

LLB & Co.  
Chartered Accountants



*"When you're surrounded by people who share a passionate commitment around a common purpose, anything is possible."*  
~ Howard Schultz, Starbucks

# *Connection*

## LLB &amp; CO.

JUST TO  
REMIND  
YOU:

- Sept 15 -  
Payment of  
Advance Tax
- Sept 21 -  
Payment of  
ESIC for Au-  
gust
- Sept 30 -  
Payment and  
Monthly Re-  
turn Ma-  
harashtra PT
- Sept 30 -  
Payment of  
TDS for pur-  
chase of Prop-  
erty for Aug

INSIDE THIS  
ISSUE:

Direct Tax— FAQs	3
Income Tax Update	5
MVAT Am- nesty Clarifica- tion	6
E-filing of MVAT Am- nesty	7
Grant of Admin Relief to Devel- opers	9
CBEC Update	10

## Communiqué

Dear Seniors, Friends & Colleagues

Olympics are just over and whole nation is cherishing the 2 medals won by our women in their fields on account of their relentless efforts and continuous practice and goal to excel. India with 1.2 billion population is considered as male dominated society and in this women winning awards is amazing and exciting things happened. So women's are taking up their career in all fields and extending their shoulders to take the responsibility. Although there have been lots of criticism regarding only 2 medals but we should be oblivious of such criticism and should think as how we can stretch ourselves and extend in other fields beyond study. We as a fraternity also guide clients and vicinity that sports and athletics is also important and full time career can also be explored in this areas. We should contribute to our PMO's goal by winning more medals in next Olympics. Not only in sports we should also encourage women in other areas as part of women empowerment and also contribute to ICAI women empowerment programs. This has also been rightly said educated women brings literacy in whole family and these type of measures will increase our literacy level to more than 75% as per last census.

India on a macro fronts is doing well and is considered as world's fastest growing economy. As per IMF India would remain this status till 2020 atleast. India is forecasted to grow up at more than 7% of GDP. India is the second largest English speaking population after U.S. which puts us in favorable position to receive lots of outsourcing contracts from rest of world and also helps us to receive the FDI. Our economy is the third largest in terms of PPP and with high young age population we expect economy to grow at much faster pace. We as Chartered Accountants can also contribute to GDP growth as most of us work in service segments and this segment account for almost 60% share of GDP.

This time of year now we need to sit with our colleagues and plan our next big assignments i.e. Tax Audits which is core of many CA firms. We should plan proper actions to execute the same.

I wish everybody a very happy Teachers' Day that we celebrate on September 5th every year while remembering our great teacher-philosopher and second President of India Dr. S. Radhakrishnan, who was born on this day.

Lord Ganesha is our mentor and protector. After worshipping for 10 days, the idols will be taken through streets in colourful processions symbolising the seeing-off of Vinayaka's journey towards his abode, taking away the misfortunes of all mankind along with him. May he enrich our life by always giving us great beginnings and removing obstacles from your life!

Happy Ganesh Chaturthi!

Best Wishes



CA Lalit Bajaj





## FAQs on Direct Tax Dispute Resolution Scheme, 2016

The Direct Tax Dispute Resolution Scheme, 2016 (hereinafter referred to as 'the Scheme') incorporated as Chapter X of the Finance Act, 2016 (hereinafter referred to as 'the Act') provides an opportunity to taxpayers who are under litigation to come forward and settle the dispute in accordance with the provisions of the Scheme. The Direct Tax Dispute Resolution Scheme Rules, 2016 (hereinafter referred to as 'the Rules') have been notified. In regard to the scheme queries have been received from the stakeholders seeking further clarity on certain provisions of the Scheme. The Central Government has considered the queries and decided to clarify the same in the form of questions and answers as follows.-

**Question No.1:** In a case an appeal was pending before CIT(Appeals) as on 29.02.2016. However, before making declaration under the Scheme the appeal is disposed of by CIT(Appeals). Is the assessee eligible to avail the Scheme?

**Answer:** In such a case where the appeal was pending before CIT(Appeals) as on 29.02.2016 and the CIT (Appeals) has already disposed of the same before making the declaration, the declaration under the Scheme cannot be filed.

