

Indian Legal Updates

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

16th February, 2015

© Ashok Maheshwary & Associates



The paper is a copyright of Ashok Maheshwary & Associates. No reader should act on the basis of any statement contained herein without seeking professional advice. The authors and the firm expressly disclaim all and any liability to any person who has read this paper, or otherwise, in respect of anything, and of consequences of anything done, or omitted to be done by any such person in reliance upon the content of this paper.

In this Issue

1. [Direct Tax Updates](#)
2. [Indirect Tax Updates](#)
3. [Foreign Exchange Regulation Updates](#)
4. [Media](#)
5. [About Us](#)
6. [Disclaimer](#)

Direct Tax Updates

[Circular on Explanatory Notes to the Provisions of the Finance \(No.2\) Act, 2014](#)

Circular contains substances of the provisions of the act relating to direct taxes and specifies the rates of income-tax in the case of every individual, Hindu undivided family, association of persons, body of individuals or artificial juridical person.

Indirect Tax Updates: Custom

[Merging of Commercial invoice and Packing List](#)

For simplification of Custom procedures for enhanced ease of doing business and trade facilitation the government has reduced number of mandatory documents required by Customs for import and export of goods.

Indirect Tax Updates: Central Excise

[Mandatory pre-deposit of duty or penalty for filing appeal](#)

All the appeal memo columns should be separately maintained in a register alongwith the copy of the appeal memo should be sent to Departmental representative.

Foreign Exchange Regulation Updates

[Submission of Data to Credit Information Companies](#)

NBFCs were required to provide current and historical data of borrowers to the credit information companies. NBFCs which are registered with the bank as Core Investment Companies, Primary Dealers and those purely into investment activities without any customer

interface are exempt from the applicability of the this circular.

[Dispensing with "No Due Certificate" for lending by banks](#)

In terms of circular, On simplification of the procedures and processes for obtaining agriculture loans, banks are advised to dispense with requirement of 'No due certificate' for small loans upto to Rs.50,000 to small and marginal farmers instead of self declaration from borrower.

[Union Budget 2014-15 - Interest Subvention Scheme](#)

Interest subvention of 2 % p.a. will be available to Public Sector Banks and Private Sector Scheduled Commercial Banks on their own funds used for short-term crop loans up to Rs.3,00,000/- per farmer provided the lending institutions make available short term credit at the ground level at 7% per annum to farmers.

[Payments into Government Account through Debit / Credit cards and Net banking](#)

Government of India and Agency banks are required to adhere some additional norms for payment of government revenue through Debit / Credit cards and Net banking.

[Flexible Structuring of Long Term Project Loans to Infrastructure and Core Industries](#)

Reserve Bank issued guidelines to banks for flexible structuring and refinancing of fresh term loans to long term project loans to infrastructure and core industries. Instructions do not come in the way of NBFCs structuring long term project s

financing product. Requests have been made by the industry for extending the above guidelines to NBFC's.

[Transfer or issue of security by a person resident outside India as per Foreign Exchange management Regulations, 2000](#)

The Reserve Bank makes some regulations to prohibit, restrict or regulate, transfer or issue of security by a person resident outside India. No remittance of sale proceeds of an Indian security held by a person resident outside India shall be made.

[Inter-Governmental Agreement \(IGA\) with United States of America \(US\) under Foreign Accounts Tax Compliance Act \(FATCA\) - Registration](#)

Government of India has now advised that to avoid withholding tax, Foreign Financial Institutions (FFIs) in Model 1 jurisdictions, such as India, need to register with IRS and obtain a Global Intermediary Identification Number (GIIN) before January 1, 2015. FFIs who have registered but have not obtained a GIIN, should be verified by withholdings agent in 90 days.

Media

Publication: The Hindu Business Line - 18 -January -15

[Quote in The Hindu Business Line on CBDT's tight grip on refund payouts](#)

CBDT tightens its grip on refund payouts

The article talks about CBDT's tight grip on refund payouts, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

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, [Financial Pundits LLP](#) 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:

Ashok Maheshwary & Associates

344, Tower B2, Spaze I-Tech Park,

Sector -49, Sohna Road,

Gurgaon-122018, India

Tel: + 91 124 4637530

Fax: + 91 124 4148180

Email: info@akmglobal.com

Website: www.akmglobal.com

Blog: akmglobal.wordpress.com

Delhi | Mumbai | Singapore

To track regular updates follow us on [Facebook](#)  or [Twitter](#)  or [LinkedIn](#) 

Disclaimer

These materials and the information contained herein are provided by Ashok Maheshwary and Associates (firm) and are intended to provide general information on a particular subject or subjects and are not an exhaustive treatment of such subject(s).

Accordingly, the information in these materials is not intended to constitute accounting, tax, legal, investment, consulting, or other professional advice or services. The information is not intended to be relied upon as the sole basis for any decision which may affect you or your business. Before making any decision or taking any action that might affect your personal finances or business, you should consult a qualified professional adviser.

These materials and the information contained therein are provided as is, firm makes no express or implied representations or warranties regarding these materials or the information contained therein. Without limiting the foregoing, Firm does not warrant that the materials or information contained therein will be error-free or will meet any particular criteria of performance or quality.

Firm expressly disclaims all implied warranties, including, without limitation, warranties of merchantability, title, fitness for a particular purpose, no infringement, compatibility, security, and accuracy.

Your use of these materials and information contained therein is at your own risk, and you assume full responsibility and risk of loss resulting from the use thereof. Firm will not be liable for any special, indirect, incidental, consequential, or punitive damages or any other damages whatsoever, whether in an action of contract, statute, tort (including, without limitation, negligence), or otherwise, relating to the use of these materials or the information contained therein.