



Law2Law

Volume 1 Issue IX

From the Editor

Dear Professional Colleague,

With the continuous support of our readers, we are pleased to present our IX Edition of Law2Law. Our endeavor with each newsletter is to share the latest updates in the industry which may help our partners to enhance their skills and knowledge to further help them achieve their professional goals.

In this edition, we have tried to capture the guidance note on accounting treatment of excise duty along with the concept of corporate social responsibility, recent updates in Income Tax and some developments in GST.

Hope you will find the same useful in your professional endeavors. Your feedback and suggestions are very important for us and Team “ECA” would be waiting for your valuable feedback and inputs and we shall try to embed the same in our next issue.

**Best Regards,
ECA Partners**

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History of Transfer Pricing in India

India enacted transfer pricing rules in 2001, which require companies to conclude international transactions with associated enterprises at an arm's length. The legislation is primarily targeted at large business groups who engage in base erosion and profit shifting to avoid paying corporate income tax in India. This article is the first of two that will provide an insight into some of the key compliance issues that surround India's transfer pricing regime, which has, since its enactment in 2001, evolved and acquired new shapes.

The key transfer pricing legislation in India is contained in Chapter X of the Income Tax Act (IT Act), 1961. In addition, the Central Board of Direct Taxes (CBDT) issues circulars and notifications as well as specific guidance known as Taxpayer Information Series, which, together with rulings of tax tribunals and courts, comprise Indian transfer pricing rules. These are given effect to by specialists working under the CBDT's supervision, including the Directorate of International Taxation and Transfer Pricing, Transfer Pricing Officers (TPO), and Assessing Officers (AO).

In interpreting domestic transfer pricing rules, courts in India rely on guidance published by the Organization for Economic Cooperation and Development, such as commentaries on specific transfer pricing provisions contained in model double tax avoidance conventions and the transfer pricing guidelines for multinational enterprises and tax administration. However, the domestic legislative framework takes precedence over the OECD guidance.

Concept of “arm's length price”, “international transaction” and “associated enterprises”

Section 92 of the IT Act requires international or specified domestic transactions carried out between associated enterprises to reflect arm's length pricing – that is, the price that would have been paid if such transactions were made between independent third parties at general market value.

For the purpose of the IT Act, “international transaction” means a transaction between two or more associated enterprises and includes purchase, sale or lease of tangible or intangible property, provision of services, or lending or borrowing money, or any other transaction that has a bearing on the profits, income, losses or assets of the enterprise.

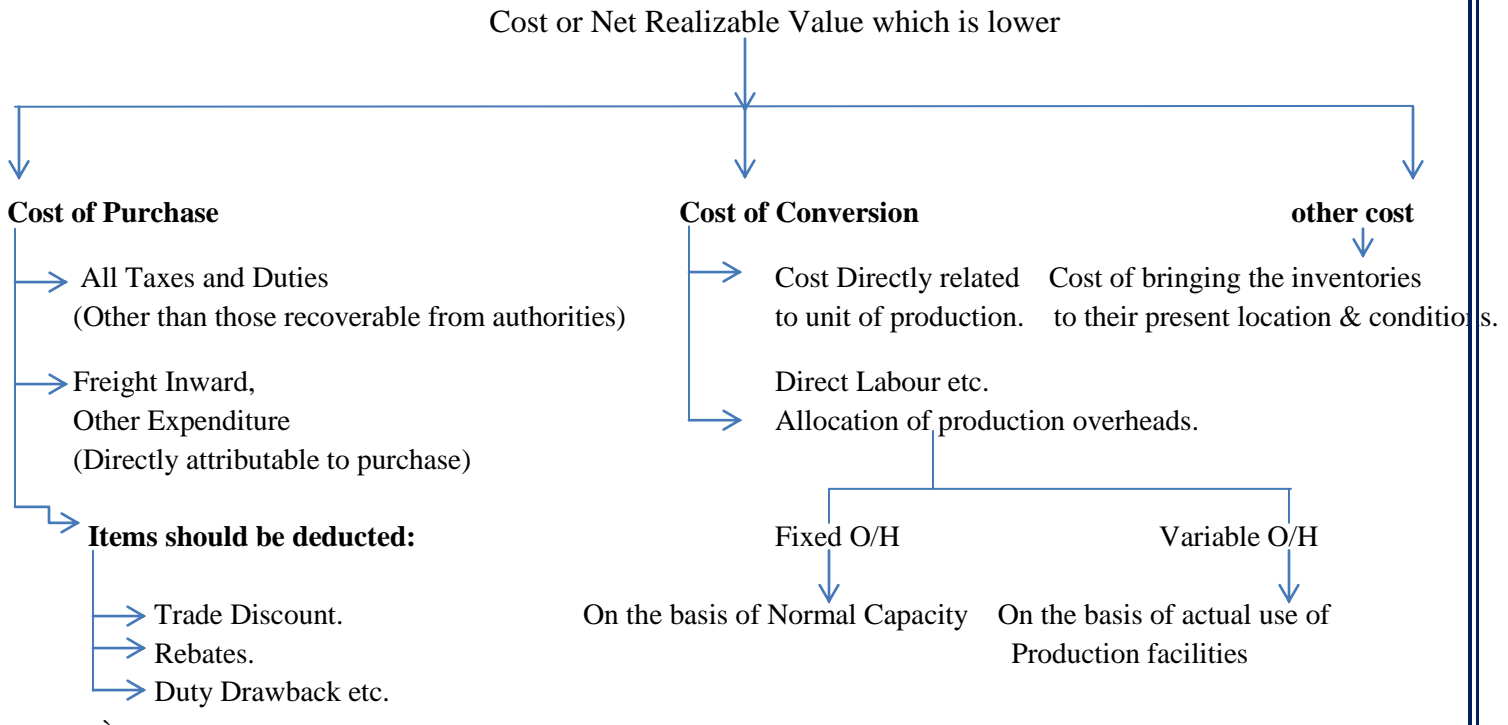
“Associated enterprise” means, in relation to another enterprise, an enterprise that participates, directly or indirectly, in the management, control or capital of the other enterprise. The IT Act also sets out a certain shareholding participation threshold under which two or more enterprises are deemed to be associated with each other.



