

# LUNAWAT BULLETIN

## Market Watch

### Sensex

30.11.2015 : **26145.67**

31.10.2015 : **26658.83**

### Nifty

30.11.2015 : **7935.25**

31.10.2015 : **8065.80**

## In boost for 'Make in India', railways inks pacts with Alstom and GE Transport

The first big 'Make in India' projects, worth Rs 40,000 crore, were kicked off on Monday evening when Ministry of Railways signed formal agreements with global giants Alstom BSE 0.40 % and GE Transport to set up locomotive manufacturing factories in Madhepura and Marhaura in Bihar. The tenders for the factories were floated and cancelled a dozen times during the last 10 years. Jaitley said it was a momentous occasion and a milestone for 'Make in India' as international majors made an entry into infrastructure creation in the country. "It is a win-win situation for all stakeholders. It will help in railways modernisation, boost economy of Bihar and create a favourable ecosystem for growth in the country," he said. Prabhu said with GM and Alstom coming into railways, it will create an atmosphere for manufacture of other items and ancillaries in the country. "The SMEs see a vertical and horizontal expansion. The spin-off benefits will be massive," he added.

## GST Bill: Government reaches out to opposition in winter session

Keen to pass key bills including GST, Government today reached out to Opposition ahead of an expected stormy week of winter session, saying the credit goes to both the ruling party and the Opposition if Parliament transacts business. Acknowledging that Opposition has the majority in Rajya Sabha, Parliamentary Affairs Minister Venkaiah Naidu flagged the importance of collaborative parliamentary democracy and expressed happiness over the relative calm in Parliament in the last three days of the session contrary to speculation. Sources said that the ruling alliance members have been asked "not to get provoked" and engage in unnecessary sparring with the Opposition as the government is keen to get through its pending legislative business. Thanking Opposition for "restoring normalcy in both the Houses and move forward", Naidu said that the functioning of Parliament so far comes as a relief to the people.

## RBI's efforts to bring down inflation credit positive: Moody's

Moody's Investors Service today said the Reserve Bank's efforts in bringing down inflation is credit positive for the country and hoped that the central bank will continue to remain vigilant in sticking to the target level. The high inflation, it added, has been a constraint on the credit profile of the country in the past and food price volatility makes India vulnerable to inflation spikes.

"The RBI's success in bringing inflation to within its targets is credit positive. Today's announcement supports our expectation that the central bank will remain vigilant to the risks to its targets," Moody's Investors Service Associate MD - Sovereign Risk Group, Atsi Sheth said. The RBI, in its fifth bi-monthly policy statement today, kept key policy rates unchanged and said it expects inflation to be 6% by Jan-15.

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Chartered Accountants  
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## Compliance Due Dates

Due Date	Related to	Particulars
06.12.2015 (Sunday)	<b>SERVICE TAX</b>	<b>Deposit Service Tax</b> for the month of <b>November 2015</b> for <b>Company Assesses</b> .
07.12.2015 (Monday)	<b>TDS/TCS (Income Tax)</b>	<b>Deposit TDS/TCS</b> for deductions/collections made during the month of <b>November 2015</b> .
15.12.2015 (Tuesday)	<b>EPF</b>	<b>Deposit PF</b> under Employees Provident Fund & Misc. Provision Act, 1952 deducted for the month of <b>November 2015</b> .
15.12.2015 (Tuesday)	<b>DVAT</b>	<b>Deposit tax deducted at source</b> under DVAT Act for the month of <b>November 2015</b>
15.12.2015 (Tuesday)	<b>Income Tax</b>	Deposit 3rd Installment of Advance Income Tax of Company Assessee and 2nd Installment of Advance Income Tax for Other than Company Assessee for Assessment Year 2016-17.
21.12.2015 (Monday)	<b>ESI</b>	<b>Deposit ESI</b> under Employees State Insurance Act, 1948 deducted for the month of <b>November 2015</b> .
21.12.2015 (Monday)	<b>DVAT</b>	<b>Deposit DVAT and CST</b> for the month ended <b>November 2015</b> .
22.12.2015 (Tuesday)	<b>TDS/TCS (Income Tax)</b>	<b>Issue TDS Certificate</b> for tax deducted under Section 194-IA in the month of <b>November, 2015</b>
22.12.2015 (Tuesday)	<b>DVAT</b>	<b>Issue TDS certificates</b> for the tax deducted at source <b>under Rule 59(2)</b> .
30.12.2015 (Wednesday)	<b>COMPANY LAW</b>	<ul style="list-style-type: none"> <li>• <b>File</b> Form AOC - 4 &amp; AOC - 4 (XBRL) for <b>Financial Statements</b> (Extended from November 30, 2015) of companies for the <b>FY 2014-15</b> with MCA</li> <li>• <b>File</b> MGT - 7 for <b>Annual Return</b> (Extended from November 30, 2015) of companies for the <b>FY 2014-15</b> with MCA</li> </ul>
31.12.2015 (Thursday)	<b>DVAT</b>	<b>File Online Form DP-1</b> (Dealer Profile) (extended from November 23, 2015).

