



# ASC Times

All India Taxes Weekly Referencer

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Solving  
any **tax**  
puzzle

Tax saving advice  
across all the taxes



## From the CEO's Desk



Hi All,

First thing, an update on GST. Friday, April 24 was the day when parliament was abuzz with the discussion on the most talked about GST. Though the opposition played a spoilsport by resisting the bill led by Ms. Sonia Gandhi, finance minister Mr. Jaitley said that it is a "win-win situation" for both, Centre and States. He also said that all the implementation related problems would soon be rectified. The main resistance came from some of the states that are major producers of goods and services, and may witness a drop in revenues as their share in the GST collection may not be enough to offset the loss from doing away with state levies. But Mr. Jaitley rejected most of the criticism by saying that GST bill is the most extensively debated bill for almost 12 years now, and promised adequate compensation for affected states. He said that timeline to implement GST was 2016 and the Government will try hard to stick to it. He also added that if GST will be implemented, India's GDP in turn can increase up to 2%.

Mergers & Acquisitions is the way when companies grow inorganically. There are companies who don't shy away from M&A like most of the Indian E-commerce companies, who are acquiring more and more firms to increase the database and market share. One can enjoy synergy gained from M&A and use economies of scale. Snapdeal and Flipkart so far had been the biggest. Infosys announced one such M&A on Friday who has acquired US-based digital experience provider Kallidus whose founder is former Microsoft employee for an all cash deal for \$120 million (RS. 756 Crore). This is the second big acquisition by Infosys in less than two months, which is otherwise a conservative firm for acquisitions. Keeping in mind the importance of M&A, we at ASC through our legal vertical provide all the services related to M&A and also demergers.

The Central Board of Direct Taxes (CBDT) will name the FII's in a circular who will be liable to pay MAT. MAT is a tax payable by companies, which, because of

exemptions, are able to show a very low taxable income. The idea behind the initiative by the IT department is based on the reasoning that since FII's did not pay any tax, they will be eligible to pay MAT on a retrospective basis. Since November, last year, the IT department has issued about 68 notices to FII's asking them to pay MAT on retrospective basis even if they were eligible for zero capital gains tax. According to tax practitioners the initiative will bring clarity about FII investment in India.

Alok Kumar Agarwal  
CEO  
ASC Group

## TAX CALENDAR

| Date       | State  | Occasion/Festival                      |
|------------|--|--|
| 27th April | Bihar, Assam, Karnataka, Goa, Kerala, Manipur, | Janki Nabami                           |
| 1st May    | Punjab, TamilNadu, Tripura, Maharashtra        | May Day, Maharashtra Din               |
| 3rd May    | Sikkim Uttar Pradesh                           | Sakewa Birthday of Mohammad Hajrat Ali |

## Country Wide Holidays for the Week

| Due Date | Compliances from 27/04/2015 to 03/05/2015  |
|----------|--|
| 28th     | WCT Return for Delhi   |
| 30th     | VAT/CST/ET/PT Payment for all states   |
| 30th     | VAT/CST/ET Returns for Gujarat, Haryana, Madhya Pradesh, West Bengal, Sikkim, Tripura, Nagaland, Mizoram, Himachal Pradesh, Jammu & Kashmir, Goa |

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# CENTRAL TAXES

## SERVICE TAX

### COURT DECISIONS

#### COMMISSIONER OF CENTRAL EXCISE AND SERVICE TAX V/S M/S. RANE TRW STEERING SYSTEMS LTD. (MadrasHC)

**BRIEF:** The assessee is a manufacturer of parts of power steering systems, test bench and parts of test bench falling under Chapters 87 and 90 of the first schedule to the Central Excise Tariff Act, 1985. In terms of the Cenvat Credit Rules, 2004, the assessee is availing credit of duty paid on various inputs and capital goods. The assessee had availed credit of service tax paid on housekeeping and gardening services. Since the assessee was not eligible to avail credit of service tax on these services, a SCN was issued by the Deputy Commissioner of Central Excise, Tiruchirappalli II Division, proposing to recover credit of Rs.3,30,486/-. After due adjudication, the Deputy Commissioner disallowed the credit and also imposed penalty.