- ❖ After taking on FMCG biggies in the country, Baba Ramdev is turning his attention to digital health start-ups such as Lybrate and Practo. Patanjali, Ramdev's Haridwar-based company, is lining up an online platform (chikitsalaya) for ayurvedic consultation and treatment, said people familiar with the development.
- ❖ Financial tech startups compete for overlooked US immigrant market
- ❖ Smaaash Entertainment, a sports-based virtual Entertainment company co-owned by Sachin Tendulkar , is close to raising Rs 200 crore from private equity investors to fuel its expansion plans.
- ❖ Mumbai based remittance company Suvidhaa Infoserve , has tied up with mobile wallet company MobiKwik to allow its retail outlets to be used for loading cash into their wallets.
- ❖ Fxkart.com, an online aggregator of authorised foreign exchange dealers, is looking to raise \$5 million in Series A funding by the end of this quarter.
- ❖ Jugnoo, the auto-rickshaw aggregator, has tied up with artificial intelligence based personal assistant platform Helpchat to expand its market outreach. Through this association, the consumers on Helpchat will be able to book Jugnoo auto-rickshaws from the platform. This enables users to plan journeys using a combination of options such as cab services, bike-taxis, auto-rickshaws, local buses and trains, all from within the app.
- ❖ Flipkart is pleased with the government's new guidelines on FDI in ecommerce and believes that there is no challenger in sight for the top slot in online retail , CEO Binny Bansal tells ET's Aditi Shrivastava and Madhav Chanchani in an interview
- ❖ With a CAGR of 49 per cent in assets growth, NBFC IndoStar Capital Finance is looking to ramp up SME lending this year and grow its loan book five-times to Rs 1,200 crore. "We plan to ramp up our SME business this year and build an AUM of Rs 1,200 crore by geographical expansion. We closed the first year of the SME portfolio with an asset size of Rs 223 crore, with four branches," IndoStar Chief Executive and Managing Director Vimal Bhandari said.
- ❖ BAI Info solutions which owns and operates online cab aggregation platform TaxiVaxi , has raised its second round of seed funding , led by a clutch of high net worth individuals. The New Delhi-based startup has raised \$500,000 (about Rs 3.3 crore) in the latest round, and will use the proceeds to expand its presence across the country, as well as towards product development.

Guidance Note on Accounting Treatment for Excise Duty

Valuation of inventories (i.e. materials or supplies to be consumed in the production process or in the rendering of services, work-in-process and finished goods), as per AS 2 “Valuation of inventories”:



Excise Duty:

- Excise duty is a duty on manufacture or production of excisable goods in India.
- It is an Indirect Tax.
- This prescription is contained in the Central Excise Rules, 1944, which provide that excise duty shall be collected at the time of removal of goods from factory premises or from approved place of storage (Rule 49).
- Rate of duty and tariff valuation to be applied is the one in force on that date, i.e., the date of removal (Rule 9A) and not the date of manufacture.

Taxable Event: Date of Manufacture or Production of excisable article.

Payment of Duty: Date of Removal of excisable goods.

Excise Duty as an Element of Cost :

- Excise duty levy manufacture of excisable goods for sale, for captive consumption. Intermediate goods may be used in the manufacture of final product or repair within the factory or for use as Capital goods within in the factory. Excisable goods used for captive consumption may be eligible for exemption under different notifications issued from time to time.

Financial Reporting

- Excisable goods can be removed for export out of India either wholly without payment of duty or under bond or on payment of duty under claim for rebate of duty paid.
- Liability to excise duty arises even on excisable goods manufactured and used in further manufacturing process. In such a case, excise duty paid (if the same is not exempted) on the intermediary product becomes a manufacturing expense. Excise duty paid on such intermediary products must, therefore, be included in the valuation of work-in-process or finished goods manufactured by the subsequent processing of such products.

Provision for unpaid Excise Duty:

- It is not necessary that the point of time at which duty is collected are same with the point of time at which liability to pay the duty is arise. i.e., goods stored in Bonded store room, duty is paid when goods removed from Bonded store room.

Bonded store room:

Excisable goods, after completion of their manufacturing process, are required to be kept in a storeroom or other identified place of storage in a factory till the time of their clearance. Each such storeroom or storage place is required to be declared to the Excise Authorities and approved by them. Such store room or storage place is generally referred to as a Bonded Storeroom.

Provision of duty:

In favours of creation of provision:

- The liability for excise duty arises at the point of time at which the manufacture is completed.
- Failure to provide for the liability will result in the balance sheet not showing a true and fair view of the state of affairs of the enterprise.

In against of creation of provision:

- Though the liability for excise duty arises at the point of time at which the manufacture is completed, it gets quantified only when goods are cleared from the factory or the bonded warehouse.
- Where goods are damaged or destroyed before clearance, excise duty may be waived by the competent authority and therefore the duty may never be paid; and
- Failure to provide for the liability does not affect the profits or losses.

As per Guidance Note:

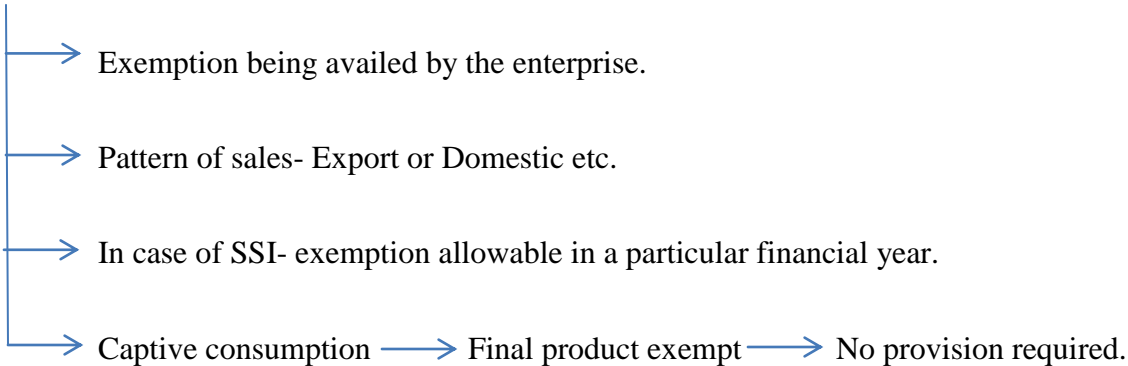
Since the liability for excise duty arises when the manufacture of the goods is completed, it is necessary to create a provision for liability of unpaid excise duty on stocks lying in the factory or bonded warehouse.

Duty is paid at the time of removal of goods hence following events that may change the estimate of duty made on balance sheet date:

- Change in rate of duty.
- Export under bond.

Estimate of such liability can be made at the rate in force on the balance sheet date.

Following factor should also be considered at the time of provision:



Auditor Responsibility:

- The auditor has a responsibility to express his opinion whether the financial statements on which he reports give a **true and fair view** of the operating results and state of affairs of the entity.
- Valuation of inventory is fair and proper. If any change in the basis of valuation, the effect of such change, if material, is to be reported.
- The liability for excise duty arises at the point of time at which the manufacture is completed. The excise duty paid or provided on finished goods should, therefore, be included in inventory valuation.
- Similarly, excise duty paid on purchases (other than those subsequently recoverable by the enterprise from the taxing authorities) as well as intermediary products used for manufacture should also be included in the valuation of work-in-progress or finished goods.
- If the method of accounting for excise duty is not in accordance with the principles explained in this Guidance Note, the auditor should qualify his report. In the case of a company, reference to this qualification should also be made in the auditor's report under section 227(4A) of the Companies Act, 1956.

