



**The Malad  
Chamber of  
Tax  
Consultants**



**Price ₹ 5/-  
(For Members Only)**

# MCTC Bulletin

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

**Regd. Office** : B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai 400 064 E-mail: maladchamber@gmail.com  
**Admn. Office** : C/o. Hiten Shah : Office No. 1, Ekveera Apartment, 32, Underai Road, Malad (W), Mumbai – 400 064. Tel. No. 022-2880 3123

**Vol. I, No. 7**

*For private circulation only*

**October, 2011**



## *President's Communiqué*



Dear Members,

Let me first wish to all our members Happy Diwali and best wishes for the New Year.

The hectic month of September as well as October as filing of MVAT returns and service tax returns are over and now the time to enjoy the Diwali Festival.

I hope our last Study Circle meeting on Practical Aspects of E-filing of Service Tax Returns by CA Parag Mehta on 9th October helpful to file your Service Tax Returns electronically. I must thank our Past President Mr. Ashwin Tanna for sponsoring the Study Circle meeting.

On 13th November, Sunday, we have organised Diwali Get-together and Saraswati Sanman Samarambh at SNDT College. I request our members to send certified mark sheet of children who have distinction in examination and have cleared professional exams. to me before 31st October, 2011.

On 11th December, we have organised Study Circle meeting on MVAT Audit. I am sure that will be helpful to you to complete your audits in time and with quality.

Happy Diwali and Prosperous New Year.

With warm regards,

**Brijesh Cholera**  
*President*

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

NAME	CONTACT NO.	E-MAIL ID
<b>BRIJESH M. CHOLERA</b> , PRESIDENT	9821405200	brijeshcholera@gmail.com
<b>SACHIN R. GANDHI</b> , VICE PRESIDENT	9821482020	sachin23gandhi@yahoo.co.in
<b>VISHAL J. SHAH</b> , HON. TREASURER	9869147065	vishalshahassociates@yahoo.com
<b>KISHOR HAPANI</b> , HON. SECRETARY	9820438125	kishor_hapani@rediffmail.com
<b>VIPUL M. SOMAIYA</b> , HON. SECRETARY	9223418790	vipulsomaiya@gmail.com

**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

Notification issued by the State Government under the M.V.A.T Act, 2002.

Notification No. VAT-1511/CR-84/ Taxation-1 dated 13-9-2011.

Sub-clause (e) is added to Rule 17(4) of the MVAT Rules, 2005 relating to periodicity of filing of return.

As per the new sub-rule 17(4)(e), the periodicity displayed on the website of the Sales Tax Department for uploading of the return shall be final.

However, before displaying periodicity on the website the Commissioner may determine it according to the principles laid down in Rule 17(4).

## SERVICE TAX UPDATE

By CA Rajkamal Shah

- From 9-9-2011, an authorized person providing service to the sub-broker is also exempt from service tax.
- From 12-9-2011, under Legal Service, service by Arbitral Tribunal to a business entity is exempt from service tax.
- From 19-9-2011, service tax exemption to Consulting Engineer and Intellectual Property Right Holders for R&D Cess paid is subject to the following conditions:
  - a) R&D Cess is paid within 6 months from the date of invoice or in case of associate enterprises the date of credit in books of account. Further the exemption will be available only if R&D Cess is paid at a time or before the payment for the service.
  - b) Records of R&D Cess are maintained for establishing linkage between the invoice or credit entry and R&D Cess payment challan.
- By a recent circular, the Board has now accepted that ratio of decision of Bombay High Court in case of Indian National Ship Owners Association (INSA) is also applicable to the service provided from outside India and received in India from 18-4-2006.

## DIRECT TAXES – LAW UPDATE

By CA Hareesh P. Kenia

- **DEDUCTION OF TAX AT SOURCE – SALARY U/S 192 OF INCOME TAX ACT {201 TAXMAN 1(ST.)}**

The CBDT Circular No. 5/2011 dated 16-8-2011 contains the rates of deduction of income tax from the payment of income chargeable under the head “Salaries” during the financial year 2011-12 and explains certain related provisions of the Income-tax Act.
- **BENAMI TRANSACTIONS (PROHIBITION) BILL 2011 {201 TAXMAN 57(ST.)}**

A bill as introduced in Lok Sabha to consolidate and amend the law relating to benami transactions, prohibit holding property in benami and restrict right to recover or transfer property held benami, and provide mechanism and procedure for confiscation of property held benami and for matters connected therewith or incidental thereto.
- **PROCEDURE FOR REGULATING REFUND OF EXCESS TDS {201 TAXMAN 48(ST.)}**

The CBDT *vide* circular No. 6/2011 dated 24-8-2011 modifies its earlier Circular No. 2/2011 dated 27-4-2011. It amended paragraph 4.2 of the said circular wherein the clarification was issued in connection with the processing of statement of Tax Deducted at Source u/s 200A of the Income-tax Act and procedure for regulating refund of excess amount of TDS deducted and/or paid.

