

Lunawat & Co.
Chartered Accountants

UNION BUDGET
2015 **DECODED**

DIRECT TAX PROPOSALS

TAX RATES

- Income Tax Slabs for Assessment Year 2016-17 are as under:-

Tax Rate %	Individuals/HUF/ AOP/BOI	Senior Citizen Age ≥ 60 and < 80	Senior Citizen Age ≥ 80
0	Up to 2,50,000	Up to 3,00,000	Up to 5,00,000
10	2,50,001 to 5,00,000	3,00,001 to 5,00,000	-
20	5,00,001 to 10,00,000	5,00,001 to 10,00,000	5,00,001 to 10,00,000
30	Above 10,00,000	Above 10,00,000	Above 10,00,000

- The above slabs are unchanged from the previous assessment year.
- Rate of Surcharge is 12% if Net Income > 1Cr.
- No change in income tax rates for other assesseees.
- Change in Surcharge in case of company are as under:

Particulars	Domestic Co.	Foreign Co.	LLP / Firm
Surcharge	7% (Net Income > 1 Cr.) / 12% (Net Income > 10Cr.)	2% (Net Income > 1 Cr.) / 5% (Net Income > 10Cr.)	12% (Net Income > 1Cr.)

- Rate of Royalty and Fees for Technical Services has been Reduced to 10% from 25%.

DEDUCTIONS AND EXEMPTIONS

(W.e.f 1st April 2016)

- A contribution in Sukanya Samridhi Account Scheme in the name of any girl child of the individual or in the name of any girl child for whom such individual is the parent or legal guardian shall be eligible for deduction under section 80C.
- Any payment in an annuity plan of LIC or any other insurer has been increased to Rs. 1,50,000/- from existing limit of Rs.1,00,000/- shall be eligible for deduction under section 80CCC. The exemption is covered within the total limit of section 80CCE (w.e.f. 25.04.2016).
- Section 80CCD is proposed to be amended to insert a new sub-section (1B) to provide for an additional deduction in respect of any amount paid, of upto 50,000/- for contributions made by any individual assessee under the National Pension Scheme.
- Section 80D is proposed to be amended to provide that the deduction for a Health insurance premia has been increased to Rs. 25,000/- from the existing limit of Rs. 15000/- and for a senior and very senior citizen, it is increased to Rs. 30,000/- from the existing Rs. 20000/-.
- Section 80DD is proposed to be amended to increase the amount of deduction to Rs. 75000/- from existing Rs. 50000/-. And the amount of deduction for a dependent with severe disability has been increased to Rs. 1,25,000/- from the existing Rs. 100000/-.

- Section 80DDB is proposed to be amended to provide a higher limit of deduction of upto 80,000/- for the medical treatment of very senior citizen (80 years or more). Further, **the assessee will be required to obtain a prescription from a specialist doctor** to avail this deduction.
- Donation to National Fund for Control of Drug Abuse shall be allowed as 100% deduction under section 80G.
- Section 80JJAA is proposed to be amended to provide that the provision of this section shall now apply to "Any Person" (Earlier the section was only applied to an Indian Company). Further, the deduction shall not be allowed if the factory is acquired by the assessee by way of transfer from any other person or as a result of any business re-organization. Also, the meaning of Additional Wages has been amended to reduce the number of workers from 100 to 50 workmen; hence now additional wages paid to regular workmen in excess of 50 workmen shall qualify for deduction under this section.
- Section 80U is proposed to be amended to provide that the deduction u/s 80U for a disabled person has been increased to Rs. 75,000/- from Rs. 50,000/- and for a person with severe disability, it is increased to Rs. 1,25,000/- from Rs. 1,00,000/-.
- Any payment from an account opened in accordance with the Sukanya Samridhi Account Rules, 2014 shall not be included in the total income of the assessee
- Income of Swachh Bharat Kosh and Clean Ganga Fund.
- Income of the Core SGF arising from contributions received and investment.
- Income of investment fund shall be exempt from the tax other than chargeable under head Profits and Gains of Business or Profession.
- Income received from the unit of an investment fund only in respect of such income which is of the same nature as referred to the income chargeable under head Profits and Gains of Business or Profession.

PROVISIONS RELATED TO BUSINESS TRUST – REIT

- Income of a business trust shall be exempt that has been generated by way of renting or leasing or letting out any real estate owned directly by such business trust under section 10.
- Section 115UA is proposed to be amended to provide that the nature of the business trust as per under this section can be referred to from either clause (23FC) or clause (23FCA). (effective from 1st April 2016)
- In case of Real Estate Investment Trusts and Infrastructure Investment Trusts, benefit of Concessional tax rate of 15% on STCG shall be now available to the sponsor of such trusts on sale of units received in lieu of shares of special purpose vehicle subject to levy of STT.
- It is proposed to amend Section 194-I to provide for that TDS shall not be deducted under the said section of the Act where the income by way of rent is credited or paid to a business trust, being a Real Estate Investment Trust (REIT), in respect of any real estate asset held directly by such trust. (effective from 1st June 2015)
- It is proposed to amend Section 194LBA to provide that TDS shall not be deducted on the income of a business trust, being a Real Estate Investment Trust (REIT), by way of renting or leasing or letting out any real estate asset owned directly by such business trust. (effective from 1st June 2015)

PROFIT & GAINS OF BUSINESS OR PROFESSION**(W.e.f 01st April 2016)**

- Section 35 (2AA) & (2AB) are proposed to be amended to provide that deduction under the said section shall be allowed if the company enters into an agreement with the prescribed authority for cooperation in such research and development facility and fulfills prescribed conditions with regard to maintenance and audit of accounts and also furnishes prescribed reports. It is also proposed to insert reference of the Principal Chief Commissioner or Chief Commissioner in these sections that the report referred to therein may be sent to the Principal Chief Commissioner or Chief Commissioner having jurisdiction over the company claiming the weighted deduction under the said section.
- Section 32AD is inserted to provide the additional investment allowance equal to 15% of actual cost of asset which is installed in the backward areas in the State of Andhra Pradesh and the State of Telangana from the period beginning from the 1st April, 2015 to 31st March, 2020.
- Section 32 is amended so as to provide that where any plant and machinery is installed in the backward areas of State of Andhra Pradesh and the State of Telangana then the additional depreciation is allowed at the rate of 35%.
- Section 32 is amended so as to provide that if any new asset is put to use for less than 180 days then the balance 50% depreciation shall be allowed in the immediately succeeding financial year.

