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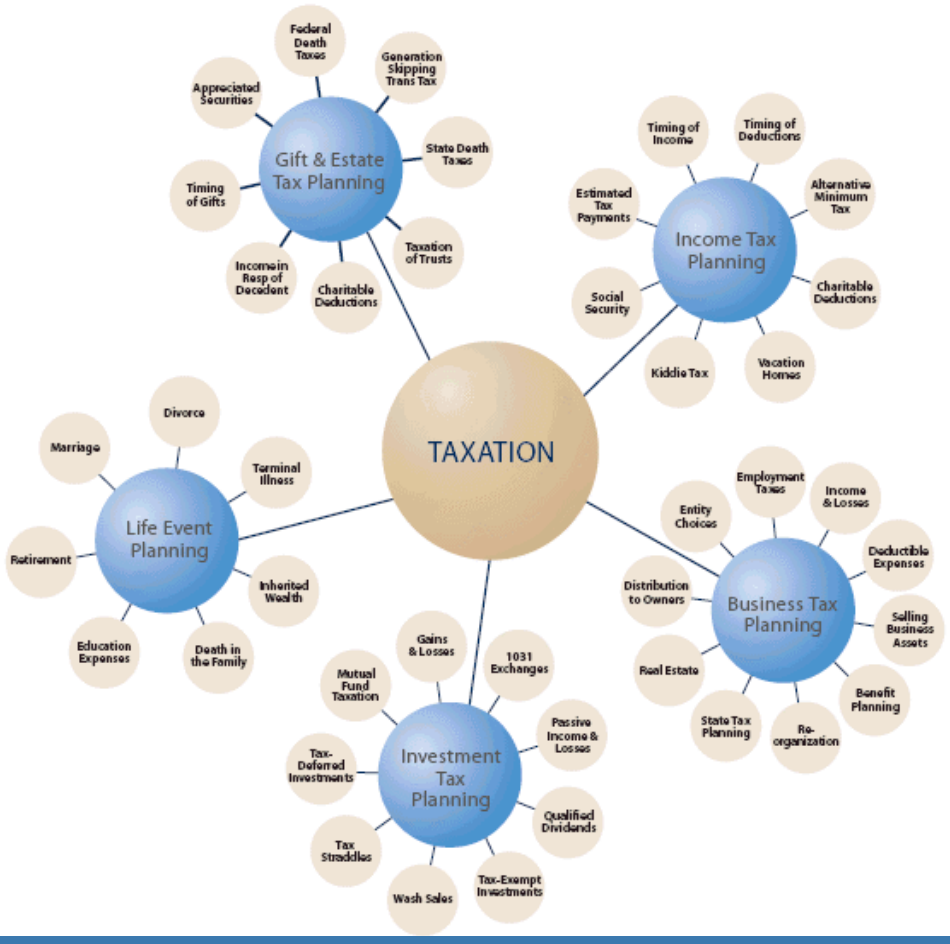

From the CEO's Desk

Dear Reader,

It is been one year that Mr. Narendra Modi was elected as our Prime Minister with an absolute majority. Now if we would analyze what has happened in this past year or rather what has changed in the economy and in the political environment of the country. According to the surveys conducted in various cities, there is a mix response on the parameters like inflation, corruption, economic reforms, and abolition of black money, job creation and overall governance as they were the key agendas on which election was won. In some cities people think that overall PM's stint has been satisfactory whereas in some cities people are not satisfied with the performance of the Government. But in nutshell if I summarize I would say that Mr. Modi does not have any magic wand, which he can swing and things would change like a fairy tale. He definitely has put India on the World Map as an economic power where people are projected as talented and progressive. And any revolution to happen, masses needs to participate. So, all of us should work together towards the growth as one nation and Mr. Modi assures that he would do everything to facilitate that momentum. FYI, he is been the first PM who has featured in the most influential people's list of Time magazine.

In a meet to discuss FDI for the B2C e-commerce headed by commerce and industry minister Smt. Nirmala Sitharaman saw a clear divide in opinion for allowing 100% FDI for the sector, between the Indian players and foreign counterparts. Where Amazon spokesperson said that opening up the sector would be good for consumers and Indian business as it will provide us to partner with local manufacturers and will support 'Make in India Vision'. But domestic e-tailing companies were concerned about that companies like Amazon would buy goods in bulk and sell them at discounted prices, which in turn would impact the marketplace model where independent sellers use their websites to reach out to customers. FYI, 100% FDI is allowed in B2B e-commerce space, which enables global retailers like Wal-Mart operate cash-and-carry business. So, the main concern remains to take care of any adverse impact on the growth of MSME's in the country.

