate**

As the press release dated July 5, 2017 CGST rate of 5% will not be applicable on the supply of goods unless the brand name or trade name is actually on the Register of Trade Marks and is in force under the Trade Marks Act, 1999.

**Goods and Services Tax (GST) rate for specified items for Physically Challenged Persons**

As per the press release issued by the Government of India, Assistive devices and rehabilitation aids for physically challenged persons have been kept at the concessional 5% GST rate. Council has released the list of 22 items where GST rate of 5% shall be charged. Though the raw material used for manufacturing these devices and equipment's is 18%, the domestic manufacturer shall be entitled to claim refund of the accumulated input tax credit.

## SEBI



**Limits modified for investment by Foreign Portfolio Investors (FPI) in Government securities**

SEBI issued notification regarding allocation and monitoring of FPI debt investment limits in Government securities. Limits for FPIs in Government securities has been revised for July-September 2017 quarter as follows:-

- Limit for FPIs in Central Government securities enhanced to INR 187,700 crore
- Limit for Long Term FPIs (Sovereign Wealth Funds (SWFs), Multilateral Agencies, Endowment Funds, Insurance Funds, Pension Funds and Foreign Central Banks) in Central Government securities revised to INR 54,300 crore

The debt limit category of State Development Loans (SDL) to have two sub-categories, namely, SDL- General and SDL- Long Term. SDL - General shall be available for investment on tap for all categories of FPIs while SDL- Long Term shall be available for investment on tap for only Long Term FPIs.

- The limit for investment by all FPIs in SDL General shall be INR 28,500 crore while that for SDL-Long Term shall be INR 4,600 crore

Transferring unutilized limits of the Long term category of FPIs to the general category has been done away with. Future increases in State Development Loans, limit for FPIs investing in Government securities have been modified.

➤ **Acceptance of e-PAN card for KYC purposes by Foreign Portfolio Investors (FPI)**

Central Board of Direct Taxes (CBDT) has recently introduced facility of e-PAN (Electronic PAN card). It is now clarified by SEBI that e-PAN issued by



CBDT can be produced by FPI for KYC compliances

➤ **Filings for Foreign Venture Capital Investors (FVCI) made online**

SEBI, vide its circular dated 6 July 2017, decided to introduce online system for registration, reporting and other compliances for FVCI. The online system shall facilitate ease of operations and ensure greater accuracy. It is made functional from 1 July 2017. Activation email has been sent to existing FVCI to activate online accounts

It has now been decided that all the banks having currency chests should ensure conducting of fire audits bi-annually (once in two years) by the officials from the District Fire Department. The banks may also ensure that the working condition of the Hotline and other security related gadgets, viz. access control, CCTV, etc. are checked once in a fortnight by the CC officials.

## POLICY WATCH

➤ **Rajya Sabha passes 123rd Constitution Amendment Bill; removes provision providing constitutional status to NCBC**

The Constitution (123rd Amendment) Bill, 2017 was passed by Rajya Sabha, with an amendment. Earlier, the Bill had been passed by Lok Sabha in April 2017. It sought to set up the National Commission for Backward Classes (NCBC) under the Constitution, and define socially and educationally backward classes. During voting in Rajya Sabha, the provision that granted the NCBC constitutional status and specified its composition was removed. This month a Select Committee of Rajya Sabha (Chairperson: Mr. Bhupinder Yadav) also submitted a report on the Bill, recommending for it to be passed.

➤ **The Indian Institutes of Information Technology (PPP) Bill, 2017 passed**

The Indian Institutes of Information Technology (Public-Private Partnership) Bill, 2017 was passed by both houses of the Parliament.<sup>17</sup> The Bill

declares 15 existing Indian Institutes of Information Technology established through public-private partnership as institutions of national importance. Key features of the Bill include:

***Definition of public-private partnership (PPP):***

PPP is defined as a partnership under a scheme of the centre which provides for establishment of institutes through collaboration between the centre, the state government and industry partners. Industry partners can be individuals, trusts, companies or societies.

***Establishment of an institute:***

In order to establish an institute, the state government will identify at least one industry partner for collaboration and submit a proposal to the centre. The centre will examine the proposal based on certain criteria, which include: (i) the capital investment for establishing the proposed institute, to be borne by the centre, the concerned state government and industry partners

(ii) expertise and standing of the industry partners; (iii) the assessment of the capability, financial and other resources of the industry partners to support the institute; and (iv) the availability of adequate physical infrastructure (water, electricity, road connectivity), and land (50 to 100 acres), to be provided by the state government free of cost.