CAPITAL GAINS**(W.e.f. 01st April 2016)**

- Section 47 is amended so as to provide that any transfer of a capital asset being share of foreign company in scheme of amalgamation which derives its value substantially from the shares of an Indian company which is held by the amalgamating foreign company to the amalgamated foreign company shall not be considered as transfer for the purpose of charging capital gain if at least 25% of the shareholders of amalgamating foreign company continue to remain shareholders of amalgamated foreign company and such transfer does not attract tax on capital gains in the country in which the amalgamating company is incorporated.
- Section 47 is amended so as to provide that any transfer of a capital asset being share of foreign company in scheme of demerger which derives its value substantially from the shares of an Indian company which is held by the demerged foreign company to the resulting foreign company shall not be considered as transfer for the purpose of charging capital gain if the shareholders holding not less than three fourths in value of shares in demerged company remain shareholders of the resulting company and such transfer does not attract tax on capital gains in the country in which the demerged foreign company is incorporated.
- Section 47 is amended so as to provide that any transfer by a unit holder of a capital asset, being units held by him in the consolidating scheme of a mutual fund made in consideration of the allotment to him of a capital asset, being units in the consolidated scheme of the mutual fund shall not be treated as "Transfer". However the consolidation should be of two or more schemes of Equity Oriented Fund or of two or more schemes of a fund other than equity oriented fund.
- Section 49 (1) (iii) (e) is proposed to be amended to include transfer of any asset by a demerged company to a resulting company and to provide that the cost of acquisition of such asset acquired by resulting company shall be the cost for which the demerged company acquired the capital asset as increased by the cost of improvement incurred by the demerged company.

- Section 49 is proposed to be amended to insert subsection (2AD) which states that where units of a consolidated scheme of mutual fund become the property of assessee in consideration of a transfer then the cost of acquisition of the asset shall be deemed to be the cost of acquisition to assessee of the units of consolidating scheme.

TAX DEDUCTION AT SOURCE AND TAX COLLECTION AT SOURCE

- Section 192 is proposed to be amended to provide that the person responsible for paying, for the purposes of estimating income of the assessee or computing tax deductible under section 192(1) of the Act i.e. paying any income chargeable under the head "Salaries" for estimating the income of the assessee or computing his tax that is to be deducted, shall obtain from the assessee evidence or proof or particulars of the prescribed claim (including claim for set-off of loss) under the provisions of the Act in the prescribed form and manner. (effective from 1st June 2015)
- New section 192A has been inserted to provide for deduction of TDS at ten percent on payments of accumulated balance of recognised provident fund of rupees thirty thousand or more, due to an employee in case the employee provides his PAN and where such sum is taxable due to non-compliance of Rule 8 of Part A of Fourth Schedule. In case the employee fails to provide his PAN, tax shall be deducted at marginal rate (effective from 1st June 2015)
- Section 194A is proposed to be amended that exemption from deduction of TDS under the said section, of Rs.10,000 where payer is a banking company or Cooperative Society or Public Company, shall only be allowed in case the payer has adopted Core Banking Solutions.

Further the section is being amended to make the following changes:

- To exclude cooperative banks from the exception which provides that a cooperative society shall not deduct TDS if the payment is being made to its member or another cooperative society.
- To provide for full exemption to any sum of interest on any compensation awarded by the Motor Accident Claims Tribunal if such income has been credited to the account. And when the amount is actually paid it will be exempted upto rupees fifty thousand in a financial year. (effective from 1st June 2015)
- Section 194C is proposed to be amended that non-deduction of tax on the transporter for plying, hiring or leasing goods carriage shall only be applicable if he is eligible to compute income as per the provisions of section 44AE of the Act (i.e. a person who does not own more than 10 goods carriage at any time during the previous year).

The person shall be required to furnish the following to the payer that:

- (a) Declaration to the fact that he is covered under Section 44AE
- (b) Has also furnished PAN. (effective from 1st June 2015)
- In case of Alternative Investment Funds, a new section 194LBB is proposed to be inserted to provide for deduction of TDS at the rate of ten percent on income other than income which is taxable at investment fund level which is payable to a unit holder by an investment fund. (effective from 1st June 2015)
- Section 194LD is proposed to be amended to provide that the concessional rate of 5% withholding tax on interest payment to FIIs & QFIs will now be available on interest payable upto 30th June, 2017. Earlier the coverage of the section was to end on 1st July 2015. (effective from 1st June 2015)

- Section 195 is proposed to be amended to provide that person responsible for paying any sum, whether or not chargeable to tax, to any non-resident not being a company, or to a foreign company for the sum, under the provisions of this Act, shall furnish the information relating to payment of such sum. Earlier the person responsible for tax deduction under this section was only required to provide the information related to such remittances which were declared taxable by the remitter himself. (effective from 1st June 2015)
- It is proposed to amend the provisions of section 197A to provide for filing of self-declaration in Form No.15G/15H for non-deduction of tax at source from payments made by LIC, which are not covered u/s 10(10D), exceeding rupees one lakh. (effective from 1st June 2015)
- In case of an Government office, if the TDS under the head salary or tax collected has been paid to the credit of the Central Government without the production of a challan, the person responsible for crediting such sum or tax shall deliver or cause to be delivered to the person authorised by Income Tax Authorities a statement in prescribed form. (effective from 1st June 2015)
- Section 200A is proposed to be amended to enable computation of fee payable under section 234E of the Act at the time of processing of TDS statement. (effective from 1st June 2015)
- It is proposed to amend the provisions of section 272A of the Act so as to provide for a penalty of Rs.100/- for each day of default during which the default continues subject to the limit of the amount deductible or collectible in respect of which the statement is to be furnished. (effective from 1st June 2015)
- It is proposed to amend the requirement of obtaining and quoting of TAN under section 203A of the Act shall not apply to those deductors or collectors (Individuals or Hindu Undivided Family) who are not liable for audit under section 44AB of the Act. (effective from 1st June 2015)
- In line with the provision of section 200A for processing of TDS Statements, it is proposed to provide a mechanism for the processing of statements of TCS (Whether original or corrected). (effective from 1st June 2015)
- In Section 220, after sub section (2B), It is being proposed to insert the sub section (2C) which provides that no interest shall be chargeable under the newly inserted sub section (2) of section 206CB if the interest is already charged under sub section (7) of Section 206C. (effective from 1st June 2015)
- Section 200A is proposed to be amended by inserting the word in place of the deductor, the word the deductor or the collector. (effective from 1st June 2015)
- It is proposed to provide that the assessee shall be liable to pay simple interest at the rate of one per cent for every month or part of a month on such additional amount of Income Tax from the date commencing on the 1st day of April of such assessment year and ending on the date of making such application.

It is further proposed to provide that if the order served by the department for any increase in income from the income disclosed in the application filed by the assessee shall also be liable to pay simple interest at the rate of one per cent for every month or part of a month from the date commencing on the 1st day of April of such assessment year and ending on the date of making such order on such additional amount of Income Tax on such incremental income.

