

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



BANGALORE BRANCH OF SIRC NEWSLETTER

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2 Day CPE Conference

Jñānaarjāna

- Quest for Knowledge



**Saturday 18th & Sunday 19th
December 2010**



**Seminar on
“Emerging Economic
Challenges for Industry”**
On Saturday, 4th December 2010



**Seminar on
“Mergers & Acquisitions
- Strategising for Growth & Sustainability”**
On Saturday, 11th December 2010

From the desk of Chairman



Dear Professional Colleagues,

One more calendar year is coming to an end, and December is to celebrate Christmas and hearty greetings from the Managing Committee for "Merry Christmas". End of a year follows with the beginning of a New Year and let us hope to have better days ahead.

HEALTH IS WEALTH

Recent trends indicate most of the professionals, including many of us, are busy and are trapped in endless economic rat race thereby neglecting the health. It is aptly said "we spend first half of our life for gaining wealth at the cost of our health and then spend second half of our life trying to regain our health by spending the earned wealth". Even though time tested quotes like "health is wealth"; "prevention is better than cure" which we learnt from our childhood days, present economic environment makes us busy with work which takes the toll of health and we end up in a situation paying heavy price due to ill health. Hence there is a need to have a paradigm shift from reactive healthcare to preventive healthcare to break the cycle of ever-increasing costs. Health isn't something that should be dealt with when something goes wrong. We periodically service and don't wait until our vehicle breaks down before we see a mechanic; why do we resist seeing the same potential for health when prevention of something devastating down the road is a matter of simple maintenance?. We in the Branch, as a small step in this direction, put the effort to get some preventive health check-up and treatment packages at a concession rate from leading hospital "Narayana Hrudayalaya" and soon you will receive the communication in this regard. This concession would be extended not only to all members of Bangalore Branch but also to their family consisting of spouse, children, parents and in-laws of the member. We thank Dr Devi Prasad Shetty, Chairman, Narayana Hrudayalaya and his team for extending the special consideration for the CA fraternity at Bangalore Branch.

NOVEMBER, THE MONTH GONE BY

November being examination month for CA students, the Institute staff at Branch and its managing committee has contributed its might in successfully conducting the examinations in 6 centres at Bangalore with more than 5,100 students appearing for the CA examinations. We also witnessed a mega event in SIRC Regional conference held at Kochi on 27th & 28th of November, which was inaugurated by Honourable Union Minister of Finance Sri Pranab Kumar Mukherjee. Bangalore Branch was proud on this occasion as it received "Best Branch Award" for the performance it showed in the last year by the team lead by CA Cotha S Srinivas. During the month, the branch also conducted various student programs like IPCC Orientation Course, General Management & Communication Skills Course, Pre-examination Crash Course etc, apart from Study circle meetings for members on contemporary subjects. One more highlights of the month was one day seminar on "Audit under Karantaka Value Added tax Act" which was attended by more than 350 participants and the deliberations at the seminar was well received by the delegates.

CPE CONFERENCE **Jnanaarjana** - Quest for Knowledge

The mega event of CPE Conference which is organized every year is being planned for two days on 18th and 19th December 2010 at Bangalore. The theme of the Conference is chosen as "Jnanaarjana" - Quest for Knowledge. Acquiring the knowledge and continuous learning is a sine-quo-non for all professionals, more so for chartered accountants, to sustain in the present competitive, complex and ever-changing economic, business and legal environment. The topics chosen are also of the relevance to the current happenings and the future requirements for our profession. The resource persons chosen are also the experts in their respective subjects and they are coming from all over the country. Our own member, who has risen to the level of Deputy Chairman of Rajya Sabha in the country's polity and made our profession proud, CA K. Rahman Khan has kindly consented to be the Chief Guest and will be inaugurating the Conference and delivering a keynote address. Apart from the varied technical topics of interest, we have lined up two special sessions, one on physical health and the other on spiritual health and

both are being taken up by distinguished personalities who have achieved a lot in their own domain. This mega conference would provide one more platform to our members to interact on the important contemporary subjects and exchange of view with the galaxy of distinguished speakers and thereby enhance the knowledge, apart from acquiring 12 hours CPE credits. To serve better, it is our earnest request to you to register for the conference well in advance.

MERGERS & ACQUISITIONS – Strategising for Growth & Sustainability

Mergers and Acquisitions (M&A) are a primary vehicle for Corporate Growth and in the past we have witnessed successful mergers as well as acquisitions both in the domestic and in the international corporate world. Successful execution of this exercise require professional guidance and Chartered Accountants have a vital role to play at every stage in the process of M&A. Keeping this in view, we are organizing a one day Seminar on "Mergers & Acquisitions" on 11th December and the details are published in this Newsletter. We hope that the knowledge and learning to be shared by the eminent speakers will enhance the member's appreciation of the intricacies of the M&A deals and manifest itself in improved success rate of corporate mergers & acquisitions.

EVENTS FOR THE MONTH AHEAD

Apart from a Two Day Conference "Jnanaarjana" and One Day Seminar on M&A, one more Seminar on "Emerging Economic Challenges for Industry" is being hosted by the Branch on 4th December, keeping in view the requirements of members in industry. We are also planning to host a "CFO Meet" in the month of December, the details of which would be communicated separately. Of course, above programs are in addition to regular study circle meetings, the details of which are published in the Newsletter.

HEARTY CONGRATULATIONS

We in the managing committee extend hearty congratulations to our member CAB. Sudhakar Pai who was conferred with Karnataka Rajyothsava Award - 2010 from State Government of Karnataka.

With warm regards

CA. SHAMBHU SHARMA H.
Chairman

CPE AND OTHER PROGRAMS - December 2010 & January 2011

Date/Day	Topic /Speaker	Venue/Time	CPE Credit
01.12.10 Wednesday	An overview of IFRS & Challenges involved in first time adoptions CA. Aditya Singhal	Branch Premises 06.00pm to 08.00pm	2 hrs
04.12.10 Saturday	Seminar on "Emerging Economic Challenges for Industry" Delegate Fee: ₹ 1,800/- <i>Details Page No: 13</i>	The Lalit Ashok, Kumara Krupa High Grounds Bangalore 09.00am to 06.00pm	6 hrs
08.12.10 Wednesday	Companies Bill 2009 & MCA Guidelines 2009 on Corporate Governance & CSR CA. Vijay Raja	Branch Premises 06.00pm to 08.00pm	2 hrs
11.12.10 Saturday	"Mergers & Acquisitions - Strategising for Growth & Sustainability" Delegate Fee: ₹ 2000/- <i>Details Page No: 17</i>	Taj Vivanta (formerly Taj Residency) M.G. Road, Bangalore 09.00am to 06.00pm	6 hrs
15.12.10 Wednesday	Recent developments in Auditing Standards CA. D M Suresh	Branch Premises 06.00pm to 08.00pm	2 hrs
18.12.10 Saturday & 19.12.10 Sunday	2 Day CPE Conference Jnanaarjana - Quest for Knowledge Delegate Fee: ₹ 1800/- <i>Details Page No: 18</i>	Jnana Jyothi Convention Centre, Central College Campus, Bangalore	12 hrs
22.12.10 Wednesday	Assessment Procedures - Revisited CA. Naveen Khariwal	Branch Premises 06.00pm to 08.00pm	2 hrs
29.12.10 Wednesday	Indirect Taxes - Practitioners' perspective CA. Govindaraj	Branch Premises 06.00pm to 08.00pm	2 hrs
05.01.11 Wednesday	Gold - The other currency & its importance in an investment portfolio CA. Shubha Ganesh	Branch Premises 06.00pm to 08.00pm	2 hrs

Note : High Tea at 5.30 pm for programmes at 6.00 pm at branch premises.