The centre may reject or accept the proposal with modifications. Upon such acceptance, the centre will enter into a Memorandum of Understanding (MoU) with the concerned state government and the industry partners for the establishment of the proposed institute. The MoU will outline details such as the capital investment proposed and the commitment of the centre, state, and the industry partner in ensuring autonomy of the institutes, among others.

***Role of the industry partner:*** Powers of the industry partner will include: (i) cocreating programs as per the requirements of the industry; (ii) actively participating in the governance of the institute; and (iii) funding and mentoring startups in the institutions.



➤ **The Indian Institutes of Management Bill, 2017 passed by Lok Sabha**

The Indian Institutes of Management (IIMs) Bill, 2017 was passed by Lok Sabha. The Bill was introduced on February 9, 2017. It declares the IIMs as institutions of national importance.

***Under the Bill,***

IIMs will have the power to grant degrees, diplomas and other academic distinctions or titles. Currently, IIMs can only grant diplomas and fellowships.

***Board of Governors:***

Board of Governors shall be the principal executive body of each institute. Note that the Board will appoint its own Chairman. Other than a nominee each from the central and state governments, the 17 other board members will also be nominated by the Board.

***Appointment of the Director:***

The Director of each IIM shall be recommended by the search-cum-selection Committee to be constituted by the Board. If the Board is not satisfied with the recommendation of this Committee, it may ask for fresh recommendations for the post of the Director.

***Academic Council:***

The Academic Council shall be the principal academic body of each institute. Its functions will include: (i) specification of the academic content of the academic programmes and the criteria for admission to courses, (ii) specification of the academic calendar, and (iii) recommendations for the grant of degrees, diplomas and other academic distinctions.

➤ **The Right of Children to Free and Compulsory Education (Amendment) Bill, 2017 was passed by the Lok Sabha.**

The Right of Children to Free and Compulsory Education Act, 2009 by extending the deadline for teachers to acquire the prescribed minimum qualifications for their appointment. Under the Act,

if a state does not have adequate teacher training institutions or sufficient number of qualified teachers, the provision to possess minimum qualifications is relaxed for a period not exceeding five years i.e., till March 31, 2015. The Bill further adds to this provision by stating that those teachers who do not possess the minimum qualifications as on March 31, 2015 will acquire the minimum qualifications within a period of four years i.e. by March 31, 2019. Committee which recommends names to the central government for the appointment of the Director of an institute. The Bill modifies the composition of the search-cum-selection committee by replacing the Director of an IIT with the Director of an Indian Institute of Technology.

***Appointment for posts of Assistant Professor and above:***

The Act permits the Board of Governors of the institutes to appoint Assistant Professors. The Bill permits the Board to appoint Assistant Professors and all the posts above that level as well.

***Incorporation of an institute:*** The Bill seeks to declare the Indian Institute of Technology, Design and Manufacturing, Kurnool as an institution of national importance and adds it to the Schedule of the Act (consists of other institutions of national importance).

## **INDUSTRY WATCH & CORPORATE HIGHLIGHT**



➤ **Three Ordinance related to GST promulgated; Bills replacing them introduced in Parliament**

Three Ordinances related to the Goods and Services Tax (GST) were promulgated. Subsequently,



Bills to replace these Ordinances were introduced in Lok Sabha by the Minister of Finance, Mr. Arun Jaitley. 6,7,8 Key features of these Bills are:

➤ **The Central Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017:**

The Central Goods and Services Tax Act, 2017 provides for the levy of Central GST on supplies of goods and services within a state. It applies to the whole of India except Jammu and Kashmir. The Ordinance extends the provisions of the Act to Jammu and Kashmir as well.

➤ **The Integrated Goods and Services Tax (Extension to Jammu and Kashmir) Ordinance, 2017:**

The Integrated Goods and Services Tax Act, 2017 allows for the levy of Integrated GST on inter-state supplies of Goods and Services. It applies to the whole of India except Jammu and Kashmir. The Ordinance extends the provisions of the Act to Jammu and Kashmir as well.