Further, clause (3) of section 234B is to be amended to provide that the period for which the interest is to be computed will begin from the 1st day of April next following the financial year and end on the date of determination total income under section 147 or section 153A.

SETTLEMENT COMMISSION

- Section 245A is proposed to be amended to provide that the assessee can approach the settlement commission for assessment year or assessment years for which notice u/s 148 has not been issued but such notice could have been issued if the return of income for the other assessment year or assessment years has been furnished under section 139 or in response to a notice under section 142. Further, the proceedings for the assessment shall be deemed to have commenced from the date on which the return of income for that assessment year is furnished under section 139 or in response to a notice served under section 142 and concluded on the date on which the assessment is made; or on the expiry of two years from the end of relevant assessment year, in case where no assessment is made. (effective from 1st June 2015)
- Section 245D is proposed to be amended to provide the where the assessee or the Commissioner files an application for rectification and the Settlement Commission may, with a view to rectify any mistake apparent from the at any time within the period of six months from the end of the month in which an application for rectification has been made. (effective from 1st June 2015)
- Section 245H is proposed to be amended to grant immunity from prosecution to such person who has co-operated with the settlement commission and has made a full and true disclosure of his income but such exemption shall be granted when settlement commission records for the reasons in writing for grating such exemptions. (effective from 1st June 2015)
- Section 245HA is proposed to be amended by providing that where in respect of any application made with the settlement commission and the order has been passed without providing the terms of settlement by the settlement commission then the proceedings before the Settlement Commission shall abate on the day on which such order is passed. (effective from 1st June 2015)
- Section 245K is proposed to be amended to provide that an individual who has approached the Settlement Commission once cannot subsequently approach again through an entity controlled by him i.e. Related Person.

The related person here in respect of such person shall means:

- Where such person is an individual, any company in which such person holds more than fifty percent of the shares or voting rights at any time, or any firm or association of persons or body of individuals in which such person is entitled to more than fifty per cent of the profits at any time, or any Hindu undivided family in which such person is a karta;
- Where such person is a company, any individual who held more than fifty percent of the shares or voting rights in such company at any time before the date of application before the Settlement Commission by such person;
- Where such person is a firm or association of persons or body of individuals, any individual who was entitled to more than fifty percent of the profits in such firm, association of persons or body of individuals, at any time before the date of application before the Settlement Commission by such person;
- where such person is a Hindu undivided family, the karta of that Hindu undivided family. (effective from 1st June 2015)

PENALTIES

- Section 271 is proposed to be amended to provide that penalty under section clause (c) of sub-section (1) of section 271 may be levied in cases where the concealment of income occurs under the

income computed under general provisions and the tax is paid under the provisions of section 115JB or 115JC of the Act. Such change is being made to nullify some court judgments in which it was decided that penalty shall not be computed on the basis of Deemed Profit calculated under these sections. (effective from 1st April 2016)

- Section 271FAB has been proposed to be inserted to provide that if any person fails to furnish a statement or any information or document as required under sub section 5 of sec 9A, then the income-tax authority prescribed under the said sub-section may direct that such fund shall pay, by way of penalty, a sum of five hundred thousand rupees. (effective from 1st April 2016)
- Section 285A has been proposed to be inserted to provide that any Indian Concern that is required to furnish any information or document and if it fails to do so, the income-tax authority may direct that such Indian concern shall pay by way of penalty:
 - (a) a sum equal to two percent of the value of the transaction in respect of which such failure has taken place
 - (b) a sum of five hundred thousand rupees in any other case. (effective from 1st April 2016)
- Section 271I has been proposed to be inserted to provide that if a person, who is required to furnish information under sub-section (6) of section 195, fails to furnish such information; or furnishes inaccurate information, the Assessing Officer may direct theto pay a penalty of a sum of one lakh rupees. (effective from 1st June 2015)
- Section 273B is proposed to be amended to include new penalty section of sec 271FAB and sec 271GA. The said sections state that the penalty cannot be levied unless reasonable opportunity of being heard is not given. (effective from 1st April 2016)

INTERNATIONAL TAXATION

- Section 9A has been proposed to be inserted to provide that if fund management carried out in India by the eligible fund manager on behalf of eligible investment fund shall not constitute business connection in India. An eligible fund shall not be said to resident of India for the purpose of that section merely because the eligible fund manager or its fund management activities is situated in India. (effective from 1st April 2016)
- Section 9 has been proposed to be amended to provide that for the purpose of explanation 5 to section- 9(1) the share or interest derives from the India on the specified date, if value of such assets:
 - (a) Exceeds the amount of Rs. 10 crores.
 - (b) Represents at least 15% of the value of all the assets owned by the company or entity

The value of assets shall be the value of asset on the specified date and without reduction of liabilities, if any in respect of such asset.

Specified date means:

- (a) Date on which the accounting period of the company ends preceding the date of transfer.
- (b) Date of transfer, if book value of the assets of the company exceeds the book value of assets on the end of the accounting period by 15%.

Section 9 has further elaborated explanation 5 to section 9 related to indirect transfers by adding explanation 7 to section 9(1).

- Section 9 has been proposed to be further amended to provide that in case of the banking company having the permanent establishment in India and if any permanent establishment made payment of any interest to its head office or to any other permanent establishment of its head office, such interest shall be deemed to be accrue or arise in India and shall be chargeable to tax in India and such the permanent establishment in India shall be deemed to be a person separate and independent of the non-resident person of which it is a permanent establishment and the provisions of the Act relating to computation of total income, determination of tax and collection and recovery will apply. (effective from 1st April 2016)
- Section 95 is proposed to be amended to defer the applicability of GAAR till 1st day of April, 2018.
- Section 115A is proposed to be amended to provide that the calculation of income tax payable on the royalty and fees for technical services shall be at the rate of 10% as against 25% in last assessment year. (effective from 1st April 2016)
- Section 115ACA is proposed to be amended to change the definition of “Global Depository Receipts” and such definition shall be “any instrument in the form of a depository receipt or certificate (by whatever name called) created by the Overseas Depository Bank outside India and issued to investors against the issue of ordinary shares of issuing company, being a company listed on a recognized stock exchange in India, or foreign currency convertible bonds of issuing company.” (effective from 1st April 2016)

New Chapter XII-FB : Tax on Income of Investment Funds and Income received from such funds (effective from 1st April 2016)

Chapter XII-FB is proposed to be inserted to provide the following –

- Any income received by a unit holder of an investment fund, shall be chargeable to tax in the same manner as if it were the income received by such person had the investments been made directly by him. If the investment fund has losses under any head of income and such loss cannot be or is not wholly set-off against any income, such loss shall be dealt with as mentioned in Chapter VI. The income of investment fund shall be either at the specified rate (company or a firm) or at maximum marginal rate (other case). The of Chapter XII-D or XII-E shall not apply to the income paid by an investment fund. The income received by investment fund if not paid to the unit holder shall be deemed to have been credited to the holder on the last day of the previous year in the same proportion had it been paid. The fund has to disclose the details of nature of income paid or credited during the year to the prescribed income tax authority.
- For the purposes of this Chapter:-
 - (a) “investment fund” means any fund established or incorporated in India in the form of a trust or a co. or a LLP or a body corporate, same has been registered in Category I or a Category II and is regulated under the Securities and Exchange Board of India Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992.
 - (b) “trust” means a trust established under the Indian Trusts Act, 1882 or under any other law for the time being in force;
 - (c) “unit” means beneficial interest of an investor in the investment fund or a scheme of the investment fund and shall include shares or partnership interests.