Advertisement Tariff for the Branch Newsletter

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Inside back	₹ 24,000/-	Quarter page	₹ 4,000/-

Advt. material should reach us before 22nd of previous month.

Editor : **CA. Shambhu Sharma H.**

Sub Editor : **CA. Prasad S.R.**

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TAX UPDATES OCTOBER 2010

CA. Chythanya K.K., B.Com, FCA, LL.B

VAT, CST, ENTRY TAX, PROFESSIONAL TAX

PARTS DIGESTED:

- a) 2010-11(15) KCTJ Part 7
- b) 2010 69 Kar. L. J. Part 10
- c) 34 VST – Part 3 to 6
- d) 35 VST – Part 1

Reference/Description

2010 (69) Kar. L.J. 369 (SC) : Indure Limited & Another v. CTO & others

In the instant case the Appellant had entered into a works contract for “supply and erection of ash handling plant” to be executed on turnkey basis for contractee, viz., National Thermal Power Corporation. In regard to the same the Appellant had imported M.S. Pipes under special import licence on condition that the goods imported should be used exclusively for plant of the contractee. There was an explicit stipulation in the contract which provided that the ownership of equipments/goods supplied by contractor would vest exclusively with the contractee (N.T.P.C.) upon dispatch in India. Upon receipt of the M.S. pipes from abroad the Appellant transported the same to the contractee’s work-site and after obtaining end-use certificate, claimed the supply as sale in course of import attracting tax exemption under Section 5(2) of CST Act. The Appellant’s claim was rejected on ground that there was no privity of contract between contractee (N.T.P.C.) and foreign seller either directly or through contractor as agent. However the Apex Court

observed that since the goods imported into India was for execution of works contract on turnkey basis, and, on dispatch of goods to contractee’s work-site, goods vested exclusively in the contractee as stipulated in contract, the said transaction amounted to sale in course of import, not liable to be taxed by virtue of Article 286(1)(b) of the Constitution of India.

Thus, the apex court recognised the practice of effecting high sea sale of imported equipments to be used in carrying out a local works contract and held that the State cannot tax such sale in the guise of tax on works contract.

2010 (69) Kar. L.J. 422 (SC) : State of Karnataka v. Azad Coach Builders Pvt. Ltd. & Another

In the instant case the Apex Court dwelt in on the aspect of a deemed sale - sale in course of export. The Apex Court noted that the said last sale should have taken place after agreement or order for export, and must be for purpose of complying with agreement or order for export or in relation to such export. The Apex Court spelt out the three essentials of sale deemed to be export sale which are: (i) that there must be sale, (ii) that goods must actually be exported; and (iii) that sale must be part and parcel of export. The Apex Court further noted that the provision granting tax exemption to such sale deemed to be export sale does not contemplate that goods, involved should be same goods contracted for export. All that

was required was that the local sale or purchase between parties should be inextricably linked with export of goods. In the instant case the dealer built and fitted bus-body on chassis supplied by exporter who had contracted with foreign buyer to export “bus”. It was noted that the sale of bus-body built and fitted to exporter’s chassis by the dealer was to enable the exporter to comply with the export order. Hence sale of bus-body by dealer to exporter was deemed to be export sale and it was held that the exemption cannot be denied to dealer on ground that what was exported was bus and not the bus-body sold to exporter.

Further in the said case the Apex Court analysed the following phrases:

- (i) “To comply with agreement or order” – Expression covers all transactions that are necessary.
- (ii) “In relation to” – are words of comprehensiveness, having both direct and indirect significance – Cannot be construed in restrictive sense.

The above large bench decision puts at rest the controversy relating to exemption in respect of penultimate sale to an exporter against H Form.

[2010] 34 VST 202 (WBTT) : Bharti Airtel Limited & Another v. Asst. CST & Others

In the instant case the West Bengal Tribunal dealing with the meaning of ‘actionable claims’ in the context of recharge coupon vouchers provided by cellular mobile service provider held that the same were actionable claim. Therefore it was held that the supply of recharge coupon vouchers by the assessee to distributors/Agents was not liable to sales tax.

INCOME TAX

PARTS DIGESTED:

- a) 327 ITR – Part 3 to 5
- b) 328 ITR – Part 1
- c) 193 Taxman – Part 3 & 4
- d) 194 Taxman – Part 1
- e) 5 ITR(Trib) – Part 2 to 5 & 7 & 8
- f) 125 ITD – Part 8
- g) 126 ITD – Part 1 & 4 to 9
- h) 42-B BCAJ – Part 1

Reference/Description

[2010] 327 ITR 456 (SC) : GE India Technology Centre P. Ltd. v. CIT & another

In the instant case the Apex Court highlighted the purpose of Section 195(2) of the Act wherein an application is made to the ITO to determine the extent to which any payment would be liable to tax on being considered as an income. The Apex Court observed that the application of Section 195(2) presupposes that the person responsible for making the payment to the non-resident is in no doubt that tax is payable in respect of some part of the amount to be remitted to a non-resident but is not sure as to what should be the portion so taxable or is not sure as to the amount of tax to be deducted. In such a situation, he is required to make an application to the Income-tax Officer (TDS) for determining the amount. It is only when these conditions are satisfied and an application is made to the Income-tax Officer (TDS) that the question of making an order under Section 195(2) would arise.

This was one decision which came on expected lines and which removed an unnecessary controversy that arose from infamous Samsung case. As always understood, there is no need to make an application under section 195(2) if the payer considers that no

part of what he pays is subject to tax in the hands of recipient in India.

[2010] 327 ITR 510 (Delhi) : CIT v. Zoom Communication P. Ltd.

The Delhi High Court dealing with the aspect of penalty under Section 271(1)(c) observed that if it were to take the view that a claim which was wholly untenable in law and had absolutely no foundation on which it could be made, the assessee would not be liable to imposition of penalty, even if he was not acting bona fide while making a claim of the nature, then that would give a licence to unscrupulous assessee to make wholly untenable and unsustainable claims without there being any basis for making them, in the hope that their return would not be picked up for scrutiny and they would be assessed on the basis of self-assessment under Section 143(1) of the Act. Further it also was of the view that even if their case was selected for scrutiny, they could get away merely by paying the tax, which is any case, was payable by them. The consequence would be that the persons who make claims of this nature, actuated by a mala fide intention to evade tax otherwise payable by them would get away without paying the tax legally payable by them, if their cases are not picked up for scrutiny. The Court therefore held that if a view as aforesaid was taken then the very purpose of the Section, which is to have a deterrent effect, would be lost.

This decision is a warning for those who make baseless claims in the guise of arguable claims and take a chance. If an assessee claims some exemption/ deduction which is ex facie (without debate) impermissible, his very claim may not be bonafide and he therefore runs the risk of facing penal consequences.

[2010] 327 ITR 543 (Delhi) : CIT v. Nalwa Sons Investments Ltd.

In the instant case the total income computed under the regular provisions was less than the book profits and hence the Delhi High Court held that since the assessment was made under Section 115JB of the Act penalty could not be levied.