**Question No.2:** In a case where the appellant has filed a declaration under the Scheme or has intimated the CIT(Appeals) his intention to

file declaration under the Scheme, whether the CIT (Appeals) will dispose-off the appeal?

The CIT(Appeals) have been instructed vide letter F.No.279/Misc./M-30/2016 dated 30.3.2016 that appeals where the appellants have expressed their intention to avail the Scheme should be kept pending. Further, vide letter F.No.279/Misc./M-74/ 2016-ITJ dated 19.07.2016, the designated authority have been instructed to obtain an endorsement from CIT(Appeals) concerned that the appeal for which declaration has been filed was pending on 29.2.2016 and has not yet been disposed. Therefore, in a case where the declaration has been made under the Scheme or an intention to avail the Scheme has been made by the appellant, the CIT(Appeals) shall not dispose the pending appeal.

**Question No.3:** Appeal against quantum as well as penalty under section 271(1)(c) is pending before CIT (Appeals). If the assessee files a declaration in respect of the quantum appeal under the Scheme, what would be the fate of penalty appeal?

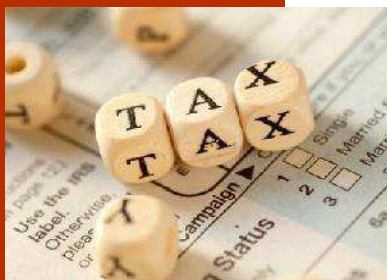
**Answer:** As per the Scheme, in a case where disputed tax in quantum appeal is more than Rs.10 lakh, the declarant has to pay the disputed tax, interest and 25% of minimum penalty leviable. Further, in a case where the disputed tax in quantum appeal does not exceed Rs.10

lakh, the declarant is required to pay only the disputed tax & interest and there is no requirement for payment of any amount in respect of penalty leviable.

Section 205(b) of the Act provides immunity from imposition or waiver of penalty under the Income-tax Act or the Wealth-tax Act in respect of tax arrear covered in the declaration to the extent the penalty exceeds the amount of penalty referred to in section 202(l) of the Act. Hence, in both the situations (i.e. whether disputed tax in quantum appeal exceeds Rs.10 lakh or not), where a valid declaration under the Scheme is made in respect of quantum appeal, the appeal against penalty levied under section 271(1)(c) of the Income-tax Act, relating to the quantum appeal pending before the Commissioner (Appeals) shall be deemed to be withdrawn and the penalty or the balance amount of penalty, as the case may be, shall be deemed to be waived.

**Question No. 4:** Section 203 (2) reads that consequent to the declaration in respect of tax arrear, the appeal pending before Commissioner (Appeals) shall be deemed to be withdrawn. From what point of time does the provision become operative?

**Answer:** The appeal pending with Commissioner (Appeals) shall be deemed to be withdrawn from the date on which the certificate under section 204(1) is issued by the desig-



nated authority.

**Question No.5:** *The addition made in assessment has the effect of reducing the loss but penalty has been initiated under section 271(1)(c) of the Income-tax Act. Is the assessee eligible to avail the Scheme?*

**Answer:** The Scheme is applicable to cases where there is disputed tax. Since in the case of reduction of loss, there is no disputed tax the assessee shall not be eligible to avail the Scheme. However, if an appeal is pending before Commissioner (Appeals) in respect of penalty order framed as a result of variation in quantum loss, the declarant may file a declaration in respect of such penalty order.

**Question No.6:** *In a case the time period specified under section 249 of the Income-tax Act for filing of appeal expired on 29.2.2016. The assessee filed an appeal in this case on 5.4.2016 with a request to condone the delay in filing of appeal. The Commissioner (Appeals) condoned the delay in filing of the appeal. Is the Scheme available to the assessee in such a case?*

**Answer:** In condonation cases, a declarant shall be eligible for the Scheme, if:

- (i) the time limit for filing of appeal under section 249 of the Income-tax Act, 1961 has got barred by limitation on or before 29.02.2016;
- (ii) the appeal and condonation application has been filed before Commissioner (Appeals) before 01.06.2016; and
- (iii) the delay in filing of such appeal is condoned by the Commissioner (Appeals)

Hence, in the present case the Scheme is available to the assessee.