➤ **The Banking Regulation (Amendment) Bill, 2017 introduced in Lok Sabha**

The Banking Regulation (Amendment) Bill, 2017 was introduced in Lok Sabha. 9 It replaces an Ordinance, which was promulgated in May 2017. The Bill amends the Banking Regulation Act, 1949, which regulates the functioning of banks and provides details on aspects such as licensing, management, and operations of banks. Key features of the Ordinance are:

***Insolvency proceedings:***

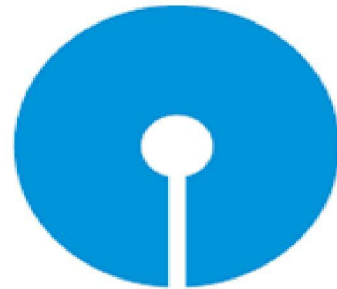
The central government may authorise the Reserve Bank of India (RBI) to issue directions to banks for initiating proceedings in case of a default in loan repayment. These proceedings will be under the Insolvency and Bankruptcy Code, 2016.

***Issuing directions to banks on stressed assets:***

The RBI may issue directions to banks for resolution of stressed assets (stressed assets include NPAs, and loans that have been restructured). Further, the RBI may specify authorities or committees to advise banks

on resolution of these assets. Members on such committees will be appointed or approved by the RBI.

➤ **State Banks (Repeal and Amendment) Bill, 2017 introduced in Lok Sabha**



## State Bank of India

The State Banks (Repeal and Amendment) Bill, 2017 was introduced in Lok Sabha. 10 Key features of the Bill are: Repeal: It seeks to repeal the two Acts: (i) State Bank of India (Subsidiary Banks) Act, 1959, a (ii) State Bank of Hyderabad Act, 1956. These Acts established the State Bank of Bikaner, State Bank of Mysore, State Bank of Patiala, State Bank of Travancore, and State Bank of Hyderabad. These banks were subsidiaries of the State Bank of India (SBI). This is consequent to the Union Cabinet approval in February 2017 to allow the SBI to acquire these subsidiaries.

Amendments to the SBI Act, 1955: The Bill seeks to amend the State Bank of India Act, 1955 to remove references related to subsidiary banks. These references include: (i) the definition of a subsidiary bank in the 1955 Act, and (ii) powers of SBI to act as an agent of the RBI for a subsidiary bank.

During its passage in Lok Sabha, the following amendment were made to the Bill:

Layers of subsidiaries: The Act permits the central government to impose a cap on the number of layers of subsidiaries a company can have. The 2016 Bill sought to remove the restriction on the number of layers of subsidiaries. The Bill as passed restores the position in the Act, i.e., the central government may impose such a cap.

Memorandum: The Act requires the memorandum of association of a company to define the specific objects for which the company is being incorporated,



and other related matters. The 2016 Bill allowed a company to declare general objects which state that the company may engage in any lawful act or activity or business. The Bill as passed restores the position of the Act. It requires companies to state specific objects for their incorporation.

### ***Independent Directors:***

Under the Companies Act, 2013, independent directors of a company should not have monetary (pecuniary) relationship with the company. The Bill seeks to allow independent directors to have pecuniary interest up to 10% of their income. This amount may be further modified by the central government.

### ***Managerial remuneration:***

Under the Act, if managerial remuneration exceeds prescribed limits, approval of the central government and shareholders must be obtained. The Bill seeks to omit the requirement to obtain approval from the central government.

### ➤ **The Footwear Design and Development Institute Bill, 2017 passed by Parliament**

The Footwear Design and Development Institute Bill, 2017 was passed by Parliament. 12 The Bill seeks to establish the Footwear Design and Development Institute as an institution of national importance. Currently, there are 12 campuses under this Institute. Key features of the Bill include:

#### ***Functions of the Institute:***

The functions of the Institute include: (i) developing and conducting courses and research related to footwear and leather products' design and development, and (ii) granting degrees, diplomas and certifications.

#### ***Key authorities of the Institute:***

The authorities of the Institute include: (i) a Governing Council, which is responsible for the administration of the Institute and reviewing the work of the Senate; and (ii) a Senate, as the principal academic body, which will specify admission procedures, academic content and calendar.

### ➤ **The Collection of Statistics (Amendment) Bill, 2017 passed**

The Collection of Statistics (Amendment) Bill, 2017 was passed by Parliament.<sup>13</sup> The Bill seeks to amend the Collection of Statistics Act, 2008. The Act facilitates the collection of statistics related to social, economic, demographic, and other indicators, by central, state and local governments.