Summary:

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graph LR
 A[Excise duty should be considered as a manufacturing expense and considered as a cost of inventory.]
 B[Duty paid of excisable goods. Such goods are captive consumed, and duty paid on such goods is not recoverable from taxing authorities, duty must be include in valuation of WIP or Finished goods.]
 C[When point of time of levy of duty and point of time of payment of duty is differ than provision of duty should be made at time of levy of duty.]
 D[Excise duty cannot be treated as a period cost.]
 E[If the method of accounting for excise duty is not in accordance with the principles explained in this Guidance Note, the auditor should qualify his report.]

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  - Excise duty cannot be treated as a period cost.
  - If the method of accounting for excise duty is not in accordance with the principles explained in this Guidance Note, the auditor should qualify his report.



The term 'Corporate Social Responsibility' (CSR) literally means the responsibility of Corporate Entities towards society. The origination of CSR was happened long back in ancient India which lasted till 1850 and Charity and Philanthropy were the main drivers of that time.

### 1. APPLICABILITY:

**Section 135(1)** of the Companies Act, 2013 (hereinafter to be referred as 'the Act') provides for the trigger point for the applicability of CSR Provisions and constitution of CSR Committee. The constitution of CSR committee is mandatory in company having:

- Net Worth of Rs. 500 Crore
- Turnover of Rs. 1000 Crore
- Net Profit of Rs. 5 Crore

during *any financial year*.

### 2. NET WORTH:

As per **Section 2(57)**, 'NW' = (Paid Up Share Capital + All Reserves Created Out of Profits + Securities Premium Account) – (Accumulated Losses + Deferred Expenditure and Miscellaneous Expenditure not Written Off)

### 3. TURNOVER:

As per **Section 2(91)**, 'Turnover' means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year.

### 4. NET PROFIT:

As per **Rule 2(f)** of the [Companies \(CSR Policy\) Rules, 2014](#), 'Net Profit' means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following namely:

- I. Any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- II. any dividend received from other companies in India, which are covered under and complying; with the provisions of section 135 of the Act;



Provided that net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Act.

Provided further that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381 read with section 198 of the Act.

#### **5. ANALYSIS OF THE TERM NET PROFIT:**

The aforesaid definition of ‘net profit’ as per **Rule 2(f)** provides for ‘net profit as per the financial statements prepared in accordance with the applicable provisions of the act’.

If we refer the provisions of the Companies Act, 2013, it is clear that Section 198 heading of which is ‘Calculation of Profits’ is the only provision which we need to consider for the interpretation of the expression ‘net profit’.

However, Section 198 starts with ‘in computing the net profits of a company in any financial year for the purpose of Section 197’. The inclusion of the words ‘for the purpose of Section 197’ created ambiguity whether Section 198 can be referred for the purpose of interpreting the expression ‘net profit’ provided in Section 135(1) and such inclusion of ‘reference to Section 197’, reflected that the intention of law maker may not be so.

If we accept Section 198 for calculation of net profit, then wherever applicability is based on net profit, we always need to look at section 198 which will not hold good in case of Section 181 & 182.

In addition to the above, there is another term namely, ‘average net profit’ which is used in Section 135(5) of the Act for the purpose of computation of expenditure which is to be incurred under corporate social responsibility.

However, good news is that a recent circular dated 12<sup>th</sup> January 2016, was issued by the Ministry, which provided for ‘average net profit’ criteria as under:

**‘Q.** Whether the ‘average net profit’ criteria for section 135 (5) is Net profit before tax or Net profit after tax?

Computation of net profit for section 135 is as per section 198 of the Companies Act, 2013 which is primarily **PROFIT BEFORE TAX (PBT).**’

And, in addition to the above stated circular, explanation to Section 135 also clarifies it.

So from the above discussion it is clear that for the purpose of ‘average net profit’, computation would be as per the section 198. However, there is no clarity on the interpretation of the term ‘Net Profit’.

Further, the recent report of High Level Committee has also highlighted this ambiguity and stated that *“it is necessary to issue clarification regarding the definition of Net Profit under section 135(1) and section 135(5).”*

Further, if we look at the definition of net profit provided in **Rule 2(f)** of the [Companies \(CSR Policy\) Rules, 2014](#), it explicitly states that net profit as per financial statements. And hence, a view can be taken that subject to two adjustments provided in Rule 2(f), the ‘profit after tax’ in the financial statements shall be considered for the purpose of ‘net profit’ under section 135(1).

## 6. THE MEANING OF EXPRESSION ‘ANY FINANCIAL YEAR’:

The expression ‘any financial year’ is used in Section 135(1) and to understand the meaning of this term, kindly consider below given points:

**Rule 3(2)** of the [Companies \(CSR Policy\) Rules, 2014](#), provides as under:

Every company which ceases to be a company covered under sub-section (1) of section 135 of the Act for three consecutive financial years shall not be required to:

- a. Constitute a CSR Committee; and
- b. Comply with the provisions contained in sub-sections (2) to (5) of the said section.

**Circular dated 18<sup>th</sup> June, 2014** provides as under:

‘Any financial year’ referred under Sub-Section (1) of Section 135 of the Act read with Rule 3(2) of Companies (CSR Policy) Rules, 2014, implies ‘any of the three preceding financial years’.

**Circular dated 18<sup>th</sup> June, 2014** provides as under:

Q. What is meaning of ‘any financial year’ mentioned above?

‘Any Financial year’ referred under Sub- Section (1) of Section 135 of the Act read with Rule 3(2) of [Companies \(CSR Policy\) Rules, 2014](#) implies any of the three preceding financial years.

Therefore, it is clear that if as per latest audited financial statements, a company hits the any of the financial strengths, and then it is required to constitute and have CSR Committee for three consecutive years irrespective of the financial strength. And in case, in the fourth year, such company does not hit any of the financial strengths, then such company does not need to have and constitute CSR Committee.”

## 7. COMPOSITION OF CSR COMMITTEE:

As per **Section 135(1)**, three or more Directors including at least one Independent Director shall form CSR Committee.

However, for the companies which are not required to have Independent Director shall constitute CSR Committee without Independent Director and the private companies having only two Directors shall constitute CSR Committee only with two such Directors as provided in **Rule 5(1)** of the Companies (CSR Policy) Rules, 2014.

## 8. DISCLOSURE IN BOARD REPORT:

As per **Section 135(2)** read with **Rule 8**, the Board’s Report prepared under Section 134 shall contain the disclosures of the Composition of CSR Committee as per prescribed Annexure under [Companies \(CSR Policy\) Rules, 2014](#).

## 9. ROLE OF CSR COMMITTEE:

As per **Section 135(3)**, following are the roles and responsibilities of CSR Committee:

- Formulate a CSR Policy indicating the activities as per Schedule VII to the Act;
- Recommend the amount of expenditure on the activities; and
- Monitor CSR Policy by way of instituting a transparent monitoring mechanism for implementation of CSR projects or programmers or activities undertaken by the company as provided in **Rule 5(2)**.