**OUR TAKE:** In the above case, the Hon'ble Madras High Court held that the employer spent money to maintain their factory premises in an eco-friendly manner. There is a statutory obligation on the employer to comply with the Environment Law and the concept of Corporate Social Responsibility is also relevant. Therefore, the tax paid on such services would form part of the cost of the final products and the same would fall within the ambit of "input services" of Rule 2 (I) of the Cenvat Credit Rules. Thus, the assessee was entitled to claim the benefit. Following the decision of Karnataka High Court in the case of Millipore India Pvt. Ltd. case (2011), the appeal was dismissed. [Decided against Revenue]

#### M/S. KASHYAP PUBLICATIONS PVT LTD V/S COMMISSIONER OF CENTRAL EXCISE & SERVICE TAX, INDORE (CESTAT New Delhi)

**BRIEF:** The appellant is a manufacturer of excisable goods and they are availing GTA services but they are not paying service tax on reverse charge mechanism. Later on, they took registration on 3.1.2012 and started paying service tax on GTA services on reverse charge mechanism. Investigation was conducted on 8.2.12 and it was found that during the period 2007 to 2012, the appellant has not paid Service tax under reverse charge mechanism on GTA

services. Therefore, SCN was issued to demand service tax along with interest and penalties u/s 70, 78, and 77 were imposed. The appellant paid the penalty u/s 78 also but is contesting the penalties imposed u/s 70 and 77 of the Act.

**OUR TAKE:** In the above case, the Hon'ble CESTAT New Delhi held that it was an admitted fact that on 13.1.12 appellant took registration and paid service tax along with interest not only for the period in question but for 2006 also. This showed that the appellant were under the bonafide belief that they were not liable to pay service tax under reverse charge mechanism as GTA. In such circumstances, penalties were not imposable on the appellant. Further since the appellant was not contesting the penalty imposed u/s 78 of the Act, therefore the benefit of this order would not be available for the penalty imposed u/s 78 of the Act and hence only the penalties imposed on the appellant u/s 70 and 77 were set aside. [Decided in favour of assessee]

#### M/S EXL SERVICE SEZ BPO SOLUTIONS PVT LTD. V/S COMMISSIONER OF CENTRAL EXCISE & ST, NOIDA (CESTAT New Delhi)

**BRIEF:** The appellant is located in two SEZs. They sought approval and applied for the same on 10.6.2010. The approval came on 23.2.2011. They have filed the refund claim 22.2.2011 for the period from July, 2010 to September, 2010. SCN was issued that the appellant has not fulfilled the conditions of notification No. 9/09. Therefore, refund claim filed by the applicant is sought to be denied. It was held that refund claim has been filed beyond the prescribed time period in the said notification and services of CHA and scientific engineering services are not the approved services, therefore, appellant was not entitled to claim the refund claim.

**OUR TAKE:** In the above case, the Hon'ble CESTAT New Delhi held that as per section 11 B of the Act, the appellant was entitled to claim the refund of services received in SEZ. It was further found that for the subsequent period in appellant's own case, refund claim was allowed holding refund claim filed within the time and the services received in SEZ is entitled to claim refund as the service tax has been paid. Thus, in view of the same, appellant was entitled to refund claim on both the issues relying on the decisions of the Hon'ble CESTAT in the case of Tata Consultancy Service Ltd. (2012-CESTAT MUMBAI). Accordingly, the impugned order was set aside. [Decided in favour of assessee]

## CENTRAL EXCISE

### COURT DECISIONS

#### COMMISSIONER OF CENTRAL EXCISE, AHMEDABAD V/S M/S. ASARWA MILLS AND OTHERS, M/S. ASOKA SPINTEX LTD AND OTHERS (Supreme Court)

**BRIEF:** The respondents are engaged in the manufacturing of yarn and fabrics. The yarn was captively consumed in the manufacture of fabrics. They were paying duty on the yarn at the spindle stage on the basis of cost of construction arrived at u/r 6(b)(ii) of the Central Excise (Valuation) Rules, 1975. Dept. states that the correct value of the captively consumed yarn was much lower than the value arrived at on the basis of Cost Audit Report. On investigation, it was found that the value of administrative overheads, bonus, gratuity, etc was not included in the assessable value of the yarn. SCNs were issued demanding service tax, interest and penalty.