**Question No.7:** *In a case the Commissioner (Appeals) has given a*

*notice of enhancement. Is such a case eligible for availing the Scheme?*

**Answer:** A case where notice of enhancement has been received by the declarant before the date of commencement of the Scheme i.e. 01.06.2016 shall not be eligible for the Scheme.

**Question No.8:** *A survey was conducted during F.Y. 2013-14. Incriminating documents relating to assessment year 2011-12 were found and assessment under section 147 of the Income-tax Act for the said year was made based on these documents and other enquiries conducted. Is the assessee's case for A.Y. 2011-12 which is pending with Commissioner (Appeals) eligible for the Scheme?*

**Answer:** As per section 208 of the Act, the Scheme shall not be available for assessment or reassessment on which survey conducted under section 133A of the Income-tax Act has a bearing. Hence, in the present case, A.Y. 2011-12 is not eligible for the Scheme.

**Question No.9:** *In a case, appeal against penalty order under section 271(1)(c) is pending before Commissioner (Appeals) and appeal against quantum addition is pending with higher appellate authority. As per the Scheme, the amount payable is 25% of the minimum penalty leviable and the tax and interest payable on the total income finally determined. What should be construed as 'total income finally determined' for computing the quantum of tax, interest and penalty payable under the Scheme? Further, what would be the effect of any variation in quantum addition as a result of appellate order(s) passed subsequent to filing of declaration?*

**Answer:** In case of an appeal relating to penalty under section

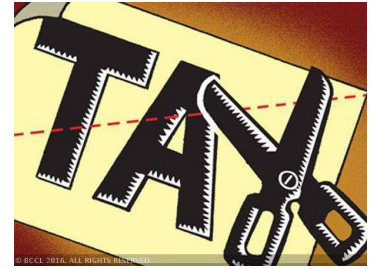
271(1)(c), the amount payable under the Scheme is 25% of the penalty amount and also the tax and interest payable on the total income finally determined. For this purpose the total income finally determined shall be the total income as determined after giving effect to the last appellate order passed on or before the date of filing declaration under the Scheme.

Any variation to the total income as a result of any appellate order passed subsequent to the date of declaration shall be ignored for the purposes of computing the amount of penalty payable under the Scheme.

**Question No.10:** *Where certain income has been charged to tax in the hands of two different persons or where it has been charged to tax in the case of same person in two different assessment years, one on substantive basis and the other on the protective basis, will the declarant or the other person get advantage in respect of additions made both substantively and protectively?*

**Answer:** The assessee is advised to make declarations in cases or for assessment years where the additions are made on substantive basis. The protective demand is not subjected to recovery unless it is finally upheld. Once the declaration in a substantive case or year is accepted, the tax arrear in protective case/year would no longer be valid and will be rectified by suitable orders in the normal course.

**Question No.11:** *By filing declaration*





under the Scheme for one assessment year, does the taxpayer forego his right of appeal on the same issue in another assessment year?

**Answer:** No. The order under the Scheme does not decide any judicial issue. It only determines the sum payable under the Scheme with reference to tax arrear or specified tax, as the case may be. It only provides for a dispute resolution mechanism in respect of cases for which declaration has been made.

**Question No.12:** *The declarant has not paid the tax payable under the Scheme within 30 days of the order under section 204(1) for any reason including the non-realisation of the cheque presented to the bank. Will the declarant be eligible for the relief under the Scheme?*

**Answer:** No. The tax payable under the Scheme should be paid to the credit of the Government on or before the due date as specified in the Scheme. The assesseees are

advised to pay the tax well on time so as to avail the relief under the Scheme.