It also contains provisions to ensure security of the information collected under the Act. The Bill seeks to achieve the following objectives: (i) extend the jurisdiction of the Act to Jammu and Kashmir, (ii) allow the central government to determine the manner in which the information collected will be used for statistical purposes, and (iii) provide for the




appointment of a nodal officer to coordinate and supervise the proposed statistical activities.

### ➤ **Ministry of Shipping releases reforms on the cruise tourism industry**

The Ministry of Shipping, along with the Ministry of Tourism, released reforms to the regulatory processes governing the cruise tourism industry. The reforms seek to simplify the rules and procedures pertaining to various aspects of cruise port operations, such as security, immigration, and customs.

Key reforms recommended include: Creating a single window system for all pre-cruise requirements for cruise operators. These include entry of vehicles, electronic checking of registration, and license papers of vehicles, and Creating uniform and consistent security procedures by CISF at all ports. A committee has been set up to work out the modalities to implement these recommendations in a time bound manner. Further, five potential cruise circuits for international, domestic and river cruise, that can be immediately taken up for development have been identified. Specific ports or terminals would also be considered for development for international cruise tourism as per a suggested Model Terminal Design. These terminals would be developed on a suitable regulatory framework based on international best practices.

**Statutory compliance calendar for the month of JULY 2017**

Due Date	Statutory Compliance Under Act	Particulars	Governing Authority
			
7/07/2017	ITNS281	Due date to deposit of TDS on salaries with the Government	CENTRAL BOARD OF DIRECT TAX
7/07/2017	TDS	Due date for deposit of TDS for the period April 2017 to June 2017 when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H.	CENTRAL BOARD OF DIRECT TAX
15/07/2017	FORM-24G	Due date for furnishing of Form 24G by an office of the Government where TDS for the month of June, 2017 has been paid without the production of a challan	CENTRAL BOARD OF DIRECT TAX
15/07/2017	TDS CERTIFICATE	Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of May, 2017	CENTRAL BOARD OF DIRECT TAX
15/07/2017	TCS	Quarterly statement of TCS deposited for the quarter ending 30 June, 2017	CENTRAL BOARD OF DIRECT TAX
15/07/2017	FORM-15CC	Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for quarter ending June, 2017	CENTRAL BOARD OF DIRECT TAX
21/07/2017	MONTHLY ECR	The Employees' Provident Funds & MP Act 1952 (Provident Fund)	PROVIDENT FUND
	MONTHLY ECR	The Employees' Provident Funds & MP Act 1952 (Provident Fund)	ESIC
30/07/2017	TCS certificate	Quarterly TCS certificate in respect of tax collected by any person for the quarter ending June 30, 2017	CENTRAL BOARD OF DIRECT TAX
30/07/2017	TDS	Due date for furnishing of challan-cum-statement in respect of tax deducted under Section 194-IA in the month of June, 2017	CENTRAL BOARD OF DIRECT TAX
31/07/2017	Form No 24Q and Form No. 27A	Quarterly e-TDS/TCS statements to be filed in paper form by deductors/collectors along with soft copy of FVU at TIN Facilitation Centers	CENTRAL BOARD OF DIRECT TAX
31/07/2017	FORM-10	Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or 11(2) (if the assessee is required to submit return of income on or before July 31, 2017)	CENTRAL BOARD OF DIRECT TAX
31/07/2017	Statement by scientific research	Statement by scientific research association, university, college or other association or Indian scientific research company as required by rules 5D, 5E and 5F (if due date of submission of return of income is July 31, 2017)	CENTRAL BOARD OF DIRECT TAX
31/07/2017	NON -TDS	Quarterly return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending June 30, 2017	CENTRAL BOARD OF DIRECT TAX