Another setback for e-commerce sector can come in the form of GST, if implemented, for which Mr. Jaitley is quite adamant, which will increase their overall cost by 10-12% as they will have to pay tax even for unsold goods which are still lying in the warehouse and for any stock transfers too. So the need for working capital would also go up for the sector.

Have a great week ahead.
Best Wishes
Alok Kumar Agarwal
CEO
ASC Group.

TAX CALENDAR

Due Date	Compliances from 18/05/2015 to 24/05/2015
20th May	VAT/CST/WCT/ET Payment of Andhra Pradesh, Karnataka, Tamil Nadu, Uttar Pradesh, Uttarakhand, Manipur for the month of April
21st May	VAT/CST/ Entry Tax/ PT Payment for the month of April for Assam, Delhi, Maharashtra, Odisha, West Bengal, Nagaland, Meghalaya Payment of ESI for the month of April.,2015
22nd May	VAT/CST/WCT/ET Payment of Gujarat WCT Certificate Issue for the month of April,2015 for Delhi

Country Wide Holidays for the Week

Date	State	Occasion/Festival
20th May	Haryana, Himachal Pradesh	Maharana Pratap Jayanti
22nd May	Punjab	Martyrdom Day of Sri Guru Arjun Dev Ji

Index Guide

CENTRAL TAXES

SERVICE TAX

COURT DECISIONS

GAYATRI LAND LOSSERS MAJOOR SAHAKARI MANDLI LTD & 1 V/S UNION OF INDIA & 3(Gujarat HC)

BRIEF: The petitioner is a Society of the Members- Land Loosers Farmers who have belatedly filed the appeal. The Tribunal rejected the delay condonation application by impugned order by observing that the petitioner has not given any justifiable reason for filing the appeal belatedly.

OUR TAKE: In the above case, the **Hon'ble Gujarat High Court** held that it was true that the appellant ought to have and/or could have submitted elaborate reasons to justify the reason for filing the appeal belatedly. However, considering the fact that the petitioner original appellant is a Society of the Members- Land Looser Farmers and as such, there do not appear to be any mala fide intention in not filing the appeal within the period of limitation and/or filing the appeal belatedly.
The Registry has also been directed to pay/return the amount of Rs. 20,000/- earlier deposited by the petitioner.**[Delay condoned-Decided in favour of assessee]**

Same Decision was passed by the Gujarat High Court in the case of LUVARA LAND LOOSERS SAHAKARI MANDALI LTD & 1 V/S UNION OF INDIA & 3.

THE COMMISSIONER OF SERVICE TAX V/S M/S TANDUS FLOORING INDIA PVT LTD (Karnataka HC)

BRIEF: The respondent M/s. Tandus Flooring India Pvt. Ltd., is a wholly owned Indian subsidiary of M/s. Tandus Flooring Asia Pte Ltd., Singapore, which is a leading manufacturer of floor covering products. The respondent-Company was set up with the objective of strengthening and enhancing sales of its products to the Indian customers. It is to provide marketing and sales support for the distribution of floor covering or carpet manufactured outside India and sold to the customers in India by M/s. Tandus Flooring U.S. located in USA and M/s.Tandus Flooring China, located in China. Here two questions need to be answered:

1. **What would be the place of provision of the marketing and support services provided by Tandus India to Tandus US and Tandus China in terms of the Place of Provision of Service Rules 2012?**
2. **Whether the marketing and support services provided by Tandus India to Tandus US and Tandus China would qualify as export of taxable services under Rule 6A of the Service Tax Rules, 1994?**

OUR TAKE: In the above case, the **Hon'ble Karnataka High Court** states that earlier AAR had held service is not taxable in India. Accordingly no interference is called for with the order of the Authority which is impugned in this writ petition. All relevant material and circulars were placed before the Authority and the questions raised were answered in favour of the assessee on merits and also on the basis of the concession given by the Commissioner that the case of the respondent-Company was covered by the Circular of the Department dated 24.02.2009. The Commissioner cannot be permitted to now turn around and challenge the said order which was passed by the Authority on the basis of his own statement. Even on merits, what is being canvassed before this Court in the writ petition is something which was not raised before the Authority.**[Decided against Revenue]**

