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monthly e-Journal

By

SBS and Company LLP
Chartered Accountants



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INCOME TAX:

APPLICATION OF SECTION 50 AND 50C:

Contributed by CA Ramprasad

Is it right in law in applying the section 50C and section 50 (depreciable assets) while computing capital gains on sale of depreciable assets?

Assessee is a partnership firm. It has sold the office building used earlier for business purpose during the previous year. The asset was sold for a consideration of Rs. 49, 43,525/-. The written down value of the said building after claiming depreciation for past years is Rs. 49,43,525/- and hence assessee declared the capital gains as NIL.

During the course of assessment proceedings the assessing office noticed that the value of the property as per the stamp duty valuation was Rs. 76, 49,000/-. According to him the full value consideration for transfer of the building is the value adopted for stamp value as per section 50C and after deducting the written down, value the balance amount is taxable as capital gains from transfer of building.

Against the assessment order passed by the assessing officer under section 143(3) of Income Tax Act, 1961 assessee has filed an appeal before CIT (A). It was submitted on behalf of the assessee before learned CIT (A) that the provisions of section 50C cannot be invoked in case of depreciable assets where the provisions of section 50 are applicable.

It was submitted that provisions of section 50C are applicable to capital asset being land or building or both while section 50 is applicable to the assets forming part of block of assets. It was contended that the legal fiction created in section 50 and section 50C are for the definite purpose and they cannot be extended beyond their legitimate field unless it is clearly and specifically provided in the relevant provisions.

The learned CIT (A) found the merit in the contentions of the Assessee and deleted the addition made by the assessing officer. The CIT (A) stated that the provisions of section 50 and 50C are mutually disjoint provisions and are specific provisions for specific purposes. He also stated that the provisions of section 50C are not overriding in nature over the provisions of section 50.

CIT (A) also stated the purpose of creating the legal fiction for the sale consideration of the land based on stamp duty prescribed because the nature of land that always appreciates in its value and people tend to not disclose full amount of its value. He also stated that if the land is part of block of assets it can-not be covered under section 50C in view of the special provisions created by section 50 which covers all the assets forming part of block of depreciable asset without any

exception. As there no explicit provision to exclude land out of block of depreciable assets within meaning of section 50 and take it to the section 50C. Hence the assessing officer was directed to apply provisions of section 50 of the Income Tax, 1961 in respect of land which form part of block assets and on which depreciation was allowed.

The revenue has preferred appeal before the tribunal.

The department representative submitted that the provisions relating to computation of capital gains are contained in the section 48 of the Income Tax Act, 1961. The expressions used in the section are 'full value consideration received or accrued as result of transfer of capital asset' and 'cost of acquisition' is relevant for the purpose of calculation of capital gains.

He contended that going by legislative intention the term of cost of acquisition used in section 48 was modified by section 50 and full value consideration is modified by section 50C. He further contended that there being nothing in section 50C to exclude specifically its applicability to the provisions of section 50, it cannot be said that 50C is not applied in cases where the section 50 is applicable.

The learned counsel for assessee submitted that the provisions of section 50 and 50C operate in different fields and both deeming provisions, the provisions of section 50C cannot be extended and applied to in cases which are covered under section 50.

He contended that there is difference in the concept of capital asset being land and building whereas the section 50 deals with capital asset forming part of block of assets.

The tribunal held that for the purpose of section 50 the provisions of section 48 and 49 have been modified for the purpose of computation of capital gains on depreciable assets.

A perusal of the provisions of section 50C also shows that there is no distinction as to depreciable or non-depreciable capital asset and it, therefore cannot be said that the said provision is not applicable in a case of transfer of depreciable asset which is covered by section.

On interpretation of the relevant provisions of section 48, 50, 50C, we are of the view that there are two deeming fictions created in section 50 and 50C. The deeming fiction modifies the term 'cost of acquisition' used in the section 48 for the purpose of computing the capital gains arising from transfer of depreciable assets whereas the deeming fiction created in section 50C modifies the term 'full value of consideration received or accruing as a result of transfer of capital asset' used in the section 48 for the purpose of computing capital gains from transfer of capital asset being land or building or both.