**OUR TAKE:** In the above case the Hon'ble Supreme Court held that as per clarification issued by CBEC on 30.10.1996 certain steps are to be taken for the purposes of calculation of value of goods captively consumed u/r 6(b)(ii) of Central Excise (Valuation) Rules, 1975, it was clarified that the cost of material, labour cost and overheads including administrative cost, advertising expenses, depreciation, interest, etc., would be included in the cost of production but this was made applicable for the first time from October 1996. The period in dispute is prior to October, 1996, i.e., April, 1994 to September, 1996. Therefore the respondent did not make any misdeclaration to avoid payment of excise duty. Hence, the demands were set aside. [Decided against Revenue]

#### COMMISSIONER OF CENTRAL EXCISE, INDORE V/S M/S. SK. INDUSTRIES (Supreme Court)

**BRIEF:** Respondents herein are engaged in the manufacture of Milk N Nut besides other products. It has been claiming the classification of the aforesaid product under Chapter Heading No.2001.10 as preparation of vegetable, fruits, nuts and parts of plants. It is a matter of common knowledge that those products falling under Chapter Heading 2001.10 attract nil rate of excise duty. On a perception that the aforesaid product should be treated as "sugar confectionery" and be classified under Chapter Heading 1704.90, SCN was issued to the respondents.

**OUR TAKE:** In the above case, the Hon'ble Supreme Court seconded the decision taken by all the three authorities- Assistant Commissioner, Commissioner (Appeal) and the CESTAT where it was held that the product was obtained from preparation of vegetables, fruits, nuts and parts of

plants and therefore classified under Chapter Heading 2001.10. Thus, it could not be treated as sugar confectionery. [Decided against Revenue]

#### COMMISSIONER OF CENTRAL EXCISE, VADODARA V/S M/S ALEMBIC CHEMICAL WORKS CO. LTD. (Supreme Court)

**BRIEF:** The assessee is the manufacturer of various medicines and products including the product called 'Strepto Pencillin Injection' which falls under Chapter Heading No. 2941.10 of the Schedule to the Central Excise Tariff Act, 1985 (in short 'the Act'). The assessee had been claiming benefit of excise duty under Notification No.8 /95 dated 9.2.95 and on the application thereof the concessional rate of duty @ 10% is payable. SCNs were issued alleging that the respondent was not entitled to concessional rate of duty under the aforesaid Notification on the ground that the aforesaid product is combination of streptomycin and penicillin.

**OUR TAKE:** In the above case the Hon'ble Supreme Court held that on reading the definition of 'formulations' it was found that even if one of the bulk drugs mentioned was included in the formulation that would satisfy the definition of 'formulations'. Hence, the stand taken by the assessee was correct. As per the definition, even if the formulation is processed out of or containing one bulk product the condition of Notification stands satisfied. Therefore, there was no error in the order passed by the CESTAT. [Decided against Revenue]

#### COMMISSIONER OF CENTRAL EXCISE, BANGALORE V/S M/S. ARACO AUTOMATIVE INDIA PVT. LTD. (KARNATAKA HC)

**BRIEF:** The assessee is the manufacturer of seats, parts and accessories of Motor Vehicles, car mats, etc. The assessee had discharged the duty payable in terms of Rule 9 read with Rule 173G 1(a) of the Central Excise Rules, 1944. Due to escalation of price of the goods, the assessee discharged the differential duty on the escalation charges but failed to pay the interest thereof. A SCN was issued demanding interest for the period from the date of clearance to the date of discharging differential duty.

