The Malad Chamber of Tax Consultants

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MCTC Bulletin

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Vol. 1, No. 2 ***For members & private circulation only*** **August, 2016**

President's Communiqué

Dear Members,

The nation celebrated its 70th Independence Day on 15th August, 2016. On this very day, in 1947, we became a Sovereign and an Independent Nation. Today, under the strong leadership of our Prime Minister, Shri Narendra Modi, we are converting our weaknesses into our strength. Today our demographic population is our strength. With the help of India's demographic strength along with its expanding economy, our country is emerging as one of the superpowers of the world. Our country is the youngest country in the world, demographically. This trend puts an onus on all the citizens of India to be a part and contribute in the growth story of our country. Our Chamber has incessantly worked towards the benefit and development of its members. It would not be wrong to say that our Chamber, in its own small way, has and will continue to be contributing in nation building.

I am pleased to inform that the Inaugural Study Circle organised under the "Dr. Bharat D. Vasani Study Circle Fund" was a great success with 80 plus participants. We were privileged to have with us, the Additional Commissioner of Sales Tax, Shri Subhash Gopinath Morale, as our chief guest along with the Joint Commissioner, Shri Dnyneshwar Mahadeo Thorat, the Deputy Commissioner, Shri A.S. Gorade and our own learned speaker, CA Deepak Thakkar. The representatives from the Sales Tax Department patiently attended to the questions from the audience. The meeting was very fruitful in addressing the issues faced by the Professionals.

We also had a very grand and successful 14th Residential Refresher Course (RRC) at The Fern Samali Resort, Dapoli. The course had 98 participants in all, including members and their family. All the participants had a great learning experience, with leisure, on the lap of nature. The enthusiasm of the participants spelled the success of the RRC.

As the audit season sets in, we become more and more busy, but the learning must go on. As part of our forthcoming programme, we have organised our second study circle meeting on 21st August, 2016 on Checks & Controls for Tax Audit. We expect to have a good number of members in attendance.

Active participation by members gives great encouragement to organisers of various events to make the best arrangements in the events to come.

MICHHAMI DUKKADAM!
HAPPY GANESH CHATURTHI!

Best Regards,
Adarsh S. Parekh
President

For Query & Submission of Forms for Membership/Seminar Please Contact any of the following Office Bearers :

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Life Membership Fees ₹ 2,500 • Ordinary Membership Fees ₹ 1,000 p.a.

DIRECT TAXES – LAW UPDATE

Compiled by CA. Haresh P. Kenia

- **Section 206C – Collection at source – Clarification on amendment made in Finance Act, 2016 [240 Taxman (st.) 1]**

  In order to reduce the cash transactions in sale of goods and services, Finance Act, 2016 has expanded the scope of section 206C(1D) to provide that the seller shall collect tax at the rate of one per cent from the purchaser on sale in cash of any goods (other than bullion and jewellery) or providing of any services (other than payment on which tax is deducted at source under Chapter XVII-B) exceeding two lakh rupees. Further, with a view to bring high value transactions within the tax net, it has been provided in sub-section (1F) of section 206C of the Act that the seller who receives consideration for sale of motor vehicle exceeding ten lakh rupees, shall collect one per cent of the sale consideration as tax from the buyer. Any person who obtains in any sale, the goods of the nature specified in sub-section (1D) or (1F) of section 206C is a buyer.

  The amendments brought in section 206C by Finance Act, 2016 are applicable from 1st June, 2016.

  The CBDT has received number of queries about the scope of the provisions and the procedure to be followed. The CBDT *vide* Circular No. 22/2016 (F. No. 370142/17/2016-TPL) dated 8-6-2016 clarified the points raised by issue of circular in the form of question and answer. There are seven FAQ's. The detailed circular is available at above page of the magazine.

- **Bad debts u/s. 36(1)(vii) of the Income Tax Act – Admissibility of claim of deduction of bad debts [239 Taxman (st.) 457]**

  The CBDT *vide* Circular No. 12/2016 dated 30-5-2016 clarifies that the claim of any debt of part thereof in any previous year will be allowable u/s. 36(1)(vii) of the Act, if it is written off as irrecoverable in the books of account of the assessee for that previous years and it fulfils the conditions stipulated in sub-section (2) of the section 36 of the Act. Accordingly, no appeal may henceforth be filed on this ground and appeals already filed if any on this issue before various Courts/Tribunals may be withdrawn / not pressed upon.