- It is also clarified that any income which is once included in the total income of any previous year of the person being a unit holder, on account of it having accrued or arisen in such previous year, shall not be included in the total income of such person in previous year in which such income is actually paid to him by the investment fund.

OTHERS

- Section 246A is proposed to be amended by adding the word “any Collector” to held that proposed processing of TCS statement shall be at par with the intimation generated after processing of TDS statement and the intimation generated after processing of TCS statement shall also be appealable before the CIT(A). (effective from 1st June 2015)
- Section 253 is proposed to be amended to provide that the any order passed by the prescribed authority in respect of the income derived by the trust as notified by the central government in section 10(23C) may be challenged at the level of the appellate tribunal. (effective from 1st June 2015)
- Section 255 is proposed to be amended to provide that single member bench of ITAT may dispose of any case which pertains to an assessee whose total income as computed by the Assessing Officer does not exceed fifteen lakh rupees. (effective from 1st June 2015)
- Section 263 is proposed to be amended to provide the interpretation of expression “erroneous in so far as it is prejudicial to the interests of the revenue”. The AO order same shall be erroneous when:
 - (a) the order is passed without making inquiries or verification which, should have been made;
 - (b) the order is passed allowing any relief without inquiring into the claim;
 - (c) the order has not been made in accordance with any order, direction or instruction issued by the Board under section 119;
 - (d) the order has not been passed in accordance with any decision, prejudicial to the assessee, rendered by the jurisdictional High Court or Supreme Court in the case of the assessee or any other person. (effective from 1st June 2015)
- Section 269SS is proposed to be amended to curb black money and has made additional provision that no person shall accept from any sum of money in relation to transfer of an immovable property otherwise than by an account payee cheque or account payee bank draft or by electronic clearing system through a bank account, if the amount of such loan or deposit or such specified sum is twenty thousand rupees or more. Section 271D is proposed to be amended to include the word “any sum of money” and such section states that penalty shall be livable if person fails to comply sec 269SS. (effective from 1st June 2015)
- Section 269T is proposed to be amended to curb black money and has also made additional provisions that no person shall repay otherwise than by account payee cheque, any specified advance received by it in the nature of an advance and such advances is in relation to transfer of an immovable property whether or not the transfer takes place, if amount exceeds Rs. 20,000/-. Section 271E is proposed to be amended to include the word “any sum of money” and such section states that penalty shall be livable if person fails to comply sec 269T. (effective from 1st June 2015)
- Section 285A has been proposed to be inserted to provide that where any share of, or interest in, a company or an entity registered or incorporated outside India derives, directly or indirectly, its value substantially from the assets located in India, as referred to in Explanation 5 to clause (i) of sub-section (1) of section 9, and such company or, as the case may be, entity, holds, directly or indirectly,

such assets in India through, or in, an Indian concern, then, such Indian concern shall, for the purposes of determination of any income accruing or arising in India under clause (i) of sub-section (1) of section 9, furnish within the prescribed period to the prescribed income-tax authority the information or documents, in such manner, as may be prescribed. (effective from 1st April 2016)

- Section 288 is proposed to be amended that an auditor who is not eligible to be appointed as auditor of a company as per the provisions the Companies Act, 2013. Then such auditor shall not be eligible for carrying out any audit or furnishing of any report/certificate under any provisions of the Act in respect of that company and also in respect of non-company on same lines. It is further proposed that the ineligibility for carrying out any audit or furnishing of any report/certificate in respect of an assessee shall not make an accountant ineligible for attending income-tax proceeding. It is also further proposed to provide that the person convicted by a court of an offence involving fraud shall not be eligible to act as authorised representative for a period of 10 years from the date of such conviction. The sec 288 also provide that the in the case of non corporate assessee the following shall not be the auditor:
- (a) An assessee himself.
 - (b) In case of the firm, the partner of the firm
 - (c) In case of AOP or HUF, the member of the association or family.
 - (d) In case of trust, the persons referred to in sec 13
 - (e) The member who is signing the IT return.
 - (f) Any relative of the persons referred to in clause a to e.
 - (g) An individual who is a partner an individual who is a partner, or who is in the employment, of an officer or employee of the assessee.
 - (h) An individual who or his relative or partner:
 - (i) Is holding interest or any security of the assessee.(limit of Rs. 1000/-)
 - (ii) Is indebted to the assessee(limit of Rs. 1000/-)
 - (iii) Has given a guarantee in connection with the indebtness of any third person to the assessee(limit of Rs. 1000/-)
 - (i) A person who has business relationship directly or indirectly with the assessee of such nature as prescribed.
 - (j) person who has been convicted by a court of an offence involving fraud and a period of ten years has not elapsed from the date of such conviction
 - (k) relative” in relation to an individual, means –
 - (i) spouse of the individual;
 - (ii) brother or sister of the individual;
 - (iii) brother or sister of the spouse of the individual;
 - (iv) any lineal ascendant or descendant of the individual;