**10. ROLE OF BOARD OF DIRECTORS:**

As per **Section 135(4)**, following is the role of Board of Directors:

- Approve the CSR Policy;
- Disclose the contents of policy on the company's website, if any; (Format in this regard has been annexed as **Annexure**) [Also see **Rule 9**].

**11. CSR EXPENDITURE:**

As per **Section 135(5)**, at least 2% of the average net profits of the company during three immediately preceding financial years must be spent against CSR as provided in CSR Policy.”

**12. FAILURE TO SPEND CSR FUND:**

If a company fails to pay amount allocated for CSR, then such company shall make such disclosure in the Board's Report. Such company shall also specify the reason of failure to spend CSR Fund.

**13. CSR ACTIVITIES:**

As per **Rule 4**, following points must be considered while taking decisions on the activities to be undertaken by the Companies:

- a. CSR activities shall be undertaken as per its formalised CSR Policy;
- b. Any activity which is undertaken in the normal course of business cannot be termed as CSR activities of the Company;
- c. Two or more companies can also come together and collaborate for the purpose of undertaking projects or programmes under their CSR Policy in such a manner that the CSR Committees of respective companies are in position to report separately;
- d. To term any activity as 'CSR activity', the same shall be undertaken in India only;
- e. The companies can have CSR activities which will benefit the employees of such company.

However, such activities will not be considered as CSR Activities pursuant to Section 135 of the Act;

**14. CSR THROUGH TRUST, SOCIETY AND SECTION 8 COMPANY:**

As per **Rule 4(2)**, the Companies can spend its CSR expenditure through registered trust, society or section 8 companies.

Further, the law has also granted companies to come together to form a trust, society or section 8 company for this purpose. Such companies coming together not necessarily required having some relations with each other such as associate, holding-subsidary relation, etc. and hence, even unrelated companies can come together for this purpose.

However, if the companies who are coming together doesn't itself form a trust or society or section 8 companies either severally or jointly, then following shall be ensured:

- a. Such trust, society or section 8 companies have an established track record of three years in undertaking similar programs or projects;
- b. The Companies have specified the projects or programme which shall be undertaken with their funds;
- c. Modalities of utilization of fund.

1. **Retrospective introduction of Explanation in Transfer Pricing Provisions expanding the scope of 'international transaction' is only effective from 1.4.2012, to the extent it deals with Corporate Guarantee.**

**Siro Clinpharm Private Limited v. DCIT [ITA Nos. 2618/Mum/2014]**

Siro Clinpharm Private Limited (“assessee”) is a clinical research organisation and has provided corporate guarantee to Bank(s) on behalf of its Associated Enterprises (“AEs”), namely Siro Clinpharm Germany GmbH, Germany and Siro Clinpharm Singapore Private Limited, Singapore without any fee or commission. However, the bank charges by Bank(s) were duly reimbursed by the AEs during the AY 2009 -10.

The TPO observed that corporate guarantee issued by the assessee is specifically covered by the definition of 'international transaction' under section 92B read with Explanation to Section 92B(1) and had to be accordingly benchmarked. Also, that the guarantee provided by assessee on behalf of AEs was 'service' and that the assessee should have charged fees at arm's length, since the assessee would not have taken such risk in case of a third party without consideration. Based on such observations, the TPO adopted 3% as arm's length price for issuance of guarantee and made addition to the income of the assessee.

On an appeal, the Commissioner of Income Tax (Appeals) [“CIT(A)”] upheld the order of TPO. The CIT(A) further mentioned that providing guarantee to the AE is not a shareholder activity as argued by the assessee. In the view of CIT(A), shareholder activity is coordinating in nature and not specific activity of providing benefit to the AE incurring certain risk by itself. Further, that such transaction has effect on income, profits or assets of the assessee and its AE. Accordingly, the CIT(A) held that providing guarantee is an international transaction and income from such transaction has to be determined having regard to arm's length principle. Aggrieved, the assessee preferred an appeal before ITAT.

The ITAT, relying on the decision in the case of **Micro Ink vs ACIT [(2016) 176 TTJ 8 (Ahd)]**, held that the issuance of corporate guarantee may have an 'influence' on the profits, incomes, losses and assets of an entity, in whose favour the guarantee is issued, but it has no 'impact' on the profits, incomes, losses and assets of an entity issuing the guarantee as long as it is issued without a consideration.

The ITAT, further, discussed the validity of insertion of explanation to section 92B by Finance Act 2012, dealing with corporate guarantee, with retrospective effect from April 1, 2012. It held that the explanation to section 92B, at least to the extent of dealing with guarantee can only be effective prospectively, i.e. from 1st April, 2012 and since the case of the assessee pertains to AY 2009-10 such amended provisions are not applicable. In this regard, the ITAT, relied on the decision of Hon'ble High Court of Delhi in the case of **DIT vs New Skies Satellite BV [TS-64-HC -DEL (2016)]**, wherein it was held that if a clarificatory amendment in its true nature expands the scope of section it seeks to clarify, it cannot be given retrospective effect. The ITAT further placed reliance on the decision of ITAT, Delhi in the case of **Bharti Airtel Limited Vs ACIT [(2014)63 SOT 113 (Del)]**, wherein it was held that though the scope of a charging provision can be enlarged with retrospective effect, but not an anti-avoidance measure like transfer pricing legislation, which mainly seeks compliant behaviour from the assessee vis-à-vis certain norms, and such norms cannot be given effect from a date earlier than the date norms are being introduced.

Based upon the aforesaid views, the ITAT deleted the addition made on account of guarantee fee and held that amendment in section 92B to the extent it deals with corporate guarantee, is effective from April 1,2012.

## 2. Recent Notifications/ Circulars/ Press Release

### 1. Draft rules for granting Foreign Tax Credit

The Central Board of Direct Taxes (CBDT) has recently issued draft Foreign Tax Credit (FTC) Rules seeking comments of stakeholders and general public, for granting relief or deduction of Income -tax under section 90, 90A and 91 in respect of FTC.

Section 90 and 90A allow granting of relief in respect of

- a. 'income' on which income tax has been paid in India as well as in the other country/specified territory/specified association; and
- b. 'Income-tax' chargeable under Indian Income-tax Act and under the corresponding law in force in the other country/specified territory/specified association. Section 91 also permits deduction of income-tax paid in the other country with which no DTAA exists. This deduction is, however, limited to a sum calculated on such doubly taxed income at the Indian rate of tax or the rate of tax of the other country, whichever is lower.

The procedure and guidelines in respect of manner of granting such relief/credit for taxes paid in foreign country were, however, not available. The relief from double taxation has been hitherto allowed by the tax authorities based on their interpretation of the relevant DTAA provision, which sometimes is disputed by the assessee.

