

### **I. Income Tax**

#### **a. Mandatory e-filing for Individuals and HUF**

To encourage electronic-filing of Income tax return and improve the system for filing of returns, CBDT has made e-filing compulsory for all assessees whose income exceeds ten lakh rupees during the assessment year 2012-13 and subsequent assessment years.

Now, only individuals and HUFs whose income is less than Rs. Ten Lakh would be exempt from filing of return electronically.

#### **b. CBDT notifies new ITR forms for Asst. Year 2012-13**

Any individual or HUF whose assets are located outside India or signing authority in any account located outside India shall be required to furnish a return in Form ITR 2 or ITR 3 or ITR 4 instead of ITR-1 (Sahaj) or ITR 4S (Sugam) electronically (digitally signed or acceptance by submitting the verification of the return). Special columns have been introduced in ITR-2, 3, 4 for such persons. Furnishing of return by such a resident would be mandatory irrespective of the fact whether the resident taxpayer has taxable income or not.

#### **c. Revised depreciation rates for wind mill / energy**

CBDT has reduced the benefit of depreciation available for the investment in wind mills from 80 % to 15% installed from April 1, 2012. The generation-based incentive scheme has also come to an end.

### **II. Excise, Customs and Service Tax**

#### **a. Extension of Anti-dumping duty**

The CBEC has extended the anti-dumping duty on import of the following goods as per the dates mentioned

- i) Yarn of Polyester from Indonesia, Republic of Korea, Malaysia and Chinese Taipei extended till August 20 2012.
- ii) Flat base steel wheels from China extended till March 27, 2013.
- iii) Pneumatic non radial bias tyres, tubes etc having rim dia code above 16 used in buses and lorries/trucks China PR and Thailand extended till October 7, 2012.
- iv) Peroxosulphates (Persulphates) from China and Japan extended till March 18, 2013.

#### **b. Time limit extended for using re-credited DEPB scrips**

Central Board of Excise & Customs has extend the time limit for using re-credited DEPB Scrips/ Reward scheme scrips in case of 4% Countervailing duty upto 30th June, 2012.

#### **c. Condition of Prior registration for Cotton Exporters**

Central Board of Excise & Customs has now allowed the export of cotton subject to an additional condition on the cotton exporters to register their contracts with Director General of Foreign Trade (DGFT) prior to the export of cotton.

#### **d. CAs, CWAs appointed for excise audit empowered to access records and documents**

Central Board of Excise & Customs through an amendment in the Central Excise Rules empowered the Chartered Accountants and the Cost Accountants who are appointed for special audit U/s 14A and 14AA of the Central Excise Act, 1944 to have unrestricted access to the records maintained, cost audit reports under Companies Act and the tax audit reports under the Income Tax Act.

### **III. FEMA/RBI/SEBI**

#### **a. NBFC : Fixed deposits and interest income not to be reckoned as Financial Assets**

RBI has clarified that with respect to Companies holding Certificate of Registration as Non-Banking Financial Companies, investment in Fixed Deposits would not be classified as financial assets. As such, such investment would not be held to constitute business of NBFC. Registration of such Companies would stand cancelled if business is not commenced within six months from the date of issue of Certificate of Registration.

#### **b. Entry of foreign venture capital investors through Secondary market**

RBI has allowed foreign venture capital investors (FVCI) to invest in eligible securities (equity, equity-linked instruments, debt and debt instruments, debentures of a domestic venture capital undertaking or VC funds, units of schemes/funds set up by a VC fund) by way of private arrangements or purchase from a third party also. This move is expected to bring several venture capital investors to India's debt and equities market

#### **c. Liberalisation of Overseas investments by Resident Individuals and Indian Parties**

RBI has simplified the facilities available to a Resident Individual for acquiring equity shares in foreign entities. Subject to conditions, RBI has granted general permission to resident individuals for the following (Circular No. 97 dated March 28, 2012)

- Acquiring qualification shares of an overseas company for holding the post of a Director
- Acquiring shares of a foreign company towards professional services rendered or in lieu of Director's remuneration
- Acquiring shares in a foreign company through ESOP Scheme

Further, norms have been liberalized for Indian Parties making overseas direct investments in the following areas (Circular No. 96 dated March 28, 2012)

- Creation of charge on immovable / movable property and other financial assets
- Reckoning bank guarantee issued on behalf of JV / WOS for computation of Financial Commitment
- Issuance of personal guarantee by the direct / indirect individual promoters of the Indian Party
- Financial Commitment without equity contribution to JV / WOS
- Submission of Annual Performance Report
- Compulsorily Convertible Preference Shares (CCPS)

#### **d. FII can invest in to be listed debt securities**

FII's can now invest in primary issues of Non-Convertible Debentures (NCD)/ bonds which are committed to be listed within 15 days of such investment made by FII. In case of NCDs/ Bonds are not listed within 15 days, than FII's shall dispose of these NCDs/ bonds.