  This is in view of the fact that the various proposals received by the CBDT regarding filing of appeals/pursuing litigations on the issue of allowability of bad debts that are written off as irrecoverable in the accounts of the assessee. The dispute relates to cases involving failure on the part of assessee to establish that a debt is irrecoverable. The CBDT has taken this view in accordance with the decision of Supreme Court in the case of TRF Ltd. in CA Nos. 5292 to 5294 of 2003 *vide* judgment dated 9-2-2010 (190 Taxman 391), has held that the position of the law is well-settled. "After 1-4-1989, for allowing deduction for the amount of any bad debt or part thereof under section 36(1)(vii) of the Act, it is not necessary for assessee to establish that the debt, in fact has become irrecoverable; it is enough if bad debt is written off as irrecoverable in the books of account of assessee."

- **E-filing of appeals – Extension of time limit [239 Taxman (st.) 459]**

  The CBDT *vide* Circular No. 20/2016 (F. No. 279/MISC/M-54/2016/ITJ) dated 26-5-2016 extens the time limit for filing of e-appeals before the Commissioner of Income Tax (Appeals). E-appeals which were due to be filed by 15-5-2016 can be filed up to 15-6-2016. All e-appeals filed within this extended period would be treated as appeal filed in time.

  Rule 45 of the Income Tax Rules, 1962, mandates compulsory e-filing of appeals before Commissioners of Income Tax (Appeals) with effect from 1-3-2016 in respect of persons who are required to furnish return of income electronically. It has come to the notice of the Central Board of Direct Taxes that in some cases the taxpayers who were required to e-file Form 35, were unable to do so due to lack of knowledge about e-filing procedure and/or technical issues in e-filing. Also, the EVC functionality for verification of e-appeals was made operational from 12-5-2016 for individuals and from 19-5-2016 for other persons. Word limit for filing grounds of appeal and mapping of jurisdiction of Commissioners of Income Tax (Appeals) were also a cause of grievance in some cases.

  The matter was examined by the board and in order to mitigate any inconvenience caused to the tax payer on account of the new requirement of mandatory e-filing appeals, decided to extend the time limit for filing such e-appeals.

- **Equalisation Levy Rules, 2016 [239 Taxman (st.) 460]**

  The Central Government *vide* Notification No. SO1905(E)[No. 38/2016 (F. No. 370142/12/2016/TPL)] makes the rules for carrying out the provisions of Chapter VIII of the said Act relating to Equalization Levy. These rules may be called the Equalisation Levy Rules, 2016. It shall come into the effect from 1-6-2016. The notification is issued in exercise of the power conferred by section 179(1) & (2) of the Finance Act, 2016. It contains the provision for payment of Equalisation levy, statement of specified services, time limit to be specified in the notice calling for statement of specified services etc.

- **Assessment – Extension of scheme for E-assessment [239 taxman (st.) 417]**

  The CBDT *vide* Press Release dated 25-5-2016 intimates as under.

  Paperless assessment/e-mail based assessment on a pilot basis was commenced in the financial year 2015-16 in non-corporate charges of five cities i.e., Ahmedabad, Bengaluru, Chennai, Delhi and Mumbai. The e-mail based assessment scheme has now been extended to two more cities, namely Hyderabad and Kolkata during the current financial year. It shall now be open for all the taxpayers assessed in these seven cities, whose cases have been selected under scrutiny to option for being scrutinised under the e-mail based paperless assessment proceedings by giving their consent. However, in case of practical difficulties in submission of scanned copies of voluminous documents through e-mail, the documents could be received by the Assessing Officer in physical form after recording reasons for the same.

  All the taxpayers of the aforesaid seven cities, whose cases are picked up for scrutiny, may convey their consent to their respective Assessing Officers in order to avail the facility of e-mail based paperless assessment proceedings.

JUDICIAL JUDGMENTS

Compiled by CA Dharmen Shah and CA Rupal Shah

Raj Dulari Bhasin vs. CIT, Delhi, Delhi High Court [2016] 236 Taxman 573 (Delhi), 21st December, 2015

Sale of flats not an adventure in the nature of trade

Facts of the case:

The assessee was an owner of a house property. She entered into an agreement with a builder for construction of additional area on the property in question. Entire pre-determined cost of construction was to be incurred by the builder and the assessee was to be provided with a flat at a pre-determined cost. The assessee was also entitled to the share of the profit on the sale of the flats.