**Glossary**

<b>AAR</b>	Authority of Advance Rulings	<b>LCD</b>	Liquid-crystal Display
<b>ADR</b>	American Depository Receipt	<b>MP</b>	Madhya Pradesh
<b>ALP</b>	Arm's Length Price	<b>MP</b>	Market price
<b>AO</b>	Assessing Officer	<b>MF</b>	Mutual fund
<b>AP</b>	Association of Persons	<b>MSME</b>	Micro Small and Medium Enterprises
<b>APA</b>	Advance Pricing Agreement	<b>NBFC</b>	Non Banking Finance Company
<b>ATM</b>	Automated Teller Machine	<b>NHAI</b>	National Highway Authority of India
<b>AY</b>	Assessment Year	<b>NPS</b>	National Pension Scheme
<b>BCD</b>	Basic Customs Duty	<b>NRI</b>	Nonresident in India
<b>BI</b>	Body of Individuals	<b>NABARD</b>	National Bank for Agriculture and Rural Development
<b>BP</b>	Balance of Payments	<b>OEM</b>	Original Equipment Manufacturer
<b>CA</b>	Chartered accountant	<b>OET Act</b>	Odessa Entry Tax Act, 1999
<b>CAD</b>	Current Account Deficit	<b>PSU</b>	Public Service Undertakings
<b>CBDT</b>	Central Board of Direct Taxes	<b>P&amp;L</b>	Profit & loss
<b>CBEC</b>	Central Board of Excise & Customs	<b>PF</b>	Provident fund
<b>CENVAT</b>	Central Value Added Tax	<b>POTR</b>	Point of Taxation Rules
<b>Customs Act</b>	Customs Act, 1962	<b>QE</b>	Quantitative Easing
<b>CIT</b>	Commissioner of Income Tax	<b>QFI</b>	Qualified Foreign Investor
<b>CPI</b>	Consumer Price Index	<b>RBI</b>	Reserve Bank of India
<b>CSR</b>	Corporate Social Responsibility	<b>REF</b>	Renewable Energy Fund
<b>CD</b>	Countervailing Duty	<b>REIT</b>	Real Estate Investment Trust
<b>DDT</b>	Dividend Distribution Tax	<b>Rules</b>	Income-tax Rules, 1962
<b>DTA</b>	Domestic Tariff Area	<b>SA</b>	Standard on Auditing
<b>ECB</b>	External Commercial Borrowings	<b>SAD</b>	Special Additional Duty
<b>ESI</b>	Employee's state insurance	<b>SC</b>	Scheduled Caste
<b>FDI</b>	Foreign Direct Investment	<b>SC</b>	Supreme Court
<b>FEMA</b>	Foreign Exchange Management Act	<b>SEBI</b>	Securities and Exchange Board of India
<b>FERA</b>	Foreign Exchange Regulation Act	<b>SEZ</b>	Special Economic Zone
<b>FII</b>	Foreign Institutional Investors	<b>ST</b>	Scheduled Tribes
<b>FIPB</b>	Foreign Investment Promotion Board	<b>ST</b>	Service Tax
<b>FPI</b>	Foreign Portfolio Investment	<b>STP</b>	Software Technology Park
<b>FTS</b>	Fees for Technical Services	<b>STR</b>	Service Tax Rules
<b>FY</b>	Financial Year	<b>STCG</b>	Short Term Capital Gain
<b>GDP</b>	Gross Domestic Product	<b>TIN</b>	Transaction identification number
<b>GDR</b>	Global Depository Receipt	<b>TNNM</b>	Transactional Net Margin Method
<b>GI</b>	GOVERNMENT OF INDIA	<b>Tribunal</b>	Income tax Appellate Tribunal
<b>GST</b>	Goods and Services Tax	<b>TDS</b>	Tax Deducted at Source
<b>HUF</b>	Hindu Undivided Family	<b>TPO</b>	Transfer Pricing Officer
<b>ICAI</b>	Institute of chartered accountant	<b>TED</b>	Terminal Excise Duty
<b>IFRS</b>	International Financial Reporting Standard	<b>VAT</b>	Value Added Tax
<b>IDR</b>	Indian Depository Receipt	<b>VCC</b>	Venture Capital Companies
<b>IIP</b>	Index of Industrial Production	<b>VCF</b>	Venture Capital Fund
<b>IRDA</b>	Insurance Regulatory Development Authority	<b>WPI</b>	Wholesale Price Index
<b>ITR</b>	Income tax return	<b>WT</b>	Wealth tax
		<b>WB</b>	World bank



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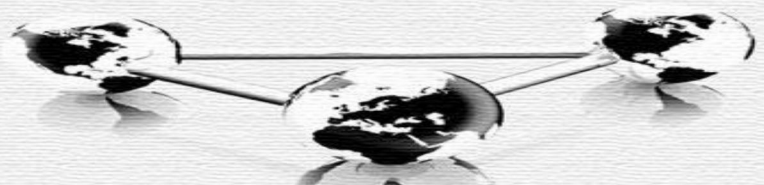
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