The CBDT has now issued draft rules for granting credit in respect of taxes paid in foreign countries. The important highlights of the same are as below:

- FTC shall be allowed in the year in which the income corresponding to such foreign tax has been offered to tax or assessed to tax in India;
- FTC shall be computed separately for each source of income arising from a particular country or specified territory;
- FTC shall be available only against the amount of tax, surcharge and cess payable under the Act but not in respect of interest, fee or penalty;
- FTC shall be lower of tax payable under the Act and the foreign tax paid;
- Where the tax is payable under the provisions of Section 115JB or 115JC i.e. MAT, the FTC shall be allowed against such tax also. However, the credit exceeding the amount of tax payable under the normal provisions shall be ignored;
- Credit shall not be available in respect of the foreign tax which is disputed in any manner by the assessee.
- FTC shall be allowed on furnishing of the following documents:
  - a. Certificate from the foreign tax authorities specifying the nature of income and the amount of tax deducted there from or paid by the assessee. In case, the foreign tax is deducted at source, certificate of such tax deduction from the person responsible for deduction of such tax needs to be furnished;
  - b. Evidence of tax payment; and
  - c. Declaration that the foreign tax in respect of which credit is being claimed is not under any dispute;

The draft rule is a welcome step by the government to reduce litigation and provide consistency in the manner of providing FTC. However, the draft rules appear to miss certain aspects such as mechanism to claim disputed FTC in cases where the dispute is finally settled in favour of the assessee, clarification regarding availability of FTC in cases where income is exempted in foreign country or in India.

Further, where the provision contained in the relevant DTAA does not restrict FTC, the dispute may arise if the tax authority restricts FTC up to tax payable in India, based on the rule as presently stood.

It is expected that the final rules will bring in more clarity and provide certainty on the various other aspects not addressed in the draft rules.

## 2. Changes in Income Tax Return Forms for AY 2016-17 (Financial Year 2015-16)

The Central Board of Direct Taxes has issued Notification No. 24/2016 dated March 30, 2016 under which ITR forms for Assessment Year 2016-17 have been notified. Presently, income tax return is filed by tax payers in ITR Forms, applicable based on the nature of the income and other criteria. The same are as under:

|               |                                                                                                                                          |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------|
| ITR 1 (SAHAJ) | For Individuals having Income from Salary, One House Property & Interest                                                                 |
| ITR 2         | For Individuals & HUFs not having Income from Business or Profession                                                                     |
| ITR 2A        | For Individuals & HUFs not having Income from Business or Profession and Capital Gains and who do not hold foreign assets                |
| ITR 3         | For Individuals/HUFs being partners in firms and not carrying out business or profession under any proprietorship                        |
| ITR 4         | For Individuals & HUFs having income from a proprietary business or profession                                                           |
| ITR 4S(SUGAM) | For Individuals/HUF/Partnership Firm having income from presumptive business                                                             |
| ITR 5         | For partnership firms                                                                                                                    |
| ITR 6         | For Companies                                                                                                                            |
| ITR 7         | For persons including companies required to furnish return under sections 139(4A) or 139(4B) or 139(4C) or 139(4D) or 139(4E) or 139(4F) |

Few changes have been made to the return forms as prescribed, vis-à-vis last year. The major changes introduced in ITR forms for AY 2016-17 are as under:

1. A new schedule ICDS has been inserted in ITR forms (ITR 4, 5, 6) which requires disclosure of 'effect on profits' due to application of Income Computation and Disclosure Standards.
2. A new schedule PTI requiring details of 'Pass through income from business trust/ Investment fund' has been inserted in ITR Forms 2, 2A, 3, 4, 5, 6, 7. The details required to be disclosed include name of business trust/ investment fund, PAN of business fund, head of income, amount of income, and TDS on such amount, if any, as per section 115UA/ 115UB.
3. MAT Schedule in ITR 6 & 7 regarding computation of Minimum Alternate Tax payable under section
4. 115JB has been aligned with the amendments made by Finance Act, 2015 to section 115JB to exclude the following items for computation of MAT liability:
  - i. Income/ expenditure from share of a member in the income of AOP/BOI on which no income tax is payable
  - ii. Passive income (alongwith expenditure in relation thereto) accruing or arising to foreign company if income tax payable thereon was less than 18.5%.
  - iii. Notional gain/ loss on transfer of a capital asset, being share of a SPV to a business trust in exchange of units allotted by that trust, Notional gain/ loss resulting from change in carrying amounts of said units, Gain/ loss on transfer of units referred to in section 47(xvii).

- iv. The monetary limit for applicability of Schedule AL which requires disclosure of Specified Assets and Liabilities other than disclosed in the Balance Sheet (i.e. personal assets and liabilities) has been raised from Rs. 25 Lakh to Rs. 50 Lakh in ITR 3 & 4. Therefore, Schedule AL will be required to be filled in by tax payers having total income exceeding Rs. 50 Lakh. The aforesaid disclosure has also been introduced in ITR-1, 2, 2A, and 4S. Therefore, the taxpayers filing returns in the aforesaid ITRs would also be required to disclose specified assets such as immovable assets (land & building), financial assets and movable assets (viz. cash in hand, jewellery, bullion, vehicles, yachts, boats and aircraft).
  - v. However, In the case of non-resident and resident but not ordinarily resident, the details of assets located in India only are to be mentioned.
5. ITR 7 has been amended to make disclosure by the trust whether it has filed Form 9A (in case application of Income of trust fall short of 85%) and the date of filing of such form.
  6. In ITR-5 (applicable in case of firms), it would now be required to state whether it is liable to audit under any other Act (other than Income Tax Act) and date of audit report shall then be required to be furnished.
  7. The details of share in the income of firm/ AOP/ BOI was furnished under Schedule 1F in ITR- 3 & 5. Further, the amount of such income was disclosed under Schedule EI (Exempt Income).
  8. In the amended ITR- 3 & 5, the additional disclosure requirement under Schedule EI has been dispensed with. Also, such disclosure being not applicable in ITR-5 & 6, the disclosure reference under Schedule EI has been omitted in such ITRs.
  9. ITR 4, 5 & 6 have been amended to disclose deduction under section 32AD, in line with the amendment brought in by Finance Act, 2015 introducing deduction on investments in new plant or machinery in notified backward areas.
  10. ITR- 1, 2 and 2A have been amended to disclose credit claimed for Tax Collected at source (TCS).

### 3. Income-tax (11th Amendment) Rules, 2016

The following major changes have been made in the Income-tax rules, 2016:

#### Prescription of form for submitting claims by employees

The Central Board of Direct Taxes (CBDT) has vide notification no. 30/2016 dated 29-04-2016 inserted a new Rule 26C in Income-tax Rules, 1962, which provides that evidences shall be required to be submitted to employer by employees in Form 12BB, for furnishing claims with regard to deduction of tax under section 192 of Income-tax Act 1961.



