



ANIL AGRAWAL AND COMPANY

Chartered Accountants



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Tax [Direct & Indirect] News

Important Notifications/Circulars of CBDT

- 1) TDS of 10% u/s 194A applicable on interest on recurring deposits of banks if interest exceeds Rs 10000 w.e.f 01.06.2015 as per budget 2015.
- 2) TDS u/s 194A to be deducted from interest on compensation awarded by motor accident claim tribunal if compensation paid during F.Y. exceeds Rs. 50000.
- 3) CBDT authorizes CIT (E) to act as a prescribed authority for sec.10 (23) with effect from 15th November 2014.
- 4) CBDT notifies rules, application (Form 3CEDA) and fee of Rs. 5 lacs for rollback of advance pricing agreements. IT (3rd Amendment) rules, 2015 applicable w.e.f 14-03-2015.
- 5) Now rectify short payment defaults due to unmatched challans by moving deductees online to matched unconsumed challan.[TDS CPC communication of 10-03-2015].

Important Circular/ Notification Regarding Indirect Tax

- 1) **Sales tax / Delhi VAT (DVAT)**
 - a. Government removes option of entering manual returns prior to FY 2012-13 & downloading central forms, to keep check on possibility of misuse.
 - b. Special module to address problem of tax deposited against wrong TIN / TAN: Dealer in whose accounts payment has been deposited, to apply online for transfer of such payment to correct TIN.

Tax [Direct & Indirect] News

Important Circular/ Notification Regarding Indirect Tax

- 2) Dealer in whose account payment wrongly deposited to apply online for correction and submit reason and request by affected dealer to him. [DVAT Circular of 09-03-2015].
- 3) Apply online to download central forms up to 2011-2012 also. AO to approve on checking with central purchases and total forms taken for F.Y. [DVAT Circular of 09-03-15].
- 4) Service tax to be levied on access to amusement facility providing rides, gaming, bowling alleys, arcades, water parks, theme parks etc. as per Budget 2015.
- 5) W.e.f 01-04-2015, service tax payable on manpower supply and security services on full reverse charge basis instead of partial reverse charge.
- 6) Service Tax to be applicable on reimbursement of all expenses incurred for providing a taxable service w.e.f date of assent by President to Finance Bill 2015.

Regulatory [ROC & RBI]

MCA Regulations

- 1) Requirement of special resolution, rate of interest etc. u/s 186 of Companies Act 2013 would not be applicable to staff loans/advances (other than to MD or WTD). [MCA Circular 4 of 10.3.2015].
- 2) DSC (Digital Signature Certificate) of a resigned director now allowed for uploading Form DIR-12 for new appointments, in case of mass resignation of all directors of company. (Dated : 03.03.2015)

- 3) Relaxation of requirement for filing Form MGT-14 in certain cases

Background: Form MGT-14 is mandatorily required to be filed by companies for several events viz. special resolutions, board resolutions to authorize buy back, issue securities, borrow monies, take note of disclosure of interest and shareholdings of directors etc.

Now, some relaxation has been provided from filing Form MGT-14 in specific situations like board resolution to take note of disclosure of interest and shareholdings of directors, to take note of appointment(s) or removal(s) of one level below Key Managerial Personnel, to invite / accept / renew public deposits etc.

- 4) From April 2015, only following mandatory documents required for import / export of goods
 - a. Bill of lading/airway bill
 - b. Commercial invoice cum packing list
 - c. Shipping bill/bill of export/bill of Entry
- 5) Documents like foreign exchange control form (SDF), foreign exchange control form (form A-1 for imports), commercial invoice, terminal handling receipt etc. expected not to be insisted on by the bank for making the remittance.

Regulatory (ROC & RBI)

RBI Regulation & Notifications

- 1) Banks to finance stamp duty, registration and other documentation charges where cost of house/dwelling unit is up to Rs10 lacs. [RBI Circular of 05-03-2015].
- 2) RBI has made amendments to section 13(2) of Prevention of Money Laundering Act (PMLA) 2002, wherein NBFCs were advised to nominate a director on their boards as “Designated Director” to ensure compliance with the obligations under the Act.
- 3) Government raises FDI limit in insurance sector to 49%. FDI upto 26% to be under automatic route (no prior approval from RBI required), & beyond 26% upto 49% to be under approval route (prior approval of RBI required)
- 4) No new FDI can be brought in if the minimum capitalization of US \$ 5 million has not been achieved within 6 months of commencement of project.
- 5) Banks branches conducting government business to be open for full day on 30-03-2015 and till 8 pm on 31-03-2015. E-payments till midnight of 31-03-2015. [RBI Circular of 25-03-2015].

SEBI Regulations

- 1) Single Saral trading and demat account opening form for resident individuals for trading in cash segment. Single address proof. [SEBI CIR/MIRSD/1/2015 of 04.03.2015].
- 2) SEBI has passed orders to provide exit to the Jaipur Stock Exchange Limited (JSEL) under the current policy.

Regulatory [ROC & RBI]

Companies (Amendment) Act, 2014: Key Points

1) Exemption of loans / advances granted to employees under section 186

Background: Currently, Section 186 lays down stringent compliances on which company may give loan /guarantee to any person (including employees)

Government now exempts loans and/or advances made by company to their employees (other than managing or whole time directors) under section 186, if such loan / advance is in conformity with the employee's conditions of services or remuneration policy.

2) Amendments: shares & debentures (Dated : 18.03.2015)

- a) No authorization to company secretary for signing share certificates at the time of issue
- b) In case of listed companies, duplicate share certificates may now be issued within 45 days of submission of documents, instead of 15 days
- c) In case of unlisted companies, employee of an associate company shall now not be considered as employee for the purpose of ESOP (Employee Stock Option Plan)
- d) Form SH-13 (nomination form) now revised and Form SH-14 (cancellation / variation of nomination introduced)

3) Requirement of filing private placement offer letter on preferential issue of shares

Companies are not required to file private placement offer letter in forms PAS-4 & PAS-5 in case of preferential issue of shares to an existing member of the company

4) New forms notified by MCA w.e.f 11.03.2015 :

- a. E-form GNL-4 notified in place of e-form 67 Form
- b. MGT-3 (notice of situation or change of situation or discontinuation of situation, of place where foreign register shall be kept)
- c. MGT-15 (Form for filing Report on Annual General Meeting)
- d. DPT-3 (Return of deposits).

About Us

We are a partnership CA firm of repute in New Delhi established in year 2003 with extensive cross functional experience of dealing with both multinational and domestic entities. We provide specialized services relating to International and domestic Taxation, Regulatory (ROC and RBI) and Assurance. The firm has been founded by Mr. Anil Agrawal, FCA who is alumni of Ernst & Young and has more than 12 years of experience in the fields of International Taxation and Regulatory matters. Our client comprises of Subsidiaries of foreign cos, Joint Ventures, Indian Corporates, LLPs, Firms, NGOs & HNI's.

We have dedicated team of Chartered Accountants, Company Secretary, Semi qualified and adequate support staff who are competent people with sharp insight and unique skill set. Our Current area of operation is NCR region comprising of Delhi, Gurgaon, Manesar and Noida. Our present multinational clientele includes clients from Turkey, USA, Australia, Dubai, Japan and Netherland.

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- **Company law Advisory & Compliance**



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