- (v) any lineal ascendant or descendant of the spouse of the individual;
 - (vi) spouse of a person referred to in clause (b), clause (c), clause (d) or clause (e);
 - (vii) any lineal descendant of a brother or sister of either the individual or of the spouse of the individual. (effective from 1st June 2015)
- Section 295 is proposed to be amended to provide that CBDT may make rules to provide the procedure for granting relief or deduction in respect of any income-tax paid in any country under section 90, or under section 90A, or under section 91, against the income-tax payable under the Act. (effective from 1st June 2015)
- Section 92BA is proposed to be amended the limit of the aggregate of the specified domestic transactions entered into by the assessee in the previous year which has been increased to Rs. 20 crores from Rs. 5 crores. (effective from 1st April 2016)
- Section 115JB is proposed to be amended to provide that the calculation of income tax payable under this section shall also include:
- The share of income of the assessee (who is not liable to pay income tax u/s 86);
 - The amount of income from transactions in securities (other than short term capital gains on which securities transaction tax is not chargeable) accruing or arising to a Foreign Institutional Investor (assessee) who has invested in such securities;
 - if both of the abovementioned incomes are credited to the profit and loss account, then, they shall be reduced from the book profit. Also, the book profit shall be increased by the amount of any expenditure relating to any such amount of income. (effective from 1st April 2016)
- Section 115U is proposed to be amended to provide that this chapter shall not apply to any income of a previous year (relevant to the assessment year beginning on or after the 1st day of April 2016) accruing, arising or received by a person from investments made in venture capital company/fund (being an investment fund specified u/s 115UB) (effective from 1st April 2016)
- Section 132B is proposed to be amended to provide that the amount of liability arising on an application made before the Settlement Commission under sub-section (1) of section 245C shall also be treated as deemed liability. (effective from 1st June 2015)
- Section 139 is proposed to be amended to provide for mandatory filing of Income Tax Returns by the university or other educational institution including any university or other educational institution existing solely for educational purposes and not for purposes of profit, and which is wholly or substantially financed by the Government. And also, hospitals and medical institutions including any hospital or other institution for the reception and treatment of persons suffering from illness or mental defectiveness or during convalescence or requiring medical attention or rehabilitation, not existing for purposes of profit, and which is wholly or substantially financed by the Government. Also a new sub section 4F is inserted to provide that the return of income tax shall have to be filed by every investment fund referred to u/s 115UB in case of either income or loss in the previous year. (effective from 1st April 2016)
- Section 151 has been completely substituted by the following amendments:
- Unless the Principal Chief Commissioner or Chief Commissioner or Principal Commissioner or Commissioner is satisfied, on the reasons recorded by the Assessing Officer, no notice shall be issued u/s 148 by an Assessing Officer, after the expiry of a period of four years from the end of the relevant assessment year.

- Other than the above cases, an Assessing Officer, who is below the rank of Joint Commissioner, unless the Joint Commissioner is satisfied, on the reasons recorded by such Assessing Officer, cannot issue a notice u/s 148.
 - Other than the cases mentioned in the points above, the Principal Chief Commissioner or Chief Commissioner or the Principal Commissioner or Commissioner or the Joint Commissioner, as the case may be, being satisfied on the reasons recorded by the Assessing Officer about fitness of a case for the issue of notice under section 148, need not issue such notice himself. (effective from 1st June 2015)
- Section 153C is proposed to be amended to provide that the books of accounts or documents seized or requisitioned pertains or pertain to, or any information contained therein, relates to, any person referred to u/s 153A as against the books or documents only belonging to a person referred u/s 153A. (effective from 1st June 2015)
- Section 154 is proposed to be amended to provide that AO may rectify or amend an intimation under sub section 1 of sec 206CB, if any mistake is apparent from the record in the intimation. It has been further amended to include the word collector along with the word deductor. (effective from 1st June 2015)
- Section 156 is proposed to be amended to provide that the amount payable by the assessee in the intimation generated after processing of TCS statement deemed as notice of demand under section 156 of the Act. (effective from 1st June 2015)
- Section 158AA is proposed to be inserted to provide that where any question of law arising in the case of an assessee for any assessment year is identical with a question of law arising in his case for another assessment year which is pending before the Supreme Court, Principal Commissioner may instead of directing AO to appeal before authorities, direct the AO to make an application to authorities in prescribed form within 60 days from date of order of Commissioner that appeal may be filed BUT after the final decision on previous case. Above law is applicable only if assessee gives an acceptance to Commissioner that the relevant case is similar to that of earlier one. If the order of commissioner is not in conformity with the final decision of the earlier case, the principal commissioner may direct the AO to appeal before authorities within 60 days from date of Supreme Court's order. (effective from 1st June 2015)
- Section 13 is amended so as to provide that sub-section 9 is inserted which exclude any income from total income of PY of a person in receipt, if
- (i) the statement referred to in clause (a) of the said sub-section in respect of such income is not furnished on or before the due date specified under sub-section (1) of section 139 for furnishing the return of income for the previous year
 - (ii) the return of income for the previous year is not furnished by such person on or before the due date specified under sub-section (1) of section 139 for furnishing the return of income for the said previous year.
- (W.e.f. 01st April 2016)
- The definition of Charitable activity is being proposed to be amended to provide that if any trust carry out any activity that is related to advancement of any other object of general public utility in the form of trade, commerce or business or for any services rendered for which consideration is charged shall not be Charitable purpose unless
- (a) Such activity is undertaken in the course of actual carrying out of such advancement of any other object of general public utility
 - (b) If aggregate receipt from such activity does not exceed 20% of the total receipt.

Also scope of definition of charitable purpose has enhanced now yoga is also included as a specific category in the definition.

- Section 11 is proposed to be amended to provide that a statement in the prescribed form and manner to the AO, stating the purpose for which the income is being accumulated and period for same shall not exceed five years and statement should be furnished before the due date specified in section 139 of IT Act.

(W.e.f. 01st April 2016)

- Section 6 is proposed to be amended to provide that a company is said to resident of India if it is an Indian company or its place of effective management at any time is in India.

Where place of effective management” means a place where key management and commercial decisions that are necessary for the conduct of the business of entity as whole is made.

(With retrospective effect from 01st April 2015)

- Section 2 is proposed to amend the definition of Business Trust which shall now include a Real Estate investment Trust or an Infrastructure Investment Trust which are registered under the regulations framed by SEBI in this regard.

SERVICE TAX PROPOSAL

I. REVISION OF RATE

- Ø Rate of service tax is being increased from 12.36% to 14% by amending section 66B. The 'Education Cess' and 'Secondary and Higher Education Cess' shall be subsumed in the revised rate of Service Tax. New tax rate to be notified after the enactment of Finance Bill.
- Ø An enabling provision is being incorporated, to empower the Central Government to impose a Swachh Bharat Cess on all or any of the taxable services at a rate of 2% on the value of such taxable services.

II. REVIEW OF NEGATIVE LIST

Come into force after the enactment of Finance Bill

Following services shall be removed from negative list and shall become taxable with effect from a date to be notified later.

- 1) An enabling provision is being made in sub clause (iv) of clause (a) of section 66D by substituting the word "any service" for the word "support services" and with this provision, all services provided by government or local authority to business entities shall be liable to service tax except the services that are specifically exempted, or covered by any other entry in the negative list
- 2) Clause (j) of section 66D is being omitted
 - a) Service Tax to be levied on the service provided by way of access to amusement facility
 - b) Service Tax to be levied on service by way of admission to entertainment event of concerts, non-recognized sporting events, pageants, music concerts, award functions, if the amount charged is more than Rs.500/- for right to admission to such an event. Consequently, the definition of "entertainment event" [section 66B (24)] is being omitted.