**Question No.13:** *There is no time limit specified for intimating the payments made by the declarant in accordance with the certificate issued in Form-3. Further, there is also no time limit specified for issuance of order under section 204(2) of the Act by the designated authority. Please clarify?*

**Answer:** The declarant shall intimate the fact of payment along with the proof of the same to the designated authority within one month from the date on which time limit for making payment under the Scheme expires. The designated authority shall issue the order under section 204 (2) of the Act within one month from the end of the month in which intimation regarding payment is received in Form-4 from the declarant.

**Question No.14:** *Whether refund will be granted in*

*cases where the assessee has already paid the penalty amount in full or in part while the appeal is still pending at CIT(A) stage and the assessee opts for this Scheme?*

**Answer:** As per section 202(l) (b) of the Scheme, in case of pending appeal related to penalty, 25% of the minimum penalty leviable alongwith tax and interest on the total income finally determined is required to be paid. Therefore, if an assessee who has already paid an amount over and above the amounts referred to in section 202(l)(b) opts for the Scheme, he shall be eligible for refund of the excess payment already made. However, the declarant shall not be eligible for claim of interest on such refund under section 244A of the Income-tax Act, 1961.

## Tax Audit /ITR Due date for AY 2016-17 extended

**Due date for filing return & TAR for assessee whose due date for filing income tax return is 30th Sept (being Company, firms, and other required to get accounts audited under income tax act or other law and working partners of such firm) is extended to 17th October 2016**

The due date for filing of Income tax returns by tax payers whose accounts are required to be audited under

the Income Tax Act is the 30th September of the following year. The tax payers whose business receipts exceed Rupees one Crore or professional receipts exceed Rupees twenty-five Lakh during the previous year 2015-16 are required to file an Income Tax return accompanied by an audit report by the above mentioned due date.

However, taking into consideration that the last date for

making declarations under the Income Declaration Scheme 2016 is also 30th September, 2016, the Central Board of Direct Taxes (CBDT) has decided to extend the last date for such returns which were due on 30th September, 2016 to 17th October, 2016 in order to remove inconvenience and to facilitate ease of compliance.

**DEADLINE  
EXTENDED**

# Clarification under Settlement of Arrears in Disputes Act, 2016

After Commencement of the Maharashtra Settlement of Arrears in Disputes Act, 2016 (hereinafter referred to as "Settlement Act") various Trade Circular(s) cited at Ref. (2) to (6) above were issued. Aforesaid Trade Circulars has explained various aspects and queries related to the availment of benefits under the Settlement Act.

**2.** The representations and queries have been received with regards to the following issues:

- (1) Condition of stay;
- (2) Proof of withdrawal of appeal;
- (3) Penalty order under section 61 (2) and obligation to submit Audit Report in Form-704;

**3.** It has been brought to the notice of this office that aforesaid issues are causing impediments and also slowing down the process of availment of the benefits under the Settlement Act. In view of these representations, the following clarification and revised instructions are issued:

**(1) Condition of Stay:**

(a) In earlier FAQ's issued vide Trade Circular 20T of 2016, with regards to the condition of stay, it was stated that the Order of the Stay should be valid till the date of withdrawal of the appeal. Due to this, the Nodal Officers are insisting upon the stay that is valid till the date of withdrawal of appeal. This creates some hardship.

(b) In order to mitigate this issue, the instructions given earlier are modified and now, applicant may submit any kind of stay which may be valid till the date of withdrawal of appeal order or not.

(c) The answer to FAQ given earlier stands modified as above. Therefore, the applicant is required to enclose the copy of the order of ad-interim stay, interim

stay or final stay.

**(2) Proof of Withdrawal Of Appeal:**

(a) In earlier FAQ's with regards to the proof of withdrawal of appeal it was stated that the applicant should submit the copy of the order of the withdrawal as passed by the Appellate Authority. As discussed above, this issue is also examined and following revised instructions are issued:

(i) The applicant now is required to submit the proof of submission of request letter for withdrawal of appeal, either in full or partial, to the appellate authority with whom the said appeal is pending.

(ii) The acknowledgement of receipt of request letter for withdrawal of appeal as aforesaid should be treated as sufficient proof for withdrawal of appeal.

(b) Instructions to Appellate Authorities:

(i) The appellate authorities are now directed to take on record the letter requesting the withdrawal of appeal and give appropriate acknowledgement in this behalf.