#### **e. Prior intimation to RBI for increasing FII/ NRI limits of investment upto sectoral/ statutory caps.**

Foreign Institutional Investors (FII) and Non-Resident Indians (NRI) are allowed to invest into equity shares and debentures of an Indian Company upto 24% and 10% respectively. Reserve Bank of India (RBI) clarified that wherein an Indian Company is increasing the limits of the FII upto the sectoral cap/ statutory limit and of NRI upto 24%, the company would have to

intimate the same to RBI along with a certificate from the Companies Secretary stating compliance to the provisions of FEMA and applicable Foreign Direct Investment Policy.

Further, RBI has also 'cautioned' that without prior approval the designated banks shall not purchase shares of an Indian Company on behalf of FII/ NRI once it reaches 2% less than the applicable limit of investment. Also, RBI directed the designated banks to 'stop purchase' of shares of Indian Company on behalf of FII/ NRI on reaching the applicable limit.

**f. Repayment of Loans from foreign relatives allowed in NRE accounts**

As per the FEMA Rules, resident individual may borrow upto USD 250,000 from his relatives outside India subject to conditions prescribed. The repayment of such loan was required to be made directly to the lender abroad. Vide Circular no. 95 dated March 21, 2012, now, the repayment can also be made directly to the NRE account in India of the foreign lender and such credit shall be treated as an eligible credit to the NRE account.

**IV. DVAT**

**a. Submission of Mobile and e-mail id for online issue of Central Declaration Forms**

Department of trade & taxes in view of providing facility for on-line requisition for central declaration forms dealers are requested to update or register their latest email-ids and mobile number on the official website of the department.

**b. Re-Extension of due date for furnishing DVAT-51**

Due date for furnishing of reconciliation return in form DVAT-51 and for furnishing declaration forms 'C', 'E-I' or 'E-II', 'F', 'I', 'J' and 'H' has been re-extended up to June 30, 2012 for the 1st, 2nd, and 3rd quarters of the year 2011-12.

**c. Mandatory reporting of goods before their actual movement**

The registered dealer who is engaged in the trade of petroleum products (except Petrol, Diesel, Aviation turbine Fuel, Liquid Petroleum Gas or compressed Natural Gas), tobacco and gutka consequent to their sale, stock transfer or local movement or for whatever reasons is to be reported by dealer electronically using his login, before the actual movement of goods occur. For this Form T-1 shall be used as annexure.

**V. CORPORATE LAWS**

**a. Extension of due date of filing form DIN-4**

The due date for submission of DIN-4 by DIN holders for furnishing PAN and to update PAN details has been extended up to April 30, 2012.

**b. Registration of Companies or LLPs**

Companies or LLPs which have one of their objects is to carry on the profession of Chartered Accountant, Cost accountant, Architect, Company Secretaries, then the concerned Registrar of Companies/Registrar of LLP shall incorporate the same only on production of in-principle approval/NOC from the concern regulator/professional Institutes.



**Relevant due dates for the month of April 2012****Income Tax**

7th April	Deposit TCS collected during the month ended March 31, 2012.
30th April	Deposit TDS deducted during the month March, 2012

**Service Tax**

25th April	Submit half yearly return of service tax for period ended on March 31 2012.
30th April	Submit half yearly return of Service Tax credit received and distributed by an Input Service Distributor.

**Excise Duty**

10th April	Submit return of Excise Duty for assesseees other than SSI for the month ending March, 2012
10th April	Submit return of Excise Duty for SSI assesseees for the Quarter ending March, 2012
30th April	Submit declaration of Principal Inputs(ER-5) and Annual Installed Capacity Statement (ER-7) for units paying duty more than Rs. 1Crore.

**DVAT**

16th April	Submission for intimation of change in tax period (DVAT- 55)
21st April	Deposit VAT/ CST for the month/ quarter ended March 31, 2012.
25th April	Submit monthly/ quarterly return in electronic form for the month ended March 31, 2012.
28th April	Deposit monthly/ quarterly return in manual form for the month ended March 31, 2012.

**Labour Law**

16th April	Deposit Employee's & Employer's contributions to provident fund for the month ended March 31, 2012 (grace of 5 days).
21st April	Deposit ESI dues for the month ended March 31, 2012.
25th April	Submit return of Provident Fund for the month ended March 31, 2012.

