

VOLUME II



MAY 2012

Newsletter

VAPI BRANCH OF WIRC OF ICAI

The Institute Of Chartered Accountant of India
(A Statutory Body Established Under an Act of Parliament)

WWW.VAPI-ICAI.ORG

10th June
2012



Celebrates World
Environment Day

And

Marathon Run-2012

at



Venue: Ajit Nagar Ground, Vapi-
Daman Road,
Vapi-W

Mission - Save Our Environment

MANAGING COMMITTEE FOR THE YEAR 2012-13



CA. Jaydeep N. Shah
(President of ICAI)



CA. Giriraj B Laddha
(Chairman)



CA. Subodh Kumar Agrawal
(Vice-President of ICAI)



CA. Hitesh Patel
(Vice-Chairman)



CA. Deepak Desai
(Secretary)



CA. Prakash Chordia (Treasurer)



CA. Jignesh Vasani
(Imm. Past Chairman)

Editorial Board Members

CA. Giriraj B. Laddha
CA. Prakash Chordia
CA. Chhaya Kothari



CA. Jay Prakash Shethiya
(Founder Chairman)

CHAIRMAN COMMUNICATION

Dear Members,

I'm glad to inform about the successful completion of the various event organized for the month of May 2012. In addition to it, I'm happy to present before you the redesigned dynamic website www.vapi-icai.org that has been developed with the motive of making it interactive and informative for members and students. All members and students are requested to kindly visit the website and get informed for the latest events & announcements.

We are organizing an event 1st ever in the history of institute of celebrating World Environment Day on 5th June 2012 at vapi branch by planting nos of trees in the surrounding areas and mega event of Marathon -2012 on 10th June which is with the aim of Save Nature Save Environment. I, on behalf of vapi branch invite all members and students to join for the marathon and make the event successful. The detailed program and forms are available at vapi branch.

Another mega event to be organized is the National Workshop on Recent Updates and Emerging Areas at Mirasol Resort, Daman that is planned on 30th June and 1st July 2012. The details of the program shall be circulated to members in short span of time. I would like to thank to CA. Rajkumar Adukiyaji for his kind support and effort in making of the event.

Further, an important announcement for the members is starting of Certification course on Indirect Tax at Vapi Branch. The details of the course is available on website www.vapi-icai.org and also on icai.org website. Interested members may contact vapi branch office or email us for clarification/explanation of any query and confirmation of their registration.

On behalf of Vapi branch, I'm grateful to Hon'ble CIT Shri D .S. Benupaniji for accepting our invitation and for taking an interactive session on the topic "Representation before appellant authority" & enriching us with his vast knowledge. We will be always thankful to him for taking keen interest in the professional development of our members.

The memorable event for Vapi Branch was the inauguration of MII Vapi CPE Study Chapter by CA. Jay Chharia, VICE Chairman of WIRC on 22nd May 2012 for the professional growth of Members in Industry of Vapi.

At the end, on behalf of vapi branch I would appreciate all the members who had actively participated in making all the events successful & expect sincere hardwork, support and effort from all the members to fulfill the vision & mission of Vapi Branch.

Regards:

CA. Giriraj B. Laddha
Chairman of Vapi Branch

Inside this

Sub-Commit-	4
Secretari- al Report	5
Law Up- dates	7
Case law updates	10
Im- portant	12
List of Worthy	14
Glimpse of Past	15