M/S. SUNDARAM INDUSTRIES LTD. (RUBBER FACTORY) V/S THE DEPARTMENT OF CENTRAL EXCISE(Madras HC)

BRIEF: This Writ Petition has been filed challenging the impugned communication dated 01.04.2015 issued by the respondent and consequential direction to the respondent to refund the sum of Rs. 15,00,000/- (Rupees Fifteen Lakhs only) towards the payments wrongly made by the petitioner in Assessee Code AABCS5320JXM001 or in the alternative to allow credit of the payment in Assessee Code AABCS5320JXM001 or in the alternative to allow credit of the payment in favour of the petitioner.

OUR TAKE: In the above case, the **Hon'ble Madras High Court** held that while making e-payment, the petitioner company has wrongly mentioned its assessee code as AABCS5320JXM001 instead of AABCS5320HXM001 wherein one letter viz., "J" has been wrongly mentioned instead of "H". Therefore, the department has given credit of the said amount from the company which has the assessee code as AABCS5320JXM001 which is not in existence as of now. Apart from that, admittedly, the petitioner has made the payment twice. In view of the above said position, the petitioner is entitled to get refund of the payment wrongly made on 06.11.2014.**[Decided in favour of assessee]**

CENTRAL EXCISE

COURT DECISIONS

COMMISSIONER OF CENTRAL EXCISE, JAIPURI V/S M/S. JVS FOODS PVT LTD(Supreme Court)

BRIEF: The respondent herein is a 100% Export Oriented Unit and is engaged in the manufacture of nutritious food (product) falling under subheading1901.10 of the Central Excise Tariff Act, 1985. During the period from 13.3.2000 to 17.4.2001 it had supplied the aforesaid product to the Govt. of Rajasthan under the World Food Programme project. In terms of paras 9.10 and 9.26 of the Exim Policy when the aforesaid food products are supplied to the weaker sections of the society free of cost, there is no excise duty payable thereon subject to the production of certificates from the concerned authorities. The appellant authorities, however, issued SCN demanding excise duty on the ground that certificates that were required in this behalf could not be produced.

OUR TAKE: In the above case the **Hon'ble Supreme Court** held that the required certificates were duly produced and the Tribunal had taken note of and discussed those certificates in the impugned order. On the basis of this, it is clear that assessee had in fact distributed the goods free of cost to the economically weaker sections of the society. Thus, there is no liability to pay excise duty on the part of the assessee. **[Decided against Revenue]**

M/S PHAARMASIA LTD. V/S COMMISSIONER OF CENTRAL EXCISE, HYDERABAD(Supreme Court)

BRIEF: The appellant had been doing the job work for M/s. Procter & Gamble Hygiene & Healthcare Limited. Raw material for this purpose was to be supplied by P&G. The appellant had been filing price declarations under Rule 173C of the Central Excise Rules for the said goods declaring the assessable value based on cost of raw materials supplied by P&G along with processing/conversion charges received from P&G. At the end of each accounting year on finalisation of cost sheet for each of the products by P&G, the appellant was adopting the revised prices as calculated from cost sheet and discharging its duty liability accordingly. The Dept. undertook the scrutiny of cost sheet and noticed that the appellant was not taking into consideration the "other works overhead" element in arriving at the assessable value though according to the Dept. it formed part of the costing element of 'conversion cost' shown in the costing report. Thus a SCN was issued.

OUR TAKE: In the above case, the **Hon'ble Supreme Court** held that the assessed not contesting the Dept.'s order that the 'other works overhead' should have been calculated in the cost is no cause to not invoke the extended period of limitation. It is the appellant which had worked out the final costing and it is the chartered accountant of the appellant which had prepared the said costing and submitted to the Department. Since, the element of other work over head was not made known to the department, the assessed is accused of suppressing the facts with intent to evade payment of duty. Hence, the assessee cannot plead innocence and the invoking of proviso to section 11A(1) is justified.**[Decided against assessee]**

COMMMISSIONER OF CENTRAL EXCISE, TRICHY V/S M/S. NEYCER INDIA LTD.(Supreme Court)

BRIEF: The Revenue wanted to add the value of Handle assembly, Ball valve assembly, over flow assembly, Syphon assembly, etc. while arriving at the valuation of the flushing cisterns manufactured by the respondent.