However, the existing exemption to service by way of admission to entertainment events, namely, "exhibition of cinematographic film, circus, recognized sporting events, dance, theatrical performances including drama and ballets, shall be continued, irrespective of the amount charged for such service, through the route of exemption. For this purpose a new entry is being inserted in Notification No. 25/2012-ST, dated 20.6.2012.

- 3) Clause (f) of section 66D has been amended to exclude services by way of carrying out any process amounting to manufacture or production of alcoholic liquor for human consumption. Now Service Tax shall be levied on contract manufacturing /job work/ intermediate production of potable liquor for human consumption, for a consideration
- 4) Clause (i) of section 66D has been amended to exclude the activity specified in Explanation 2 to clause 44 of section 65B from betting, gambling or lottery services. Now the following activities are liable to service tax
 - a) any activity carried out, for a consideration, by a lottery distributor or selling agent in relation to promotion, marketing, organising, selling of lottery or facilitating in organising lottery of any kind, in any other manner;
 - b) by a foreman of chit fund for conducting or organising a chit in any manner. Consequently, an

Explanation is being inserted in the definition of “service” to levy service tax on activities undertaken by distributors or selling agents of lottery in relation to lotteries

III. EXEMPTION AND ABATEMENTS:

Review of existing Provisions (Comes into force with effect from 01.04.2015):

- 1) Services provided by way of transportation of a patient in an ambulance is now exempt
- 2) Exemption presently available on specified services of construction, erection, commissioning, etc. provided to the Government, a local authority or a governmental authority (vide S. No. 12 of the said notification) shall be limited only to,-
 - a) a historical monument, archaeological site or remains of national importance, archeological excavation or antiquity;
 - b) canal, dam or other irrigation work; and
 - c) pipeline, conduit or plant for (i) water supply (ii) water treatment, or (iii) sewerage treatment or disposal
- 3) Exemption given to services of construction, erection, commissioning or installation of original work pertaining to an airport and port is being withdrawn
- 4) Exemption provided to service provided by an artist by way of a performance in folk or classical art forms of (i) music, or (ii) dance, or (iii) theatre will be limited only to such extent if the consideration charged for such performance is not more than one lakh rupees.
- 5) Exemption to transportation of food stuff by rail, or vessels or GTA will be limited to food grains including rice and pulses, flour, milk and salt. Earlier food stuff including tea, coffee, jiggery, sugar, milk products and edible oil were also covered.
- 6) Life insurance services provided under Varishtha Pension Bima Yojana is now covered under exemptions.
- 7) Exemption given to services provided by following persons is being withdrawn –
 - a) a mutual fund agent to a mutual fund or assets management company,
 - b) distributor to a mutual fund or asset management company,
 - c) selling or marketing agent of lottery ticket to a distributor.
- 8) Exemption is being withdrawn from services by way of carrying out any process amounting to manufacture or production of alcoholic liquor for human consumption
- 9) Telephone services provided from departmentally run public telephones, guaranteed public telephones, free telephone at air port and hospitals is now liable to service tax
- 10) Scope of exemption of service provided by goods transport agency service for transport of export goods by road from the place of removal to an inland container depot, a container freight station, a port or airport **is being widened** to exempt such services when provided for transport of export goods by road from the place of removal to a land customs station (LCS).

New Exemptions (Comes into force with effect from 01.04.2015) :

- 1) Services by operator of Common Effluent Treatment Plant by way of treatment of effluent
- 2) Services by way of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits or vegetables
- 3) Services by way of admission to a museum, national park, wildlife sanctuary, tiger reserve or zoo
- 4) Service provided by way of exhibition of movie by an exhibitor to the distributor or an association of persons consisting of the exhibitor as one of its members;
- 5) Services by way of right to admission to –
 - (i) exhibition of cinematographic film, circus, dance, or theatrical performance including drama or ballet;
 - (ii) recognised sporting event;
 - (iii) award function, concert, pageant, musical performance or any sporting event other than a recognised sporting event, where the consideration for admission is not more than Rs 500 per person

The changes in point 5 shall be brought into effect from the date the amendments being made in the Negative List, concerning the service by way of admission to entertainment events, come into effect

IV. AMENDMENTS IN PARTIAL ABATEMENT:

Comes into force w.e.f. 1st April 2015:

- 1) **Transportation of goods by Rail and Transport of passengers, with or without accompanied belongings by rail:** The abatement of 70% is available only when CENVAT credit on inputs, capital goods and input services, used for providing the taxable service, has not been taken under the provisions of the CENVAT Credit Rules, 2004
- 2) Abatement is being withdrawn from chit fund service
- 3) Abatement is modified on Transport of passengers by air, with or without accompanied belongings.
 - a) For economy class,- service tax is to be paid on 40% of the value
 - b) For other than economy- service tax is to be paid on 60% of the value
- 4) Abatement is modified on rail transport for goods and passengers, goods transport by road provided by a goods transport agency and goods transport by vessels is rationalized and now - Service Tax shall be payable on 30% of the value of such service

V. AMENDMENTS IN CHAPTER V OF THE FINANCE ACT, 1994:

The below stated changes in the Finance Act, 1994, shall get incorporated in the said Act on the day the Finance Bill, 2015 is enacted

- 1) Section 65B to be amended to
 - a) Omit
 - Clause (9) which defines amusement facility.

- Clause (24) which defines entertainment events
 - Clause (49) Which defines support services
- b) Insert
- **Clause 23(A)** which specifies “foreman chit fund” shall have the same meaning assigned to the term foreman in section 2(j) of the Chit Funds Act 1982
 - **Clause 26(A)** Which defines “Government” in order to resolve the interpretational issues as regards the scope of this term in the context of the Negative List and service tax exemptions
 - **Clause 31(A)** which defines “lottery distributors and selling agents”
- c) Amend
- **From Clause 40**, the words “alcoholic liquors for human consumption” **is** being omitted. Now Service Tax shall be levied on contract manufacturing /job work/ intermediate production of potable liquor for a consideration
 - **Explanation 2 of clause 44**, shall be substituted which specifically state the intention of legislature to cover the activities carried out by lottery distributors or selling agents or by a foreman of chit fund under levy service tax.
- 2) For clearing of doubts, an illustration is being inserted in sub section (1) of Section 66F, which prescribes that, unless otherwise specified, reference to a service shall not include reference to any input service used for providing such service
- 3) Explanation to clause (a) of section 67 is being amended to enhance the scope of “consideration”. Now consideration includes
- a) any reimbursable expenditure or cost incurred and charged by the service provider
 - b) any amount retained by the lottery distributor or selling agents in addition to fees or commission or, as the case may be, the discount received
- 4) Section 73 is being amended
- a) To insert sub section (1B), to provide the recovery of the amount self assessed and declared in return, which is not paid either in full or part without service of any notice.
 - b) To omit sub section 4A of section 73, that provides for reduced penalty if true and complete details of transaction were available in specified records.
- 5) Section 76 is being amended to rationalize penalty, in cases **not involving** fraud or collusion or wilful mis-statement or suppression of facts or contravention of any provision of the Act or rules with the intent to evade payment of service tax, in the following manner,-
- a) penalty not to exceed ten per cent of service tax amount involved in such cases;
 - b) no penalty is to be paid if service tax and interest is paid within 30 days of issuance of notice under section 73(1)
 - c) a reduced penalty equal to 25% of the penalty imposed by the Central Excise officer by way of an order is to be paid, if the service tax, interest and reduced penalty is paid within 30 days of such order; and