SUB-COMMITTEE YEAR 2012-13

WICASA

ETHICAL STANDARDS

CA. HITESH PATEL

CA. NISHIT SHAH

CA. KIRAN SHAH

CA. JAYESH BAGRECHA

PROGRAM, RRC & CPE

CA. JIGNESH VASANI

CA. SUMIT DOSHI

CA. HEMANT GAJJAR

CA. RAJESH NADKARNI

CA. CHETAN KHAKHAR

CA. VIRAL GANDHI

MEMBERS DIRECTORY

CA. GIRIRAJ B LADDHA

CA. PRAKASH CHORDIA

CA. HITESH PATEL

CA. SHAYAM PUROHIT

BRANCH BUIDLING & MAINTENANCE

CA. JAIPRAKASH SHETHIYA

CA. PRAKASH CHORDIA

CA. SUBHASH KOTADIA

MII VAPI CPE CHAPTER

CA. SANDRESH BHATT

CA. MUKESH AGRAWAL

DIRECT TAX

CA. DEEPAK DESAI

CA. VIMAL DESAI

CA. HARESH P. SHAH

CA. SUMIT DOSHI

INDIRECT TAX

CA. JAIPRAKASH SHETHIYA

CA. HITESH PATEL

CA. RAJESH NADKARNI

CA. K C SINGHAL

CA. UJWAL KAKARIA

CA. SHREYAS KAPADIA

CA. BIPIN SHAH

BRANCH CO-ORDINATION

CA. GIRIRAJ B LADDHA

CA. HITESH PATEL

CA. AVIN SHAH

CA. K C SINGHAL

CA. HEMANT PARMAR

CA. D. T. JADHAV

SPORTS/CULTURAL EVENTS

CA. JAIPRAKASH SHETHIYA

CA. SHINOJ MATHEWS

CA. RAHUL VASHI

CA. GAGAN CHATURVEDI

CA. RUCHIR DESAI

CA. BHUMIKA PANCHAL

EXAMINATION COMMITTEE

CA. PRAKASH CHORDIA

CA. HITESH PATEL

CA. AMIT MISTRY

CA. SHYAM PUROHIT

INFORMATION TECHNOLOGY

CA. GIRIRAJ B LADDHA

CA. AMIT MISTRY

CA. CHHAYA M. KOTHARI

NEWSLETTER COMMITTEE

CA. GIRIRAJ B LADDHA

CA. PRAKASH CHORDIA

CA. CHHAYA M. KOTHARI

CA. AMIT KANKULOL

SECRETARIAL REPORT by CA. Deepak Desai

ACTIVITIES HELD DURING THE MONTH OF MAY 2012 AT VAPI

BRANCH

1. CPE Seminar on Latest Development and issues on Service tax by CA. Jay Prakash Shethiya & How to represent before CIT(A) and ITAT by Hon'ble CIT(A) D. S. Benupani on 16th May 2012- 3 CPE hrs
2. Workshop on Using MS Excel as a Tool for Financial Analysis/Audit by CA Apurva Shah at Vapi Branch on 19th May 2012- CPE 6 hrs
3. Seminar on Form 15CA, 15CB for Remittance of Payments to Non-Residents jointly held with Baroda Branch on 22nd May 2012 - CPE 2 Hrs
4. Inauguration of MII VAPI CPE CHAPTER by CA. Jay Chharia, VICE Chairman of WIRC. CA Sandresh Bhat as Founder Convenor & CA Mukesh Agrawal as Deputy Convenor for the year 2012-13.
5. 2nd Batch of ITT Training & Orientation Programme with 33 students started from 21st May 2012.
6. 82 Students appeared for CPT Mock Test held on 27th May 2012

DETAILS OF FORTH COMING EVENTS:

Tree Plantation Programme

Day & Date	Tuesday 5th , June 2012	
Time:-	8.00AM	
Venue:-	Vapi Branch	
Chief Coordinator	CA Chirag Shah	9377124979
Coordinator	CA Hitesh Patel	9898069105

Marathon Run-2012 for Members and Students

Day & Date	Sunday 10th , June 2012	
Time	6,30 Am (Registration)	
Venue	Ajit Nagar ground, Vapi-Daman Road, Vapi	
Chief Coordinator	CA Prakash Chordia	9825135470
Coordinator	CA Hitesh Patel	9898069105

Elocution Competition For Students

Day & Date	Saturday 23rd June 2012	
Time	10 am to 5 pm	
Venue	Vapi Branch.	
Chief Coordinator	CA Hitesh Patel	9898069105
Coordinator	CA Nishith Shah	9898598625
	CA Kiran Shah	9998623210

SECRETARIAL REPORT Continued.....**National Workshop on Recent Updates and Emerging Areas Daman 8 CPE**

Day & Date	Saturday & Sunday 30th June and 1st July 2012	
Venue	Mirasol, Daman.	
Chief Coordinator	CA. Deepak Desai	
Coordinator	CA Giriraj B. Laddha	9687799199
	CA Prakash Chordia	9825135470

Certificate Course on Indirect Taxes 50CPE Hrs

Day & Date	12th July 2012	
Venue	Vapi Branch www.vapi-icai.org (Members->register->certificate course on Indirect Taxes)	
Confirmation of Registration		
Chief Coordinator	CA. Jignesh Vasani	9925042671

Campus Placement of ICAI for Newly Qualified CA

Job Fair Schedule:

Last date of Registration for Company	13th June 2012	
Last date for Short listing by Companies	14th June 2012	
Interview Dates	19th June 2012	
Interview Timings	10.00 am to 5.00 pm	
Chief Coordinator:	Chairman CA. Giriraj B Laddha	9687799199
Coordinator:	CA Chetan Khakhar	9879616246
Venue for Interview:	Vapi Branch of WIRC of ICAI	

Next Batch for GMCS,ITT & Orientation Programme

Day & Date	Monday, 11th June 2012	
Venue	Vapi Branch.	
Chief Coordinator	CA Hitesh Patel	9898069105
Coordinator	CA Nishith Shah	9898598625
	CA Kiran Shah	9998623210

LAW UPDATES

INCOME TAX

GUJARAT -VAT

DTAA OF INDIA WITH TANZANIA {205 TAXMANN 235 (ST.)}

Notification No. 8/2012 [F.No.503/02/2005-FTD-II]/S.O. No. 303(E) dated 16/02/2012

The Central Government has notified that all the provisions of DTAA with Tanzania shall be given effect to in Union of India w.e.f. 1st day of April, 2012.