The Delhi High Court referred to the case of Gold Coin (2008) 304 ITR 308 and stated that in the said case the Court was of the opinion that “the tax sought to be evaded” would mean the tax chargeable on the concealed income as if it were the total income.

Extending the said logic to Explanation 4 of Section 271(1)(c) given by the Supreme Court, the Court noted that no doubt there was concealment but that had its repercussions only when the assessment as per the normal procedure. However the same was not acted upon. On the contrary, it was the deemed income assessed under Section 115JB of the Act which had become the basis of assessment as it was higher of the two. Tax was thus paid on the income assessed under Section 115JB of the Act. Hence, when the computation was made under Section 115JB of the Act, the aforesaid concealment had no role to play and was totally irrelevant. Therefore, the concealment did not lead to tax evasion at all and so no penalty was leviable.

This decision although favourable misses the point that although the book profit is deemed to be total income, the loss and depreciation computed under the normal provisions are carried forward for future set off. Therefore, concealment noticed in computing normal income is therefore not irrelevant.



[2010] 327 ITR 582 (Karn): Prabhaskar Plaza v. ITO

The instant case dealt with the concept of mutual association. In the said case, the assessee firm was engaged in property development, commission agency and allied activities. The Karnataka High Court held that there was no mutual association. The Court noted that for the purpose of mutuality the following three conditions should exist: (i) that no person can earn from himself; (ii) that there is no profit motivation; and (iii) that there is no sharing of profits.

[2010] 327 ITR 592 (Bom) : CWT v. Sona Properties P. Ltd.

In the instant case the Bombay High Court, in the context of the Wealth Tax Act, noted that where the Valuation Report was called for after completion of assessment the same was not a ground for reassessment. However if the said Valuation Report was called for during pendency of assessment but was received after completion of assessment, then the same would be a valid ground for reassessment.

Valuation report being only an opinion can never per se be the basis for reassessment. It is necessary that the assessing officer applies his mind on the valuation report and then has to form a belief.

[2010] 327 ITR (St.) 19 : CIT v. Business India Television Intern Ltd.: SLP (Civil) No. 16239 of 2010

In the instant case, the apex court dismissed the Department's special leave petition against judgment dt. August 25, 2009, of the Delhi High Court in ITA Nos. 677 of 2007 whereby the High Court held that no substantial question of law arose from the order of Tribunal. The Tribunal had held that when the assessee was under the bona fide belief that the amount paid to the employees was in the nature

of reimbursement of expenses incurred by them in the course of business, the assessee could not be treated as an "assessee in default".

[2010] 193 Taxman 97 (SC): CIT v. Bharti Cellular Ltd.

In the instant case the Apex Court in the context of Section 9(1)(vii) and the meaning of the word 'technical services' observed that right from 1979 various judgments of the High Courts and Tribunals have taken the view that the words "technical services" have got to be read in the narrower sense by applying the rule of Noscitur a sociis, particularly, because the words "technical services" in Section 9(1)(vii) read with Explanation 2 comes in between the words "managerial and consultancy services".

Further the Apex Court also gave a direction to the Assessing Officer (TDS) to examine a technical expert from the side of the Department and to decide the matter within a period of four months. It stated that such expert(s) would be examined (including cross-examined) within a period of four weeks from the date of receipt of the order of the Court. Liberty was also given to respondent No. 1 to examine its expert and to adduce any other evidence.

[2010] 193 Taxman 100 (Bom): Vodafone International Holdings B.V. v. Union of India

In the instant case the Bombay High Court held that since the transaction between one HTIL and the petitioner was structured so as to achieve object of discontinuing operations of HTIL in relation to Indian mobile telecommunication operations by transferring rights and entitlements of HTIL to petitioner, the said income accrued and arose and derived as a consequence of divestment of HTIL's

interest in India. Further the Court noted that since the transaction between the parties covered within its sweep diverse rights and entitlements and essence of the transaction was a change in controlling interest in HEL, an Indian Company which constituted a source of income in India to the petitioner, by the diverse agreements that it entered into, the same had a nexus with the Indian jurisdiction. Therefore the Court held that the proceedings initiated by income-tax authorities could not be held to be lacking in jurisdiction.

The High Court while upholding the proposition that the controlling interest associated with a share is not a distinct asset by itself, failed to appreciate that a share cannot be regarded as a conduit for holding various rights including diverse business interests. In the absence of express provision, it is not permissible to adopt the "look through" concept. Wherever a transaction by way of acquiring share has to be understood differently, explicit provision has been made. For example, section 2(47)(vi) regards as a transfer any transaction (whether by way of becoming a member of, or acquiring shares in, a co-operative society, company or other association of persons or by way of any agreement or any arrangement or in any other manner whatsoever) which has the effect of transferring, or enabling the enjoyment of, any immovable property. Similar provision may be seen in section 269 UA(d)(ii) which defines immovable property as meaning any rights in or with respect to any land or any building or a part of a building (whether or not including any machinery, plant, furniture, fittings or other things therein) which has been constructed

or which is to be constructed, accruing or arising from any transaction (whether by way of becoming a member of, or acquiring shares in, a co-operative society, company or other association of persons or by way of any agreement or any arrangement of whatever nature), not being a transaction by way of sale, exchange or lease of such land, building or part of a building. The High Court while holding that the subject matter of transfer was a basket of rights which are in the nature of capital assets, misled itself in implying that these capital assets are transferred by HTIL or HTI (BVI) to Vodafone. The entire case of department as accepted by the High Court is built on the incorrect assumption that the varied business interests are held by HTIL or HTI (BVI) as their capital assets. The fact remains that these business interests always belonged to the various Indian companies who carried on telecom business. Even after the impugned transaction of transfer of one CGP share, these rights very much remained with the above Indian companies. These business interests continued to be indirectly owned by HEL, an Indian company as well as by various Mauritian companies and equally so, by CGP. In the level of hierarchy, HTI(BV) stands at fifth level and HTIL stands at the seventh level. It is too far-fetched to imagine that HTI (BV) and HTIL who stand at fifth and seventh levels respectively, “own” the varied business interests in India. It is equally far-fetched to say that these companies are the owners of capital assets and these companies have transferred the said capital assets when such capital assets very much remained with various companies up to the fourth level even after the impugned transaction.

The High Court has erred in laying undue emphasis on the fact that in various agreements and arrangements, HTIL is a party. HTIL being at the helm of the group would enter into such agreements and arrangements as part of its parental obligation. Merely because HTIL is a party to such agreements and arrangements, it cannot be said that HTIL as such owned the various capital assets which are subject matter of such agreements and arrangements. This is particularly so when these capital assets have never gone out up to the fourth level company. These capital assets are very much owned by the companies at the lower levels and the degree of ownership is strongest at the lowest level.

The High Court has erred in reading “whether directly or indirectly” as qualifying the word “transfer” appearing in fourth limb of section 9(1)(i). The words “directly or indirectly” which appear at the beginning of section 9(1)(i) follow “accruing or arising” and hence qualify only the latter. The said words don’t appear after the word “transfer”. Wherever it is intended to make the provision applicable to the word “transfer” specific provision has been made. Reference may be made to section 17(2)(vi) and section 64(1)(iv) where such intention has been expressed.

[2010] 194 Taxman 70 (Uttarakhand): CIT v. Enron Expat Services Inc.