- d) if the service tax amount gets reduced in any appellate proceeding, then penalty amount shall also stand modified accordingly, and benefit of reduced penalty (25% of penalty imposed) shall be admissible if service tax, interest and reduced penalty is paid within 30 days of such appellate order.
- 6) Section 78 is being amended to rationalize penalty, **in cases involving** fraud or collusion or wilful mis-statement or suppression of facts or contravention of any provision of the Act or rules with the intent to evade payment of service tax, in the following manner,-
- a) penalty shall be hundred per cent of service tax amount involved in such cases
 - b) penalty equal to 15% of the service tax amount is to be paid if service tax, interest and reduced penalty is paid within 30 days of service of notice in this regard;
 - c) a reduced penalty equal to 25% of the service tax amount determined by the Central Excise Officer, by an order, is to be paid if the service tax, interest and reduced penalty is paid within 30 days of such order; and
 - d) if the service tax amount gets reduced in any appellate proceeding, then penalty amount shall also stand modified accordingly, and benefit of reduced penalty (25%) shall be admissible if service tax, interest and reduced penalty is paid within 30 days of such appellate order.
- 7) A new section 78 B is being inserted to prescribe, by way of a transition provision, that,-
- a) amended provisions of section 76 and 78 shall apply –
 - to cases where either no notice is served, or
 - notice is served under sub-section (1) of section 73 or proviso thereto but no order has been issued under sub-section (2) of section 73, before the date of enactment of the Finance Bill, 2015; and
 - b) in respect of cases covered by sub-section (4A) of section 73, if no notice is served, or notice is served under sub-section (1) of section 73 or proviso thereto but no order has been issued under sub-section (2) of section 73, before the date of enactment of the Finance Bill, 2015, penalty shall not exceed 50% of the service tax amount.
- 8) Section 80, is being omitted, that provided for waiver of penalty in specified situations.
- 9) Section 86 is being amended to prescribe that matters involving rebate of service tax on input services or duty paid on inputs used for providing services which is exported and all the appeals filed before the Appellate Tribunal after Finance Act 2012 and pending up to the date on which the Finance Bill, 2015 receives the assent of the President shall be dealt with in terms of Section 35EE of the Central Excise Act

VI. REVERSE CHARGE MECHANISM:

(Comes into force with effect from 01.04.2015)

New Insertion

Services

- (1) provided or agreed to be provided by a mutual fund agent or distributor, to a mutual fund or asset management company

- (2) provided or agreed to be provided by a selling or marketing agent of lottery tickets to a lottery distributor or selling agent
- (3) provided or agreed to be provided by a person involving an aggregator in any manner (w.e.f 1.3.2015)

Review of existing Provisions

- (1) Now any services provided by government or local authority are covered. The word support services is being omitted
- (2) services provided or agreed to be provided by way of supply of manpower for any purpose is covered under full reverse charge mechanism

VII. SERVICE TAX RULES:

- 1) Rule 4 is being amended to provide that the CBEC, by way of an order, specify the conditions, safeguards and procedure for registration in service tax. (w.e.f 01.05.2015)
- 2) Provision for issuing digitally signed invoices is being added along with the option of presentation of records in electronic form. The conditions and procedure in this regard shall be specified by the CBEC. (w.e.f 01.05.2015)
- 3) Rule 6 (6A) which provided for recovery of service tax self-assessed and declared in the return under section 87 is being omitted consequent to amendment in section 73 for enabling such recovery. (come into effect as and when the Finance Bill receives the assent of President)
- 4) In respect of certain services like money changing service, service provided by air travel agent, insurance service and service provided by lottery distributor and selling agent the service provider has been allowed to pay service tax at an alternative rate subject to the conditions as prescribed under rule 6 (7), 6(7A), 6(7B) and 6(7C) of the Service Tax Rules, 1994. Consequent to the upward revision in Service Tax rate, the said alternative rates shall also be revised proportionately. Amendments to this effect have been proposed in the Service Tax Rules. (come into effect from such dates as the Central Government may)

VIII. CENVAT CREDIT RULE 2004

- 1) Rule 4(7) is being amended to allow credit of service tax paid under partial reverse charge by the service receiver without linking it to the payment to the service provider. This change will come into effect from 01.04.2015
- 2) Time limit for taking CENVAT credit on inputs and input services is proposed to be increased from six months to one year

IX. MISCELLANEOUS

1. Time limit for service tax registration is proposed to be done in two working days and time limit for submission of document for online registration of single premises reduced from 15 days to 7 days from filing of ST-1.
2. Existing exemption, vide notification No. 42/12-ST dated 29.6.2012, to the service provided by a commission agent located outside India to an exporter located in India is being rescinded with immediate effect. This exemption has become redundant in view of the amendments made in law in the previous budget, in the definition of "intermediary" in the Place of Provision of Services Rules, making the place of provision of a service provided by such agents as outside the taxable territory (w.e.f 01.03.2015)

CENTRAL EXCISE PROPOSALS

Proposals involving changes in rates of duty

I. ENERGY SECTOR:

Particulars/Items	Rate of Duty
Unbranded Petrol	Reduced from 8.95% to 5.46%
Branded Petrol	Reduced from 10.10% to 6.64%
Unbranded Diesel	Reduced from 7.96% to 4.26%
Branded Diesel	Reduced from Higher of 14%+Rs.5per litre or 10.25 per litre to 6.62%
Schedule Rates of the Additional Duty of Excise	Increased from Rs.2 per litre to Rs.8per litre
Additional Duty of Excise	Increased from Rs.2 per litre to Rs.6 per litre
High Speed Diesel(HSD)	Increased from 14% + Rs.5 per litre to 14% + Rs.15 per litre
Education Cess and Secondary Higher Education Cess on petroleum products including petrol and HSD	Fully Exempted

