

I. Income Tax

a. ITR not to be treated invalid, merely because ITR-V is not received at CPC

Bombay High Court has given an important decision in the case of Crawford Bay ley & Company wherein it has been held that where the assessee has bonafide sent ITR-V form to CPC by ordinary post, but it has not been received there with CPC, the return of Income cannot be held to be invalid on this ground. The assessing officer can allow the assessee to file signed copy of the ITR-V u/s 139(9) of Income Tax Act, 1961, if assessment has not been completed as yet.

Signed copy of the ITR-V is required to be submitted to CPC, Bangalore, where the return has been submitted online without digital signatures.

b. New Form 29C for LLPs paying alternative minimum tax

CBDT has provided where LLP has paid alternative minimum tax, it has to submit a report of an accountant in the specified format in Form 29C which shows computation of adjusted total income and alternate minimum tax of the limited liability partnership.

II. Corporate Laws

a. Time limit for filing DIN-4 re-extended

In order to remove the variations between the information of the director with Income tax department in the form of PAN and with MCA in the form of DIN the time for filing form DIN-4 by DIN holders for furnishing PAN and to update PAN details has been re-extended upto February 29, 2012.

b. Company Law Settlement Scheme, 2011 re-extended

MCA has extended the Company Law Settlement Scheme, 2011 upto January 15, 2011. The scheme grants immunity from prosecution and provides for reduced fee of 25 percent of actual additional fee payable.

c. M2M Losses on Long Term Foreign Currency Monetary Asset can be amortised upto March 31, 2020

MCA has extended the period for recognizing Mark-to-Market losses in respect of Long term Foreign Currency Monetary items upto Mar 31, 2020. The unamortised amount of loss incurred shall be accumulated in a *Foreign Currency Monetary Item Translation Difference A/c* in the enterprise's financial statements.

III. FEMA/RBI/SEBI

a. FDI policy for Pharmaceutical Sector has been reviewed

The Government of India has elucidated its stand on foreign direct investment in the pharmaceutical industry and provides that FDI upto 100 per cent in greenfield projects will remain under the automatic route, however, FDI upto 100 per cent in brownfield investment (i.e. investments in existing companies), will now need to go via the Government approval route.

b. ECB for micro-finance institutes

Reviewing the existing ECB policy, the RBI has allowed Micro-Finance Institutions and NGOs engaged in Micro finance activities to raise ECB under Automatic Route upto USD 10 Million or

equivalent during a financial year for permitted end-uses subject to the guidelines issued in this regards.

In this regard, RBI has further allowed non-residents to hedge their currency risk for ECBs denominated in Indian Rupees.

IV. Indirect taxes

a. Refund of service tax to exporters through the Indian Customs EDI System (ICES)

CBEC has introduced a simplified scheme for electronic refunds of service tax to exporters on the lines of duty drawback. In the new scheme, exporters will have the option to either opt for electronic refund through ICES system, which is based on the 'schedule of rates' or go for refund on the basis of documents, by approaching the Central Excise/Service Tax formations.

This will ease the burden of exporters freeing up significant refunds stuck on account of pending documentation.

b. Due date of filing service tax return re-extended

Due date for e-filing of half yearly service tax returns for the period April-Sept 2011 has been further extended to January 6, 2012.

*The date has now been further extended to January 20, 2012.

c. List of documents required for obtaining Service Tax Registration

CBEC has issued an order requiring a fresh applicant to furnish following documents within 15 days of electronic filing of Form ST-1 for obtaining Service tax registration.

- Copy of PAN,
- Proof of residence,
- Constitution of the applicant,
- Power of attorney in respect of authorized person(s).

If the applicant fails to submit the above documents, the application shall be held invalid.

It has also been clarified that registrations order will be granted within 7 days of the receipt of application (in complete form) by the Superintendent of Service tax.

d. Service tax on Rail Freight – Deferred for sixth time in a Row

Against the backdrop of high inflation, this is the sixth time that the levy of service tax on railway freight service has been put off once again. The levy is now likely to come into force from April 1, 2012 instead of January 1 as announced earlier. Finance Minister Pranab Mukherjee in the FY 2010-11 Union Budget brought transport of goods by railway under the service tax net from April 1, 2010.

e. Differential export rule ends for Nepal

Export to Nepal would be on par with that to other countries with effect from March 1 for the purpose of removal without payment of excise duty or for removal under claim of rebate of excise duty or for procurement of inputs required for the purpose. The initiative to shift away from special treatment for Nepal goods and pave the way for greater integration through the South Asian Free Trade Agreement and is a welcome move that will lead to greater simplification and reduction in transaction costs.

V. Delhi Value Added Tax

a. Mandatory on-line payment of D-Vat dues.

Commissioner of VAT has made it mandatory for all registered dealers and contractees (TAN holders) to make payment of their tax, interest, penalty or any other amount due to Delhi Value Added Tax Act, 2004, compulsorily through electronic mode of payment from the e-payment portals of the prescribed banks w.e.f. January 31, 2012.

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

7th January	Deposit TDS/TCS deducted/collected during the month ended December 31, 2011.
16th January	Last date of filing of TDS/TCS return for the quarter ended December 31, 2011.

Service Tax

5th/6th January	Deposit Service Tax liability of corporate assesseees for the month ended December 31, 2011.
20th January	Last date of filing service tax return for the half year ending 30th September 2011 (as re-extended).

Excise Duty

5th/6th January	Deposit Excise duty liability for the month ended December 31, 2011.
10th January	Submit return of Excise Duty for liability for the month ended December 31, 2011.

DVAT

25th January	Deposit VAT/ CST for the month/quarter ended December 31, 2011.
25th January	Submit monthly/quarterly return in electronic form for month/quarter ended December 31, 2011.
28th January	Submit monthly/quarterly return in manual form for month/quarter ended December 31, 2011.
28th January	Last date for deposit of audited financial statements for the year ended March 31,2011.

Labour Law

16th January	Deposit Employee's & Employer's contributions to provident fund for the month ended December 31, 2011 (grace of 5 days).
21st January	Deposit ESI dues for the month ended December 31, 2011.
25th January	Submit return of ESIC for the half year ended December 31, 2011.

Corporate Laws

15th January	Last Date for ROC Filing under Company Law Settlement Scheme, 2011.
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