In the instant case the Uttarakhand High Court, in the context of Section 192 dealing with deduction of tax at source in the case of payments made in the nature of salaries, held that the obligation to deduct tax at time of payment, which is mandate of sub-section (1) of Section 192 extends up

to end of financial year by virtue of provisions contained in sub-section (3) of Section 192. Therefore in the instant case where the assessee did not deduct tax under Section 192(1) from salaries in each month, rather it deducted tax at end of financial year, the Court held that the Tribunal was justified in deleting interest charged under Section 201(1A) by relying on Section 192(3).

[2010] 194 Taxman 192 (Bom.): CIT v. Gem Plus Jewellery India Ltd.

The instant case dealt with the computational aspect under Section 10A. The Bombay High Court held that, for the purpose of application of formula prescribed by Section 10A(4), the export turnover in the numerator must have same meaning as export turnover which is a constituent element of total turnover in the denominator. Therefore it was observed that since in computing export turnover the Legislature had made a specific exclusion of freight and insurance charges, these two items would have to be excluded from total turnover also for purpose of computing exemption under Section 10A.

Further the Court held that where the Assessing Officer had enhanced income by disallowing employer’s as well as employee’s contribution towards provident fund/ESIC, exemption under Section 10A had to be granted on such enhanced income. In the context of Foreign exchange gain the Court held that exemption under Section 10A should be granted on foreign exchange gain earned on realization of export receipts in the year of export and gains on sales of earlier years should be excluded from profits of year under consideration.

[2010] 126 ITD 231 (Chennai): K.S. Kamalakannan v. Asst. CIT

The instant case dealt with the



computation of income under the head house property and the aspect of deduction on account of interest paid on loan borrowed. The Chennai Tribunal held that as per the provisions of Section 24(1)(vi), if interest paid on original loan was allowable as deduction, then interest paid on second loan for repayment of original loan was also allowable.

The facts of the case was that the Assessee had inherited a house property from his father and the said property had been mortgaged to EBSL on account of loan taken by his father for business purposes. After inheritance, the assessee took a loan, which was utilized to repay loan taken from EBSL. The Assessee claimed deduction in respect of interest paid on loan taken by him. However the Revenue authorities rejected the assessee's claim holding that as per provisions of Section 24(1)(vi), interest was to be allowed only in respect of loan taken for repayment of earlier loan utilised for construction, acquisition, reconstruction, repair, etc., of property.

The Tribunal based on such facts held that since in instant case, the original loan was not taken for purpose as prescribed under Section 24(1)(vi), rather the same was taken for business purposes, the Revenue authorities were justified in disallowing the assessee's claim.

[2010] 126 ITD 263 (Chennai): Asst. CIT v. Viswas Promoters (P.) Ltd.

In the instant case the Assessee had completed four housing projects. Out of the said four in two projects the assessee had constructed flats exceeding 1500 sft. in area. The Assessee claimed deduction under Section 80-IB(10) in respect of flats having area less than 1500 sft. However the Assessing Officer denied the said deduction on the ground that the housing project comprised of residential units exceeding 1500 sft., thus, all conditions stipulated in statute were not satisfied.

The Chennai Tribunal held that since the Assessee did not comply with all the conditions precedent for availing of benefit of Section 80-IB(10) the

Assessing Officer was justified in disallowing assessee's claim.

In passing such a judgement the Tribunal noted the meaning of the term 'project' and stated that the same was nomen generalissimum. It is a term of most general meaning. It connotes a proposal for undertaking or a scheme for something to be done. The assessee did formulate four such schemes, namely, Agrini, Vajra, Porkundam Phase-I and Phase-II. These four schemes as such were approved by the local authority. A project cannot be approved in piecemeal. Approval is accorded to the entire project. Blocks of residential units are parts of a project and not project by itself. As such a block of residential unit cannot be constructed to be a separate project.

This is one exceptional decision standing amidst several others which have held that disallowance will be restricted to profits attributable to those units exceeding the prescribed area limit.

An appeal to Members to inform their articles

Bangalore Branch is pleased to announce that IPCC & Final coaching classes for the students appearing for the May 2011 Examination, will be commencing from 13th December 2010 at Bangalore Branch premises.

Fee Structure:

IPCC : Rs.8,000/- For both the groups

Rs.5,000/- For only Group I

Rs.4,000/- For only Group II

FINAL : Rs.8,000/- For all subjects

Rs.6,000/- For Single Group

We request you to pass on this information, for the benefit of students.

For further details please call:
080-30563511/512 or visit Branch.

Congratulations



CA. Ballambettu Sudhakar Pai,
(Membership No. 018187)

has been conferred
**'Karnataka Rajyotsava
Award 2010'**

by the Government of Karnataka
on 1st November 2010
for his outstanding
contribution in industrial
facilitation.

RECENT JUDICIAL PRONOUNCEMENTS IN INDIRECT TAXES

CA. N.R. Badrinath, B. Com., Grad C.W.A., F.C.A.,
CA. Madhur Harlalka, B. Com., F.C.A.

VALUE ADDED TAX

▪ The assessee was engaged in the manufacture and sale of Indian made foreign liquor ('IMFL'). The assessee treated the sale of IMFL made to Air India to be in the course of export and claimed that Central Sales Tax was not collectible on such sale. The Assessing Officer rejected the claim of the assessee and held that Central Sales Tax is payable on such sale. However, the Tribunal held that the sale is in the course of export and not liable to sales tax. On revision petition by the Revenue it was held that, a sale or purchase of goods shall be deemed to take place in the course of export only if the sale or purchase either occasions such export or is effected by a transfer of documents of title to the goods after the goods have crossed the customs frontiers of India. Air India is an Indian Company and is not engaged in exchange of export business as the Air India has not purchased IMFL from the assessee for exporting to foreign country. The Tribunal had erred in considering the nature of transaction between the assessee and Air India. Hence the revision petition was allowed and the order passed by the Tribunal was set aside. [*State of Karnataka vs. Bacardi Martini India Limited, Bangalore. 2010 (69) Kar. L.J 362 (HC) (DB)*]

- The appellant-company engaged in the manufacture of cement was assessed to entry tax under the Karnataka Tax on Entry of Goods Act, 1979 ('the Act') whereby entry tax was levied on motor vehicles, parts of motor vehicles, tarpaulins and spares of diesel generating sets. The appellant contended that the Government Notification which provided for the levy of entry tax on motor vehicles, as amended is ultra vires the constitution since the rate of tax exceeds the statutory limit of 5%. It was held that, the levy of entry tax on tarpaulins and spares of diesel generating sets is justified whereas the levy of entry tax on motor vehicles is ultra vires the Constitution of India as decided by the Honourable High Court of Karnataka in the case of *Larsen and Toubro Case Equipment Private Limited*. Hence it was ordered that the impugned orders levying tax on motor vehicles are to be deleted and the Assessing Authority was directed to recompute the appellant's entry tax liability in terms of this order and issue revised demand notice accordingly. [*Associated Cement Companies Limited, Bangalore vs. State of Karnataka. 2010 (69) kar. L.J 309 (Tri.) (DB)*]
- The appellant is engaged in the sale of cement concrete blocks and had paid tax at the rate of 4% on the

turnover. The appellant had claimed exemption on the turnover in respect of the transportation charges incurred by them and reimbursed by the customers. The revenue proposed to disallow the claim of exemption on the ground that the appellant was not eligible for such exemption and accordingly re-determined the taxable turnover. The appellant contended that in the invoice raised, the transportation charges are separately mentioned and the after the said amount was collected from the customer the same was paid in full to the transporters without adding any amount to the value of the goods. However, it was held that the dealer collects freight charges as part of total order value and the title to the goods sold passes on to the buyer only on delivery of goods to the buyer. Hence freight charges forms part of sale consideration and hence has to be included in taxable turnover, though the same is shown separately in the tax invoice. The appeal was dismissed accordingly. [*APCO Concrete Block and Allied Products, Bangalore vs. The Deputy Commissioner of Commercial Taxes, Audit-1, DVO, Bangalore. 2010 (69) kar. LJ 305 (HC) (DB)*]