The assessee filed her return declaring profit from sale of flats under head long-term capital gain. The Assessing Officer opined that since the assessee exploited the land owned by her to be used for construction of multi-storey building, the activity undertaken was in the nature of trade and accordingly the profit on sale of flats was assessable as business profits.

CIT(A) and ITAT upheld the assessment order

The High Court held in favour of assessee observing that:

Merely because the assessee approached the builder for constructing the flats on the portion apart from the already constructed portion, would not make the transaction an 'adventure in the nature of trade.'

As explained in *Shanti Banerjee vs. Dy. CIT [IT Appeal No. 299 of 2003, dated 17-11-2015]* where the construction and sale of the flats did not change the character of the asset and there was no material to show that the assessee ever had the intention to exploit the plot as a commercial venture, the transaction could not be characterised as 'an adventure in the nature of trade' leading to the resultant receipt as business income in her hand.

The CIT(A) and the ITAT have proceeded on an erroneous legal premise that the agreement entered into by the assessee with the builder and the consequent sale of the flats by the builder on behalf of the assessee was an adventure in the nature of the trade.

Capt. Avinash Chander Batra vs. DCIT Mumbai, ITA No. 7407/Mum/2011 and ITA No. 7439/Mum/2011, 30th March, 2016

Portfolio management service fee paid by assessee to various portfolio managers could not be allowed as deduction while computing capital gain arising from sale of shares kept in portfolio management services account.

Facts of the case

During relevant year, assessee earned short-term capital gain and long-term capital gain arising from portfolio management services (PMS) accounts held with various funds. In return of income, the assessee claimed deduction of portfolio management fees paid to various funds from capital gains earned by him. The revenue authorities rejected assessee's claim.

It was observed that

As per provisions of section 48 for computing capital gains, it is required to deduct from full value of consideration, the expenditure incurred wholly and exclusively in connection with such transfer and also the cost of acquisition of the capital asset and cost of improvements thereto.

It is not relevant and material that the fee paid to portfolio managers is calculated on the basis of purchases or sales of securities, or is a return based fee, etc. The fact relevant here is that these PMS charges are not paid towards cost of acquisition of the capital asset or for improvement of the capital asset, nor are these fees an expenditure incurred wholly and exclusively in connection with transfer of the capital asset and hence the same cannot be allowed as deduction u/s. 48 from the full value of consideration received or accruing to assessee as a result of transfer of capital asset being shares.

UPDATES ON SERVICE TAX

Compiled by CA Bhavin S. Mehta

1. **Clarification issued in respect of instructions regarding provisional attachment of property under section 73C of Finance Act, 1994 – [Circular No.196/06/2016-ST dated 27th July, 2016]**

   The order directing attachment of property without waiting for a reply to the show cause notice, and without giving any notice, is gross violation of Rule 3 of the Rules of 2008 read with paragraph 2(iii) of circular dated 1st July, 2008. It is mandatory for the authority to issue a notice giving 15 days time to reply before attaching a property. The action for attachment can be initiated only by the Commissioner and not any officer below this designation.

   In view of above, the Hon'ble Allahabad High Court directed that a certified copy of order be sent to CBEC, Department of Revenue, Ministry of Finance with specific instructions to issue a circular to all officers ensuring the powers under Rule 3 should be exercised with utmost care and caution and should not be exercised frivolously.

2. **Manual Signatures on digitally signed invoices [Circular No. 1038/26/2016-CX dated 19th July, 2016]**

   It has been clarified that a manufacturer or service provider who opts to issue invoices authenticated by digital signature may print a copy of such invoice and sign them manually and forward the same to such customers who are unable to accept or receive the digitally signed invoices. Such invoices in effect would be authenticated by two signatures, digital signature as well as manual signature and would be considered to be in conformity with Rule 11 of Central Excise Act, 2002 or Rules 4A, 4B & 4C of the Service Tax Rules, 1994, Such invoices would also be a valid document to avail CENVAT credit.

3. **Board Circular No. 967/1/2013-CX dated 1-1-2013 on the issue of recovery of confirmed demands during the pendency of stay application has been rescinded [Circular No. 10353/2016-CX dated 4th July, 2016]**

   Due to judgments of various High Courts of the country against circular No. 967/1/2013-CX, at last, the said circular is rescinded. Now therefore, no recovery shall be made during the period prior to 6-8-2014 (effective from mandatory pre-deposit is stipulated for admission of appeal) during the pendency of the stay. It is also clarified that Seven circulars which had been rescinded by Circular No. 967/1/2013 –CX dated 1-1-2013 shall continue to remain rescinded.