OUR TAKE: In the above case the **Hon'ble Supreme Court** held that it was an admitted position that the aforesaid fittings were not manufactured by the assessee. It was also an admitted position that the assessee supplied the same to those buyers only who asked for them and in such a situation the assessee bought the aforesaid components from the market and supplied to the buyers at their option. Thus, the **Hon'ble Supreme Court seconded** the decision of the **CESTAT** where the Revenue's appeal to add the value of the aforesaid components was declined. **[Decided against Revenue]**

COMMISSIONER OF CENTRAL EXCISE, JAIPUR V/S M/S. NATIONAL ENGG. INDUSTRIES (Supreme Court)

BRIEF: The assessee is engaged in the manufacture of Ball and Taper-Rollers Bearings falling under Chapter Heading no.84.82 of the Schedule to the Central Excise Tariff Act, 1985. It had availed sales tax benefits in the sense that the sales tax was paid at concessional rates under the sales tax incentive scheme which was floated by the State of Rajasthan. The question arose as to whether the benefit of sales tax which was availed by the respondent would be included while fixing the value of the product for the purpose of payment of excise duty.
In these appeals the period involved is from 1st April 1998 to 31st March, 2002.

OUR TAKE: In the above case the **Hon'ble Supreme Court** held that assessee would be entitled to claim deductions towards sales tax from the assessable value of the sales tax which is retained by the assessee. This position had changed

after the amendment in Section 4 w.e.f. 1.7.2000 after which in arriving 'transaction value' the said sales tax benefit which was retained by the assessee, would be included while fixing the 'transaction value'.
Thus, for the period up to 1.7.2000 case has to be decided in favour of the assessee and for the period from 1.7.2000 the benefit availed under the sales tax has to be included while arriving at the transaction value. Following the decision of the**Hon'ble Supreme Court** in the case of **Commissioner of Central Excise, Jaipur-II vs Super Synotex India Limited (2014).[Decided against Revenue]**

COMMNR. OF CENTRAL EXCISE, PUNE-II V/S M/S. PETHE BRAKE MOTORS PVT. LTD.(Supreme Court)

BRIEF: The assessee is an SSI unit. However, it was denied exemption from excise duty admissible under Notification No.1/93CE dated 28.2.1993 on the ground that it was using branded name of another person and therefore in terms of para 4 of the said Notification, assessee was not entitled to the exemption.

OUR TAKE: In the above case the **Humble Supreme Court** held that finding of fact is recorded by the Tribunal in the impugned judgment that the assessee was not using the brand name of another person and that the name used was the surname of the Director of the assesse, viz., **'PETHE'.** This finding of fact clearly means that the case does not fall within the mischief of para 4 of the aforesaid Notification No.1/93.**[Decided against Revenue]**

CUSTOMS

COURT DECISIONS

COMMISSIONER OF CUSTOMS (IMPORT), RAIGAD V/S M/S. FINACORD CHEMICALS (P) LTD & OTHERS (Supreme Court)

BRIEF: The respondents herein imported containers of alcohol under the description "Undenatured Ethyl Alcohol' from an intermediary. The Dept. claims that these imports were under invoiced. Thus a SCN was issued demanding duty and penalty, alleging that the correct transaction value was much higher and that the goods were imported against invalid licenses.

OUR TAKE: In the above case the **Hon'ble Supreme Court** held that the invoices were produced showing the purchase price of the goods and the authenticity of the invoices were not doubted by the Dept. These would form the primary evidence in support of the contention of the respondents. Thus there was no flaw on the part of the respondents. Accordingly, the Supreme Court seconded the decision of the CESTAT.**[Decided against Revenue]**

COMMISSIONER OF CUSTOMS (GENERAL) MUMBAI V/S M/S RELIANCE INDUSTRIES LTD.(Supreme Court)

BRIEF: The following issues need to be answered:

1. **Whether concessional rate of duty applicable to Project imports will be available to import of PTA Plant and Paraxylene Plant and goods imported under OGL?**
2. **Whether know how fee of US $ 24.60 million or any part thereof is required to be included in the assessable value of the imported equipments?**