(ii) It is further directed that no appellate authority shall refuse to give appropriate acknowledgement towards receipt of request letter for withdrawal of appeal. Any complaint with regards to this will be viewed seriously. All the concern should take note of it.

(iii) The appellate authority after receipt of said application should examine the same and pass the appropriate order allowing the withdrawal of appeal either fully or partially as sought by the appellant.

(iv) The appellate authority on the basis of the facts and circumstances of the case, if decides to reject the request for withdrawal of appeal; this may be done only

with application of mind and for the reasons recorded in writing.

(v) After allowing or rejecting the withdrawal of appeal the copy of the said order shall be sent to the Nodal Officer to whom the said case is assigned as also to the appellant.

(c) Instructions to Nodal Officer:

(i) The Nodal officer should accept the application for availing the benefits under the Settlement Act. As discussed, the Nodal Officers are directed to consider these applications vis-a-vis instructions revised as aforesaid.

(ii) The Nodal Officer should coordinate with the appellate authorities and request for the copy of the order of the withdrawal of appeal and keep such copy of the order of the withdrawal on record.

(iii) The Nodal Officer must ensure that the copy of the order of withdrawal is on record and thereafter the order of settlement shall be passed.

(iv) The immediate supervisory authority should monitor the receipt of order of withdrawal of appeal and passing of the Settlement Order. In any case there should not be unjustifiable delay.

(3) Penalty order under section 61 (2) and obligation to submit Audit Report in Form-704:

(i) In earlier FAQ's No. 33 issued it was stated as under: "Ans. The audit report in respect of periods stated in aforesaid query can be filed either in the old format or, as the





case may be, existing format depending upon the convenience and ease. The said submission of Audit Report shall be treated as good compliance. Thus on fulfilment of other conditions given in Settlement Act this may qualify for the benefits”.

(ii) As stated above, the benefits in respect of penalty will be available subject to the condition that the applicant has submitted the F-704 either in the old for-

mat or, as the case may be, existing format depending upon the convenience and ease.

(iii) Audit Report in respect of the period(s) under Settlement Act if filed on or before 31st October 2016, then the applicant will be allowed 100% waiver of the penalty so imposed.

(iv) The Nodal Officer is directed to confirm that the applicant has filed the Audit Report and then only allow

the benefits under the Settlement Act.

4. Needless to state that the instructions issued as above will be applicable in respect of all the applications whether received before or after the issuance of this Trade Circular

## Submission of application under Settlement Act –Electronically

The applicant, who desires to avail the benefits under the Settlement Act, is required to submit a duly filled, correct and complete application in Form-1 as appended to the Trade Circular 10(A)T of 2016 dated 3<sup>rd</sup> May 2016. At present Form-1 needs to be submitted to the Nodal Officer or in certain cases to the Joint Commissioner/Head of Location. (Please refer Para-3 of the Trade Circular 10T of 2016). This process creates some hardship.

On this backdrop, it was felt necessary to provide a platform for submission of settlement application, electronically. In order to facilitate speedy compliance and also to mitigate the issues related to physical submission of the Application in Form-1, the Maharashtra Sales Tax Department (hereinafter referred to as “MSTD”) has developed an electronic functionally for submission of applications under Settlement Act.

MSTD, has planned to take

the applications on the electronic platform. This facility has already been made operational. The applicant, may prefer to submit application electronically or, physically to the concerned Nodal Officer or in some cases to the Joint Commissioner/ Head of Location.

Needless to state that the applicant who has once submitted physical applications with the concerned Nodal Officer are not required again to submit the said applications electronically and vice-versa.

The authorities are therefore, directed not to ask the applicant to submit said application electronically once the physical application has already been received.

The procedure for electronic submission of Application in form-1 for settlement disputed arrears is explained below:

### Download Application:

Visit MSTD web-site [www.mahavat.gov.in](http://www.mahavat.gov.in). To

download application follow below given steps:

Download>Forms>Electronic Forms>e-amnesty Form.

Form-1 is an Excel Utility and contains two worksheets.