   Recovery proceedings in relation to an order of Hon'ble High Court or Tribunal confirming demand of duty, may be initiated only after a period of 60 days from date of order of Hon'ble High Court or Tribunal, where no stay has been granted by Hon'ble High Court or Hon'ble Supreme Court against the said order.

4. **Definition of Manufacturer or producer with respect to jewellery and articles of precious metal amended. [Notification No. 36/2016 Central Excise (N.T) dated 26th July, 2016]**

   Rule 2(naa) pertains to definition of 'manufacturer or producer'. Sub-clause (i) of Rule 2 (naa) is substituted so as to include a principal manufacturer who gets article manufactured on his behalf on job work basis.

   The turnover limit of ₹ 12 crore is increased to ₹ 15 crore with respect to CENVAT credit on capital goods received by the manufacturer of jewellery. So now manufacturer of jewellery having turnover in preceding financial year not exceeding ₹ 15 crore would be eligible to avail for credit of duty paid on capital goods in the same financial year.

5. Permission to pay service tax through non-electronic modes [Instruction-F No. 137/08/2013 – Service Tax dated 22nd July, 2016]

Department of Posts were not permitted by Controller of General of Accounts to open a current account, which would have enabled electronic payment. Under the circumstances Department of Post can make service tax payment by cheque only. However, jurisdictional AC/DC did not allow them to make the payment by cheque. Thus it is directed that the discretion vested in the jurisdictional Deputy/ Assistant Commissioner under Rule 6(2) of the Service Tax Rules, 1994, should be exercised judiciously and rationally.

LIST OF JUDGMENTS UNDER CENTRAL EXCISE AND SERVICE TAX

Compiled by CA Bhavin S. Mehta

1. Service Tax officer cannot visit Assessee's premises. [Magma HDI General Insurance Company Ltd. v Union of India - (2016) 71 taxmann.com 264 (Calcutta) High Court Of Calcutta].

Delhi High Court in the case of Mega Cabs (P.) Ltd. v. Union of India [2016] 70 taxmann.com 51/56 GST 14 (Delhi), held that service tax department cannot audit the assessee under Rule 5A(2) of STR. In the light of said judgment, Hon'ble Calcutta High Court, prima facie, observed that challenge to rule 5A(1), which empowers an officer to access premises of assessee, is well founded. If the authorities cannot make any demand as envisaged in sub-rule (2) of rule 5A, gaining access to any premises under sub-rule (1) may not serve any purpose. It is observed that a subordinate legislation cannot supplant but only supplement a statute. Therefore, *prima facie* rule 5A(1) is *ultra vires* section 82.

2. Arranging of transport by commission agents on reimbursement basis does not constitute a 'taxable service' and accordingly, freight paid is not eligible for input service tax credit. *[Dhanshree Ispat vs. Commissioner of Customs & Central Excise, Aurangabad, (2016) 72 taxmann.com 5 CESTAT,* Mumbai Bench]

Facts: Dhanshree Ispat (appellant) was a commission agent of 'producers of sponge iron' and was handling receipt and transportation to customers. Since appellant was an agent, claimed reimbursement of 'freight and service tax thereon' from buyers. The appellant is registered as provider of 'Goods transport agency' service and 'Business auxiliary service'. The appellant had received commission which is liable to tax under the head of 'Business auxiliary service'. CENVAT credit had been availed for discharge of tax liability. Show cause notice for the recovery of the tax dues which was discharged by CENVAT credit was issued. Two show cause notices were issued for two different periods. In addition to the recovery of the amount paid through CENVAT credit, appropriate interest and penalties under section 78 had also been imposed.

Appellant's Arguments: The CENVAT credit availed on tax paid towards goods 'transport agency' service is well within the CENVAT Credit Rules, 2004. On behalf of the appellant it is submitted that the CENVAT Credit Rules do not place any distinction or restriction on utilisation of the credit of tax paid on input service for discharge of tax liability on output service. It was improper on the part of the original authority and the appellate authority to have ordered recovery of the amounts so paid and disallowed the said CENVAT credit which has been availed against proper documentation.

