

### **I. Income Tax**

#### **a. DTAA treaty for exchange of information signed between India and Bermuda**

Continuing with its spree of opening channels of exchange of information with tax haven countries, the Government of India has entered into an Agreement with the Republic of Bermuda for exchange of information with respect to taxes. The Agreement allows the tax authorities of the two countries to obtain information relevant to the administration and enforcement of the domestic laws. The treaty comes into force w.e.f November 3, 2010.

#### **b. Extension of time limit for filing ITR-V relating to Income Tax Returns for the financial year 2009-10**

To mitigate the hardships and grievances of the tax payers who have been prevented by the reasonable cause to file the ITR-V in time, the CBDT extended the time limit for filing ITR-V forms relating to the Income Tax returns for financial year 2009-10 AY 2010-11 filed electronically (without digital signature) upto July 31, 2011 or within a period of 120 days from the date of uploading the electronic return data, whichever is later.

### **II. Delhi Value Added Tax**

#### **a. Extension of due date of furnishing of Form D-VAT 51 for Quarter I and II for the financial year 2010-11**

Commissioner of Value Added tax has extended the time limit for furnishing the reconciliation return in Form DVAT 51 ( furnishing of the portion marked 'original' of the Declaration Forms 'C', 'E-I' or 'E-II', 'F', 'I', 'J' and 'H' respectively), up to 31<sup>st</sup> March, 2011 for Ist and IInd quarter of the year 2010-11.

### **III. Custom & Excise**

#### **a. Mandatory filing of Bill of Entry for Goods intended to Display**

Filing of Bill of Entry has been made mandatory for importation of 'Goods intended for display or demonstration at an event' which were otherwise not liable to payment of duties of Customs as per an earlier notification issued in year 1989 in terms of Section 46 of the Customs Act, 1962.

#### **b. Mandatory Procedure to be followed in import of Drugs**

The Board has made mandated that requirement under Drugs & Cosmetic Act and Rules like drugs registration in Form 41 and Drugs Import Licence Form 10 should be strictly complied with and NOC from CDSO/ADC port offices to be obtained before allowing clearances of import consignments of drugs/bulk drugs.

#### **c. Execution of a Common Bond for specified Export Promotion Schemes**

The authorization holders operating under the Advance Authorization/Duty Free Import Authorization (DFIA) / Export Promotion Capital Goods (EPCG) are now required to execute a single bond (Common Bond for EP Schemes) at the port of registration of the first authorization for a given financial year.



#### **IV. Corporate Laws**

##### **a. Extension of Easy Exit Scheme, 2011 upto 30<sup>th</sup> April, 2011**

In order to give an opportunity to the defunct companies, for getting their names strike off from the Register of Companies, the Ministry had introduced a Scheme namely, "Easy Exit Scheme, 2011" under Section 560 of the Companies Act, 1956.

The scheme has now been extended from January 31, 2011 for another three months, i.e., upto 30<sup>th</sup> April, 2011.

Further, the Registrar has issued instructions that strict action would be taken against those companies who fail to avail of this scheme and continue to default on it.

##### **b. Exemption to certain class of companies from disclosure of specified Stock Information in the Profit & Loss Account**

The Central Government has exempted certain classes of companies from disclosing in their profit and loss account, the item-wise information related to category of goods the company deals in as mentioned under Para 3 and 4 (Opening Stock, Raw Material, Sales, Closing Stock), subject to certain conditions.

The exempted classes of companies include Export Oriented companies, Hotel companies, Multi-product companies, Shipping companies and companies producing defence equipment.

This shall be applicable in respect of the financial year ending on or after the 31<sup>st</sup> March, 2011.

##### **c. Exemption from enclosure of Financial Statements of Subsidiaries u/s 212**

The ministry through a press note waived off the requirement of attaching the accounts of subsidiaries as required under section 212 of the Companies Act, 1956 while submitting balance sheet of the holding company subject to fulfillment of the specified conditions such as passing a resolution for the same, preparation of audited consolidated financial statement, etc.

##### **d. Government approval for distributing managerial remuneration not required in case of Unlisted Companies having inadequate profits/no profits**

The Ministry of Corporate Affairs has, by notification, amended the Schedule XIII of the Companies Act 1956 to provide that unlisted companies (which are not subsidiaries of listed companies) shall not require Government approval for managerial remuneration in cases where they have no profits/ inadequate profits, provided they meet the conditions of passing a Special resolution and no default in payment to creditors and other conditions as stipulated in the Schedule.

#### **V. RBI**

##### **a. Extension of interest subvention on Rupee Export Credit till March 31, 2011**

RBI has extended the interest subvention of 2% on Pre-shipment rupee export credit upto 270 days and post-shipment rupee export credit upto 180 days on the specified export sectors with effect from April 1, 2010 to March 31, 2011.

The specified sectors include Engineering Goods & Textiles (specified subsectors only), SME, Leather, Handicrafts, Carpets and Handlooms.



**b. Master Circular on Micro Credit released**

Consolidating various guidelines, notifications and instructions released by RBI on Micro Credit to banks in one place, RBI has issued Master Circular on the above subject. The Circular is updated till January 31, 2011 and can be accessed from the following link.

<http://rbidocs.rbi.org.in/rdocs/Notification/PDFs/MCJ14022011.pdf>

**c. All Deposit taking NBFCs to maintain Minimum Capital Ratio 15%**

RBI has decided to align the minimum capital ratio of all deposit taking as well as systemically important non-deposit taking NBFCs to 15% w.e.f. March 31, 2012. Accordingly, all deposit taking NBFCs shall maintain a minimum capital ratio consisting of Tier I and Tier II capital, which shall not be less than 15% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items. Presently, minimum capital ratio for deposit taking NBFC is 12% and for systemically important non-deposit taking NBFC minimum capital ratio is 15%.

**VI. Labour Laws****a. Interest rate on Employee's Provident Fund announced at 9.5%**

Central Board of Trustees has recommended an interest rate of 9.5% on Employee's Provident Fund for the financial year 2010-2011 utilizing the surplus funds available in interest suspense account. Last year, the interest rate had been kept at 9%.



**Relevant due dates for the month of March 2011****Income Tax**

7th March	Deposit TDS/TCS deducted/collected during the month of February, 2011
15th March	Deposit last instalment of Advance tax for the financial year 2010-11
31st March	Submit income tax returns (belated) required to be filed under section 139(1) for the AY 2010-11 without inviting additional penalty.

**Service Tax**

5th/6th March	Deposit Service Tax liability of corporate assesseees for the month ended February 28, 2011
31st March	Deposit Service Tax liability of all assesseees for the month/quarter ending March 31, 2011

**Excise Duty**

5th/6th March	Deposit Excise duty liability for the month ended February 28, 2011
10th March	Submit return of Excise Duty for liability for the month ending February, 2011
31st March	Deposit Excise duty liability for the month/quarter ending March 31, 2011

**DVAT**

25th March	Submit monthly return in electronic form for the month ending February, 2011
28th March	Submit monthly return in manual form for the month ending February 2011
31st March	Submit Return in Form D-VAT 51 for the quarter ending 30 <sup>th</sup> April 2010 and 30 <sup>th</sup> Sept 2010 (as extended)
31st March	Submit Return in Form D-VAT 51 for the quarter ending Dec 31st 2010.

**Labour Law**

15th March	Deposit Employee's & Employer's contributions to provident fund for the month ending February, 2011 (grace of 5 days)
21st March	Deposit ESI dues for the month ending February, 2011
25th March	Submit return of Provident Fund for the month ending February, 2011.