- The petitioner is engaged in retail sale of motor vehicles/ chassis manufactured by M/s. General Motors India Private Limited and Ashok Leyland Limited and is registered under the Karnataka Value Added Tax Act, 2003 ('the Act') and the Karnataka Value Added Tax Rules, 2005 ('the Rules'). The petitioner had affected sales by raising a pro forma invoice for full price inclusive of VAT and upon the receipt of the price less discount, a credit note was raised



on the customer in respect of the discount including the tax element on such discount, resulting in reduction in the price. The revenue issued show cause notice proposing to reject the claim of discount on the ground that the same is not in compliance with Rule 3(2)(c) of the Rules and the discount was not brought to the notice of the buyers. However, it was held that as per Rule 3(2)(c) as amended by Notification No. FD 124 CSL 2006 dated 27/05/2006 with effect from 01/04/2006, the dealer was required to show the amount allowed as discount in the tax invoice, and the said Rule is not *ultra vires* the Act since it does not prohibits the issue of credit notes within six months of sale, if tax charged in the invoice exceeds the tax payable on account of return of goods. Having issued the tax invoice, dealer is not permitted to change the sale price by introducing an undisclosed deduction after conclusion of sale. Hence the writ petition was dismissed. [TV Sundaram Iyengar and Sons Limited, Bangalore vs. State of Karnataka and Another. 2010 (69) Kar. LJ. 315 (HC)]

SERVICE TAX

▪ The appellant, engaged in the manufacture of textile machineries entered into a contract with their customers for supply of textile machinery, for which the sale price quoted was inclusive of installation and commissioning charges and excise duty was paid on the entire contract value. The Revenue issued show cause notice proposing to recover service tax on the erection, commissioning and installation charges included in the value of machinery along with interest and

penalty. The appellant contended that the contract was a composite contract for the supply of machinery in fully installed condition and the process undertaken at the buyer's premises was incidental to the manufacturing process. Since excise duty was paid on the entire contract value, erection, commissioning and installation should be considered as a part of manufacturing process and no service tax is payable thereon. The Revenue argued that the appellants are liable to service tax on the activities carried out by them at the buyer's premises. However, on appeal it was held that the appellants are not liable to pay any service tax and hence the impugned order confirming the demand and imposing interest and penalties was set aside and the appeal was allowed with consequential relief. [Alidhara Texspin Engineers vs. Commissioner of Central Excise and Customs, Vapi. 2010 (20) S.T.R 315 (Tri – Ahmedabad)]

▪ The appellants were registered and paying tax on services under the category Goods Transport Agency ('GTA'). The Revenue found that the appellant had provided services under the category Clearing and Forwarding Agent ('CFA') without paying service tax and hence issued show cause notice imposing penalty and interest. The Commissioner (Appeals) found that the appellant had suppressed the fact of providing taxable service and held that the demand was sustainable for extended period. Before the Tribunal, the appellant contended that the delay in payment of service tax was due to the *bone fide* belief that the

impugned activity did not constitute a taxable service under the category CFA and in such case penalty cannot be imposed. The period of 1 year for the purpose of issue of show cause notice has to be computed from the date on which service tax was to be paid as per provisions of the Act. However, it was held that the impugned order wrongly sustained the order of the original authority on the basis that the demand was sustainable for the extended period though the show cause notice had not raised allegation of suppression of fact. Accordingly, the impugned order was set aside and the appeal by the appellant was allowed. [Sudhakar Plastic Limited vs. Commissioner of Customs and Central Excise, Hyderabad. 2010 (20) S.T.R 332 (Tri – Bangalore)]

▪ The appellants were holding the service tax registration for the services rendered by them under the category of Port Services. During the course of audit, it was noticed that the appellant had availed and utilized the credit of service tax paid based on ineligible documents. On a conclusion that these are not the proper documents prescribed for availment of credit as per Rule 9 of Cenvat Credit Rules, 2004, the appellants were issued show cause notice for reversal of the said credit availed. The Adjudicating Authority concluded that the credit availed is incorrect and confirmed few of the demands and dropped the others. However, it was held that, since the appellant had not challenged the service tax liability on services procured from foreign consultant, the re-imburement of expenses and royalty, the demand was

confirmed along with interest. However, the penalties imposed on a consolidated basis would be restricted as per the provisions of sections 76 and 77 of the Finance Act, 1994. Since the royalty payments for services rendered by the foreign consultants would be liable for service tax from 18.01.2006, penalty could not be imposed for a prior period. Hence the penalties imposed were set aside. [*India Gateway Terminal (P) Limited vs. Commissioner of Central Excise, Cochin. 2010 (20) S.T.R 338 (Tri – Bangalore)*]

- The appellants were rendering Commercial or Industrial Construction Service ('CICS') and had constructed an Onshore Terminal ('OT') for M/s. Reliance Industries Limited for storage, processing and onward transportation of natural gas to the customers. The Revenue contended that such activity of construction of OT was excluded from CICS. The OT was an industrial plant with various processing facilities and the appellant had not intimated the impugned activity undertaken by it to the department before initiating enquiry. The Commissioner found that appellants had suppressed the correct taxable turnover and invoked longer period to raise the demand and impose penalty. The appellant contended that the department was aware of the impugned activity and therefore the demand was time barred. However, it was held that appellants have not made a *prima facie* case to qualify for complete waiver of the pre-deposit. Hence the pre-deposit was partly waived.

[*Larsen and Toubro Limited vs. Commissioner of Central Excise, Hyderabad. 2010 (20) S.T.R 113 (Tri – Bangalore)*]

- The Revenue was aggrieved by the extension of credit of service tax on agricultural work, levelling of children park and tree plantations and construction of toilet in school. However, it was held that the assessee was entitled to the credit on agricultural work for the reason that such a service has been held to be an input service in the case of *Millipore India Limited vs. CCE 2009 (13) S.T.R 616 = 2009 (236) E.L.T 145 (Tribunal)*. Therefore the assessee is entitled to credit of service tax paid on agricultural work. As far as the other two credits are concerned, it was held that the assessee is not entitled to credit as these cannot be considered as input services relating to the business of the assessee. Hence the appeal was partly allowed. [*Commissioner of Central Excise, Salem vs. ITC Limited. 2010 (20) S.T.R 141 (Tri – Chennai)*]
- The Revenue filed appeal against the extending of Cenvat credit of service tax paid on services of maintenance of water coolers installed in the factory of the assessee and house keeping services. However, it was held that the lower appellant authority has rightly extended the benefit of credit of tax paid on the above mentioned services for the reason that provision and maintenance of water coolers is an essential requirement under the provisions of the Factories Act and house keeping services are also necessary and vital for keeping the factory in good condition. Based on the decision in the case of *Balkrishna Industries Limited vs.*