OUR TAKE: In the above case the **Hon'ble Supreme Court** held that the benefit of project import regulations is available to PTA plant and Paraxylene Plant and goods imported under OGL. However, for want of adequate material the question of includibility of know-how fees in the assessable value of imports is remitted to the Commissioner for revaluation.**[Decided against Revenue]**

M/S MILLIARD LOGISTICS PVT LTD V/SCOMMISSIONER OF CUSTOMS (GENERAL) , MUMBAI (CESTAT Mumbai)

BRIEF: The appellant a Customs Broker/CHA filed BOE No. 3609751 dated 22.10.2013 on behalf of the importer M/s R.N. Trading for clearance of assorted soft drinks, chocolates, baked beans, vinegar, etc. The BOE was registered on 8.11.2013 and was presented for examination on 11.11.2013 by the employee of the appellant along with NOC from 'Food Safety & Standard Authority of India'. The Customs Authorities found that the NOCs produced were forged or bogus and thus seized the goods. The appellant CHA was prohibited for the alleged occurrence.

OUR TAKE: In the above case, the **Hon'ble CESTAT Mumbai** held that there was no finding as to the involvement of either staff or the management of the CHA firm in the whole episode of submission of improper NOC. Due to the impugned order the appellant was suffering both financially and loss of goodwill and loss of livelihood for the management and its employees. The CHA is nowhere associated in the forgery done by the importer. There isn't any alleged loss of the Revenue nor there are any reasons requiring prohibition of the appellant Customs Broker for carrying on his business. Hence, the Customs Broker would be entitled to carry on their work as Customs Broker with immediate effect. **[Decided in favour of assessee]**

INCOME TAX

NOTIFICATIONS & CIRCULARS

SCHEME FOR SECTION 80-IA

The **CBDT vide Notification No. 44/2015 dated 8th May 2015** hereby notifies the undertaking named **"Dosti Pinnacle" of M/s Dosti Corporation (Pinnacle)** placed at **Plot No.E-7, MIDC, Road No.22, Wagle Industrial Area, Panchpakhdi, Thane (West), Maharashtra** for the purposes of **clause (iii) of 80IA (4)** subject to the terms and conditions mentioned in the annexure to the notification.

OUR TAKE: The notification is self-explanatory. Readers are requested t6o go through the same for further information.

IMPOSITION OF MINIMUM ALTERNATE TAX (MAT) ON FOREIGN COMPANIES PARTICULARLY FIIs

The **CBDT vide Circular dated 11th May 2015 hereby informs that the** Finance Minister has announced constitution of a Committee headed by Justice A.P. Shah to look into inter alia, the issue of MAT on FIIs. The Committee is expected to give its report on this issue expeditiously.

In the light of FM's announcement, no coercive action be taken for recovery of demand already raised by invoking provisions of MAT in the cases for foreign companies. Issue of fresh notices for reopening of cases and also completion of assessment should also be put on hold unless the case is getting barred by limitation.

OUR TAKE: For matters involving **Minimum Alternate Tax on FIIs**, it is made clear that no issue of fresh notices shall be made for reopening of cases or for completion of assessments until and unless the case is getting time barred by such limitation.

PROCEDURE FOR RESPONSE TO ARREAR DEMAND BY TAXPAYER AND VERIFICATION AND CORRECTION DEMAND BY AOs

The **CBDT vide Circular No. 08/2015 dated 14th May 2015** hereby prescribes the Operating Procedure for Verification and Correction of Demand available or uploaded by AOs in CPC Demand Portal. Taxpayers can provide online responses to such demands on the e-filing website ***www.incometaxidiaefiling.gov.in***

OUR TAKE: The detailed procedure for filing a response to the Outstanding Tax Demand is substantiated. Taxpayer must select the appropriate option and provide suitable reasons for the same. Taxpayers can avail this facility by going through the detailed procedure as stated in the circular.