It is thus not a case where any supposition has been sought to be imposed on other supposition of law. There are two different fictions created in two different provisions and going by legislative

intentions to create said fictions, the same operate in different fields.

The harmonious interpretation of the relevant provisions makes it clear that there is no exclusion of applicability of one fiction in case where other fiction is applicable.

In our opinion, the Assessing officer was right in applying the provisions of section 50C to transfer of depreciable capital asset covered by section 50 and in computing the capital gain arising from the said transfer by adopting the stamp duty valuation.

ITO VS UNITED MARINE ACADEMY – MUMBAI TRIBUNAL.

(This article is contributed by Mr. Ramprasad. T, a practicing Chartered Accountant operating from Vishakhapatnam, AP. The author can be reached at caram@sbsandco.com)

SERVICE TAX

A PEEK INTO ADVANCE RULING PROVISIONS – SERVICE TAX

Contributed by CA Sri Harsha

One of the positives of the budget proposals is the applicability of advance ruling provisions to the resident private limited companies. This move reduces the litigation piled at the department level since there shall be an opportunity for understanding the department's way of interpretation of a particular provision at the earlier stages itself. Further, the tax payer is also clear about the tax implications of a particular transaction and geared up to decide about collecting the same from the service receiver or not. Hence, this move is a welcome one since it helps reduce the litigation and throw light on the complicated provisions of the Finance Act, 1994.

Since, the advance ruling is made applicable to the resident private limited with effective from 11.07.2014, it is the need of the hour to brush up with the provisions of the most untouched Chapter VA of the Finance Act, 1994.

The provisions of the advance rulings range from Section 96A to Section 96I of the Chapter VA of the Finance Act, 1994. We shall try to understand the said sections in the form of FAQ's:

1. *What is advance ruling?*

The determination by an authority constituted pertaining to a question of fact or law regarding the liability to pay service tax in relation to a service proposed to be provided, by the applicant. Hence, an advance ruling cannot be sought after executing the services, it has to be prior to commencement of a service.

2. *Who can apply for an advance ruling?*

As per Section 96A (b) *ibid*, the following persons can apply for an advance ruling:

- Non – resident setting up a JV in India in collaboration with a Non-resident or resident which proposes to undertake an activity in India;
- Resident setting up a JV in India in collaboration with a Non-resident which proposes to undertake an activity in India;
- Wholly owned subsidiary Indian company, of which the holding company is a foreign company, which proposes to undertake an activity in India;
- JV in India, where the non-resident having substantial interest in such JV;
- Resident falling within any such class or category of persons, as the Central Government, by notification in the Official Gazette specify.

3. Are resident private limited companies covered under the ambit of Section 96A(b) to apply for an advance ruling?

Yes, the resident private limited companies shall fall in the ambit of Section 96A(b), thereby eligible for applying for the advance ruling in the light of Notification No. 15/2014-ST dated 11.07.2014.

4. What is a private limited company mean?

The Notification No 15/2014-ST dated 11.07.2014 has made a reference to the definition of private limited company as per Section 2 (68) of the Companies Act, 2013 to be applicable for the advance ruling provisions. The definition as per Section 2 (68), ibid is placed hereunder:

2 (68) “private company” means a company having a minimum paid-up share capital of one lakh rupees or such higher paid-up share capital as may be prescribed, and which by its articles,-

(i) restricts the right to transfer its shares;

(ii) except in case of One Person Company, limits the number of its members to two hundred:

Provided that where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this clause, be treated as a single member:

Provided further that-

(A) persons who are in the employment of the company; and

(B) persons who, having been formerly in the employment of the company, were members of the company while in that employment and have continued to be members after the employment ceased,

shall not be included in the number of members; and

(iii) prohibits any invitation to the public to subscribe for any securities of the company;

5. *Whom to an application shall be made?*

An application shall be made to an authority constituted under sub-section (1) or authorised by Central Government under sub-section (2A) of Section 28F of Customs Act, 1962.