INCOME TAX (FOURTH AMENDMENT) RULES, 2012 - AMENDMENT IN THE TABLE OF THE NEW APPENDIX I { 206 TAXMANN 9 (ST.)}

Notification No. 15/2012 [F.No. 149/21/2010-TPL]/S.O. 694(E) dated 30/03/2012

Depreciation on wind mills installed after 31-3-2012 has been restricted to 15%.

CHANGE IN THE PROVISIONS FOR FILING RETURN OF INCOME AND INTRODUCTION OF NEW INCOME TAX RETURN FORMS {206 TAXMANN 9 (ST.)}

Notification No. 14/2012 [F.No. 142/31/2011-TPL]/S.O. 626(E) dated 28/03/2012

(i) An individual or HUF must file the return of income electronically under his digital signature for AY 2012-13 and subsequent years if his total income exceeds ` 10 Lakhs.

(ii) A resident individual or HUF must file return of income electronically under digital signature for AY 2012-13 and subsequent years if -

(a) he has assets (including financial interest in any entity) located outside India;

(b) signing authority in any account located outside India.

(iii) The prescribed ITR Form Sahaj - ITR-1 and Sugam - ITR-4S cannot be used by a resident individual or resident HUF to file return of income if -

(a) he has assets (including financial interest in any entity) located outside India;

(b) signing authority in any account located outside India.

(iv) New Return Forms : Sahaj - ITR-1, ITR-2, ITR-3, Sugam - ITR-4S, ITR-4 and ITR-V are prescribed.

Exemption & Reduction in Tax :

Vide Notification No: VAT-2012-S. 5(2) (34)-TH Dt. 31st March, 2012, u/s. 5(2) of GVAT Act., Rates of VAT have been reduced as under w.e.f. 01st April, 2012 -

Exemption from VAT is given for following items :

Medical Implants for Heart disease, Blood Bag, Manglori Naliya, Aquatic Feed, Toys (Other than electronic & Battery Operated), Incense Stick, Loban and Googal, Pooja Items (Divo, Ghantadi, Poojathali, Agar-batti stand, shankh & tarbhanu), Prasad-Bhog, Kite Thread & Firki, Dalia, Chikki & Revdi, Sabudana (Tapioca), Boria Buckle, Ribbon, Sari Pin, Broach, Kajal, Glass bead.

VAT rate is reduced from 15% to 5% for following items:

Hardware used as fitting for doors, windows and furniture, Battery operated Two-Wheelers, Helmet, Yogurt, Butter, Cheese and Panner, Sanitary Napkins & Diapers, Tools meant for Tailor and Barber (Except Shaving Blade)

Vechan Vera Samadhan Scheme, 2012

Vide Public Circular No: VAVEK/ GUJKA/ VECHAN-VERA SAMADHAN/ 2012-2013/Otw.133-114 Dt. 2nd April, 2012, Samadhan Scheme is announced. Salient features of the same are as under.

a) The operative period of the Scheme is 01-04-2012 to 30/09/2012.

b) The Scheme is applicable for Tax dues up to F.Y. 2005-06 only.

c) The Scheme is applicable for Gujarat Sales Tax Act. 1969, the Central Sales Tax Act. 195, Entry Tax Act & Sugarcane Purchase Tax Act.

d) Complete waiver is given for Tax Dues up to ` 20,000/- excluding Interest & Penalty.

e) Benefit of the Scheme is not admissible to dealers having outstanding Tax Dues Exceeding ` 1,00,00,000/- excluding Interest & Penalty.

f) If Tax dues are paid of during the scheme, interest & penalty will be waived.

LAW UPDATES -SERVICE TAX

SYNOPSIS OF NOTIFICATIONS, CIRCULARS & LETTERS

CBEC vide Circular No.154/5/2012-ST dated 28th March, 2012 has clarified that in respect of invoices issued on or before 31st March, 2012, the Point of Taxation in respect of specified taxable services rendered by individuals/proprietary firms/partnership firms shall be the date of receipt of payment as provided by erstwhile Rule 7 of the Point of Taxation Rules, 2011. The specified taxable services are:

- i) Architects (Section 65(105)(p))
- ii) Interior Decorators (Section 65(105)(q))
- iii) Practising Chartered Accountants (Section 65(105)(s))
- iv) Practising Cost & Works Accountants (Section 65(105)(t))
- v) Practising Company Secretaries (Section 65(105)(u))
- vi) Scientific & Technical Consultancy (Section 65(105)(za))
- vii) Legal Services (Section 65(105)(zzzzm))
- viii) Consulting Engineer's Services (Section 65(105)(g))

CBEC vide Circular No.155/6/2012-ST dated 9th April, 2012 has clarified in respect of levy of service tax on air tickets issued before 1st April, 2012 where the journey takes place after 1st April, 2012. It clarified that:

In case of online ticketing & counter sales, the payment for the ticket is received before issuance of ticket hence in view of Rule 4(b)(ii) of the Point of Taxation Rules, 2011, service tax shall be levied at the existing rate of @10.30%.