CCE, Aurangabad 2010 (18) S.T.R 600 (Tri – Mumbai), the impugned order was upheld and the appeal filed by the Revenue was dismissed. [*Commissioner of Central Excise, Chennai vs. Rotork Control (India) Private Limited. 2010 (20) S.T.R 29 (Tri – Chennai)*]

- The appellants were engaged in laying, erection and commissioning of pipelines for water supply projects of the Government of Andhra Pradesh and are assessed to APVAT under the category of works contract. The appellants filed an application for waiver of pre-deposit of the service tax due from them under the Goods Transport Agency ('GTA') service for the outward transportation of materials along with interest and penalty. The appellants contended that the impugned services form part of the works contract and based on the ratio in the case of *Daelim Industrial Co. Ltd vs. CCE, Vadodara 2006 (3) STR 124 (Tri.)=2003 (155) ELT 457 (Tri.)*, outward transportation cannot be separated and subjected to service tax and in any case, the impugned tax liability has been discharged utilising Cenvat credit. However, it was held that a Division Bench of the Tribunal has waived pre-deposit and stayed the recovery of similar demand raised on the assessee for an earlier period. The assessee is free to make pre-deposit to hear an appeal utilising Cenvat credit. Accordingly, the pre-deposit was waived and the recovery of the adjudged dues was stayed. [*Taher Ali Industries and Projects Limited vs. Commissioner of Service Tax, Huderabad. 2010 (20) S.T.R 127 (Tri – Bangalore)*]



- The petitioner company was been granted registration in the category of Clearing and Forwarding Agent ('CFA'). The petitioners had entered into liasoning agreements with various industrial concerns that are bulk consumers of coal and are required to make bulk purchase of coal. The petitioner contended that the service provided by them fall under the category of Business Auxiliary Service which includes supervising the loading of coal, ensuring that proper indents are placed, the requisite quality of coal is loaded and the wagons are loaded to their full capacity. The petitioners were issued a registration certificate granting centralised registration in the category of CFA. On a writ petition by the aggrieved petitioner, it was held that the Commissioner of Central Excise do not have power to grant registration on his own, even though no application has been made. There is no provision in the Finance Act, 1994 wherein an application for registration can be refused and the registration can only be granted the category in respect of which the application has been submitted and recovery or penal proceedings can be initiated against a person for non-payment of service tax, if the service provider is taxable under a different category. Hence, the writ petition was allowed and the impugned orders were set aside and quashed. [*Karamchand Thappar & Bros. (Coal Sales) Limited vs. Union of India. 2010 (20) S.T.R 3 (Cal.)*]
- The appellants are the manufacturers of fabrics and purchased yarn from manufacturers in Nepal, who

issued invoices in two parts—first for value of the goods and the second for the excise duty, transportation from Nepal border to factory premises, clearing expenses, insurance charges, cartage, etc. The Department was of the view that the appellants who reimbursed freight charges to the suppliers being receivers of GTA services were liable to pay service tax and accordingly issued show cause notice which, was confirmed by the Commissioner (Appeals). However, on appeal it was held there is no evidence showing that the appellants had instructed the Nepalese suppliers to engage the transporters on their behalf. The Nepalese suppliers had engaged the transporters and billed the appellants for the value of goods and transport expenses from Nepal border to the factory premises. There is no evidence that the Nepalese suppliers had acted as the agents of the appellants. Hence, the appellants cannot be treated as recipients of GTA services and accordingly the impugned orders are not sustainable. [*Sumangalam Suitings (P) Limited vs. Commissioner of Central Excise, Jaipur-II. 2010 (19) S.T.R 809 (Tri – Delhi)*]

- The service tax shall be payable at the rate prevailing on the date of entry in service and not at the rate prevailing at the time of billing and receipt of payment. Various provisions of sections 64 to 96 of Finance Act, 1994 providing for service tax and Service Tax Rules provide that the relevant date is date of entry and not date of billing. Hence the appeal was dismissed.

[*Commissioner of Central Excise and Customs vs. Reliance Industries Limited. 2010 (19) S.T.R 807 (Guj.)*]

- The assessee was engaged in the manufacture of cement. On scrutiny of the CENVAT register, it was noticed by the Excise Authorities that, the assessee had availed credit of service tax paid on outdoor catering services under the provisions of Cenvat Credit Rules, 2004 & utilized the same in paying excise duty. The Assistant Commissioner was of the opinion that outdoor catering services was not a Input service and therefore, the assessee was not entitled to take credit of service tax paid on outdoor catering services and accordingly issued show cause notices. The assessee contended that, under the Factories Act, 1948, it was mandatory to provide canteen facilities to the employees working in the plant and the administrative offices of the assessee. However, it was held that input service extends to all services used in relation to the business of manufacturing the final product and covers not only services, which are directly or indirectly used in or in relation to the manufacture of final products but also includes various services used in relation to the business of manufacture of final products, either prior to the manufacture or after the manufacture of final products. Hence the question of law framed by the revenue was answered in the in favour of the assessee and against the revenue. [*Commissioner of Central Excise, Nagpur vs. Ultratech Cement Limited. 2010-TIOL-745-HC-MUM-ST*]. ●

Seminar on “Emerging Economic Challenges for Industry”

*On Saturday the 4th December 2010
at The Lalit Ashok, Kumara Krupa High Grounds, Bangalore*

**6 Hrs
CPE**

Organised by: **Committee for Members in Industry, SIRC of ICAI**

Host Branch: **Bangalore Branch of SIRC of ICAI**

Timings	Topics	Speakers
09.15 am to 10.00 am	Inauguration Chief Guest: Sri. Ravi Ramu , <i>Member ICAI & ICAEW President & CEO, Hothur Group</i>	
10.00 am to 11.15 am	Session I: Salient Features of “The Companies Amendment Bill 2009”	Sri M.R.Gopinath , <i>FCS</i>
11.15 am to 11.35 am	Tea Break	
11.35 am to 01.00 pm	Session II “Direct Tax Code – Computation of Business Income”	CA. K.K.Chythanya , <i>FCA</i>
01.00 pm to 02.00 pm	Lunch Break	
2.00 pm to 03.30 pm	Session III “IFRS & preparing for Convergence”	CA. M.P.Vijay Kumar , <i>FCA</i>
03.30 pm to 03.50 pm	Tea Break	
03.50 pm to 05.15 pm	Session IV “GST & its impact on Business Enterprise”	CA. S.Venkataramani , <i>FCA</i>
05.15 pm to 06.00 pm	Session V Open House - “Understanding the needs of Members in Industry”	CA. K Viswanath , <i>FCA</i>

Hurry! Restricted to 250 delegates

Delegate Fees: ₹ 1,800/-

(Cash / Cheque in favour of “Bangalore Branch of SIRC of ICAI” payable at Bangalore)

For registration & further details please contact: **Bangalore Branch of SIRC of ICAI**,