6. *On what questions can an advance ruling sought?*

As per Section 96C (2), the advance ruling can be sought in respect of:

- ✚ classification of any service as a taxable service under Chapter V;
- ✚ the valuation of taxable services for charging service tax;
- ✚ the principles to be adopted for the purposes of determination of value of the taxable service under the provisions of Chapter V;
- ✚ applicability of notifications issued under Chapter V;
- ✚ admissibility of credit of duty or tax in terms of the rules made in this regard;
- ✚ determination of the liability to pay service tax on a taxable service under the provisions of Chapter V.

7. *Can an advance ruling can be sort on any issue other than those mentioned in Section 96C (2)?*

No, there cannot be an application for advance ruling on any other question except those specified in the Section 96C (2), *ibid*.

8. *How to make an application to the advance ruling authority?*

The application for an advance ruling shall be made in Form AAR (ST-1) as specified in Rule 3 of The Service Tax (Advance Rulings) Rules, 2003. The Form AAR (ST-1) is annexed to this note.

9. *Is there any fee payable for applying to the advance ruling authority?*

Yes, the application shall be accompanied by a demand draft for Rs 2,500/- drawn in favour of 'Authority for Advance Rulings (Central Excise, Customs & Service Tax)', payable at New Delhi as per Section 96C (3), *ibid*.

10. Can an application made under Section 96C (1) be withdrawn?

Yes, as per Section 96C (4), *ibid*, the application can be withdrawn within thirty days of the application.

11. What is the procedure adopted on receipt of the application from the applicant?

The procedure adopted by the advancing ruling authority is as under:

- a. On receipt of application, the AAR shall forward a copy to the Commissioner and call for any records, if necessary;
- b. AAR, may either allow or reject the application after examination;
- c. If the application is:
 - ✚ Rejected:
 - the same shall be done after giving an opportunity of being heard;
 - and recording the reasons for rejection in the order and
 - copy of the order is sent to the applicant and Commissioner;
 - ✚ Allowed:
 - AAR shall pronounce its ruling on the basis of the information furnished;
 - If requested by the applicant, the AAR before pronouncing the ruling, shall give an opportunity of being heard either to applicant or his duly authorised representative
 - Copy of such ruling duly signed by the members shall be sent to the applicant.

12. Under what circumstances, the AAR is obliged to reject the application filed?

The application filed under Section 96C, *ibid* shall be rejected by AAR under the following circumstances:

- Already pending in the applicant's case before any Central Excise Officer, the Appellate Tribunal or any Court;
- The same as in a matter already decided by the Appellate Tribunal or any Court.

13. Is there any time period for pronouncing the ruling by the Advance Ruling Authority?

Yes, as per Section 96D (6), *ibid*, the AAR shall pronounce its advance ruling within 90 days from the date of the receipt of the application.

14. On whom is the pronouncement of AAR is binding?

As per Section 96E, the pronouncement of AAR is binding only on the following:

- on the applicant who had sought it;
- in respect of any matter on which the pronouncement is sought for;
- on the Commissioner of Central Excise, and the Central Excise authorities subordinate to him, in respect of the applicant.

15. Can the judgment of AAR be void?

Yes, the judgment pronounced by AAR can be void in certain circumstances, where the authority finds on representation made it to by the Commissioner or otherwise, that an advance ruling is obtained by fraud or misrepresentation of facts. Then AAR by making an order declare such ruling to be void ab-intio.

(This article is contributed by Sri Harsha, Partner at SBS and Company LLP, Chartered Accountants. The author can be reached at harsha@sbsandco.com)

COMPANIES ACT:

COMPLIANCE BY A LIMITED LIABILITY PARTNERSHIP (LLP)

Contributed by CS Phanindra D.V.K.

All are aware that a Limited Liability Partnership (LLP) is a body corporate, governed by the Limited Liability Partnership Act, 2008 and rules framed thereunder. An LLP has a distinct legal entity separate from that of its partners, it has perpetual succession and any change in the partners shall not affect the existence, rights or liabilities of the LLP. It is a vehicle enabling the Partnerships to enter in to a Corporate frame work with Limited liability, and giving the partners/members the option and flexibility of devising/structuring the control document i.e., LLP agreement, as mutually agreed by the partner/members.