The present CBDT Circular No. 6 modifies the circular No. 2 of 27-4-2011 and provides for limitation that the refund claims pertaining period up to 31st March, 2009 may be submitted to the assessing officer (TDS) up to 31st December, 2012.





• **CBDT INSTRUCTION TO SUBORDINATE AUTHORITIES – HANDING OVER OF CHARGE {201 TAXMAN 54(ST.)}**

The CBDT *vide* instruction No. 9/2011 dated 25-8-2011 directed all the officers including subordinate staff are therefore directed to give a detailed Handing Over Note to their successors, incorporating all pending actions requiring immediate attention of their successors. The Handing Over Note should be given at the time of handing over charge or within seven working days. Thereafter, permission of CCIT/DGIT should be taken. The confidential records, including survey and search materials, Appraisal reports, survey and search folders, etc. should be personally handed over to the successor. A copy of the Handing Over Note should be marked to the immediate superior officer. In case any officer/ official fails to give detailed Handing Over Note to the successor, the successor should bring it to the notice of his superior who will take appropriate action against the erring officer/official.

Separate instructions will be issued by the DGIT (Vig.) for maintenance and handling and handing over of confidential records/registers relating to vigilance matters.

• **APPEALS AND REVISION – FILING OF APPEAL OR APPLICATION FOR REFERENCE BY INCOME TAX AUTHORITY {201 TAXMAN 89(ST.)}**

The CBDT *vide* letter no. DIT (L&R)-I/SLP/393/2011/4589 dated 2-9-2011 clarifies that, the revised monetary limits of tax effects involved prescribed by CBDT instruction No. 3/2011 dated 9th February, 2011, was applicable only for the appeals filed on or after 9th February, 2011 i.e. the date of issue of instruction. As per para 11 of the instruction, it was clarified that the appeals filed earlier would be governed by the old instructions operative at the time of filing.

• **DTAA BETWEEN INDIA AND SINGAPORE {201 TAXMAN 90(ST.)}**

The CBDT *vide* notification No. 47/2011 dated 1-9-2011 notifies the second protocol amending the agreement between India & Singapore for avoidance of double taxation and the prevention of the fiscal evasion with respect to taxes on income. It was signed in India on 24th June, 2011 and shall be given effect to in the union of India for taxable period falling after 1st January, 2008 i.e. financial year 2008-09 and subsequent financial year. The protocol replaces the Article 28 of the agreement relating to exchange of information.

## FORTHCOMING EVENTS

**"DIWALI GET-TOGETHER & SARASWATI SANMAN SAMARAMBH"**

Day & Date	Sunday, 13th November, 2011
Time	10.00 a.m. to 12.30 p.m.
Venue	SNDT College, Liberty Garden, Malad-West, Mumbai-400 064

**Note :—** Along with Diwali Get-together we have Saraswati Sanman Samarambh in which we will be awarding Sixth Dr. Bhart D. Vasani Saraswati Sanman Trophies to the children of MCTC members for outstanding performance in passing exams of SSC/HSC with 75% marks & above & students who cleared post graduation professional exams like C.A., C.S., C.W.A., MBBS, MBA, Engineers. All members are requested to send the certified marks sheets to Brijesh M. Cholera at following address along with following details OR Scan copy of marks sheet and details can mail to maladchamber@gmail.com before 31st October, 2011

**Details required :—** Member's Full name, Email Id, Mob. No., Student's Full Name, Gender, Age, Name of Exam Cleared, Year of Exam, Percentage, Name of School/College/Institution

At Brijesh Cholera & Co., Shop No. 4, 2nd Floor, The Mall, Station Road, Malad-West, Mumbai-400 094. Tel No. 28895161

*after sending the details please confirm with Mr. Brijesh Cholera*





From Left : Vipul Somaiya (Hon. Jt. Secretary), CA Parag Mehta (Speaker), Brijesh Cholera (President), Kishor Hapani (Hon. Jt. Secretary)



Speaker CA Parag Mehta giving Power Point Presentation on E-filing of Service Tax Returns



Attentive Participants

Printed by Kishor Dwarkadas Vanjara published by Kishor Dwarkadas Vanjara, on behalf of The Malad Chamber of Tax Consultants, (name of owner) and Printed at Finesse Graphics & Prints Pvt. Ltd., 309, Parvati Industrial Premises, Sun Mill Compound, Lower Parel, Mumbai-400 013. Tel. Nos.: 24961685/24961605 Fax No.: 24962297 (name of printing press) and published at The Malad Chamber of Tax Consultants B/6, Star Manor Apartment, 1st Floor, Anand Road Extn., Malad (W), Mumbai-400 064. Tel. No. 022-2880 3123. (full address of the place of publication) • Editor : **Shri Kishor Vanjara**

**Posted at Malad (W) Post Office, Mumbai 400 064**

**Date of Posting : 20th & 21st October, 2011**

To

*If undelivered, please return to :*

**The Malad Chamber of Tax Consultants,  
B/6, Star Manor Apartment, 1st Floor,  
Anand Road Extn., Malad (W),  
Mumbai-400 064.**