### Preparation & Validation of Form-1:

This is an online process.

Form-1 contains inbuilt validations. Therefore it is necessary to fill correct and appropriate information in each field i.e. optional field and more particularly the mandatory field.

In order to avoid mistakes and to fill Form-1 properly the pop-up messages help is provided.

After Form-1 is filled suitably, press the validate button and see the errors in the other sheet.

After removal of the errors a message will appear that “Your form has been validated and is error free”. It will also create a .txt file and



show the location where the said file is saved.

#### Uploading of Application Form-1:

To upload .txt file so prepared and saved go to the MSTD web-site [www.mahavat.gov.in](http://www.mahavat.gov.in).

The path is e-services >e-amnesty -2016>Login –page.

To login use PAN in upper case (ex. AAAA 1234B). Press the Get all button.

To upload the .txt file (Prepared and save earlier) click upload. Then browse the .txt file. Thereafter validate and upload the said file. On successful upload, the applicant will get the message.

Press the home button for further activity.

#### Printing of declaration under Settlement Act.

Declaration is a part of Form-1. It needs to be uploaded. For this go to the declaration menu, press the button. A declaration button will appear. Take the printout of the said declaration. Get it signed appropriately. Keep PDF copy of this declaration ready for uploading purpose.

It is mandatory to upload the signed PDF copy of the declaration. The application without declaration will be treated as incomplete application and the applicant may be denied the benefits under the Settlement Act.

For further activity go to home.

#### Uploading of documents with Form-1

To upload requisite documents go to “Upload docs” TAB it is necessary to upload the following documents.

- Declaration as prepared above;
- Copy of statutory above;
- Copy of stay order;

- Copy of appeal withdraw order;
- Copy of Chalan-payment made during the pendency of appeal;
- Copy of Chalan-payment made as requisite amount;

So as to upload aforesaid documents go to “Select button and the select the sequence number of Form-1 then Click on ‘Upload docs’ TAB. A separate section is provided for uploading of each of the documents. There is a facility to add or remove the same.

In order to upload documents Click on ‘add’ button and select the document name from the drop down menu. To upload browse the requisite document file. Press the button ‘Upload docs’. Applicant need to repeat aforesaid procedure till all the documents get uploaded.

If it is realized that the documents are not uploaded properly or there is some problem in uploading document then for removal of documents uploaded improperly use ‘Remove’ button provided under document upload section.

If it is noticed that the Form-1 is improperly filled or documents are not correctly uploaded than the applicant may delete entire application Form as well as documents. Please note the facility may be availed only before submission of the application Form-1.

#### Submission of an application:

Submission of application in Form -1 is the key step.

After completion of entire document upload process, please click on the button under “Select” heading. Click on ‘Submit’ button. The system will generate message about successful submission of Form-1.

After submission of Form-1 application, applicant will able to print

acknowledgement receipt of said application. Further the applicant will be able to take the print of Form-1.

#### Processing of e-applications:

On receipt of said applications electronically on mahavat, the MAHAVKAS will internally allocate these applications to the concerned Nodal Officer. In the event the case is not assigned, then such cases will be allocated to the Joint Commissioner of Sales Tax of the concerned Nodal Division and in any other case to the Head of the location.

Where the applications are assigned to the desk of Joint Commissioner, then the Joint Commissioner concerned will re-allocated these applications directly to the Deputy Commissioner or, as the case may be, any officer of that Nodal Division. Location head to carry out similar activity.

The Nodal Officer shall after allocation, scrutinize the said application. If defects are noticed then the defect notice is required to be prepared. The concerned Nodal Officer should take the printout of the same and after signature the same should be sent through e-mail id provided in Form-1. In view of these applicants are advised to provide valid email-id.

The applicant shall within 15 days from receipt of said defect notice submit the compliance thereof electronically. To

upload the compliance of defect notice the applicant is required to login with the use PAN and go to “Upload docs” and upload the same. The process illustrated in







Para above may be kept in mind.

The concerned Nodal Officer on receipt compliance as above, shall process the application as per the provision of Settlement Act.

