

Important Circulars & Notifications

October'2015

Index



Blue Consulting Pvt. Ltd.

A Finance & Accounts Outsourcing Company

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1. Income tax

Title	Category	Description	Section/ Rule	Date
"e-Sahyog" project launched by Income Tax department to reduce the need for the taxpayer to physically appear before tax authorities, especially small taxpayers	Press Release	<ul style="list-style-type: none">▪ The objective is to provide an online mechanism to resolve mismatches in Income-tax returns to taxpayers whose returns have not been selected for scrutiny, without visiting the Income Tax Office.▪ The "e-Sahyog" project has been launched on a pilot basis.▪ The Department will provide an end to end e-service using SMS or e-mails to inform the taxpayers of the mismatch.▪ The taxpayer will simply need to visit the e-filing portal and log in with their user-ID and password to view mismatch related information and submit online response on the issue.▪ The responses submitted online by the taxpayers will be processed and if the response and other information are found satisfactory as per automated closure rules, the issue will be closed.▪ The taxpayer can check the updated status by logging in to the e-filing portal.		27 th October, 2015

[\[Read More\]](#) [\[Read More\]](#)



....Contd. [Income tax]

Title	Category	Description	Section/ Rule	Date
Income tax amends transfer pricing rules regarding use of multiple year data and arm's length range	Notification	<ul style="list-style-type: none">▪ The amended rules allow for use of a "range concept" for determination of arm's length price (ALP) and "use of multiple year data" for undertaking a transfer pricing comparability analysis.▪ The range concept will be applicable in certain cases for determining the ALP and will begin with the 35th percentile and end with the 65th percentile of the comparable prices.▪ Transaction price shown by the taxpayers falling within the range will be accepted as arm's length.▪ Median of the range would be the ALP in case the transaction price is outside the range. The use of range concept, being a statistical tool, is expected to enhance the reliability of analysis undertaken for computation of ALP. [Read More]	No. 83/2015	19 th October, 2015



2. Service Tax

Title	Category	Description	Section/ Rule	Date
Service tax rate will be 14.50% w.e.f. 15th November 2015	Notification	<ul style="list-style-type: none">▪ The Central Government, vide Union Budget 2015, proposed to levy a Swachh Bharat Cess (SBC) at the rate of 2 per cent on the value of taxable services to finance and promote its Swachh Bharat initiative from the date to be notified.▪ Now, the Central Government has notified the effective rate to be 0.5% of the value of taxable service with effect from 15th November 2015. [Read More]	No. 22/2015	6 th November, 2015
Services in relation to remittance of foreign currency from outside India to India is chargeable to service tax.	Notification	<ul style="list-style-type: none">▪ According to erstwhile practice and understanding, no service tax was being charged on the services provided by an Indian bank or other entity acting as an agent to the "Money Transfer Service Operators" (MTSO), in relation to remittance of foreign currency from outside India to India. However it was taxable.▪ Now with the notification, service tax will be chargeable on service provided by MTSO. <p style="text-align: right;">[Read More]</p>	No. 19/2015	14 th October, 2015



....Contd. [Service Tax]

Title	Category	Description	Section/ Rule	Date
GTA service will include all ancillary services such as loading/ packing/ unpacking/ trans-shipment/ temporary storage etc.	Clarification	▪ It has been clarified that if ancillary services are provided in the course of transportation of goods by road and the charges for such services are included in the invoice issued by the GTA, such services would form part of GTA service and, therefore, the abatement of 70%, presently applicable to GTA service, would be available on it.	Circular No. 186/5/2015-ST	5 th October, 2015

3. Others



Title	Category	Description	Section/ Rule	Date
Relaxation of additional fees and extension of last date for Annual Filing	General Circular	<ul style="list-style-type: none"> Last date of filing of AOC-4, AOC-4 XBRL and MGT-7 E-Forms has been extended to 30th November 2015. No additional fees will be paid if filing of above forms is done till 30th November, 2015. [Read More] 	No. 14/2015	28 th October, 2015
Gazette Notifications of Government of India will only be e-published www.egazette.nic.in	Press Release	<ul style="list-style-type: none"> The government has decided to switch to exclusive e-publishing of all Gazette Notifications of Government of India w.e.f. 1st October, 2015. It has been decided that the physical printing and sale of hard copies of gazette by the government will completely be stopped. The gazette of India will now be only e-published by uploading on the official website www.egazette.nic.in The users may download the e-gazette so published from above mentioned official website free of charge. 	Release Id: 130058	29 th October, 2015