COURT DECISIONS

COMMISSIONER OF INCOME TAX, KERALA V/S M/S. TRAVANCORE SUGARS & CHEMICALS LTD.(Supreme Court)

BRIEF:The main issue here is whether the outstanding vend fee payable to the Government of Kerala as on the last day of the accounting year shall be disallowed u/s 43 B of the Income Tax Act? ["Vend Fees" is a fee payable to the Govt. of Kerala by the sugar mills which would later on be used for the repairs and replacement of old machinery and equipment in these mills)

OUR TAKE: In the above case, the **Hon'ble Supreme Court** held that even if the vend fee that is payable by the respondent to the State does not directly fall within the expression 'fee' contained in Section 43B(a), it would be a 'fee' by 'whatever name called', even though it is a 'privilege'. Section 43B clearly states that any sum that is payable whether it is called tax, duty, cess or fee or called by some other name becomes a deduction allowable under the said Section provided that in the previous year, relevant to the assessment year, such sum should be actually paid by the assessee. Thus, the same would be allowable to the assessee on payment basis. However, when the respondent has actually paid the aforesaid fee in a previous year relevant to some other assessment year, he will be entitled to claim the benefit of Section 43B for that particular assessment year in accordance with law. **[Decided in favour of Revenue]**

THE COMMISSIONER OF INCOME-TAX V/S ALCATEL LUCENT CANADA(DelhiHC)

BRIEF: The Revenue claims that income from supply of software embedded in the hardware equipment or otherwise to customers in India amounts to royalty under Section 9(1)(vi) of the Income Tax Act and under Article 13(3) of the Double Taxation Avoidance Agreement (DTAA).

OUR TAKE: In the above case, the **Hon'ble Delhi High Court** held that what was sold by the assessee to the Indian customers was a GSM which consisted both of the hardware as well as the software. The software supply that was loaded on the hardware did not have any independent existence, was an integral part of the GSM mobile telephone system and is used by the cellular operator for providing the cellular services to its customers. The Revenue could not assess the same under two different articles. Following the decision of the Supreme court in the case of TATA Consultancy Services Vs. State of Andhra Pradesh where it was held that software which is incorporated on a

media would be goods and, therefore, liable to sales tax.**[Decided in favour of assessee]**

STATE TAXES

ANDHRA PRADESH

The **Govt. of Andhra Pradesh vide Notification G.O.MS.No. 158dated 11th May 2015** has amended **Schedule-IV Sl No.9** whereby the "Bamboos, Cane (Rattan), Casuarina poles, eucalyptus logs and cut sizes thereof" shall be substituted with the words **"Bamboos, Cane (Rattan), Casuarina poles, Subabul, eucalyptus logs and cut sizes thereof''**.

OUR TAKE: This means that there has been a reduction in the tax rate on **Subabul** from **14.5% to 5%.**

Also vide **Circular No. Enft/E3/422/2015 dated 6th May 2015**the Dept. hasdecided to exempt the **Public Sector Oil Companies** namely **IOCL, HPCL and BOCL** from mandatory usage of e-Waybills provided the goods vehicles are covered by Invoices/ Delivery Challans pre-printed with the logos of the OMCs.

OUR TAKE: The PSU Oil Companies have been exempted from the mandatory usage of e-Waybills for inter-state movement of incoming and outgoing goods vehicles.

UTTARAKHAND

The **Govt. of Uttarakhand vide NotificationNo. 413/2015/141(120)/XXVII (8)/2008dated 8thMay 2015** amends the entry at Sl No.1 of Schedule- III namely:

Sl. No.	Description of goods	Point of Tax	Rate of tax percentage
1.	(a) Spirits and spirituous liquors of all kinds including Methyl Alcohol, Alcohol as defined under the United Provinces Sales of Motor Spirit, Diesel oil and Alcohol Taxation Act, 1939 but excluding country liquors and "wine, manufactured from fruits produced in Uttarakhand state"	M or I	20 %
	(b) Country liquors	M or I	10%

OUR TAKE: The notification is self-explanatory.

WEST BENGAL

The **Govt. of West Bengal vide Trade Circular No. 05/2015 dated 11th May 2015** it is informed that Post-Assessment Refunds which remain pending till date shall be disposed off within September, 2015. To expedite the disposals, Commercial Tax Directorate has deployed an online application in the Dealers' Profile where the dealers can submit information about post-assessment refund cases pending till date. The required link is ***http://egov.wbcomtax.gov.in/DealerProfile/postAssmentRefund.htm***
After submission of the information, the dealer should take a print out of the acknowledgement and submit it before the respective assessing authority along with the order(s) reference of which is given in the submitted information. The dealer should complete the process latest by 31st May, 2015 to avail the opportunity of getting refund by September, 2015.

OUR TAKE: Please refer the circular for further information.