**OUR TAKE:** In the above case the Hon'ble Karnataka High Court held that law was amended by inserting Section 11AA in Central Excise Act where the provision for interest payment was made. This provision was prospective in nature and had no application whatsoever to the period prior to 08.04.2011, which is the subject matter of the appeal. Thus, it was rightly pointed out by the CESTAT that there was no provision of levying of interest on duty paid. Appeal of the Revenue was therefore dismissed. [Decided against Revenue]



## CUSTOMS

### COURT DECISIONS

**M/S CHALISSERY KIRANA MERCHANT V/S UNION OF INDIA, THE DEPUTY COMMISSIONER OF CUSTOMS (SIIB)(Kerala HC)**

**BRIEF:** The petitioner, who had imported a consignment of arecanut from Pakistan, had sought clearance of the consignment at the concessional rate of duty, as applicable to imports effected under the South Asian Free Trade Area Agreement (for short, 'SAFTA'). The respondent Customs authorities, however, found certain gunny bags in the containers that were imported by the petitioner, which gave rise to a suspicion that the goods in question could be of Indonesian origin, and not of Pakistani origin as declared for the purposes of claiming the concessional rate of duty. Under those circumstances, when the petitioner sought a release of the goods, the respondents permitted only a provisional release on compliance with the conditions in Ext.P12 notice that was issued to the petitioner. The said conditions read as follows:

1. Execution of bond for Assessable Value;
2. Payment of duty in terms of SAFTA Notification;
3. Payment of 20% of differential duty [on tariff rate];
4. Cash deposit/BG from a Nationalized Bank towards remaining portion of differential duty.

**OUR TAKE:** In the above case the **Hon'ble Kerala High Court** held that imports in question were affected after complying with the procedural requirements of the SAFTA notification, which enabled the petitioner to claim clearance of the goods at concessional rate of duty. The relevant documents, such as the certificate of origin issued by the Karachi Chamber of Commerce and Industry/Trade Development Authority of Pakistan, and the invoice that accompanied the consignment, clearly indicated that the goods were of Pakistani origin. However, since there has been a suspicion because of the gunny bags, goods can be permitted a provisional clearance on the petitioner executing a bond for the assessable value, paying duty on the consignment in terms of the SAFTA notification, and paying 35% of the differential duty (on tariff rate) in respect of the consignment that has been imported. The petitioner shall also furnish a bond, without any surety or security, in favour of the respondents towards the remaining portion of the differential duty. Once the compliances are fulfilled, the consignment of goods shall be released without any delay. **[Decided conditionally in favour of assessee]**

**COMMISSIONER OF CUSTOMS (EXPORTS), CHENNAI V/S AKBAR KNITTING COMPANY (CESTAT Chennai)**

**BRIEF:** The respondent is a regular exporter of cotton garments had imported Polyurethane Spandex Yarn/Lycra Spandex Yarn under 2 DEEC Advance licences and claimed duty free exemption under Notification No.204/92 dt. 19.5.92. The adjudicating authority worked out the shortage quantity and re-determined the duty of Rs. 3,44,210/- and also demanded interest @ 15% along with penalty. Respondent preferred an appeal before Commissioner (Appeals) where the interest was set aside. Hence Revenue filed appeal against that portion of the order of Commissioner (Appeals) setting aside interest.

**OUR TAKE:** In the above case the **Hon'ble CESTAT Chennai** held that **Hon'ble Supreme Court** had earlier considered the decision of Hon. Bombay High Court in Pratibha Syntex case where the demand of interest for non-fulfilment of condition under Notfn. No.204/92 had attained finality. Thus interest @ 15% demanded in the original adjudication order was restored and the impugned order to the extent of giving relief on interest was set aside. **[Decided in favour of Revenue]**

## INCOME TAX

### NOTIFICATIONS & CIRCULARS

The **CBDT vide Notification No. 42/2015 dated 16th April 2015** hereby notifies the **Institute of Chemical Technology, Nathalal Parekh Marg, Matunga, Mumbai (PAN AAATI4951J)** has been approved by the Central Government for the purpose of **section 35(1)(ii) of the Income-tax Act, 1961** read with **Rules 5C and 5E of the Income Tax rules 1962** from Assessment year 2014-2015 and onwards in the category of "University College and other Institution", engaged in research activities subject to the following conditions, namely:-

- i) The sums paid to the approved organization shall be utilized for scientific research;
- ii) The approved organization shall carry out scientific research through its faculty members or its enrolled students;
- iii) The approved organization shall maintain separate books of accounts in respect of the sums received by it for scientific research, and get the books audited.