In case of sales through agents, where the payment is received by agent (before 1st April, 2012) & remitted to airlines after some time (after 1st April, 2012), the payment to agent is considered as payment to airline in terms of Indian Contract Act, 1872 and accordingly, in view of Rule 4(b)(ii) of the Point of Taxation Rules, 2011, service tax shall be levied at the existing rate of @10.30%.

However, in case the airlines have already collected extra amount as service tax which is not refunded to the customers, same is required to be paid to the credit of Central Government in view of Section 73A of the Finance Act, 1994.

CBEC vide Circular No.156/7/2012-ST dated 9th April,

2012 has announced that a committee has been constituted with DGST as Chairperson to review the scheme for electronic refund of Service Tax paid on various taxable services used for export of goods as notified by Notification No. 52/2011-ST dated 30th December, 2011.

As a part of the review, the committee has been instructed to (a) evolve a scientific approach for the fixation of rates in the schedule of rates for service tax refund; and (b) propose a revised schedule of rates for service tax refund, taking into account the revision of rate of service tax from 10% to 12% and also movement towards 'Negative List' approach to taxation of services.

CBEC vide Circular No.157/8/2012-ST dated 27th April, 2012 has clarified on taxability of market cess charged by Agricultural Produce Marketing Committees (APMCs) to various licensees like commission agents, traders, mill/factory/cold storage owners etc. It clarified that:

Market fees charged for providing various facilities like roads, drinking water, weighing machines, storage places, street lights etc. in the market area do not appropriately fall under the category of "Business Support Services" since provision of these facilities is not in the nature of outsourced services. Development and maintenance of agricultural market infrastructure undertaken by APMC in accordance with the statute, is for the benefit of all users, rather than an activity solely in the interest of licensees.

As statutory bodies, APMCs provide basic facilities in the market area out of the market fee collected from the licensees, mainly to facilitate the farmers, purchasers and others. APMCs provide a host of services to the licensees in relation to the procurement of agricultural produce, which are "inputs" in terms of the definition of Business Auxiliary Services (Section 65(19) of the Finance Act, 1994). To that extent the meaning of "input" is much wider in scope than the meaning assigned in Rule 2(k) of CENVAT Credit Rules, 2004. Therefore the services provided by the APMC are classifiable as BAS and hence covered by the exemption under Notification 14/2004-ST.

However, any other service provided by the APMCs for a separate charge (other than market fee) to either the licensees or farmers or any other person, e.g. renting of shops in the market area, etc. would be liable to tax under the respective taxable heads.

LAW UPDATES –CENTRAL EXCISE

A. NON-TARIFF NOTIFICATIONS

1. Filing of quarterly return in respect of assessee providing services in relation to certain goods falling under Notification No. 12/2012

The assessee availing the exemption in respect of goods falling under Sl. No.

1. 67 (coal, ovoids etc),
2. 128(All goods, other than those which are clearly not to be used as fertilizers),
3. 199(I)(Articles of jewellery, silver jewellery) and
4. 200(I) (Articles of goldsmiths) of notification No.12/2012-Central Excise, dated the 17th March, 2012;

And do not manufacture any other excisable goods; he shall file a quarterly return in the form specified by notification by the board, of production and removal of goods and other relevant particulars, within ten days after the close of the quarter to which the return relates.”

Notification No. 23 /2012–Central Excise (Non tariff) dated 18th April, 2012)

2. CENVAT credit taken or utilized in respect of processes related to aluminium foils

Where an assessee has paid duty of excise on the process of cutting, slitting and printing of aluminium foils (final product), the CENVAT credit taken or utilised, of the duty or tax or cess paid on inputs, capital goods and input services used in the making of the final product, shall not be required to be reversed, notwithstanding that the process of cutting, slitting and printing of aluminium foils have been held as not amounting to manufacture by the Central Excise and Service Tax Appellate Tribunal, subject to the following conditions, namely:–

- (a) The said non-reversal shall be allowed only for the CENVAT credit taken upto the 15th of March, 2012.
- (b) The said non-reversal shall be allowed only when excise duty has been paid on removal of the said final product.
- (c) The said assessee shall not prefer a claim of refund of the excise duty paid by him on the said final product:

If the CENVAT credit is taken by the buyer of the excise duty paid by the said assessee on the final product

made and cleared up to the 15th March, 2012 shall not be required to be reversed.