The employee is required to furnish the evidence or the particulars for following claims:

| Sl. No | Nature of claims                                                  | Evidence or particulars                                                                                                                              |
|--------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | House Rent Allowance                                              | Name, address and permanent account number of the landlord/landlords where the aggregate rent paid during the previous year exceeds rupees one lakh. |
| 2      | Leave travel concession or assistance.                            | Evidence of expenditure.                                                                                                                             |
| 3      | Deduction of interest under the head "Income from house property" | Name, address and permanent account number of the lender.                                                                                            |
| 4      | Deduction under Chapter VI-A                                      | Evidence of investment or expenditure.                                                                                                               |

### Extension / Revision of due date of deposit of TDS on sale of immovable property

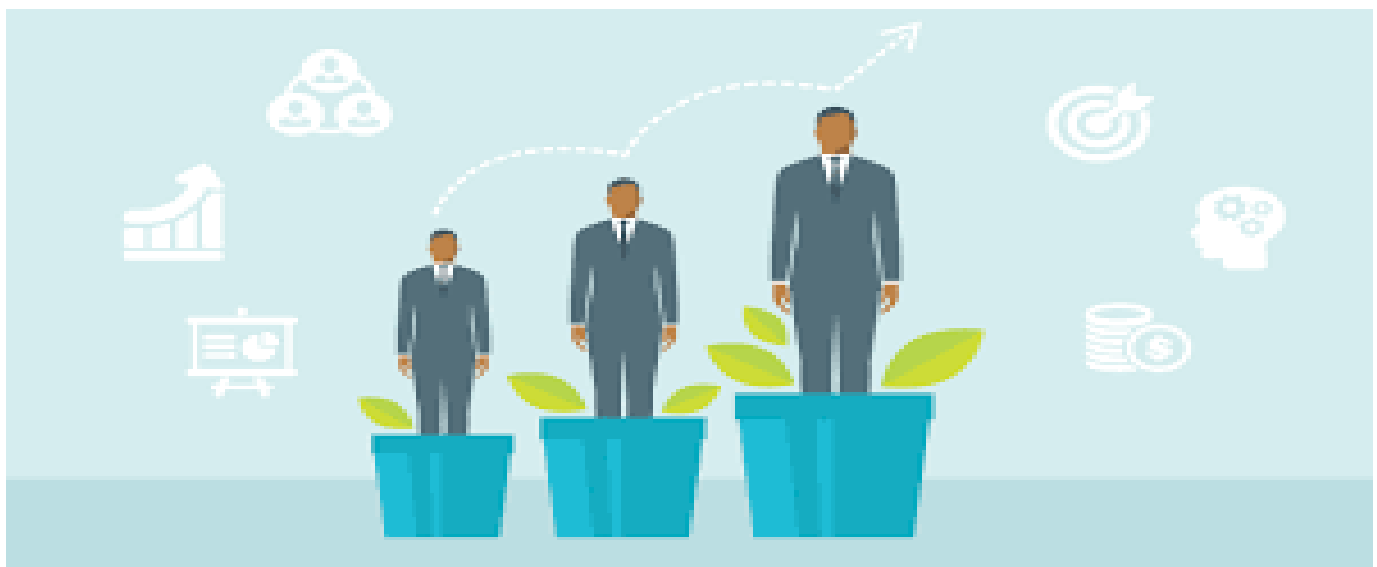
CBDT has also extended due date for payment of TDS on transfer of immovable property u/s 194IA to 30 days from existing 7 days.

### Extension / Revision of due date of filing TDS return.

CBDT has also extended the due dates for filing TDS Return as below:

| Quarter | Existing Due Date for filing TDS Return | Revised Due Date for filing TDS Return |
|---------|-----------------------------------------|----------------------------------------|
| 30-Jun  | 15-Jul                                  | 31-Jul                                 |
| 30-Sep  | 15-Oct                                  | 31-Oct                                 |
| 31-Dec  | 15-Jan                                  | 31-Jan                                 |
| 31-Mar  | 15-May                                  | 31-May                                 |

These amendments shall come into force with effect from 1st day of June 2016.





## Recent Development in GST

In our last edition, we tried to summarise the concept and salient features of GST i.e. Goods and Service Tax. Also, we presented the key points of GST Committee Report on registration.

Here, we are giving few recent developments in the area of GST:

- 1) Five Committees have been constituted by the Empowered Committee of State Finance Ministers (EC) to deal with the various aspects of work relating to the introduction of GST. The Committees are:
  - (i) The Committee on the Problem of Dual Control, Threshold and Exemptions in GST Regime;
  - (ii) The Committee on Revenue Neutral Rates for State GST & Central GST and Place of Supply Rules (A Sub-Committee has been constituted to examine issues relating to the Place of Supply Rules);
  - (iii) The Committee on IGST & GST on Imports (A Sub-Committee has been set up to examine issues pertaining to IGST model);
  - (iv) The Committee to examine Business Processes under GST Regime (Three Sub-Committees have been constituted to examine issues pertaining to Registration & Returns, Refunds and Payments);
  - (v) The Committee to draft model GST Law (Three Sub-Committees have been constituted to draft various aspects of the model law);
- 2) The first four Committees have submitted their final reports which have been approved by the Empowered Committee and are under consideration of the Government of India. The three Sub-Committees constituted to draft model law have also submitted their reports to the main Committee where these three reports are being discussed for finalization. The EC has asked the Committee on the Problem of Dual Control, Threshold and Exemptions in GST Regime to rework on the limits of threshold exemption and compounding threshold.
- 3) GSTN is a private company constituted under Section 25 of the Companies Act, 1956 has been set up by the Government. GSTN would provide three front end services, namely registration, payment and return to taxpayers. It will also assist some States with the development of back end modules. GSTN has already appointed M/s Infosys as Managed Service Provider.

Further, draft business process for returns as suggested by respective committee is given hereunder:

### Who needs to file return in GST regime

Every registered person is required to file a return for the prescribed tax period. A return needs to be filed even if there is no business activity (i.e. Nil Return) during the said tax period of return.

UN agencies, having unique GSTIN will be required to file monthly return in a simple form to show their purchases. They would not be required to file regular monthly returns.