**OUR TAKE:** The Central Government shall withdraw the approval if the approved organization fails to maintain separate books of accounts, fails to furnish its audit report, fails to furnish its statement of the donations received and sums applied for scientific research, ceases to carry on its research activities or its research activities are not found to be genuine; or ceases to conform to and comply with the

provisions of section 35(1)(ii) of the Income-tax Act, 1961 read with Rules 5C and 5E of the Income Tax rules 1962.

### REQUIREMENT OF TAX DEDUCTION AT SOURCE IN CASE OF CORPORATIONS WHOSE INCOME IS EXEMPT u/s 10 (26BBB) OF THE INCOME-TAX ACT, 1961- EXEMPTION THEREOF

The **CBDT** vide **Circular No. 07/2015** dated **23rd April 2015** has provided that there would be no requirement for tax deduction at source (TDS) from the payments made to corporations established by a Central, State or Provincial Act for the welfare and economic upliftment of ex-servicemen, being the citizens of India, since the income of such corporations are exempted and they are also statutorily not required to file return of income.

**OUR TAKE:** Since the corporations are covered u/s 10(26BBB), they satisfy the two conditions of unconditional exemption of income and no statutory liability to file return of income, and hence there is no requirement for TDS from payments made to such corporations.

### COURT DECISIONS

#### THE COMMISSIONER OF INCOME TAX-8V/S OVIRA LOGISTICS PVT. LTD. (Bombay HC)

**BRIEF:** The assessee filed its returns for assessment year 2007-08 declaring total income of Rs.4,46,46,873/-. On verification of the computation of income, it was found that the Assessee had set off entire business income against brought forward losses for earlier years. The Assessing Officer has passed an order on 29th December, 2009 assessing Nil income after set off the brought forward losses. The Book Profit under section 115JB was determined at Rs. 8,97,48,777/-. While completing the assessment, the Assessing Officer, inter alia, disallowed service tax amounting to Rs. 90,08,661/- under section 43B of the Act.

**OUR TAKE:** In the above case, the **Hon'ble Delhi High Court** held that section 43B does not contemplate liability to pay the service tax before actual receipt of the funds in the account of the assessee. Liability to pay service tax into the treasury will arise upon the assessee only on receiving the funds and not otherwise. Accordingly, when services are rendered, the liability to pay the service tax in respect of the consideration payable will arise only upon the receipt of such consideration and not otherwise. In the facts and circumstances of the case, no substantial question of law arises. Accordingly, the Appeal was dismissed. **[Decided against Revenue]**

#### PRINCIPAL COMMISSIONER OF INCOME TAX I V/S GIRISHKUMAR RAMANLAL CHOKSHI AND BROTHERS(Gujarat HC)

**BRIEF:** The assessee is a partnership firm engaged in the business of gold, silver, bullion on wholesale basis, a dealer of MCX and is also engaged in the trading of Jiru on NCDEX Exchange. The assessee filed the return of income for the AY 2008-09 declaring the total income at Rs.12,17,157/- and the same was processed under Section 143(3) of the Income Tax Act. The case of the assessee was selected for scrutiny and statutory notice under Section 143(3) of the Act was issued. On verification of the trading account, it was found that the assessee had debited the amount of Rs. 1,06,65,670/- as MCX trading difference. The A.O. considered the said transaction as speculative in nature and made the disallowance of the loss claimed treating it as speculation loss within the meaning of Section 43(5) of the Act and consequently assessed the income of the assessee at Rs.1,18,82,830/-.

**OUR TAKE:** In the above case, the **Hon'ble Gujarat High Court** held that the assessee filed the monthly purchase and sale quantity of gold on actual basis and purchase and sale quantity of gold in MCX from the bills issued by MCX during the year. Under the circumstances, the learned ITAT has rightly observed that there is no breach of Rule 46(A)(3) of the Rules as alleged by the revenue. Thus it could not be said that the learned ITAT was wrong in dismissing the appeal preferred by the revenue and confirming the order passed by the learned CIT(A) restricting the additions made by the A.O. on account of hedging loss treating it as speculation loss to Rs.1,01,417/- instead of Rs.1,06,65,670/-. No substantial question of law arises. **[Decided against Revenue]**