In case the defect still persists, after following due process of natural justice the application may be rejected. The order of rejection shall be communicated to the applicant.

**Help desk:**

The applicants who desire to make application for settlement of arrears in dispute are

requested to use the instructions and User manual to resolve basic problems related to preparation and uploading of settlement application electronically.

Please also refer the FAQ's. For user manual under amnesty scheme-2016 the path is under:

- Visit to [www.mahavat.gov.in](http://www.mahavat.gov.in).
- Go to "Dealer Services"
- Click on "Manuals of Procedures"
- Click on "Dealer Services"

- Click on "Amnesty Scheme-2016"

For further assistance Help Desk is also provided. The list of help desk officer with telephone numbers is available in the "What's new" menu of M S T D web - site [www.mahavat.gov.in](http://www.mahavat.gov.in).

## Grant of Administrative Relief to Developers

**Background:**

The taxation of Developer was subject matter of the court proceedings. Hon'ble Supreme Court of India upheld the constitutional validity of the amendment to section 2(24) of the Maharashtra Value Added Tax Act, 2002. In order to facilitate the registration procedure and to grant administrative Relief for un-registered period various Trade Circulars referred as above were issued.

In trade circulars referred as Sr. No 1 and 2 above, various compliances were expected from the Builder/Developers within stipulated time. Subsequently with a view that maximum un-registered Builder/Developers should come into the tax net, the department has taken a lenient view by the Internal Circular referred at Sr. No 3 above. In many cases it was observed that

administrative relief is not granted merely on the ground that dealer has not paid the compounding fee of Rs 5,000/- however, all other conditions/instructions issued in the Trade Circulars are followed.

Issues represented by trade: Various representations have been received with regard to grant administrative relief to those Builder/Developers who had complied all other conditions as per Trade Circular 14T of 2012 dt.06.08.2012 and 17T of 2012 dt.25.09.2012 and the Internal Circular 4A of 2015 dt.24.03.2015 but has paid the compounding fee later on (i.e. after 30.11.2012).

In this regard it is administratively decided that Builder/Developers who had complied all other conditions as per Trade Circular 14T of 2012 dt.06.08.2012 and

17T of 2012 dt.25.09.2012 and Internal Circular 4A of 2015 dt.24.03.2015 but has paid the compounding fee later on (i.e. after 30.11.2012) shall also be considered for grant of administrative relief.

This Circular cannot be made use of for legal interpretation of provision of law, as it is clarificatory in nature. If any member of the trade has any doubt, he may refer the matter to this office for further clarification.



## Export of Gems / Jewelry products manufactured from gold

In exercise of powers conferred under Paragraph 2.4 of the Foreign Trade Policy 2009-2014, as amended from time to time, the Director General of Foreign Trade makes the following amendments in paragraph 4A.21 of Hand Book of Procedures 2009-14 for export of Gems and Jewellery products manufactured from gold during the period 22.07.2013 to 14.02.2014 in terms of paragraph 4A.18 of Handbook of Procedures as one time exemption to claim replenishment of gold within 120 days of issuance of this public Notice to the following exporters.

2. Those exporters who had exported Gems and Jewellery products manufactured from gold by participating in overseas jewellery exhibitions under the replenishment scheme during the period 22.07.2013 to 14.02.2014 in terms of paragraphs 4A.18(a)(i) of HBP 2009-14. Such exporters may claim replenishment of gold from Nominated Agencies within 120 days of this Public Notice in relaxation of period prescribed in Para 4A.18(a)(i)(b) of HBP 2009-14, provided all other conditions mentioned in Para 4A.21 are fulfilled

which includes realisation of export proceeds and any other condition of Foreign Trade Policy and Hand Book of Procedures.

3. Those exporters who had booked gold with Nominated Agencies by depositing earnest money for a minimum amount of 20% of notional price of gold subject to adjustment at time of actual sale as per paragraph 4A.21.1 of HBP 2009-14. Such exporters may claim replenishment of gold from Nominated Agencies, in respect of export of Gems and Jewellery products manufactured from gold during the period 22.07.2013 to 14.02.2014, within 120 days from the date of issuance of this Public Notice in relaxation of period prescribed in Para 4A.21 of HBP 2009-14 provided all other conditions mentioned in Para 4A.21 are fulfilled which includes realisation of export proceeds and any other condition of Foreign Trade Policy and Hand Book of Procedures.