Similar to Companies registered under the Companies Act, 1956/2013, compliances by a Limited Liability Partnership [LLP] can be classified in to (a) continuous compliance i.e., compliance as to maintenance of minimum partners/designated partners, (b) event based, i.e., happening of an event such as increase of Contribution, Admission of Partners, Resignation of Partners, Shifting of Registered office address of the LLP etc., and accordingly, the LLP will have to file the returns/forms/information with the Registrar of Companies/LLP, in compliance with the said provisions of the LLP Act and (c) Time based compliances i.e., based on time, like filing of Annual Return and Statement of Solvency.

An effort has been made to list out the Continuous compliance, Event based and Time based Compliances:

CONTINUOUS COMPLIANCES

Sl. No.	Name of the Section of the Act, along with the relevant rule	Compliance with regard to	Penalty for non-Compliance
1.	<u>Chapter –II</u> Section 6 (1) & (2)	The LLP shall have a minimum of Two (02) Partners.	If at any time, the number of Partner in a LLP is reduced to less than Two (02), and the LLP carried on the business for more than Six (06) months, with the number so reduced, then the remaining Partner shall be liable personally for the obligations of the LLP incurred during the period
2.	<u>Chapter – II</u> Section 7(1)	The LLP shall have at least Two (02) Designated Partners who are individuals and at least one of them shall be resident in India. Explanation: “Resident in India” means a person who has stayed in India for a period of not less than 182 days during the immediately preceding one year.	For non-compliance of the requirement, the LLP and its every Partner, shall be punishable with fine : Not less than Rs.10,000/-, but which may extend to Rs.5,00,000/-. [Sec.10(1)]
3.	<u>Chapter – III</u> Section – 21 (1)	Invoices, Official Correspondence and publication of the LLP shall bear: The name, address of its registered office and registration number of the LLP, and a Statement that it is registered with Limited Liability; and A statement that it is registered with Limited Liability.	For non-compliance of the requirement, the LLP shall be punishable with fine : Not less than Rs.2,000/-, but which may extend to Rs.25,000/-. [Sec.21 (2)]

4.	<p><u>Chapter – VII</u></p> <p>Section 34 r/w Rule No.24 of the LLP Rules, 2009.</p>	<p>Maintenance of Books of accounts on cash basis or accrual basis and according to double entry system of accounting, at the registered office of the LLP.</p> <p>Auditing of Accounts: Applicable to LLPs whose turnover exceeds Rs.40,00,000/- in any financial year, or whose contribution exceeds Rs.25,00,000/-.</p> <p>Else auditing not required.</p>	<p>For non-compliance of the requirement, the, LLP shall be punishable with fine :</p> <p>Not less than Rs.25,000/-, which may extend to Rs.5,00,000/- [Sec.34(5)].</p> <p>Every Designated Partner shall be punishable with fine:</p> <p>Not less than Rs.10,000/- which may extend to Rs.1,00,000/- [Sec.34(5)].</p>
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TIME BASED COMPLIANCE

Sl. No.	Name of the Section of the Act, along with the relevant rule	Compliance with regard to	Compliance with in	Form and attachments	Penalty for non-Compliance
1.	<p><u>Chapter – VII</u></p> <p>Section 34 r/w Rule No.24 of the LLP Rules, 2009.</p>	<p>Preparation of Statement of Account and Solvency for the FY, within a period of Six (06) months from the end of the Financial year, and filing with ROC.</p>	<p>Six (06) months from the end of the FY i.e., 30th September of every year.</p> <p>and</p> <p>Filing with Registrar within 30 days of 6 months i.e., 30th October.</p>	<p>LLP Form No.8, along with the Statement of Assets and Liabilities and Income and Expenditure and disclosure under provisions of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, is to be added as attachment.</p>	<p>For non-compliance of the requirement, the, LLP shall be punishable with fine: Not less than Rs.25,000/-, which may extend to Rs.5,00,000/- [Sec.34(5)].</p> <p>Every Designated Partner shall be punishable with fine: Not less than Rs.10,000/- which may extend to Rs.1,00,000/-</p>