(Notification No. 24 /2012–Central Excise (Non tariff) dated 19th April, 2012)

B. CIRCULARS

1. Clarification regarding classification of structural components of Boiler and admissibility of CENVAT credit on these structural components

The circular provides clarifications in respect of the structural components of boiler which essentially form a part of boiler system would be classified as boiler under heading 8402 of the Tariff. It is further clarified that these structural components are nothing but the parts and accessories of the Boiler; they would be covered by the definition of inputs.

2. Clarification regarding admissibility of area-based exemption (Notification No. 56/2002-CE) dated 14.11.2002

Notification No. 56/2002-CE provides exemption from the duty of excise to specified goods cleared from industrial units in the State of Jammu & Kashmir to the extent of duty paid in cash by way of a refund mechanism, for a period of ten years from the date of publication of the notification or from the date of commencement of commercial production, whichever is later. It has been clarified that the exemption period of ten years is to be computed from the date of publication of the notification when a new unit commences commercial production or an existing unit undertakes substantial expansion and commences commercial production from such expanded capacity during the period from 14.6.2002 to 14.11.2002. It has been further clarified that if a new unit commences commercial production or an existing unit undertakes substantial expansion and commences commercial production from such expanded capacity after the date of publication of the notification, i.e., 14.11.2002, the ten year exemption period is to be computed from the date of commencement of commercial production in the case of new units and from the date of commencement of commercial production from the expanded capacity in the case of existing units.

(Circular No. 965/08/2012, dated 17th April, 2012)

PUSHP KUMAR DHOOT

DEALS IN: REAL ESTATE
DEALING, MANAGEMENT CONSULTANCY, SERVICE TAX
CONSULTANT, PAN/TAN, E-TDS, DSC

Add.: 317, 3rd Floor Sai complex

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NH 8, VAPI -396195

MOBILE NO 09824134494

Email Id: pushp.dhoot@gmail.com

INCOME TAX -CASE LAW UPDATES

S. 2(14), 28(i), 45 & 111A : Business Income vs. Capital Gains

Looking to the voluminous transactions in shares with repetition and continuity, profits therefrom were rightly treated as business income and not short – term capital gains. P.V.S Raju & Ors. vs. Addl. CIT (2012) 247 CTR (AP) 583

S. 5 : Accrual of income & raising of Pro-forma invoices

Entire income representing pro-forma invoices raised by assessee on Government departments could not be treated as income since merely a meagre sum had actually been received; matter is remanded back to the AO to determine the taxability of pro-forma invoices in respect of those parties who have been remitting part payments and have accepted their liability and not in respect of those Government agencies who have never paid any amount. Airport Authority of India vs. Commissioner of Income Tax (2012) 247 CTR (Del) (FB) 149

S. 10A : Computation of deduction

For the purpose of computing exemption u/s. 10A, when the export turnover in the numerator is to be arrived at after excluding communication expenses, the same should also be excluded in computing the export turnover as a component of total turnover in the denominator. CIT & Anr vs. Tata ELXSI Ltd. & Ors. (2012) 247 CTR (Kar) 334

Ss. 10A & 80I(9) : Reworking of deduction

Profit margin as revealed by the assessee being a reasonable profit margin in comparison to other similar units and AO having failed to show that it is a course of business so arranged as to result in an inflated profit, provisions of s. 80I(9) could not be invoked to reduce deduction u/s. 10A. CIT & Anr vs. H.P Global Soft Ltd. (2012) 247 CTR (Kar) 562

S. 14A & 36(1)(iii); Income Tax Rules, 1962 ,r. 8D : Retrospective applicability

Sub – ss (2) and (3) of s. 14A as well as r. 8D are prospective and not applicable retrospectively; however, even prior thereto, s. 14A required the AO to first reject the claim of the assessee with regard to the extent of such expenditure for cogent reasons and then to determine the amount of such expenditure on the basis of a reasonable and acceptable method of apportionment. Maxopp Investment Ltd. & Ors vs. CIT (Del) (2012) 247 CTR (Del) 162

S. 14A & 36(1)(iii) : Interest paid and disallowance

Assessee engaged in money lending business, interest paid by him on money borrowed for his business which borrowals had been accepted in earlier assessments, is allowable as business expenditure. Rajendra Kumar Dabriwala & Ors vs. CIT (2012) 247 CTR (Cal) 206

