



**The Malad  
Chamber of  
Tax  
Consultants**



**Price ₹ 5/-  
(For Members Only)**

# MCTC Bulletin

*Duty • Determination • Dedication.....leads to Success*

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## *President's Communiqué*



Dear Members,

The last date for MVAT Audit was 31st January, 2012 and lot of problems were there while uploading the MVAT audit report during the last week of due date. Department should solve this website problem so that it is not repeated again.

On 19th February we had Half Day Seminar under the auspicious of Rajubhai J. Chokshi Oration Fund. Subject was Overlapping Issues in WCT/VAT & Service Tax. Our Chief Guest was Shri V. H. Patil and Speakers were Shri C. B. Thakar, Advocate and CA Sunil Gabhawalla. They gave us valuable details on the subject which is surely going to help us. We also had overwhelming response from the members for the seminar.

Well friends winter has ended and the golden season, the Spring has begun with the 'Vasant Panchami'. With its beautiful green magic everywhere the spring revels reach a climax during the Holi festival in March. The farmers have their happiest time now as their crops ripe and they get the reward of their long hard labour. Being an agricultural country when farmers are happy the whole nation is happy too. Then the year's harvest is offered to Agni, the God of fire. Thus Holi's bond fire is the symbol of destruction of all filth and impurity, be it physical or mental. Again playing with colours signifies the return of colour in nature. Holi is seen in the form of the message of unity and brotherhood, it delivers. All disciplines and customary norms are broken today and people play with joy and excitement, keeping aside the caste, age, and sex. Happiness is spread all over with Abeer and Gulal. The festival inspires us to come closure to each other without fear and hesitation.

After this colourful festival, we are going to meet on 18th March, 2012 Sunday when we have a Public meeting on Union Budget - 2012 jointly organized with Goregaon Sports Club.

With warm regards,

**Brijesh Cholera**  
*President*

For Query & Submission of forms for Membership/Seminar please contact any of the following Office Bearers

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**Life Membership Fees ₹ 1,500 • Ordinary Membership Fees ₹ 300 p.a. • Admission Fees : ₹ 100**



## SALES TAX UPDATE

By CA Nitin D. Kenia and CA Bharat K. Gosar

Circulars issued by the Commissioner under the M.V.A.T. Act, 2002.

### Circular No. 2T of 2012 dated 24-02-2012

Due to non availability of the Sales Tax department's server from 27th December, 2011 to 30th December, 2011, many dealers could not upload their monthly VAT & CST returns within the due date of 31st December, 2011. Also some dealers could not upload the refund application in Form 501 for the year 2009-10 on or before 31st December, 2011.

*Vide* this Circular, the Commissioner has announced that all the applications in Form 501 for the year 2009-10 if uploaded on or before 7<sup>th</sup> January, 2012 will be accepted. Similarly, no penalty will be levied if any return for the month November, 2011 is uploaded on or before 7<sup>th</sup> January, 2012.

## SERVICE TAX UPDATE

By CA Rajkamal Shah

### Statute Update – Service Tax - February, 2012

1. The Government has issued Circular to the effect that the gross amount charged for the purpose of payment of service tax under the Works Contract Composition Scheme, the value of free supplies shall not be included if the works contract has commenced or any payment received in relation to the said works contract in cash on or before 7-7-2009.

(Circular No. 150/1/2011 – ST, dated 8-2-2012)

2. The Government has issued a detailed circular clarifying service tax liability under Construction Services (Commercial or Residential) in various business models viz. Tripartite Business Model, Redevelopment including SRA Projects, Investment Model, Conversion Model, Joint Development and BOT Projects. The members are advised to go through the circular for details.

(Circular No. 151/2/2012 – ST, dated 10/02/2012)

## DIRECT TAXES – LAW UPDATE

By CA Haresh P. Kenia

### ❑ **DTAA between India and Cayman Islands {204 TAXMANN (ST.) 1}**

The Notification No. 61/2011 [F.No. 503/03/2009-FTD.I], dated 27-12-2011 notifies the Double Taxation Avoidance Agreement entered into between Government of Republic of India and Government of Cayman Islands desiring to facilitate the exchange of information with respect to taxes. The Agreement was signed on 21<sup>st</sup> Day of March, 2011. The information will include information that is foreseeably relevant to the determination, assessment and collection of taxes, the recovery and enforcement of tax claims or the investigation or prosecution of tax matters.