“ICAI Bhawan”, 16/0, Millers Tank Bed Area, Vasanth Nagar, Bangalore-560052

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Liver Test	SGOT,SGPT, Alkaline Phosphatase, Albumin, Globulin, Albumin/Globulin Ratio, GGT, Direct Bilirubin, Total Bilirubin	SGOT,SGPT, Alkaline Phosphatase, Albumin, Globulin, Albumin/Globulin Ratio, GGT, Direct Bilirubin, Total Bilirubin
Kidney Test	Urine Routine & Microscopy, eGFR, Total Protein, Serum Creatinine, Serum Urea, Serum Uric Acid	Urine Routine & Microscopy, eGFR, Total Protein, Serum Creatinine, Serum Urea, Serum Uric Acid
Heart Test	Triglycerides, Total Cholesterol, LDL, VLDL, HDL	Triglycerides, Total Cholesterol, LDL, VLDL, HDL
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“SAMMILANA” - Meeting for Better Cause

TWO DAY NATIONAL CONFERENCE FOR STUDENTS AT BANGALORE

Organized By **Board of Studies, ICAI**

Hosted By **Bangalore Branch of SICASA & Bangalore Branch of SIRC of ICAI**

Date: **8th & 9th of January 2011 (Saturday & Sunday)**

Venue: **Sophia Auditorium, Sophia School, Basaveshwara Circle, Bangalore - 560 001 (Near Race Course)**

Registration Fee:

1. **Rs. 400/-** Per Resident Student (early Bird offer **Rs. 350/-** Per Student if registered before 15.12.2010)
2. **Rs. 500/-** Per Outstation Student (including 2 days and 1 night accommodation)

SATURDAY, 8TH JANUARY 2011 (DAY 1)

Time	Session / Speaker
09:30AM	Inauguration <i>A person with national interest</i> CA. Amarjit Chopra <i>President, ICAI</i> CA. G.Ramaswamy <i>Vice-president, ICAI</i> CA. Vinod Jain <i>Chairman, Board of Studies, ICAI</i>
11:00AM	TEA BREAK
11:30AM	DTC - Issues <i>Session Chairman:</i> CA. K. K. Chytanya <i>Student Speaker:</i> To be announced
12:30PM	Auditing in an ERP Environment <i>Session Chairman:</i> CA. Babu Jayandran <i>Student Speaker:</i> To be announced
01:30PM	LUNCH BREAK
02:30PM	Interactive Session with <i>Chairman Board of Studies, ICAI</i> CA. Vinod Jain <i>Chairman, Board of Studies, ICAI</i>
03:30PM	Road Map to IFRS <i>Session Chairman:</i> CA. M.P. Vijayakumar, Chennai <i>Student Speaker:</i> To be announced
04:30PM	TEA BREAK
05:00PM	Personality Development & Communication Skills Sri.Kathiravan
05:30PM	Felicitation to Past SICASA Chairmen of Bangalore Branch
06:00PM	Entertainment
07:30PM	DINNER

SUNDAY, 9TH JANUARY 2011 (DAY 2)

Time	Session / Speaker
09:00AM	Strategies for success in CA exams Padmashri CA.T N Manoharan <i>Past President, ICAI</i> Spiritual and Motivational Thoughts Padmashri Mathoor Krishnamoorti <i>Executive Director</i> <i>Bharatiya Vidya Bhavan, Bangalore</i>
10:30AM	Limited Liability Partnership (LLP) <i>Session Chairman:</i> CA. D R Venkatesh <i>Student Speaker:</i> To be announced
11:30AM	TEA BREAK
11:45AM	Companies Amendment Bill, 2010 <i>Session Chairman:</i> Sri. M R Gopinath <i>Student Speaker:</i> To be announced
01:00PM	LUNCH BREAK
02:00PM	GST-Way forward <i>Session Chairman:</i> CA.S Venkataramani <i>Student Speaker:</i> To be announced
03:00PM	Valedictory Function

Note: **Blood Donation Camp**
arranged for CA students
on 09.01.2011 between 09.00AM & 01.00PM.

For further details, contact:

Mr.CHANDRASHEKAR, 9880128309

Mr.VINOD GARG, 8123908037

Mrs.ANURADHA RAO, 080-30563511



IMPORTANT DATES TO REMEMBER DURING THE MONTH OF DECEMBER 2010

- 5th Dec. 2010 Payment of Central Excise Duty for the month of November 2010
Payment of Service Tax for the month of November 2010 (in case of persons other than individual, proprietor & partnership firms)
- 6th Dec. 2010 Payment of Service Tax for the month of November 2010 (in case of persons other than individual, proprietor & partnership firms) if paid Online.
- 7th Dec. 2010 Payment of TDS Deducted & TCS collected, in the month of November 2010
- 10th Dec. 2010 Filing of monthly returns of Central Excise for the month of November 2010
- 15th Dec. 2010 Filing of monthly returns of Central Excise for the month of November 2010
Payment of Third Installment of Advance Tax in case of Companies.
Payment of Second Installment of Advance Tax in case of Non-corporate assesses
Payment of Provident Fund for the month of November 2010
Filing of VAT 120 under KVAT Laws for the month of November 2010
- 20th Dec. 2010 Filing of VAT 100 under KVAT Laws for the month of November 2010
- 21st Dec 2010 Payment of ESI for the month of November 2010
- 25th Dec. 2010 Filing of Monthly returns of Provident Fund for the month of November 2010.
- 31st Dec. 2010 Filing of VAT 240 under KVAT Laws for the year ending 31st March 2010

APPEAL TO THE MEMBERS

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Duration:

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Seminar on “Mergers & Acquisitions - Strategising for Growth & Sustainability”

**6 Hrs
CPE**

On **11th December 2010** between 09.00am & 06.00pm
at **Taj Vivanta (formerly Taj Residency), M.G. Road, Bangalore**

Timings	Topic	Speakers
09.30am to 10.30am	Inauguration Chief Guest : Mr. V. Sunder <i>President & Group CFO</i> <i>Dynamatic Technologies Ltd., Bangalore</i>	
10.30am to 11.45am	Strategy & Deal Making	Ms. Lakshmi Nambiar <i>Vice President - Financial Advisory</i> <i>Avendus Capital Pvt Ltd, Bangalore</i>
11.45am to 12 Noon	Tea	
12.00 Noon to 01.15pm	Valuation & Deal structuring	CA. Yashasvi Sharma <i>Associate Director, Financial Advisory</i> <i>Services, PWC, Bangalore</i> Mr. Chandra Sekhar Ganduri <i>Manager, Financial Advisory Services,</i> <i>PWC, Hyderabad</i>
01.15pm to 02.00pm	Lunch	
02.00pm to 03.15pm	Legal & Taxation	Mr. N. K. Dilip <i>Partner, Tatva Legal, Bangalore</i> CA. K. T. Chandy <i>Partner, E&Y, Bangalore</i>
03.15pm to 03.30pm	Tea	
03.30pm to 04.45pm	Due Diligence	CA. Arun Kumar M K <i>Client Service Director,</i> <i>Grant Thornton, Bangalore</i>
04.45pm to 05.45pm	Integration & Monitoring	CA. Sushanth Pai, <i>Programme Director – Finance,</i> <i>MindTree Ltd., Bangalore</i>

Registration Fee: **Members ₹ 2,000/-**
Non Members ₹ 3,000/-

Hurry! Restricted to 250 delegates

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For registration & further details please contact: **Mrs. Roopashree**