S. 17(2), 192, 201(1) & 201(1A); Income Tax Rules, 1962, r. 3(5) : Perquisite value of education

In computing the perquisite value of free/concessional education provided by assessee to wards of its teachers/staff, the cost of education per student exceeded ` 1,000 per month, and therefore entire perquisite value shall be reckoned to be included in the hands of receipt and assessee having deducted ` 1,000 per month per child in determining such perquisite there occurred a resultant short deduction of tax at source making the assessee liable to be treated as assessee in default under s. 201(1) and to interest u/ s. 201(1A). CIT vs. Director, Delhi Public School (2012) 247 CTR (P&H) 308

Ss. 28(iiib) & 28(iiid) : DEPB applicability at different points of time

When DEPB is sold by a person, his profit on transfer of DEPB would be the sale value of DEPB less its face value which represents the cost of the DEPB and not the entire sum received by him on such transfer; DEPB is chargeable as income u/ cl. (iiib) of s. 28 in the year in which such person applies for DEPB credit against the exports whereas the profit on transfer of DEPB by that person is chargeable as income u/cl. (iiid) of s. 28 in his hands in the year in which he makes the transfer. Topman Exports vs. CIT (2012) 247 CTR (SC) 353

Ss. 31(i) & 37(1) : Capital vs. Revenue expenditure

Expenditure incurred by assessee on reconditioning and overhauling of the machine, when there was no question of non-availability of old parts in the market had given the assessee a benefit of enduring nature and therefore, the amount was not allowable as current repairs u/s. 31(i) but was of capital nature; however, expenditure on repairs of other machines from time to time was allowable as current repairs, more so when similar expenditure was allowed for last so many years. Bharat Gears Ltd. vs. CIT (Del) (2012) 247 CTR Reports 395

INCOME TAX -CASE LAW UPDATES Continue...

S. 37(1) : Capital vs. Revenue expenditure

Expenditure incurred for removal of encroachments in and around the technical area of the airport for safety and security consideration is allowable as revenue deduction as the payment was made to facilitate its smooth functioning of the business i.e. in relation to carrying on the business in a profitable manner. Airport Authority of India vs. Commissioner of Income Tax (2012) 247 CTR (Del) (FB) 149

S. 43B : Deduction on actual payment

Where the assessee had made the claim only by way of a provision in the P & L a/c and no actual payment was made by the assessee in respect of the interest payable to the financial institutions, no deduction could be granted in accordance with s. 43B. CIT vs. Lotus Roofings (P) Ltd. (2012) 247 CTR (Mad) 458

Ss. 68 & 69 : Unexplained cash credit

Once adequate evidence/material is given, which would prima facie discharge the burden of the assessee in providing the identity of shareholders, genuineness of the transaction and creditworthiness of the shareholders, thereafter in case such evidence is to be discarded or it is proved that it has "created" evidence, the Revenue is supposed to make thorough probe before it could nail the assessee and fasten the assessee with such a liability u/s 68; AO failed to carry his suspicion to logical conclusion by further investigation and therefore addition u/s 68 was not sustainable. CIT vs. Kamdhenu Steel & Alloys Ltd. & Ors. (2012) 248 CTR Reports (Del) 33

S. 80 – IC : Assembling amounts to manufacture

Producing of TV sets by purchasing and assembling items like cabinet, chassis, IC, picture tube, etc. could be held to be manufacturing activity and therefore, assessee engaged in such activity is entitled to deduction u/s 80 – IC. CIT vs. I. Tech Electronics (2012) 248 CTR (Gau) 108

S. 80HHC, 80HHC(3), third proviso & 80HHC, Explan (baa) : DEPB and export deduction

When DEPB accrues to the assessee in one previous year and it transfers the DEPB certificate in another previous year, only ninety per cent of the profits on the transfer of the DEPB covered u/cl. (iiid) of s. 28 and not ninety per cent of the entire sale value including the face value of the DEPB has to be excluded to arrive at the "profits of the business" u/cl. (baa) of Explanation to s. 80HHC; where the export turnover of an assessee exceeds ` 10 crores, it does not get the

benefit of addition of ninety per cent of export incentives u/ cl. (iiid) of s. 28 to its export profits, but it would have the benefit of exclusion of a smaller figure from the "profits of the business" u/cl. (baa) of Explanation to s. 80HHC which would ultimately result in computation of a bigger export profit. Topman Exports vs. CIT (SC) (2012) 247 CTR Reports 355

S. 80HHC, Explan. (baa) : Computation of deduction

Ninety per cent of the net interest or net rent which has been included in the profits of the assessee as computed under the head "Profits and gains of business or profession" and not the gross interest or gross rent, is to be deducted u/cl. (1) of Explan. (baa) to s. 80HHC for determining the profits of the business. ACG Associated Capsules (P) Ltd. vs. CIT(SC) (2012) 247 CTR Reports 373