Also, vide **Trade Circular No. 06/2015dated 13th May 2015**, the Dept. shall grant registration under the WBVAT Act, 2003, WBST Act, 1994, WBTEGLA Act, 2012 and CST Act, 1956 to applicant dealers who produce proof of having filed the **application for issue of trade licence** to the local authority. The licence, when issued, will have to be produced before the appropriate assessing authority.

OUR TAKE: This means that there will be grant of registration under the WBVAT Act, 2003, WBST Act, 1994, WBTEGLA Act, 2012 and CST Act, 1956, to the dealers who have applied for Trade Licence on the basis of the application made for issue of such trade licence.

Also, vide **Trade Circular No. 07/2015 dated 13th May 2015** has stated a procedure for adjustment of **Cash Security Paid by Dealers at the Time of Registration.**
Following is the procedure:

1. Dealer manually applies for adjustment of security at Charge Office;
2. Assessing Authority verifies all necessary documents to his/her satisfaction and issues a Refund Adjustment Order (RAO) to the dealer equal to the amount paid by the dealer as cash security at the time of registration or the amount which remains after forfeiture, if any;
3. Dealer then adjusts the RAO against the amount of tax, interest and late fee payable according to return or

successive returns which is or are due immediately after the issue of RAO.

OUR TAKE: This means that a dealer who has paid any amount as security as prescribed by the West Bengal Value Added Tax Act, 2003 at the time of registration shall be eligible to adjust such amount from the returns for the quarter ending 30.06.2015 (i.e. returns falling due on 01.07.2015).

RAJASTHAN

The **Govt. of Rajasthan vide ORDER dated 12th May 2015 hereby directs** to grant refund of excess of input tax over output tax to such dealers whose turnover of inter-State sales in the previous year was more than 50% of total turnover, in the manner as provided hereunder, within thirty days of filing of application in this regard.

Manner for Early refund:

1. That Such dealer shall submit an application in Form VAT-20A electronically through the official web-site of the Department, in the manner as provided therein, after submission of quarterly return in Form VAT-10 completed in all respect.
2. The assessing authority, on receipt of such application shall verify the facts and deposit of tax, as provided in section 53 of the Act.
3. The claim of concessional rate of tax shall be allowed to the extent of the declaration forms furnished by the dealer up to the time of issuance of order by assessing authority for early refund.
4. The assessing authority shall verify the claim of input tax credit in the manner as provided in circular No.F.26(197)ACCT/MEA/ 2013/235 (S.No.3124) dated 19-06-2014, as amended from time to time.
5. The assessing authority after having been satisfied with the genuineness of the transactions and the relevant documents, shall dispose of the application for the claim of early refunds within a period of 30 days from the date of submitting completed application.
6. Where the requested refund is disallowed or allowed partially the assessing authority shall pass a speaking order after affording an opportunity of being heard to the dealer or his authorized representative before passing such order.
7. Where the refund in part or in full is allowed, he shall issue refund order to the applicant in the manner specified under the Rajasthan Value Added Tax Rules, 2006.
8. Subsequent to the passing of such order, if it is found that refund was granted in excess of the actual refund due, such excess refunded amount shall be recovered as if it is a tax due from the dealer under this Act and the interest on such tax shall be charged at the rate notified by the State Government, under section 55 of the RVAT Act, 2003 for the period from the date of grant of refund, till the date this amount is paid in the Government treasury.

OUR TAKE: Readers are requested to go through the circular for more information.

OTHER UPDATES

MCA

AMENDMENT OF PROVISIONS REGARDING ONE PERSON COMPANY

The **MCA vide Notification dated 1st May 2015** has inserted Rule 7A in the Companies (incorporation Rules), 2014 and has omitted Rule 5 whereby the penalty for contravention of these rules by a One Person Company is reduced from the existing "ten thousand rupees and with a further fine which may extend to one thousand rupees for every day after the first during which such contravention continues" to **"five thousand rupees and with a further fine which may extend to five hundred rupees for every day after the first offence during which such contravention continues".**

Also, the provision of **converting a private company to One Person Company in Rule7(1) of the Companies (Incorporation) Rules 2014**has been changed from the existing "having paid up share capital of fifty lakhs rupees or less **or** average annual turnover" to "having paid up share capital of fifty lakhs rupees or less **and** average annual turnover".

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