### LIST OF HOLIDAYS

DATE	DAY	HOLIDAY
25.12.2015	Friday	Christmas Day

## Income Tax



### Clarification on interest earned by banks on investments in Non SLR Securities

CBDT, after accepting the Supreme Court Judgment in case of CIT vs. Nawanshahar Central Cooperative Bank Ltd., clarified that interest earned by banks on investments in “non-SLR” securities will be taxed only as “business income” and not as “income from other sources”. The Judgment of Supreme court was in the context of Cooperative societies/ Banks claiming deduction u/s 80P (2) (ia)(i) of the act but was applicable to all banks/ commercial banks to which banking regulation act, 1949.

### Constitution of Local Committees to deal with Taxpayers Grievances

CBDT has consequently set up a committee of high-ranking officials which will examine whether there is a prima-facie case of high-pitched assessment, non-observance of principles of natural justice, non-application of mind, gross negligence or lack of involvement of assessing officer. The Committee would take into consideration whether the principles of natural justice have been followed by the assessing officer. If it is established that unreasonable and high-pitched additions have been made by the assessing officer, a report would be sent to the Pr. CCIT by the Local Committee who will then take suitable administrative action against the Assessing Officer.

### Tolerance Range for Arm’s Length Price prescribed for Transfer Pricing cases of A.Y. 2015-16

Central Government has notified that variation between the arm length price determined u/s 92C and the price at which the international transaction or specified domestic transaction has actually been undertaken should not exceed more than 1% in case of wholesale trading and 3% in other cases.

Where “**Whole sale trading**” means an international transaction or specified domestic transaction of trading in goods, which fulfils the following conditions, namely:-

- (i) Purchase cost of finished goods is eighty percent or more of the total cost pertaining to such trading activities; and
- (ii) Average monthly closing inventory of such goods is ten percent or less of sales pertaining to such trading activities.

### Instruction to CCIT to monitor disposal of Applications u/s 12AA

CBDT has directed the Commissioner of Income Tax (Exemption) to strictly follow the time limit of six months while passing order u/s 12AA of the Act. The CCIT (Exemptions) may monitor the adherence of prescribed time limit and initiate suitable administrative action in case any laxity in adhering to the same is noticed.



**“The Hardest Thing in the world to understand is the Income Tax”**

**-Albert Einstein**

## Company Law



### Extension of Due Date of filing of Form AOC 4, AOC 4 XBRL & MGT 7

MCA has extended the Due Date of filing of Forms AOC 4, AOC 4 XBRL & MGT 7 by giving relaxation from payment of additional fee if these forms are filed by 30<sup>th</sup> December 2015.

**“NEVER HATE PEOPLE  
Who are jealous of you,  
But respect their jealousy.  
They are the people who  
think that you are better  
than them”**

## Service Tax



### Swachh Bharat Cess made applicable w.e.f. 15th November 2015

A new type of tax which was introduced in the Budget 2015, has been made applicable with effect from 15.11.2015. This Cess will be calculated on value of taxable services (in case of abatement, abated value) @ 0.5% and this cess shall not be leviable on services exempt from tax. This cess is paid in addition to 14% which is chargeable to taxable services.

Swachh Bharat cess (Minor Code) - 506

### Disposal of pending refund claims of service tax for exporters

A new scheme has been introduced by CBEC for disposal of Applications received till 31.03.2015 for refund of Service Tax from exporter registrants. Disposal of Application would include either sanction of refund or denial of refund as per adjudication order. To claim refund, a certificate would be required from statutory auditor in case of companies and from a chartered accountant in case of non-corporates. Assistant Commissioner/joint commissioner will make a provisional payment of 80% of amount claimed as refund, within five days of receipt of document.

Do not wait for your ship to come in  
**SWIM OUT TO IT**

unknown



## Lunawat Update



### Presentations

During November 2015, our partner CA. Rajesh Saluja gave following presentations:

- “Finance for Non-Finance Executive” at Volvo Eicher Limited, Indore.
- “Finance for Non-Finance Executive” at Yes Bank Limited, Mumbai.
- “Finance for Non-Finance Executive” at Bharti Infratel Limited, Bhubneshwar.

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### We also have ASSOCIATES at :

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Chandigarh, Udaipur, Vadodara,  
Bangalore, Cochin, Indore, Jodhpur,  
Jaipur, Bharatpur, Hyderabad,  
Jharsuguda, Panipat, Ranchi & Gha-  
ziabad.*

## Our Services

- Audit and Assurance
- International Taxation
- Indian Direct Tax Laws
- VAT/Sales Tax
- Service Tax
- Corporate Laws
- Limited Liability Partnership (LLP)
- NGOs/Societies and Trusts
- Compliance Audits
- Investigations
- Outsourcing Services
- Setting up Business in India
- Consulting Services
- Trainings
- Valuations
- XBRL
- Trade Marks

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