S. 115WA & 115WB(2)(B) & 115WB(2)(D) : Free supply of accessories & FBT

Expenditure incurred by a car dealer on accessories which were supplied free of cost to the customers who purchased car can neither be regarded as hospitality within the meaning of cl. (B) of s. 115WB(2) nor can be treated as sales promotion expenses u/cl. (D) as consideration thereof is inbuilt in the price of the car and, therefore, provisions of such accessories to customers is not covered u/ s. 115WA. T & T Motors Ltd. vs. Asstt. CIT (Del) (2012) 247 CTR Reports 384

Ss. 139(1) & 139(5) : Fresh claim can be made only through valid revised return

Assessee cannot revise his return of income by way of filing a revised statement of income after filing original return; in the absence of the revised return as provided u/ s. 139(5), the AO is bound to make assessment on the basis of original return. Orissa Rural Housing Development Corporation Ltd vs. Assistant Commissioner of Income Tax (2012) 247 CTR (Ori) 137

Ss. 142(1) & 143(2) : No sequence for issue of notices

There is no sequence prescribed as to in what manner notices u/ss. 142(1) and 143(2) are to be issued, therefore, there is nothing to say that the notice under s. 142(1) should precede notice under s. 143(2). Orissa Rural Housing Development Corporation Ltd vs. Assistant Commissioner of Income Tax (2012) 247 CTR (Ori) 137

IMPORTANT FOR MEMBERS AND STUDNETS

SCHEME FOR MEMBERS

In February 2012, Vapi Branch has launched the scheme of giving 25% and 50% discount to all Silver and Gold Card Holders respectively on all the Events and Seminars held at Vapi Branch.

UPGRADATION SCHEME:

Member who donates Rs. 11,000 /- will become the Silver Card Holder and will get 25% discount on all seminars and events held at Vapi Branch.

Similarly Member who donates Rs. 25,000/- will become the Gold Card Holder and will get 50% discount on all seminars and events held at Vapi Branch.

Now, Vapi Branch is upgrading this scheme that any member who earlier have donated less than 11,000/- or 25,000/- can now by paying the balance amount will become the Silver or Gold Card Holder and can avail discount on all the Seminars held at Vapi Branch. This scheme is valid only till 30th June 2012.

MINIMUM AUDIT FEES DECISION TAKEN BY MANAGEMENT

Important event that took place at during year 2011 at circuit house Valsad, the entire managing committee took a land mark decision was taken unanimously in the meeting regarding the minimum fees to be charged for Tax Audit Assignments by every member. It was agreed to charge a minimum of Rs 6,000/- in Valsad by every member for tax audit assignments at Valsad. A similar meeting was also held at Vapi, wherein the minimum fee of Rs 7,500/- was fixed for tax audit assignments at Vapi.

Vapi branch of wirc on BBM -PIN
no21B74388 & log on
www.facebook.com for events
and updates

ELOCUTION TOPICS FOR STUDNETS

Topics are:

- ☑ Revised Schedule VI –A Step Towards IFRS.
- ☑ XBRL – Towards Better Transparency?
- ☑ Responsibilities of the Independent Director: Are We Going Too Far?
- ☑ The Companies Bill 2011 – Towards Higher Levels of Transparency and Accountability.
- ☑ Raising Money: Equity Market vs. Debt Market.
- ☑ External Coordination: An Excellent Procedure to Obtain Independent Audit Evidence.
- ☑ Rationale of Taxation Initiatives in Curbing Black Money.
- ☑ Inflation – A Curse for Indian Economy?
- ☑ Detection of Cyber Crime.
- ☑ Satellite Networks and Their Usage.

About Us

- Overview
- Mission & Achievements
- Committee Members
- Sub Committee Members

Members Area

- Register
- Forms
- Events
- Check CPE Hrs
- Publication on Sale

WICASA

- Register
- Forms
- WICASA Events
- GMCS Registration
- ITT Training Registration
- Orientation Program
- Publication on Sale

Main

- Home
- Knowledge Portal
- Useful Links
- Gallery
- Contact Us

Reach Us @

VAPI BRANCH OF WIRC OF ICAI

3rd Floor, Yamuna Complex Near Gokulvihar
Township
N.H. No .08, Vapi-396195, Vapi (GUJARAT).
Contact No: +91 823822822, (0260) 2468282
E-Mail Id: vapi@icai.org



Download Logo



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Gold / Silver Card Scheme



Register

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otherwise of information provided in this website.

Course Objective The Course aims to facilitate the members in industry as well in practice by:

- providing specialized and updated knowledge in the area of Indirect Taxes in a systematic manner;
- enhancing analytical and problem solving skills for decision making.

Eligibility Only the members of the ICAI are eligible to pursue this course.

Course Coverage Overview of indirect taxes, value added tax, central excise duty, customs duty, service tax, GST and Foreign Trade Policy. Please visit http://www.icai.org/post.html?post_id=7382 for the **de-tailed course content** of the course.