Title	Category	Description	Section/ Rule	Date
<p>Internal Financial Control over Financial Reporting (ICFR) is applicable for Financial Year 2015-16 onwards and it is mandatory to comply, for all the companies without any exception.</p>		<ul style="list-style-type: none"> ▪ This provision of Companies Act, 2013 is applicable on all companies without any exception. ▪ Statutory auditor of a company is required to express an opinion through a separate report about the adequacy and effectiveness of ICFR. ▪ The Companies Act, 2013 has stated specific responsibilities on the Board of Directors towards the company's internal controls and, inter alia, requires the Board to state that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. ▪ Documentation required by companies for ICFR: <div data-bbox="724 1125 1474 1239" style="text-align: center; margin: 10px 0;"> <pre> graph LR A[Risk Control Matrix] --> B[Control Design Gap Summary] B --> C[Detailed Process Flow chart] C --> D[Testing Methodology & Testing Results.] </pre> </div> ▪ This update has been included in the newsletter as a reminder to companies about this important provision. 	<p>Section 143, 134, 177 of Companies Act, 2013</p>	

Title	Category	Description	Section/ Rule	Date						
<p>Applicability of Indian Accounting Standards (Ind AS)</p>		<ul style="list-style-type: none"> As per the notification released by the Ministry of Corporate Affairs (MCA) on 16 February 2015, the roadmap for Ind AS implementation is as follows: <table border="1" data-bbox="722 625 1458 968"> <thead> <tr> <th data-bbox="722 625 935 711">Financial Year</th> <th data-bbox="935 625 1458 711">Mandatorily applicable to</th> </tr> </thead> <tbody> <tr> <td data-bbox="722 711 935 822">2016-17</td> <td data-bbox="935 711 1458 822">Companies (listed and unlisted) whose net worth is equal to or greater than 500 crore INR</td> </tr> <tr> <td data-bbox="722 822 935 968">2017-18 & onwards</td> <td data-bbox="935 822 1458 968">Unlisted companies whose net worth is equal to or greater than 250 crore INR and all listed companies (without any net worth limit)</td> </tr> </tbody> </table> Whenever a company gets covered under the roadmap, Ind AS becomes mandatory and its holding, subsidiary, associate and joint venture companies will also be required to adopt Ind AS (irrespective of their net worth). This update has been included in the newsletter as a reminder to companies about this important provision. 	Financial Year	Mandatorily applicable to	2016-17	Companies (listed and unlisted) whose net worth is equal to or greater than 500 crore INR	2017-18 & onwards	Unlisted companies whose net worth is equal to or greater than 250 crore INR and all listed companies (without any net worth limit)	<p>The Companies (Indian Accounting Standards) Rules, 2015.</p>	<p>16th February, 2015</p>
Financial Year	Mandatorily applicable to									
2016-17	Companies (listed and unlisted) whose net worth is equal to or greater than 500 crore INR									
2017-18 & onwards	Unlisted companies whose net worth is equal to or greater than 250 crore INR and all listed companies (without any net worth limit)									



4. Interesting facts

- The Battle of Longewala was fought in December 1971 between India and Pakistan, in which just 120 Indian soldiers with one jeep mounted with a M40 recoilless rifle held the fort against 2000 Pakistani soldiers backed with 45 tanks. Despite being so heavily outnumbered, the Indian soldiers held their ground throughout the night and with the help of the Air Force, were able to completely rout the aggressors.
- The Bailey Bridge is the highest bridge in the world. It is located in the Ladakh Valley between Dras and Suru river in the Himalayan mountains. It was built by the Indian Army in August 1982.
- Today, India has the world's largest school in terms of students, the City Montessori School in Lucknow. It has more than 45 thousand students!
- Number of births in India every year alone is more than the total population of Australia, and many other nations.
- May 26 is celebrated as the Science Day in Switzerland in honour of former President Dr. APJ Abdul Kalam, because on this day, Dr. Kalam visited the country.

5. About us



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- Blue Consulting or 'BC' provides value added and high quality **Finance & Accounts Outsourcing Services to Companies in India.**
- Our services include **Taxation Compliances** on pan India level, **across 29 States and 7 Union territories.**
- We work as an extension of CFO's team and our services result in **increase of managerial bandwidth of CFO's.**
- We invest great deal of time and efforts in understanding our client's business which ensures that we **provide customized solutions** to their specific needs and requirements.
- We have a separate division for **IFC** and **Ind AS** implementation.
- We are a strong and stable of team of more than **95 people.**
- We are comfortable working on any ERP platforms i.e. SAP, Oracle, Navision, Baan, PeopleSoft, Xero, Tally.



6. Contact us

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Disclaimer

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*"A dream is not that
which you see in sleep
A dream is that
which does not let you sleep"*