					[Sec.34(5)]. + Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.
2.	Chapter – VII Section 35 r/w Rule 25 of the LLP Rules, 2009.	<p>Every LLP shall file Annual Return with the Registrar with Sixty (60) days of closure of its financial year</p> <p>The annual return of an LLP having turnover upto Rs. 5 Crores, during the corresponding FY or contribution upto Rs. 50 Lakhs, shall be accompanied with a certificate from a designated partner, other than the signatory to the annual return, to the effect that annual return contains true and correct information.</p> <p>In all other cases, the annual return shall be accompanied with a certificate from a Company Secretary in practice to the effect that he has verified the particulars from the books and records of the limited liability partnership and found them to be true and correct.</p>	Within Sixty (60) days of closure of its financial year. i.e., 30 th May of every year.	LLP Form No.11, mentioning the details as to the Partners, Contribution received from them against their obligation, details of any penalties imposed on the LLP/ Partner/ Designated Partners, and details of interests of the Partners/Designated Partners in other entities.	<p>For non-compliance of the requirement, the, LLP shall be punishable with fine : Not less than Rs.25,000/-, which may extend to Rs.5,00,000/- [Sec.35 (2)].</p> <p>Every Designated Partner shall be punishable with fine: Not less than Rs.10,000/- which may extend to Rs.1,00,000/- [Sec.35(2)].</p> <p>+ Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.</p>

EVENT BASED COMPLIANCE

Sl. No.	Name of the Section of the Act, along with the relevant rule	Compliance with regard to	Compliance with in	Form and attachments	Penalty for non-Compliance
1.	<u>Chapter – II</u> Section 7(4) and (5) r/w rule 8, 10(8), 22(2) and 22(3) of LLP Rules, 2009	7(4) - Notice of appointment, cessation, change in name/ address/ designation of a designated partner or partner. and consent to become a partner/designated partner Notice of appointment, cessation, change in name/ address/ designation.	Within 30 days from the appointment/ cessation/ Change	LLP Form No.4, along with the relevant consent letter/ resignation letter, as the case may be.	For non-compliance of the requirement, the LLP and its every Partner, shall be punishable with fine : Not less than Rs.10,000/-, which may extend to Rs.1,00,000/- [Sec.10(2)]. + Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.
2.	Chapter – III Section 9	Appointment of Designated partner within 30 days of vacancy.	Within 30 days from the appointment	LLP Form No.4, along with the relevant consent letter/ resignation letter, as the case may be.	For non-compliance of the requirement, the LLP and its every Partner, shall be punishable with fine : Not less than Rs.10,000/-, which may extend to Rs.1,00,000/- [Sec.10(2)]. + Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.

3.	Chapter – III Section 13 (3) r/w with Rule 17 of the LLP Rules, 2009.	Shifting of Registered office of the LLP, and filing of the notice of such change with the Registrar. The change shall take effect only upon such filing	Within 30 days from the change	LLP Form 15, along with the proof of office, Extract of the Resolution + Supplemental Agreement, if the change is requires Suppl. Agreement.	For non-compliance of the requirement, the LLP and its every Partner, shall be punishable with fine : Not less than Rs.2,000/-, which may extend to Rs.25,000/- [Sec.13(4)]. + Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.
4	Chapter – III Section 17	Direction received by the LLP from the Central Government to change its name, which is in resemblance with any other LLP or Body Corporate, and likely be mistaken for it.	Within Three (03) months from the date of receipt of the Direction	LLP Form No.1 and LLP Form No.5, along with the relevant documents	For non-compliance of the requirement, the, LLP shall be punishable with fine : Not less than Rs.10,000/-, which may extend to Rs.5,00,000/- [Sec.17(2)]. Every Designated Partner shall be punishable with fine: Not less than Rs.10,000/- which may extend to Rs.1,00,000/- [Sec.17(2)].