#### COMMISSIONER OF INCOME TAX V V/S PURANMAL DHANUMAL SHAH(Gujarat HC)

**BRIEF:** The assessee is a sole proprietor of M/s. Jay Matadi Prints doing business as Cloth Merchant on whole sale basis. The assessee filed the return of income for the Assessment Year 2009-10 on 01/09/2009 declaring the total taxable income of Rs.5,12,950/-. The assessment came to be completed on 15/12/2011 on total income of ₹ 40,50,710/- after making additions of unsecured loans of Rs.33,50,000 and disallowance of interest paid to depositors of Rs.1,87,763. This was because the A.O. doubted the genuineness of transactions with respect to the depositors.

**OUR TAKE:** In the above case, the **Hon'ble Gujarat High Court** held that the additions were made solely on the ground that though number of opportunities were given, the assessee did not produce those depositors before him. However, it is required to be noted that the assessee did

produce the conformation letters of those depositors and also produced the particulars with respect to those depositors such as PAN numbers etc. and, therefore, the learned CIT (A) as well as the learned ITAT have rightly observed that the assessee discharged his initial burden and, therefore, it was for the A.O. to examine those depositors. Thus, the additions made should have been deleted and the disallowance of interest should have been allowed. **[Decided in favour of assessee]**

**DCIT, CIRCLE 11(1), NEW DELHI V/S M/S. EMMSONS INTERNATIONAL LTD. (ITAT Delhi)**

**BRIEF:** The assessee company is engaged in the business of trading of various commodities and the case of assessee was selected for scrutiny. During assessment proceedings, the A.O. observed that the assessee had declared short term capital gain of ₹ 43,31,685/-. From the details of sale and purchase of shares filed by assessee, the A.O. held that assessee was holding shares for a very brief period and ultimately the objective of the assessee was not to earn capital gain but to earn business income. Therefore, he treated the short term capital gain declared by assessee as business income. Aggrieved, the assessee filed the appeal.

**OUR TAKE:** In the above case, the Hon'ble ITAT Delhi held that assessee is engaged in the business of agro products and its total turnover from the said business is around Rs.365 crores. It was further found that assessee had carried out transaction in 5 scripts holding period of which ranged from 8 days to 126 days. Moreover, it is observed that the assessee had classified the investment in the balance sheet as investment. It was also found that in previous years and in succeeding years, the income of assessee from similar activities had been held to be on account of capital gain and not on account of business income. Thus, the appeal of the assessee was upheld. **[Decided against Revenue]**

# STATE TAXES

## ALL INDIA VAT

### JAMMU & KASHMIR

The Govt. of Jammu & Kashmir vide Notification No: 02 of 2015 and Notification No: 03 of 2015 dated 21st April 2015 has hereby directed that all returns under J&K Value Added Tax act, 2005 and J&K General Sales Tax Act, 1962 from 1st

quarter 2015-16 and onwards shall be filed electronically by the registered dealers having a gross annual turnover of Rs, 50.00 lacs and above.

**OUR TAKE:** The notifications are self-explanatory.

### MAHARASHTRA

The Govt. of Maharashtra vide Maharashtra Act No. XVII OF 2015 has brought amendments to the Maharashtra Purchase Tax On Sugarcane Act, 1962, Maharashtra Tax On The Entry Of Goods Into Local Areas Act, 2002, and Maharashtra Value Added Tax Act, 2002.

VAT Schedule related amendments are:

In Schedule C

- i) in entry 4, the following Explanation shall be added and shall be deemed to have been added with effect from the 1st April 2005, namely:—  
“Explanation.—For the purposes of this entry, as it stood from time to time, the “sewing thread” shall include embroidery thread.”;
- ii) in entry 91, the following Explanation shall be added and shall be deemed to have been added with effect from the 1st April 2005, namely :—  
“Explanation.—For the purposes of this entry, as it stood from time to time, “spices” shall include spices in all forms, varieties and mixtures of any of the spices.”