Department's Arguments: The appellant though dealing with the goods transport agency and thus discharging the tax liability was merely acting as an agent of the buyer of the sponge iron with contractual recourse to reimbursement of the freight as well as the tax paid thereon by the customers to whom the sponge iron is delivered. Accordingly, by no stretch of imagination can this discharge of tax be claimed to be on the appellant's own account and thereby rendering them eligible to avail CENVAT credit of the same.

Held: The tax amount on availment of service of 'Goods transport agency' is, in reality, paid by the appellant; when the appellant is entitled to, and has been claiming, reimbursement of such charges along with the tax thereon from their clients, such activity cannot be segregated from other agency functions rendered by the appellant on reimbursement basis. It does not therefore constitute performance of a taxable service insofar as the appellant is concerned. Accordingly, utilisation of the credit of tax so paid towards payment of taxes as provider of 'Business auxiliary service' does not find sustenance in the CENVAT Credit Rules, 2004. Hence, arranging transport on reimbursement basis does not constitute a 'taxable service' and, accordingly, freight is not eligible for input service credit

With regard to penalty, it was held that in the absence of clear evidence of suppression of information with intention to evade tax, scope for invoking section 78 in relation to second period of demand cannot sustain. Hence the penalty imposed for second period was set aside.

3. Writ is not maintainable if alternate appeal-remedy is not exercised within specified time; however, if challenge is made based on adjudication order being passed in violation of principles of natural justice, then, writ is maintainable despite appeal-remedy becoming time-barred. [*Biju Daniel vs. Commissioner of Central Excise (Appeals) (2016) 71 taxmann.com 294 (Kerala*) High Court of Kerala]

Facts: The Appellant had carried out work of erection, commissioning and installation of electrification works of PWD Department. A show cause notice was issued but was not received by the appellant. Appellant was telephonically conveyed to attend the office for personal hearing. During the course of hearing show cause notice was handed over to appellant. Appellant explained to the authorities about the matter, however he did not file any reply within the time specified, instead he sent a letter explaining the particulars relating to the work undertaken by him. However, Department demanded service tax levying penalties under sections 76 and 78. The petitioner could not file an appeal within the specified time. Therefore, an appeal was filed on before the Commissioner of Central Excise (Appeals) with a petition to condone delay. Pending the appeal, assessee also filed writ against adjudication order arguing that: (a) services to government department were exempt under Notification 25/2012-ST; (b) despite specific request, no hearing was granted; and (c) penalty cannot be levied under both sections 76 and 78.

Appellant's Arguments: Petitioner relied upon a Notification No. 25/2012 ST dated 20/6/2012 by which the service of erection/installation/ commissioning provided to the Government, a local authority, or a governmental authority in relation to a structure predominantly for use as an educational institution or clinical establishments are wholly exempted from levy of service tax. One main contention urged by the petitioner is that he was not given an opportunity for personal hearing and there is violation of the principles of natural justice. He stated that he was not aware of the date of personal hearing. However, on immediate next day of hearing, he received a telephone call and he appeared before the respondent on the same day and accepted a copy of the show cause notice. Petitioner expected that he would be given an opportunity to plead his case. Petitioner, in the reply, sought for a personal hearing. It is stated that no opportunity was given for a hearing and the adjudication order had been passed.

Department's Arguments: The writ petition is not maintainable since the petitioner had an alternate remedy of filing an appeal with the appellate authority within the time limit; instead, he has preferred the appeal after a lapse of one year which is beyond the condonable time as per Section 85 of the Finance Act, 1994. The petitioner appeared before the respondent in response to the summons but he did not produce the balance sheet and profit and loss account instead provided only a copy of the bank statement. On receiving the show cause notice, petitioner appeared and submitted a written submission which was also personally heard. Hence it is submitted that there is no violation of the

principles of natural justice. It is further submitted that the petitioner had not produced any documentary proof to show that the work undertaken by him are mostly PWD works in clinical establishments like leprosy sanatoriums, medical college, District Courts, class rooms etc. which are wholly exempted from levy of service tax as per notification. The adjudicating authority therefore considered all the submissions made in the written reply and passed the impugned order.

Held: Writ is not available if alternate remedy is not exercised within specified time; however, if challenge is made based on violation of principles of natural justice, then, writ is maintainable. Authorities must grant requested hearing to ventilate grievance and non-grant thereof violates natural justice. The materials placed on record would already indicate that the petitioner was not given an opportunity for hearing. Since assessee raised valid contentions on exemption and penalty, but, was not given an opportunity for hearing. Hence, adjudication order was set aside and appellant is allowed to defend the proceeding pursuant to show cause notice issued to him.