### Type of returns and their periodicity

| S.No. | Return | Description of return                            | Periodicity | To be filed by                                |
|-------|--------|--------------------------------------------------|-------------|-----------------------------------------------|
| 1     | GSTR-1 | Outward supplies made by taxpayer                | Monthly     | 10 <sup>th</sup> of the next month            |
| 2     | GSTR-2 | Inward supplies received by a taxpayer           | Monthly     | 15 <sup>th</sup> of the next month            |
| 3     | GSTR-3 | Monthly Return                                   | Monthly     | 20 <sup>th</sup> of the next month            |
| 4     | GSTR-4 | Return for compounding taxpayer                  | Quarterly   | 18 <sup>th</sup> of the month next to quarter |
| 5     | GSTR-5 | Periodic return by Non-Resident Foreign taxpayer |             | Last day of registration                      |

| S.No. | Return | Description of return                      | Periodicity | To be filed by                       |
|-------|--------|--------------------------------------------|-------------|--------------------------------------|
| 6     | GSTR-6 | Return for Input Service Distributor (ISD) | Monthly     | 15 <sup>th</sup> of the next month   |
| 7     | GSTR-7 | Return for Tax Deducted at Source          | Monthly     | 10 <sup>th</sup> of the next month   |
| 8     | GSTR-8 | Annual Return                              | Annual      | 31 <sup>st</sup> December of next FY |

### **GSTR-1**

This return form would capture the following information:

1. Basic details of the Taxpayer i.e. Name along with GSTIN
2. Period to which the Return pertains
3. Gross Turnover of the Taxpayer in the previous Financial Year- This information would be submitted by the taxpayers only in the first year and will be auto-populated in subsequent years.
4. Final invoice-level supply information pertaining to the tax period separately for goods and services:
  - (i) For all **B2B supplies** (whether inter-state or intra-state), invoice level specified details will be uploaded.
  - (ii) For all **inter-state B2C supplies**, the details would be filed as below
    - ✍ Value of invoice > 2,50,000 , invoice level information
    - ✍ 50,000 < Value of invoice > 250,000, invoice level information
    - ✍ < 50,000, where address is on record, invoice level information
    - ✍ < 50,000, where address is not on record, the transaction will be treated as intra-state supply.
  - (iii) For all intra-state B2C supplies, consolidated sales details will be uploaded. However, a dealer may at his option furnish invoice wise information in respect of exempted and NIL rated supplies also.
5. Other details like supplies attracting Reverse Charge, advances received, taxes paid on advance receipts, supplies exported will also be submitted together with a separate table for revision in relation to outward supply of invoices.

### **GSTR-2**

Apart from the basic details relating to name, GSTIN and period, this return will capture the following:

1. The invoice-level inward supply information for goods and services separately. The information submitted in GSTR-1 by the Counterparty Supplier of the taxpayer will be auto populated in the concerned tables of GSTR-2, however the same will be modifiable.
2. There will be separate tables for submitting details relating to import of Goods/Capital Goods from outside India and for the services received from outside India.
3. There will be separate tables for submitting the details of Credit/Debit note and to effect the modifications in the return filed earlier.
4. There will also be separate table for ISD credit and TDS credit received by the taxpayer.

### **GSTR-3**

Monthly return will capture the following information:

## Indirect Tax

1. Turnover details like Gross Turnover, Export Turnover, Exempted Domestic Turnover, Nil rated Domestic turnover and net taxable turnover.
2. Details populated from GSTR-1 and GSTR-2
3. Details of tax liability and TDS credit received together with information about ITC ledger, Cash ledger and Liability ledger (these are running electronically ledgers maintained on the dashboard of taxpayer by GSTN)
4. Details of ITC utilized with the net tax liability under each head and corresponding tax payments with any other interest or penalty.

### **GSTR-4**

It was discussed in our edition on registration process that after a threshold limit and up to a specified limit, a taxpayer may register himself as a compounding taxpayer. Such taxpayers would be required to file a simplified tax return in the form GSTR-4.

1. In this return the taxpayer is only required to indicate the total value of supply made during the period of return and the tax paid at the compounding rate along with the details of payment of tax in the return.
2. The compounding taxpayer will also need to declare invoice-level purchase information (auto-drafted from supply invoice information uploaded by counter-party taxpayers) for the purchases from normal taxpayers.
3. The Compounding taxpayer will also be required to submit details of the goods and services imported from outside India. The Compounding taxpayers would be allowed to export supplies outside India.

### **GSTR-5**

Non-Resident foreign taxpayers would be required to file GSTR-5 for the period for which they have obtained registration within a period of seven days after the date of expiry of registration. In case registration period is for more than one month, monthly return(s) would be filed and thereafter return for remaining period would be filed within a period of seven days as stated earlier.

### **GSTR-6**

This return would capture the following information in addition to basic details. Information relating to inward supplies will be auto-populated from GSTR-1 which will be changeable and Details of the invoices along with the GSTIN of the receiver of the credit i.e. to whom the ISD is distributing credit and There will be a separate ISD Ledger in the return that will detail the Opening Balance of ITC (to be auto- populated on the basis of previous return), credit for ITC services received, debit for ITC reversal and ITC distributed and Closing Balance.

### **GSTR-7**

Details to be filed in this return include details of GSTIN of the Supplier along with the invoices against which the Tax has been deducted. This will also contain the details of tax deducted against each major head i.e. CGST, SGST and IGST. The return would also include details of interest, penalties etc.

### **GSTR-8**

Annual return will be based on the financial records.

Hope the above will be useful in your business endeavours. Subsequent editions will contain the processes for invoices, payments and refunds.

## Recent Notifications/Circulars/Instructions

### 1. Mega Exemption Notification amended in order to exempt certain services provided by Government or a Local Authority

- ❖ The Central Government has amended the Mega Exemption Notification No. 25/2012-S.T. dated 20th June, 2012 in order to provide exemption to certain services provided by Government or a Local Authority. These exemptions take effect from 13th April, 2016. The major amendments as have been accorded are given in the table herein below:

| Entry No. of the Mega Exemption Notification | Particulars of Exemption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Entry No.54 inserted                         | Services (other than services specified in sub-clauses (i),(ii) and (iii) of clause (a) of section 66D of the Finance Act, 1994) provided by Government or a local authority to another Government or local authority.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Entry No.55 inserted                         | Services provided by Government or a local authority by way of issuance of passport, visa, driving licence, birth certificate or death certificate.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Entry No.56 inserted                         | Services provided by Government or a local authority where the gross amount charged for such services does not exceed Rs. 5000/- : Provided that nothing contained in this entry shall apply to services specified in sub-clauses (i), (ii) and (iii) of clause (a) of section 66D of the Finance Act, 1994: Provided further that in case where continuous supply of service, as defined in clause (c) of rule 2 of the Point of Taxation Rules, 2011, is provided by the Government or a local authority, the exemption shall apply only where the gross amount charged for such service does not exceed Rs. 5000/- in a financial year; |
| Entry No.57 inserted                         | Services provided by Government or a local authority by way of tolerating non- performance of a contract for which consideration in the form of fines or liquidated damages is payable to the Government or the local authority under such contract;                                                                                                                                                                                                                                                                                                                                                                                       |
| Entry No.58 inserted                         | Services provided by Government or a local authority by way of-<br>a) registration required under any law for the time being in force;<br>b) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, required under any law for the time being in force;                                                                                                                                                                                                                                                                                                            |
| Entry No.59 inserted                         | Services provided by Government or a local authority by way of assignment of right to use natural resources to an individual farmer for the purposes of agriculture;                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Entry No.60 inserted                         | Services by Government, a local authority or a governmental authority by way of any activity in relation to any function entrusted to a Panchayat under article 243G of the Constitution;                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Entry No. of the Mega Exemption Notification | Particulars of Exemption                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Entry No.61 inserted                         | Services provided by Government or a local authority by way of assignment of right to use any natural resource where such right to use was assigned by the Government or the local authority before the 1st April, 2016: Provided that the exemption shall apply only to service tax payable on one time charge payable, in full upfront or in installments, for assignment of right to use such natural resource; |
| Entry No.62 inserted                         | Services provided by Government or a local authority by way of allowing a business entity to operate as a telecom service provider or use radiofrequency spectrum during the financial year 2015-16 on payment of licence fee or spectrum user charges, as the case may be;                                                                                                                                        |
| Entry No.63 inserted                         | Services provided by Government by way of deputing officers after office hours or on holidays for inspection or container stuffing or such other duties in relation to import export cargo on payment of Merchant Overtime charges (MOT)                                                                                                                                                                           |

