

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.

14th August , 2014

© 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. [Events](#)
6. [About Us](#)
7. [Disclaimer](#)

Direct Tax Updates

[Income Tax Rules, 1962 amended for Form 3CA, 3CB, 3CD](#)

The Central Board of Direct Taxes amended the Income Tax Rules, 1962, to be called as the Income Tax (7th Amendment) Rules, 2014 for Form No. 3CA, 3CB and 3CD and issued the amended forms which shall come into force on the date of publication in official gazette.

Indirect Tax Updates: Custom

[A resident private limited company to fall in the preview of Clause iii of section 28E \(c\)](#)

The Central Government for section 28E (c)(iii) specifies “ the resident private limited company” as a class of person for the clause whereby a private limited company would mean the same as in section 2(68) of Companies Act, 2013.

Indirect Tax Updates: Service Tax

[Rules to amend Place of Provision of service](#)

The Central Government has amended the place of provision of services rules which shall come into force from 1st October 2014, in Rule 2 (f) for temporary import, Rule 4(a) for intermediary and Rule 9(d) for hiring of all means of transport.

[Rate of Interest for delayed payment of service tax](#)

The Central Government has amended section 75 of the Finance Act 1994, to fix the rates of simple interest per annum for delayed payment of

service tax which shall come into force on 1st October 2014.

[Alter Service Tax \(Valuation\) Rules, 2006, in rule 2A, in clause \(ii\)](#)

Service Tax (Valuation) Rules, 2006, in rule 2A, in clause (ii), sub clause (B) and (C) have been altered.

Foreign Exchange Regulation Updates

[Issue of Prepaid Forex Cards- Due diligence and Adherence to KYC norms](#)

RBI has cleared that prepaid foreign currency cards are a form of foreign currency, similar to foreign currency notes or travelers cheque hence, authorized dealers/ FFMC's selling pre-paid foreign currency cards for travel purposes are required to comply with the same rigorous standards of due diligence and KYC.

[Constitution of Special Investigating Team – sharing of information](#)

Government of India has constituted a Special Investigation Team (SIT) under the Chairmanship of Hon'ble Justice M.B. Shah. In this regard, the Hon'ble Supreme Court has directed that all organs agencies, departments and agents of the State, at any level shall extend all the cooperation necessary for the functioning of the Special Investigation Team. The Union of India and where needed the State Government will facilitate the conduct of the investigations, in their fullest measures, by the SIT.

Media

Media

1. Publication: The Hindu Business Line - 17-July-14

[Quote in The Hindu Business Line on CBDT's new panel to reduce litigation at appellate forums.](#)

CBDT sets up panel to reduce tax litigations at appellate forums

The article talks about CBDT's new panel to reduce litigation at appellate forums, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

2. Publication: The Economic Times - 17-July-14

[Quote in The Economic Times on Arun Jaitley's new panel to reduce tax litigations.](#)

Finance Ministry sets up panel to reduce tax litigations

The article talks about Finance Minister's new panel to reduce tax litigations, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

3. Publication: Business Standard - 17-July-14

[Quote in Business Standard on Finance Ministers's new panel to reduce tax litigations.](#)

Fin Min sets up panel to reduce tax litigations

The article talks about Finance Minister's new panel to reduce tax litigations, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

4. Publication: The Economic Times - 17-July-14

[Quote in The Economic Times on Arun Jaitley's new Income Tax rule to kill black money market.](#)

FM Arun Jaitley's new income tax rule has the potential to kill black money market

The article talks about Arun Jaitley's new Income Tax rule to kill black money market, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

5. Publication: Business Today - 16-July-14

[Quote in Business Today on how over regulation is killing Indian financial markets](#)

Fatal Regulation

The article talks about how over regulation is killing Indian financial markets, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

6. The Financial Express – 15 -July -14

[Quote in The Financial Express on new provisions in the Finance Bill, to plug a loophole in the IT law.](#)

FM plugs loophole in the IT Act to check money laundering

The article talks about new provisions in the Finance Bill, to plug a loophole in the IT law, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

7. Publication: Business Today - 11-July-14

[Quote in Business Today on impact of budget 2014 on debt mutual funds](#)

Rise in long term capital gains tax is a big blow for non-equity mutual funds

The article talks about impact of budget 2014 on debt mutual funds, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

8. The Financial Express – 01 -July -14

[Quote in The Financial Express on I-T department's plans for a reporting system for cross-border transfers.](#)

I-T plans reporting system for cross-border transfers

The article talks about I-T department's plans for a reporting system for cross-border transfers, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

[read more](#)

Events: Book Launch: “Expatriate Taxation – Decoding the complexity”

Amit Maheshwari’s maiden book, “Expatriate Taxation – Decoding the Complexity” has been published by CCH (Wolters Kluwer). The book is co-authored by CA Sumit Gupta and was launched on 23rd July, 2014 at the Indian International Centre among a group of esteemed dignitaries. The book attempts to decode various contentious and commonly encountered tax and regulatory issues and challenges faced by the expatriates and their employers in India. It provides comprehensive view about rules and regulations applicable to expats.



The book is available at www.cchindiastore.com/taxation/ca-amit-maheshwari-ca-sumit-gupta

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 4148033, 4234327-30

Fax: + 91 124 4148180

Email: info@akmglobal.com

Website: www.akmglobal.com

Blog: akmglobal.wordpress.com

Branches at Delhi and Mumbai

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.