4. **While appealing against Tribunal order declining condonation of delay (CoD), assessee must enclose a copy of 'COD' application filed before Tribunal' in appeal papers before High Court; if that is not done, then, High Court may dismiss assessee's appeal for failure to file vital documents.** ***[North Star Shipping Services (P.) Ltd. vs. Commissioner of Service Tax-(2016) 71 taxmann.com 171 (SC)]***

Facts: On Assessee's appeal, Tribunal declined condonation of delay (COD). Assessee filed appeal there against before High Court but did not enclose 'COD' application filed before Tribunal in appeal papers.

Held: Without COD application filed before the Tribunal, the High Court cannot consider assessee's plea on merits. Therefore veracity of stand taken by assessee before High Court itself becomes questionable. This shows that assessee is not serious in pursuing matter and is only trying to drag on proceedings; hence, assessee's appeal was dismissed.

Further a Special Leave Petition was filed before Supreme Court which was dismissed on ground of delay as well as on merits was the case was held in favour of revenue.

5. **SEZ units and DTA units of same company are 'distinct entities'/'separate persons' for charge of service tax; however, if no consideration is charged for services provided by SEZ unit to DTA unit of same company, then, in absence of any value, no service tax can be charged [2016] 71 taxmann.com 241 (Gujarat)** ***High Court of Gujarat Commissioner v. Larsen and Toubro Ltd.***

Facts: SEZ unit of assessee-company provided various services to DTA units of assessee-company. Department demanded service tax thereon. The assessee argued that units of same company constituted a single person; hence, they did not amount to service. Department argued that as per rule 19(7) of SEZ Rules, enterprise operating both as DTA and SEZ unit shall have two distinct identities with separate books of account; hence, they are separate persons and service tax is leviable.

Held: Under section 7 of the Special Economic Zones Act, 2005, any goods or services exported out of, or imported into, or procured from the Domestic Tariff Area by a unit in a Special Economic Zone or a developer, would be subject to such terms and conditions as may be prescribed, exempt from the payment of taxes, duties or cess under all enactments specified in the First Schedule. Thus, for the purpose of taxation of various kinds within the unit situated in the Special Economic Zones, receive a special consideration. It is because of these concessions granted to such units that under section 30 of the Special Economic Zones Act, 2005, it is provided that in cases of goods removed from a Special Economic Zone to the Domestic Tariff Area, the same would be chargeable to duties of customs including anti-dumping, countervailing and safeguard duties under the Customs Tariff Act, as applicable, leviable on such goods when imported.

Under sub-rule (7) of rule 19 it is provided that if an enterprise is operating both Domestic Tariff Area unit as well as a Special Economic Zone Unit, it shall have two distinct identities with separate books of account, but it shall not be necessary for the Special Economic Zone unit to be a separate legal entity.

The question of charging service tax however, needs to be looked from a slightly different angle. Section 66 of the Finance Act, 1994, as noted, provides for levy of taxes at the rate of prescribed percentage of the value of taxable services referred to in various clauses of sub-section (105) of section 65. For applicability of this charging section, therefore, what is needed is to ascertain the value of taxable service. The term taxable service has a direct relation to the consideration either paid in cash or by way of deferred payment or by mentioning of any other valuable consideration. Service tax can be levied only if the service is provided. If the value of service provided is nil, there would be no occasion for charging the service tax.

In case of assessee all along has been that invoices were raised for such services merely for the purpose of convenience and in fact, since promotional programmes were being organised, which would benefit the entire company and its different units, there was no question of charging a particular unit by SEZ unit for such service and that raising of invoices was merely for the purpose of convenience. If that be so, no service tax could be levied not on the principle of mutuality but, as noted, on the ground that service provided carried no actual value.

Hence, in the present case, no service tax was leviable since the SEZ unit of the assessee had not charged for the services provided to its DTA unit.