**OUR TAKE:** Readers are requested to go through the amendments for updations in the different Acts.

### ORISSA

The Commissioner of Sales Taxes, Odisha, Cuttack vide Notification No.5931/VI(VI)27/2014/CT dated 15th April 2015 hereby notifies that the electronic waybills (e-waybills) in form VAT-402 in case of Dal and Pulses shall be valid for five days from the date of generation of waybill.

**OUR TAKE:** It was being observed that many unscrupulous dealers were bringing Dal and Pulses clandestinely on the strength of same waybill by avoiding the checkgate. To stop this practice, the CST has made this amendment regarding the validity of e-waybills in form VAT-402 in case of Dal and Pulses.

### RAJASTHAN

The Govt. of Rajasthan vide Notification F.12 (18)FD-Tax-2008-8 Dated 23rd April 2015 hereby directs that tax payable under the Act on the sale of goods manufactured by the unit(s) approved by the State Level Screening Committee as constituted under the Rajasthan Investment Promotion Scheme-2014, and established by the Japanese Investors in Japanese Zone-II or Korean Investors in Korean Zone, as developed by RIICO at Ghiloth Industrial Area,

District Alwar, shall be calculated at the rate of 0.25% on furnishing of declaration in Form 'C'.

This notification shall remain in force up to 31.03.2016 or the introduction of Goods and Service Tax in the State, whichever is earlier.

**OUR TAKE:** The notification is self-explanatory.

### TAMIL NADU

The **Govt. of Tamil Nadu vide Notification No.G.O.Ms. No.53 dated 21st April 2015** hereby provides that Governor of Tamil Nadu hereby remits a sum of Rs.25,98,43,923/- (Rupees twenty five crore ninety eight lakhs forty three thousand nine hundred and twenty three only) being the differential tax payable under the said Act in respect of the second point of sale of alcoholic liquors of all kinds for human consumption, beer, wine and draught beer made in the State by the Tamil Nadu State Marketing Corporation Limited to FL2(clubs) and FL3(hotels) licensees during the period from 1.4.2013 to 7.11.2013.

The Governor also remits a sum of Rs. 34,44,18,232/- (Rupees thirty four crore forty four lakhs eighteen thousand two hundred and thirty two only) being the differential tax payable under the said Act in respect of the third point of sale of alcoholic liquors of all kinds for human consumption, beer, wine and draught beer made in the State by FL2(clubs) and FL3(hotels) licensees to the members and consumers during the period from 1.4.2013 to 7.11.2013.

**OUR TAKE:** The notification is self-explanatory.

Also, vide **Circular No. 10/2015 dated 7th April 2015** the matter of Inter - State transactions falling under Section 8(1) of the CST Act, 1956 has been looked into. Issue of backlog C forms to dealers has been facilitated till 31.05.2015.

**OUR TAKE:** The instructions for issue of manual forms have been provided in the notification.

### UTTARAKHAND

The **Govt. of Uttarakhand vide Notification NO.02/2015/146(120)/XXVII(8)/2007 dated 22nd April 2015** allows with immediate effect a full rebate of tax, on the amount of subsidy granted by the Government of India, to the seller of Liquefied Petroleum Gas (L.P.G) for domestic use at every point of sale on the condition that the rebate is passed on to the purchaser.

**OUR TAKE:** The notification is self-explanatory.

### WEST BENGAL

The **Govt. of West Bengal vide Notification No. 523-F.T. dated 2nd April 2015** has made several amendments to the West Bengal Value Added Tax Rules, 2005.

**OUR TAKE:** Concerned readers are requested to go through the amendments.

## OTHER UPDATES

### RBI

#### RIGHTS OF TRANSGENDER PERSONS – CHANGES IN BANK FORMS/APPLICATIONS ETC.

The **RBI vide Circular RBI/2014-15/572 dated 23rd April 2015** has advised all Banks to include 'third gender' in all forms/applications etc. prescribed by the Reserve Bank or the banks themselves, wherein any gender classification is envisaged. It is at the discretion of the transgender persons to decide their self-identified gender.



## We may be contacted at the following offices:

### CORPORATE OFFICE

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### INTERNATIONAL BRANCH

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## For enquiries related to:

| Service          | Contact Person             | Service                | Contact Person          |
|------------------|----------------------------|------------------------|-------------------------|
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