#### 4. Effect of this Public Notice:

The RBI Circulars from 22.07.2013 to 14.02.2013 had not provided provisions to claim

replenishment of gold in respect of export of Gems and jewellery products manufactured from gold, by participation in the exhibitions abroad or claiming gold in cases where gold was booked by payment of minimum 20% with Nominated Agency, subject to adjustment at time of actual sale. All such exporters have been provided one-time facility to claim replenishment of gold within 120 days from the date of issuance of this Public Notice subject to fulfilment of all other conditions of the FTP and HBP 2009-14.



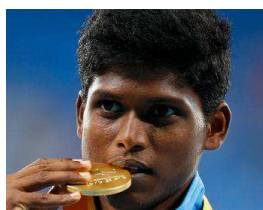
## Congratulations



P. V. Sindhu  
Olympics - Silver  
Badminton



Sakshi Malik  
Olympics - Bronze  
Freestyle Wrestling



Mariyappan T.  
Paralympics - Gold  
High Jump



Deepa Mailk  
Paralympics - Silver  
Shot Put



Varun Singh Bhati  
Paralympics - Bronze  
High Jump



## LLB & Co.

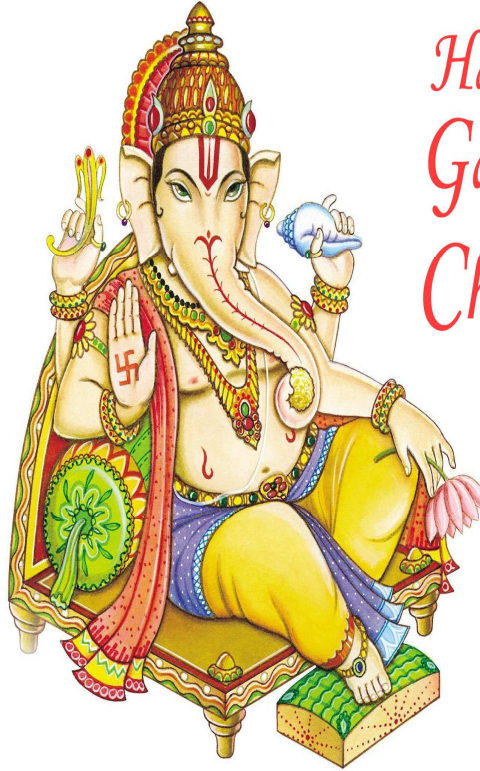
525, The Summit Business Bay,  
Behind Gurunanak Petrol Pump,  
Near W.E. Highway Metro and Cinemax,  
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*Happy  
Ganesh  
Chaturthi*

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## EPFO to Verify Closed Exempted/Relaxed Establishments

A reference was received from a field office seeking approval of Head Office for taking over of Trust fund of an exempted establishment reported to be lying closed for more than 14 years. The establishment was also reported to have undergone merger/acquisition in the past. The Trust had been running illegally all these years .

2. Funds lying with a private Provident Fund Trust where the establishment which was granted exemption/ relaxation, but is lying closed since long and the Trust is running

illegally cannot be said to be safe and in the interests of the employees. Neither it is the intention of the legislation behind grant of exemption to the establishments. Such Trust funds may be vulnerable to potential frauds. In the interest of the workers and the public, it is desirable that accumulations of the members lying in such private Provident Fund Trusts is transferred to the statutory fund alongwith past accumulation. Due procedure laid down for transfer of Trust funds may be followed scrupulously . It also

needs to be ensured by the RPFCD that liability should not arise on EPFO.

3. Therefore RPFCDs of the field offices are directed to take stock of the situation in their respective jurisdictions and initiate suitable action if any such case comes to notice. An action taken report in this regard may please be furnished to the Head Office with status note in detail in respect of each establishment latest by 30.09.2016.

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