■■■

Hearty Congratulations

Best wishes and congratulation to following dignitaries on being elected as the Office Bearer for 2016-17 of esteemed professional body :

The Sales Tax Practitioners'Association of Maharashtra.		**The Chamber of Tax Consultants**	
Dr. Dhond Shashank	President	CA. Hitesh R. Shah	President
CA. Pranav Kapadia	Vice-President	Ajay Singh (Adv)	Vice-President
CA. Pradip R. Kapadia	Honorary Treasurer	CA. Parag S. Ved	Honorary Treasurer
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Raj P. Shah (STP)	Honorary Secretary	CA. Hinesh Doshi	Honorary Jt. Secretary

FORTHCOMING EVENTS

FORTHCOMING EVENTS			
2ND STUDY CIRCLE MEETING			
Venue	**SNDT, MD Shah Mahila College, Malad (West), Mumbai 400064.**		
Date	**Time**	**Subject**	**Speaker**
Sunday, 21st August, 2016	10 am to 1 pm	"Checks & Controls for Tax Audit"	CA Ramakrishna R. Lingsur
3RD STUDY CIRCLE MEETING			
Venue	**SNDT, MD Shah Mahila College, Malad (West), Mumbai 400064.**		
Dates - Tentative	**Time**	**Subject**	**Speaker**
Sunday, 16th October, 2016	10 am to 1 pm	STARTUP'S Taxation and Opportunities	Eminent Speakers
SARASWATI SANMAN & DIWALI GET-TOGETHER			
Venue	**SNDT, MD Shah Mahila College, Malad (West), Mumbai 400064.**		
Dates - Tentative	**Time**	**Subject**	**Speaker**
Sunday, 13th November, 2016	10 am to 1 pm	Presentation by Brain Bow about D&MIT	Shri Bhavesh Manek

We will award 11th Dr. Bhart D. Vasani Saraswati Sanman Trophies to the children of MCTC member for outstanding performance in passing exams of SSC/HSC with 75% marks & above, to the students who have cleared graduation and post graduation professional exams like CA, C.S., C.W.A., MBBS, MBA, Engineers.

All members are requested to send attached form along with the certified marks sheets to Brijesh M. Cholera at following address alongwith following details OR Scan copy of marks sheet & form mail to maladchamber@gmail.com on or before 15th October, 2016.

Form for 11th Dr. Bharat D. Vasani Saraswati Sanman Trophies

Member's Name: _____

Email ID: _____

Mob.No.: _____

Details of Student _____ _____ _____

FIRST NAME MIDDLE NAME SURNAME

Male/Female: _____

AGE:- _____

Name of Exam Cleared:- _____

Year of Exam:- _____

Percentage:- _____

Name of School/College/Institution:- _____

Send it to following address or else you can mail to maladchamber@gmail.com with scan copy of marksheet On or before 15th October, 2016

Brijesh M. Cholera, Shop No. 4, 2nd Floor, The Mall, Station Road, Malad-West, Mumbai-400064. Tel : 022-28895161. Mobile 7039006655

NOTE :- Application should be complete in all respects and the Form with the marksheet should reach us before the due date.

Photographs of the 14th RRC at The Fern Samali Resort, Dapoli.

Inauguration of 14th RRC by lighting the lamp by
Shri Pravinbhai Shah (Co-Chairman of RRC Committee)

Inauguration of 14th RRC by lighting the lamp by
CA Adarsh Parekh (President)

CA. Vipul Somaiya 1st Speaker of the 14th RRC

CA. Vaibhav Seth 2nd Speaker of the 14th RRC

Left to Right : CA. Ketan Soneji (Co-Convener of RRC),
CA. Viresh Shah(Hon. Jt. Secretary), CA Vipul Somaiya (Vice President) &
1st Speaker at RRC), CA. Adarsh Parekh (President),
Shri Pravinbhai Shah (Co-Chairman of RRC Committee),
CA. Tejas Shah (Convener of RRC),
CA. Vaibhav Seth (Hon. Jt. Secretary & 2nd Speaker at RRC)

PHOTOS OF THE INAUGURAL STUDY CIRCLE HELD ON 23RD JULY, 2016

Key Note address by Chief Guest Addl. Com. of Sales Tax Shri Subhash Gopinath Morale

Left to Right : CA. Deepak Thakkar, Jt. Comm. Shri Dnyneshwar Mahadeo Thorat, CA. Adarsh Parekh (President), Addl. Com. of Sales Tax Shri Subhash Gopinath Morale & Deputy Com. Shri A.S. Gorade

CA. Deepak Thakkar addressing the Members

Welcoming the Chief Guest Addl. Com. of Sales Tax Shri Subhash Gopinath Morale by our Past President Shri V. B. Goyal

Participants in the inaugural Study Circle Meeting

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