Course Duration and Course Hours 12 days [8 hours] - [Including half day allocated for examination]

Faculty The faculty for the course will be a combination of practicing Chartered Accountants, advocates, academicians and experts in the field of indirect taxes to provide the members an in-depth technical as well as practical knowledge.

Fees for the Course

Rs.15,000 for other cities [This Includes fees for the examination to be held immediately after completion of the Course]

Certificate A certificate will be awarded to the members on successful completion of course and passing the examination.

CPE Hours 70 Hours (50 Structured and 20 Unstructured)

Registration

The interested members may confirm their names at website www.vapi-icai.org by filling up the required details. For further clarification email us at E-mail:-vapi@icai.org

VAPI BRANCH OF WIRC OF ICAI

DETAILS REQUIRED AS FOR MAKING DIRECTORY OF THE BRANCH :-

NAME :-

FIRM NAME :-

MEMBERSHIP NO:-

ACA / FCA :-

DOB :-

ADDRESS for COMMUNICATION :-

PHONE : MOBILE :

Email Add :

SEND THE DETAILS AT VAPI BRANCH OFFICE

Online forms for members and students are available at www.vapi-icai.org under register.

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THANKS TO OUR WORTHY CONTRIBUTORS

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2	V R Desai	111,111	35	Abhay D Chhajed	11,000
3	Hemant Parmar	75,000	36	Ajit K Kanasagara	11,000
4	G B Laddha & Co	31,000	37	Amar J Bhanushali	11,000
5	J.P.Shethiya	25,000	38	Anilkumar shah	11,000
6	Bharatkumar Bhandari	25,000	39	Beejal Mehta	11,000
7	Dinesh Jadav	25,000	40	Chetan Khakahar	11,000
8	Dipak D Desai	25,000	41	Chirag Shah	11,000
9	Giriraj B.Laddha	25,000	42	H F Vora	11,000
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31	Hiten Desai	25,000	64	Smiti Shroff	5,000
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			67	Laxmi Mittal & Co.	1,001

GLIMPSE OF PAST EVENT



FELICITATION OF ICAI PRESIDENT
CA. JAYDEEP SHAH BY VAPI
BRANCH



FELICITATION OF WIRC CHAIRMAN
CA. DURGESH KABRA BY VAPI
BRANCH



OFFICE BEARERS OF ICAI & WIRC
SANJEEV MAHESHWARI –
CCM, RAJKUMAR ADUKIYA OTHER
CCM AND RCM AT FELICITATION
FUNCTION OF ICAI PRESIDENT



Vapi branch committee members with Hon'ble CIT
for inaugurating of www.vapi-icai.org website



"CA Jay Chharia, Vice Chairman Of WIRC Of ICAI At
Inauguration Function Of MII Vapi CPE Study Chap-
ter With Vapi Branch & Baroda Branch Chairman



CA. Jay Prakash Shethia addressing
members and students on the topic Re-
cent Developments in Service tax



Hon'ble CIT(A) D S Benupani address-
ing at the interactive session on Repre-
sentation before Appellate Authority



Committee members of Vapi Branch and
Baroda branch for Seminar held on Cer-
tificate of 15CA and 15CB on 22nd May
2102

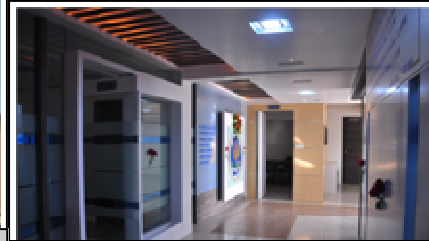
VAPI BRANCH PREMISES



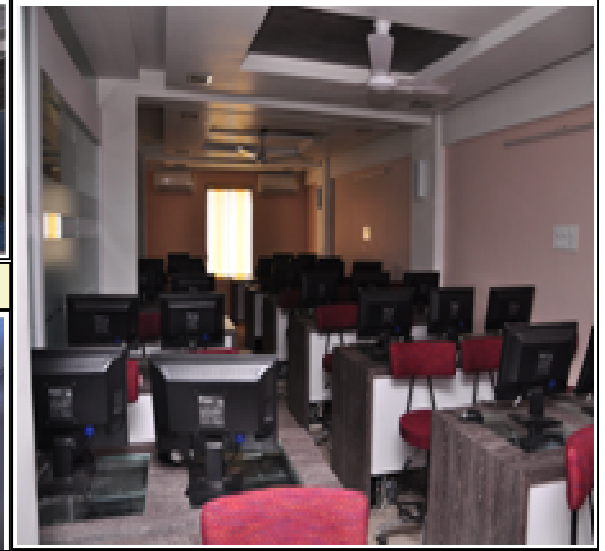
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To,