

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.

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Direct Tax Updates

Extension of due date by CBDT

The CBDT hereby extends the 'due-date' for furnishing return of income from 30th September, 2014 to 30th November, 2014 for the assessment year 2014-15, in case of an assessee, who is a company required to get its accounts audited under section 44AB of the Act or is a working partner of a firm whose accounts are required to be audited under section 44AB of the Act. Provided that, assessee shall remain liable for payment of interest as per the provisions of section 234A of the Act.

For an assessee who is not required to obtain and furnish tax audit report under section 44AB, the due date for furnishing of return of income for assessment year 2014-15 remains as 30th September, 2014.

Notification by Central Government for the purpose of Section 92C

The Central Government hereby notifies that where the variation between the arm's length price determined under section 92C and the price at which the international transaction and specified domestic transaction has actually been undertaken does not exceed 1% of the latter in respect of wholesale trading and 3% of the latter in all other cases, the price at which the international transaction or specified domestic transactions has actually been undertaken shall be deemed to be the arm's length price for the assessment year 2014-15.

"Wholesale Trading" means an international transaction or specified domestic transaction of

trading in goods, which fulfills the following conditions, namely:-

1. Purchase cost of finished goods is eighty percent or more of the total cost pertaining to such trading activities; and
2. Average monthly closing inventory of such goods is ten percent or less of sales pertaining to such trading activities.

Indirect Tax Updates: Custom

Mithirohar Gandhidham, Gujarat appointed as Inland Container Depot

The Central Board of Excise and Customs hereby appoints Village Mithirohar, Gandhidham in Gujarat as inland container depot for the unloading of imported goods and the loading of export goods.

Modinagar, Uttar Pradesh appointed as Inland Container Depot

The Central Board of Excise and Customs hereby appoints Modinagar, Ghaziabad in Uttar Pradesh as inland container depot for the unloading of imported goods and the loading of export goods.

Hosur, Tamil Nadu appointed as Inland Container Depot

The Central Board of Excise and Customs hereby appoints Hosur in Tamil Nadu as inland container depot for the unloading of imported goods and the loading of export goods.

Foreign Exchange Regulation Updates

Issue of equity shares under the FDI Scheme against legitimate dues

It has been decided to permit issue of equity shares against any other funds payable by the investee company, remittance of which does not require prior permission of the Government of India or Reserve Bank of India under FEMA, 1999 , provided that:

1. The equity shares shall be issued in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc.
2. The issue of equity shares shall be subject to tax laws as applicable to the funds payable and the conversion to equity should be net of applicable taxes.

Three divisions of Foreign Exchange Department shifted to FED CO Cell at New Delhi

Three divisions - Foreign Investment Division viz. Liaison/Branch/Project Office Division, Non Resident Foreign Account Division and Immovable Property Division have been shifted to New Delhi with effect from July 15, 2014. The address for correspondence for the three divisions is FED, CO Cell, Foreign Exchange Department, Reserve Bank of India, New Delhi Regional Office, 6, Parliament Street, New Delhi - 110 001, India.

External Commercial Borrowings (ECB) in Indian Rupees

With a view to providing greater flexibility for structuring of ECB arrangements, it has been decided that recognised non-resident ECB lenders may extend loans in Indian Rupees subject to the following conditions:

- a) The lender should mobilise Indian Rupees through swaps undertaken with an Authorised Dealer Category-I bank in India.
- b) The ECB contract should comply with all other conditions applicable to the automatic and approval routes as the case may be.
- c) The all-in-cost of such ECBs should be commensurate with prevailing market conditions.

Media

Media

1. Publication: Café Mutual - 6-September-14

[Article in Café Mutual on Real Estate Investment Trusts accorded pass through status; albeit with limitations](#)

Real Estate Investment Trusts accorded pass through status; albeit with limitations

The article about Real Estate Investment Trusts accorded pass through status; albeit with limitations, written by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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2. Publication: The Economic Times - 05 September-14

[Quote in The Economic Times on rationalisation of norms of scrutiny of tax returns by CBDT](#)

CBDT rationalises norms of scrutiny of tax returns

The article talks about rationalisation of norms of scrutiny of tax returns by CBDT, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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3. Publication: Business Standard - 04 September-14

[Quote in Business Standard on CBDT's drop of Rs 15-cr cap for transfer pricing scrutiny](#)

CBDT drop of Rs 15-cr cap for transfer pricing scrutiny

The article talks about CBDT's drop of Rs 15-cr cap for transfer pricing scrutiny, with a quote by Mr. Amit Maheshwari, Partner, Ashok Maheshwary & Associates.

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Events: LEA Global Conference 2014

Amit Maheshwari, partner at Ashok Maheshwary & Associates presented on “Expatriate and Non Resident Taxation” at the Leading Edge Alliance's (LEA) Global Conference 2014 held at Montreal, Canada from 16 - 19 September 2014.



Events: CII Delegation to Germany

Amit Maheshwari, partner at Ashok Maheshwary & Associates at the Confederation of Indian Industry (CII) delegation to Germany (10-12 September 2014).



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:

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