## 2. Clarification on issues regarding levy of Service Tax on the services provided by ent or a local authority

- Any service provided by Government or a local authority to a business entity has been made taxable w.e.f 1st April, 2016. Further, exemption to certain services provided by Government or a Local Authority has been prescribed by Notification No. 22/2016-S.T. dated 13th April, 2016.
- The Central Board of Excise and Customs has issued a clarificatory circular on issues regarding levy of Service tax on the issues discussed in the above paragraph.
- Some of the important clarifications are provided in the table herein below:

| Sl.No. | Issue                                   | Clarification                                                                                                                                                                                                                                                                                                                                                                  |
|--------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Service Tax on taxes, cesses or duties. | Taxes, cesses or duties levied are not consideration for any particular service as such and hence not leviable to Service Tax. These taxes, cesses or duties include excise duty, customs duty, Service Tax, State VAT, CST, income tax, wealth tax, stamp duty, taxes on professions, trades, callings or employment, octroi, entertainment tax, luxury tax and property tax. |
| 2      | Service Tax on fines and penalties.     | Fines and penalty chargeable by Government or a local authority imposed for violation of a statute, bye-laws, rules or regulations are not leviable to Service Tax.                                                                                                                                                                                                            |

| Sl.No. | Issue                                                                                 | Clarification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3      | Services provided in consideration of fee charged by Government or a local authority. | <p>Any activity undertaken by Government or a local authority against a consideration constitutes a service and the amount charged for performing such activities is liable to Service Tax. It is immaterial whether such activities are undertaken as a statutory or mandatory requirement under the law and irrespective of whether the amount charged for such service is laid down in a statute or not. As long as the payment is made (or fee charged) for getting a service in return (i.e., as a quid pro quo for the service received), it has to be regarded as a consideration for that service and taxable irrespective of by what name such payment is called. It is also clarified that Service Tax is leviable on any payment, in lieu of any permission or license granted by the Government or a local authority. However, services provided by the Government or a local authority by way of:</p> <p>(i) registration required under the law;</p> <p>(ii) testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, required under the law, have been exempted vide Notification No. 22/2016 - S.T. dated 13th April, 2016.</p> <p>Further, services provided by Government or a local authority where the gross amount charged for such service does not exceed Rs 5000/- have been exempted vide Notification No. 22/2016 - S.T. dated 13th April, 2016. Further, services provided by Government or a local authority where the gross amount charged for such service does not exceed Rs 5000/- have been exempted vide Notification No. 22/2016 - S.T. dated 13th April, 2016.</p> |

**Note:**

- I. The above list of exemptions covers only some of the exemptions included in the above circular. For other services for which exemption are included in the above circular, the text of the above circular may be referred.
- II. The above clarification is an important one in respect of taxability or otherwise of specified services rendered by a Government or a Local Authority. The gist of the exemptions as are available in respect of services (other than services for which specific/ separate exemptions are available, eg. services covered by Entry No.55 to the Mega Exemption Notification No. 25/2012- S.T. dated 20th June, 2012.) rendered by Government or a Local Authority is as under:
  - A. Services rendered by way of registration under any law;
  - B. Services of testing, calibration, safety check or certification relating to protection or safety of workers, consumers or public at large, required under any law.
  - C. Any service on which tax is leviable, the gross amount charged does not exceed Rs.5000.

It will therefore, be relevant to ensure and verify whether any service received from Government or a Local Authority is covered by the above exemptions.



June, 2016

| Sunday | Monday                                                                   | Tuesday                                                                                     | Wednesday                                                                                                                   | Thursday                                                                                           | Friday                                                                                                     | Saturday                              |
|--------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------|
|        |                                                                          |                                                                                             | 1                                                                                                                           | 2                                                                                                  | 3                                                                                                          | 4                                     |
| 5      | 6<br>Payment of<br>Excise<br>Duty and<br>Service<br>Tax for<br>Month May | 7<br>TCS/TDS<br>payment for May<br>and Form 15G/H<br>submission<br>received in May          | 8                                                                                                                           | 9                                                                                                  | 10<br>Filing ER-1<br>Return (Other<br>than SSI Units)<br>and Filing ER-2<br>monthly return<br>by 100% EOU. | 11                                    |
| 12     | 13                                                                       | 14                                                                                          | 15<br>PF Payment for<br>May and Payment<br>of First Installment<br>of Advance Tax in<br>Challan 280 AY<br>17-18             | 16                                                                                                 | 17                                                                                                         | 18                                    |
| 19     | 20                                                                       | 21<br>ESIC Payment<br>and Return for<br>May and WCT -<br>TDS Payment<br>for May for<br>MVAT | 22<br>Due date for issue<br>of TDS Certificate<br>for tax deducted<br>under Section 194-<br>IA in the month of<br>May, 2016 | 23                                                                                                 | 24                                                                                                         | 25<br>PF Return<br>filing for<br>May. |
| 26     | 27                                                                       | 28                                                                                          | 29                                                                                                                          | 30<br>Quarterly Returns<br>January to March<br>(For dealers not<br>liable to file F-<br>704) MVAT. |                                                                                                            |                                       |

## Inspirational Story

### Finding Happiness

Once a group of 50 people was attending a seminar.

Suddenly the speaker stopped and started giving each person a balloon. Each one was asked to write his/her name on it using a marker pen. Then all the balloons were collected and put in another room.

Now these delegates were let in that room and asked to find the balloon which had their name written, within 5 minutes.

Everyone was frantically searching for their name, pushing, colliding with each other, and there was utter chaos.

At the end of 5 minutes, no one could find their own balloon.

Now each one was asked to randomly collect a balloon and give it to the person whose name was written on it. Within minutes everyone had their own balloon.

The speaker began: This is exactly happening in our lives. Everyone is frantically looking for happiness all around, not knowing where it is. Our happiness lies in the happiness of other people. Give them their happiness; you will get your own happiness.

### About ECA Corporate Partners:

ECA is a professionally managed company. The team consists of distinguished chartered accountants, corporate financial advisors and tax consultants. The firm represents a combination of specialized skills, which are geared to offers sound financial advice and personalized proactive services. Those associated with the firm have regular interaction with industry and other professionals which enables the company to keep pace with contemporary developments and to meet the needs of its clients.



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