5.	Chapter – IV Section 23 (2), r/w Rule 21 of the LLP Rules, 2009	Filing of LLP Agreement – In case there is no agreement, then the Mutual Rights and duties of the Partners shall be governed by the First Schedule to the LLP Act. Initial as well as Supplemental agreement as to any change in the mutual Note: LLP Agreement is not a Public document and is not available for inspection.	Within 30 days from the date of Incorporation (in case of initial LLP Agreement) and also in the case of any change therein.	Form No.3, along with the initial agreement and the Supplemental agreement	Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days.
6.	Chapter – IV Section 25, r/w Rule 22 of the LLP Rules, 2009	Intimation of Change in Partners As change in Partners requires execution of a Supplemental agreement, the same also needs to be entered into and filed with ROC.	Within 30 days from the change.	LLP Form No.3 and LLP Form No.4, along with the required documents	For non-compliance of the requirement, the LLP and its every Designated Partner, shall be punishable with fine : Not less than Rs.2,000/-, which may extend to Rs.25,000/- [Sec.25(4)]. + Additional fee of Rs.100/- for each day of delay in filing the return, after 30 days, for each form.

(This article is contributed by Mr. Phanindra D.V.K., a practicing Company Secretary operating from Hyderabad. The author can be reached at phanindra@sbsandco.com)

REGULAR ANNUAL COMPLIANCES FOR A PRIVATE LIMITED COMPANY (OTHER THAN A SMALL COMPANY OR ONE PERSON COMPANY)

Contributed by CS Phanindra D.V.K.

An effort is being made to list out the regular Annual Compliances (Section-wise) that are to be followed under the Companies Act, 2013 and the rules made thereunder:

Period	Relevant Provision	Particulars of Compliances	Consequence
1st Quarter (1st April to 30th June)	Section 184 read with Rule 9 of relevant Rules	Disclosure of Interest by Director in Form MBP -1	Director in default: Imprisonment 1 year; or Fine Min: Rs.50,000/- Max: Rs.1,00,000/- or both of the above Vacation of office pursuant to Section 167(1)
	Section 173 read with Rule 3 & 4 of relevant Rules and Sec 450	At least one board meeting should be held (not later than 120 days from previous Board Meeting)	Officer in default: Penalty for not giving notice of BM Rs.25,000/- Officer/Company: Penalty for violating 120 days gap: Rs.10,000/- and for continuing violation Rs.1000/- each day
	Section 117(3)(g)	Filing of Board Resolution for taking note of disclosure of Director Interest in Form MGT 14	Company: Fine Min: Rs.5,00,000/- Max: Rs.25,00,000/- Every Officer who is in default: Fine Min: Rs.1,00,000/- Max: Rs.5,00,000/-

2nd Quarter (1st July to 30th September)	Section 173 r/w Rule - 3 & 4 of relevant rules and Sec - 450	At least one board meeting should be held (not later than 120 days from previous Board Meeting)	Officer in default: Penalty for not giving notice of BM Rs.25,000/- Officer/Company: Penalty for violating 120 days gap: Rs.10,000/- and for continuing violation Rs.1000/- each day
	Section 117(3)(g) –	Filing of Board Resolution for - Approval of Accounts - Approval of Directors Report in Form MGT 14	Company: Fine Min: Rs.5,00,000/- Max: Rs.25,00,000/- Every Officer who is in default: Fine Min: Rs.1,00,000/- Max: Rs.5,00,000/-
	Section 96 r/w Sec.99	Holding of Annual General Meeting on or before 30th September or 15 months from the date of previous AGM	Company and every officer: Rs.1,00,000/- and for continuing violation Rs.5,000/- each day