Bangalore Branch of SIRC of ICAI,

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2 Day CPE Conference

Jnanaarjana

- Quest for Knowledge

Saturday 18th & Sunday 19th December 2010

Jnana Jyothi Convention Centre, Central College Campus, Bangalore

DAY

1

Saturday 18th December 2010

- 09.30 am **Inauguration**
Chief Guest:
CA. K Rahman Khan
*Hon'ble Deputy Chairman,
Rajya Sabha, New Delhi*
-
- 10.30 am Tea
-
- 10.45 am **Session I**
GST – The way forward
CA. Krupa Venkatesh
*Sr. Director – Indirect Taxes
Deloitte Haskins & Sells, Bangalore*
-
- 12.00 noon **Session II**
TDS on Non-resident payments
CA. Atul Suraiya
Head Taxation, TATA Chemicals, Mumbai
-
- 01.30 pm Lunch
-
- 02.15 pm **Health Session**
Wealthy mind in a healthy body
Dr. Devi Shetty
*Chairman,
Narayana Hrudayalaya, Bangalore*
-
- 03.00 pm Tea
-
- 03.15 pm **Session III**
**Tax planning in Service Tax
– Avenues & Effectiveness**
CA. V Raghuraman
Advocate, Bangalore
-
- 04.30 pm **Session IV**
**Strategies and Compliance
under Labour Laws**
Sri. B C Prabhakar
Advocate, Bangalore

DAY

2

Sunday 19th December 2010

- 08.00 am Breakfast
-
- 09.00 am **Spiritual Session - An Art of Effortless Living**
Shree Shree Gurudutta Guruji
Sahaja Yoga Foundation
-
- 10.00 am Tea
-
- 10.15 am **Session V**
**Limited Liability Partnership (LLP)
– New opportunities for CAs**
Sri. B Ravi
Company Secretary, Chennai
-
- 11.45 am **Session VI**
**Surprises & precautions on advent of DTC
(Direct Taxes Code)**
CA. Banu Sekar, Chennai
-
- 01.15 pm Lunch
-
- 02.15 pm **Session VII**
**Survey and consequential proceedings
under Income Tax Act**
CA. Sanjay Kumar Agarwal,
Central Council Member, ICAI, New Delhi
-
- 03.45 pm Tea
-
- 04.00 pm **Session VIII**
Internal Auditing Standards
CA. K Viswanath,
*Regional Council Member,
SIRC of ICAI, Bangalore*

Delegate Fee

For Members: Rs.1,800/-

For Non-Members: Rs.3,000/-

Cheque / Draft in favour of "Bangalore Branch of
SIRC of ICAI" payable at Bangalore.

Restricted to 1100 delegates on
First Come First Serve basis.

For further details,
please contact:

Mrs. Roopashree

Tel: 080 – 30563500 / 3513

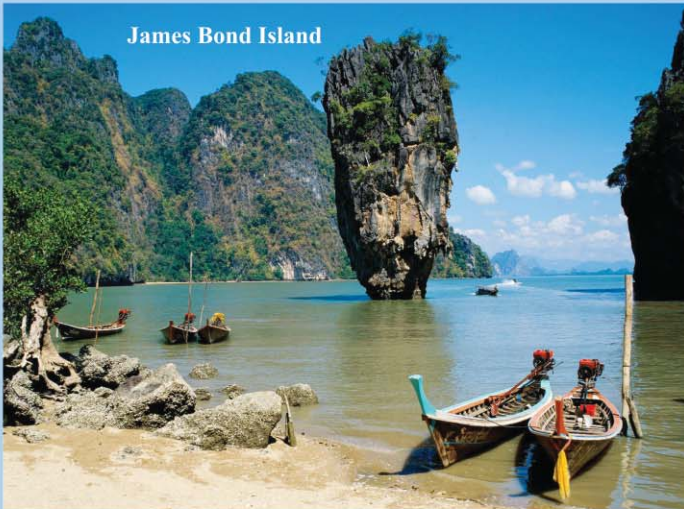
mail: blrregistrations@icai.org

For e-payment visit
www.icai-bangalore.org

Announcement International Tour

05 Nights / 06 Days

Phuket - Bangkok



James Bond Island

- Day 05 18th Jan 2011**
Full day Safari World with Marine Park
Return to Hotel Holiday Inn for overnight stay
- Day 06 19th Jan 2011**
12:00Hrs checkout
Drop Off at Indira Market for Shopping
16:00Hrs Transfer to airport for return flight to board
TG 325 to Bangalore leaving Bangkok at
21.10 Hrs
arrival Bangalore at 2315 hrs

Tour Cost

Per Adult on twin / triple sharing basis : ₹ 56,500/-
Child on parent room sharing basis : ₹ 43,500/-

Tour Cost Includes

- 1 night in Phuket at Kata beach resort
- 2 nights in Phuket at Phuket Grace Land
Breakfast, Lunch & Dinner
- City tour of Phuket
- Phi phi island tour
- James bond island tour
- 2 nights in Bangkok at Holiday Inn,
Silom, Bangkok
- Safari world with Marine Park and on
departure day
- Kanchanburi tour with tiger temple
- 2 bottle of water per person every day
- All transfers by Luxury coach on
private basis
- Services of an English speaking guide

Last Date for Registrations with payment :

22nd December 2010

For further details contact :

Ms. Roopashree, Tel: 080 – 30563500 / 513



Marine Park

Reporting Day 13th Jan.2011

- 22.30 Hrs Check in for Flight TG 326
01.00 Hrs Departure by Flight TG 326 to Bangkok
arriving at 06.15 at Bangkok on 14th Jan 2011
08.30 Hrs Arrival Phuket by TG203 From Bangkok

Phuket

- Day 01 14th Jan 2011**
0955 hrs Transfer to
Kata Beach resort
Full day water sports
& leisure

- Day 02 15th Jan 2011**
13:00Hrs Check-out &
Check-in to
Hotel Phuket
Graceland

Transfer to James bond island

- Day 03 16th Jan 2011**
Full day Phi Phi Island tour Return to Phuket

Bangkok

- Day 04 17th Jan 2011**
Check-out and proceed to airport to board
TG 202 departing Phuket
at 10.05 hrs
Arrival at Bangkok
Airport by Flight TG 202.
Proceed on Kanchanburi
Tiger Temple tour
Check in to Hotel Holiday
Inn for
overnight stay



Tiger Temple

Tour Co-ordinator : CA. S.R. Prasad, Mobile : 98455 42486, e-mail : prasad.spc@gmail.com

Best Branch Award at 42nd SIRC Conference



Managing Committee Members receiving the Award from Sri S.S.N. Moorthy, Chairman, Central Board of Direct Taxes

GMCS 78th Batch



Inauguration by CA. Subramaniam Chittoor

General Management and Communication Skills Course - 78th Batch



Chairman CA. H. Shambhu Sharma welcoming participants



CA. Subramaniam Chittoor in his inaugural address



CA. Nanu R. Mallya giving overview



Cross section of Participants

One Day Seminar on KVAT Audit - 20th November 2010



Inauguration of the Seminar



Vice Chairman CA. K. Venkatesh Babu speaking at inaugural session



Cross section of delegates



CA. Sanjay N. Dhariwal



CA. L. Sridhar



CA. N. Syama Sundaran



CA. S. Vishnumurthy



CA. S. Ramasubramanian

Study Circle Meetings



Dr. Sibichen K. Mathew, IRS



CA. Sudha Suresh



CA. Divakar Vijayasarithy