### ❑ **Double Taxation Avoidance Agreement—Protocol between Republic of India and Swiss Confederation {204 TAXMANN (St.) 9}**

The Notification No. 62/2011 [F.No.501/01/1973-FTD.I], dated 27-12-2011 notifies agreement amending the DTAA between Republic of India and Swiss Confederation with respect to taxes on income with protocol signed at New Delhi on 2nd November, 1994 as amended by the supplementary protocol signed at New Delhi on 16th February, 2000. The protocol amending the agreement was signed at New Delhi on 3rd day of August, 2010.

The Central Government hereby directs that all the provisions of the said protocol shall be given effect to in the Union of India in respect of income arising in any fiscal year beginning on or after the 1st





day of April, 2012 and with respect to the Article 26 of the agreement, the exchange of information provided for in the said protocol will be applicable for information that relates to any fiscal year beginning on or after the 1st day of April, 2011

□ **Assessment u/s 143 of the Act—Specified Provisions which shall apply to Centralized Processing of Returns Scheme, 2011 {204 TAXMANN (ST.) 15}**

The Central Government Notification No. 3/2012 [F.No.142/27/2011-SO (TPL)] dated 4-1-2012 directs that the specified provision of the Act relating to the processing of the return shall not apply or shall apply with exceptions, modification, adaptation as specified in the notification. The notification is issued in exercise of the power conferred by section 143(1B) of the Income-tax Act for the purpose of giving effect to the Centralized Processing of Returns scheme, 2011 made u/s 143(1A) of the income tax act. The notification describes the applicability of the provisions of the section subject to certain adaptations as specified in respect of the sections 139,143,154, 245 and 282 of the Income-tax Act.

□ **Introduction of Centralized Processing of Returns Scheme, 2011 (204 TAXMANN {ST.} 23)**

The CBDT Notification No. 2/2012 [F.No.142/27/2011-SO (TPL)] dated 4-1-2012 in exercise of the power conferred by section 143(1A) of the Income-tax Act specifies the scheme for processing of return of income namely Centralized Processing of Returns Scheme, 2011. The scheme will be applicable in cases where return of income has been furnished in electronic form or paper form in case of a class or classes of persons, as notified by the board in this behalf. The procedure is described for receipt & acknowledgment of return of income, revised return of income, invalid or defective return, centralized processing centres, processing of returns, rectification of mistake, adjustment against outstanding tax demand, appellate proceedings, no personal appearance in the centre, service of notice or communication and power to specify procedure and process.

□ **Guidelines for Notification of Affordable Housing Project as Specified Business u/s 35AD (204 TAXMANN {ST.} 28)**

The CBDT *vide* Notification No. 1/2012 [F.No.142/24/2011-SO (TPL)] dated 2-1-2012

gives the Income Tax (First Amendment) Rules, 2012. It inserts rule 11-OA and Form No. 3CN in Income Tax Rules, 1962. The rule 11-OA gives the guidelines for notification of affordable housing project as specified business under section 35AD of the Income-tax Act. The Form No. 3CN is prescribed for application for notification for affordable housing project as a specified business u/s. 35AD of Income-tax Act.

□ **DTAA between Government of Republic of India and Government of Georgia {204 TAXMANN (ST.) 40}**

The Central Governments *vide* Notification No. 4/2012 [F.No. 503/05/2006-FTD.I], dated 06/01/2012 notifies the Double Taxation Avoidance agreement between the Government of India and the Government of Georgia for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital.



## FORTHCOMING EVENTS

**THE MALAD CHAMBER OF TAX CONSULTANTS & GOREGAON SPORTS CLUB JOINTLY ORGANIZED PUBLIC MEETING ON UNION BUDGET, 2012**

Day & Date	Sunday, 18th March, 2012
Time	5.30 p.m. to 8.30 p.m.
Speaker	Eminent Speakers
Subject	Budget Proposals on Direct Taxes
	Budget Proposals on Service Tax
	Impact of Budget on Capital Market



As per tradition of our Chamber we had organized Public Meeting on Direct & Indirect Tax proposal introduced by **Union Budget 2012 on 18th March, 2012 at Goregaon Sports Club, Malad (W), Mumbai**. For the benefit of our members and public at large we are publishing booklet "**Direct & Indirect Tax Proposals – An Analytical Study**" authored by the masters in the taxation field. This year we are going to publish **14th edition** on the said subject. Our all earlier editions were widely accepted in market .

For the same publication we are inviting advertisement as per rate mentioned as under:—

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Kindly place your advertisement order on or before **10/03/2012**, by drawing a cheque in favour of "The Malad Chamber of Tax Consultants" payable at Mumbai.

Advertiser will be entitled to have e complimentary copies of "Direct & Indirect Tax Proposals – An Analytical Study" as mentioned above.

Waiting for your immediate & positive response. You can e-mail at **maladchamber@gmail.com** and you can contact any of our office bearers.

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