

Indian Legal Updates

The purpose of this document is to highlight the key changes introduced in Indian legal era by way of Notifications and Circular in various tax and regulatory laws.

24th April, 2015

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Direct Tax Updates

[Change in Transport Allowance rate as per Rule 2BB](#)

As per Income tax Rules 1962, in Rule-2BB, there is a change in limit for exempted transport allowance for employees:

- As per section-10, serial no-10, of the rule 2BB, the extent of allowance exempted which was Rs.800 per month shall now be substituted by Rs.1600 per month.
- Also, as per section-10, serial no-11, the limit of exemption for any employee who is Blind & Physically challenged, shall be increased from Rs.1600 p.m to Rs.3200 p.m

[Change in Procedure of furnishing PAN & TAN](#)

In case, any applicant being a company who has not registered under companies act 2013, the application for allotment of a Permanent Account Number and for allotment of a tax deduction and collection account number may be made in Form No. INC-7 specified under the said Act for incorporation of the company.

Indirect Tax Updates

[Facility for payment of customs duty in case of bona fide default in export obligation under the Advance / EPCG authorizations](#)

The Ministry has considered the issue of increased interest cost for authorization holders (AH) who come forward to the Regional Authority

(RA) of DGFT for regularization of their cases of bona fide default in export obligation (EO) under the Advance/EPCG Schemes but have to wait for the detailed calculations in this regard before being able to deposit the duty involved. A procedure is provided which will enable a quicker payment with reducing the avoidable interest cost for exporters.

Foreign Exchange Regulation Updates

[Know Your Customer \(KYC\) guidelines - accounts of proprietary concerns](#)

Reserve Bank has sought out the difficulties of furnishing two documents as activity proof while opening accounts of sole proprietary firms in certain cases. The matter is now reviewed with a view to ease the process of opening accounts of proprietary concerns in such cases.

[Foreign Direct Investment \(FDI\) in India Review of FDI policy-Sector Specific Conditions-Insurance Sector](#)

The extent of FDI policy for Insurance sector has been reviewed and further liberalized. Accordingly, the immediate effect on FDI in Insurance sector shall be permitted up to 49% subject to the revised conditions. Further, a new activity of Other Insurance Intermediaries appointed under the provisions of Insurance Regulatory and Development Authority Act, 1999 has been included within the definition of Insurance.

Media

1. Publication: The Hindu Business Line – 20 – April-15

[Quote in The Hindu Business Line on The Central Board of Direct Taxes' \(CBDT\) explanation on capital gains](#)

Fixed maturity plans: no capital gains at the time of rollover, says CBDT

The article talks about The Central Board of Direct Taxes' (CBDT) explanation that capital gains will not arise in the hands of an investor at the time of exercising the option of rollover in a fixed maturity plan (FMP) scheme, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

2. Publication: The Financial Express – 18 – April-15

[Quote in The Financial Express on FPIs that are ill-equipped to mitigate adverse impact of MAT notices](#)

FPIs ill-equipped to mitigate adverse impact of MAT notices

The article talks about FPIs that are ill-equipped to mitigate adverse impact of MAT notices, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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3. Publication: The Financial Express – 14- April – 15

[Quote in The Financial Express on The government's proposal to limit the investment protection](#)

Govt's BIT mantra: Pay taxes first, go for arbitration later

The article talks about The government's proposal to limit the investment protection and other benefits accorded to foreign-owned companies under bilateral treaties, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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4. Publication: The Hindu Business Line – 6 – April-15

[Quote in The Hindu Business Line on 3 more unilateral APAs signed by CBDT](#)

[CBDT signs 3 more unilateral APAs](#)

The article talks about 3 more unilateral APAs signed by CBDT, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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Events: LEA Global Conference in Warsaw, 2015

Amit Maheshwari, partner at Ashok Maheshwary & Associates presented on “Investors Related Taxation Updates in Budget 2015” at the Leading Edge Alliance's (LEA) Global Conference 2015 held at Warsaw, Poland from 23 - 25 April 2015.

About Us

Ashok Maheshwary & Associates is an international accounting firm with offices in Gurgaon, New Delhi and Mumbai. We specialize in advising our clients on complex transaction from a legal, tax and regulatory perspective integrated with industry expertise. We are a full service accounting firm with the ability to assist our client's right from devising strategies to enter in the Indian market to managing their compliances and supporting them in complex tax litigation.

Our Financial Advisory firm, has inter-alia, been into large and complex Debt Syndication, Trade Finance, Private Equity Advisory, Merger & Acquisitions, Financial Restructuring Deals. We also assist our clients in making a road map for potential fund raising via IPO and Private Placements.

Core practice areas include International Tax, International Tax Litigation, Dispute Resolution, Transaction Advisory, Auditing and Assurance, Entry Strategy for Foreign Investors, Transfer Pricing Documentation, Debt Syndication, Private Equity, Mergers & Acquisitions and Joint Ventures & Restructuring.

Our key clients include Multinationals, Listed Companies and large domestic corporate houses.

To further enhance our global servicing capabilities, we have become an independent member of [Leading Edge Alliance](#), the second largest global association of accounting firms in the world (#11 in worldwide ranking of networks, associations and alliances). LEA Global firms operate from more than 450 offices in 100 countries, giving clients of LEA Global firms access to the knowledge, skills and experience of more than 1,600 partners and 23,518 staff members. LEA Global firms' combined annual revenue totals more than USD 2.6 billion.

Recently, [TPA Global Group](#) has made our firm, Ashok Maheshwary & Associates, an alliance partner. TPA Global is an independent and specialist provider of expert transfer pricing, tax valuation and customs services, headquartered in Amsterdam. TPA Global through its own offices has coverage in over 50 countries around the world. TPA Global has also been recognized as one of the leading transfer pricing firms in Asia and Europe in the prestigious International Tax Review survey. TPA Global's expert services in the Transfer Pricing domain will help us in providing high quality transfer pricing and valuation advice to our clients all across the globe.

We believe in constant knowledge expansion and have developed comprehensive Knowledge Management and Continuing Education programs which are conducted both in-house and outside. These programs cover key events, global and national trends as they unfold and examine case studies', debate and analyze emerging legal, regulatory and tax issues.

Several of our partners contribute stories/articles for the media (electronic/ press) on the tax, regulatory matters and Corporate Finance (including latest developments) providing our views as to their impact on business environment in India.

In case you need any further information/clarifications please contact us:

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