3rd Quarter (1st October to 31st December)	Section 139 r/w Section- 450	Intimation to Auditor of his appointment within 15 days of AGM. Filing of Form ADT- 1 within 15 days of appointment of Auditor	Company and every officer: Rs.10,000/- and for continuing violation Rs.1,000/-each day
	Section 137 r/w Rule 12 (For FY 2013 – 2014 – Sec-220 of the CA, 1956)	Filing of Financial Statement within 30days in Form AOC – 4 of AGM (Accounts, Auditors Report and Board Report) Filing of Balance Sheet, Statement of Profit and Loss along with the report of the Auditors, Directors, and Compliance Certificate (if applicable) in Form 23 AC & ACA Filing of Compliance Certificate if applicable.	Company: Fine of Rs.1,000/- every day, with a Max of Rs.10,00,000/-. Officer in default: Imprisonment for 6 months or fine Rs.1,00,000/- to Rs.5,00,000/- or with both
	Section 92 r/w Rule 11 & 12 (For FY 2013 – 2014 – Sec-159 of the CA, 1956)	Filing of Annual Return in Form MGT – 7 Filing of Annual Return in Schedule-V, in Form 20 B.	Company: Fine Rs.50,000/- to Rs.5,00,000/- Officer in Default: imprisonment of 6 months, or fine Rs.50,000/- to Rs.5,00,000/- or with both. CS: fine Rs.50,000/- to Rs.5,00,000/-
	Section 173 r/w Rule - 3 & 4 of relevant rules and Sec -450	At least one board meeting should be held (not later than 120 days from previous Board Meeting)	Officer in default: Penalty for not giving notice of BM Rs.25,000/- Officer/Company: Penalty for violating 120 days gap: Rs.10,000/- and for continuing violation Rs.1000/- each day

4th Quarter (1st January to 31st March)	Section 173 r/w Rule - 3 & 4 of relevant rules and Sec -450	At least one board meeting should be held (not later than 120 days from previous Board Meeting)	Officer in default: Penalty for not giving notice of BM Rs.25,000/- Officer/Company: Penalty for violating 120 days gap: Rs.10,000/- and for continuing violation Rs.1000/- each day
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(This article is contributed by Mr. Phanindra D.V.K., a practicing Company Secretary operating from Hyderabad. The author can be reached at phanindra@sbsandco.com)

TECHNICAL SESSIONS:

S No.	Event	Date	Speaker	Venue
1	Interactive Session on Transfer Pricing	06-Oct-2014	CA Raghuram P & CA Suresh Babu S	SBS – Hyd
2	Service Tax Return – Compliance	10-Oct-2014	CA Sri Harsha & CA Manindar	SBS – Hyd
3	Loans and Investments under Companies Act 2013	17-Oct-2014	CS Phanindra D V K	SBS – Hyd
4	Issues in VAT Input	24-Oct-2014	CA Ram Kumar D S	SBS – Hyd
5	A Peek into ODI under FEMA	31-Oct-2014	CA Murali Krishna G	SBS – Hyd

Note:

The timings for the above events shall be from 17:30 hrs to 19:30 hrs. We request the recipients of “SBS Wiki” who are interested to attend the above events to send confirmation of your participation 2 days in advance to make appropriate arrangements and sharing of the relevant material, if any.

Events Gallery:

Technical session on Updates in FEMA by CA Murali Krishna



Technical session on Preparation of Financial Statements using MS Office Tools by CA Saran Kumar



Technical session on Board's Report and Annual Return by CS Phanindra



Technical session on PF, ESI and Minimum Wages by MR. S V Ramanchandra Rao

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Our Offices:

Hyderabad: 6-3-900/6-9, #103 & 104, Veeru Castle, Durganagar Colony, Panjagutta, Hyderabad, Telangana

Kurnool: No. 302, 3rd Floor, V V Complex, 40/838, R.S. Road, Near SBI Main Branch, Kurnool, Andhra Pradesh

Nellore: 16-6-259, 1st Floor, Near Santi Sweets Opp: SBI ATM, Vijayamahal Centre, SPSR Nellore, Andhra Pradesh

Tada: 8-3-425/2, Flat No. 202, 2nd Floor, Bigsun Avenue, Near SRICITY, TADA, SPSR Nellore Dist, Andhra Pradesh

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