II. FOOD PROCESSING SECTOR:

Particulars/Items	Rate of Duty
Instant Tea, Quick Brewing black tea, Tea aroma, including ice tea	Retail Sale Price with an abatement of 30%.
Goods, such as lemonade and other beverages	Retail Sale Price with an abatement of 35%.
Condensed milk	Retail Sale Price with an abatement of 30%.
Condensed milk put up in unit containers and Peanut Butter	
Without CENVAT	2%
With CENVAT	6%

III. AUTOMOBILES:

Particulars/Items	Rate of Duty
Chassis of Ambulance	Reduced from 24% to 12.5%
Specified goods for use in the manufacture of electrically operated vehicles and hybrid Vehicles	Concessional Excise Duty of 6% is being extended upto 31.03.2016

IV. HEALTH:

Particulars/Items		Rate of Duty
Cigarette of length		
	Not exceeding 65 mm	Increased from 21% to 46%
	Others	Increased by 72% to 87%
Similar amendment has been proposed for cigars, cheroots and cigarillos		
Compounded Levy Scheme presently applicable to pan masala, gutkha and chewing tobacco, deemed production and duty payable per machine per month are being notified with reference to the maximum packing speed at which such packing machines can be operated		
Tobacco		Increased from Rs.60 per Kg to Rs.70 per Kg

V. ELECTRONICS/HARDWARE:

Particulars/Items		Rate of Duty
Integrated circuit modules for smart cards		Reduced from 12% to 6%
Inputs Used for LED Drivers and MCPCB for LED Lights, Fixtures and Lamps		Reduced from 12% to 6%
Mobiles Phones		
	Without CENVAT	No Change
	With CENVAT	Increased from 6% to 12.5%
NCCD of 1% on Mobile Phones remains unchanged		
Tablet Computers (newly Inserted)		
	Without CENVAT	2%
	With CENVAT	12.5%
Parts, components and accessories(falling under any chapter) for use in manufacture of Tablet Computers and their sub-parts for use in manufacture of parts, components and accessories		Fully Exempted
Battery, Titanium, Palladium Wire, Eutectic Wire, Silicone Resins and Rubbers, Solder Paste, Reed Switch, Diodes, Transistors, Capacitors, Controllers, Coils (steel), Tubing (silicone)] for use in manufacture of Pacemakers		Fully Exempted
LED lights or fixtures including LED lamps are liable to assessment of Excise Duty with reference to RSP		

VI. RENEWABLE ENERGY:

Particulars/Items	Rate of Duty
Excise duty on Pig Iron SG grade and Ferro-silicon-magnesium for manufacture of Cast components of wind operated electricity generators, subject to certification by MNRE	Fully Exempted
Solar Water Heater and System	
Without CENVAT	NIL
With CENVAT	12.5%
Round Copper Wire and tin alloys for manufacture of Solar PV ribbon for manufacture of solar PV cells subject to certification by Department of Electronics and Information Technology (DeitY).	Fully Exempted

VII. CONSUMER GOODS:

Particulars/Items	Rate of Duty
Leather Footwear (footwear with uppers made of leather of heading 4107 or 4112 to 4114) of RSP more than Rs.1000/-	Reduced from 12% to 6%
Mineral Water and Aerated waters containing added sugar other Sweetening matter or flavoured	Additional duty of 5% ad valorem is being Omitted
Basic Excise Duty rate on these goods is being increased from 12% to 18%	

VIII. SWACHH BHARAT AND ENERGY SECTOR:

Particulars/Items	Rate of Duty
Schedule Rate of Clean Energy Cess levied on coal, lignite and peat	Increased from Rs. 100 per tonne to Rs. 300 per tone
Effective Rate of Clean Energy Cess levied on coal, lignite and peat	Increased from Rs. 100 per tonne to Rs. 200 per tone
Sacks and Bags of Polymers of Ethylene, other than for industrial use	Increased to 15%

IX. MISCELLANEOUS:

Particulars/Items	Rate of Duty
Rate of Duty of Excise	Increased from 12% to 12.5%
Education Cess and Secondary & Higher Education Cess	Fully Exempted
Ordinary Portland cement dry/colored, Portland pozzolana/slag cement, other and Aluminous Cement	Increased from Rs.900 per Tonne to Rs.1000 per Tonne
Polymers of Ethylene, Other Plastic, Poly (vinyl chloride)	Increased from 12% to 18%
Intermediate goods manufactured and consumed captively for further manufacture of Agarbattis	NIL

Provisional Certification for Ultra Mega Power Project subject to Chief Executive Officer of the Project furnishes a bank guarantee or fixed deposit receipt	Increased from 36 Months to 42 Months
Provisional Certification for Ultra Mega Power Project subject to Chief Executive Officer of the Project furnishes a bank guarantee or fixed deposit receipt	Increased from 36 Months to 66 Months

AMENDMENTS IN THE CENTRAL EXCISE ACT, 1944

- Empowers Central Government to specify more than one factor relevant to the production in respect of notified goods.
- Section 11A is being amended so as to:
 - Remove from the statute the category of cases where extended period of time applies but the transactions are recorded in the specified record;
 - Relevant date in respect of cases where a return is not filed on the due date and where only interest is required to be recovered.
 - Provide that the provisions of section 11A shall not apply to cases where the non-payment or short payment of duty is reflected in the periodic returns filed and that in such cases recovery of duty shall be made in such manner as may be prescribed in the rules.
- Section 11AC is being substituted so as to rationalize the penalty as follows:

Particulars	Sections	Penalty
Not involving fraud or collusion or willful mis-statement or suppression of facts or contravention	Section 11A	Penalty Higher of Rs. 5000/- or 10% of duty
	Duty and interest payable under 11AA is paid	No penalty if paid before issue of show cause notice or within 30 days of show cause notice
	Duty (Sec 11A) and Interest (section 11AA)	Paid within 30days of the date of communication of CEO, penalty shall be equal to 25% of the penalty imposed
	If duty amount reduced in any appellate proceedings	Penalty amount also modified and benefit of reduced penalty shall be admissible
Involving fraud or collusion or willful mis-statement or suppression of facts or contravention	Transactions was captured in the records	50% of Excise Duty
	Duty and interest payable under 11AA is paid	Penalty payable shall be 15% of duty if paid before issue of show cause notice or within 30 days of show cause notice
	Duty (Sec 11A) and Interest (section 11AA)	Paid within 30days of the date of communication of CEO, penalty shall be equal to 25% of the penalty imposed
	If duty amount reduced in any appellate proceedings	Penalty amount also modified and benefit of reduced penalty shall be admissible

- The proviso to sub-section (c) of section 31 relating to the provisions of Settlement Commission is being amended to delete the reference to “in appeal or revision, as the case may be” so as to provide that when any proceeding is referred back, whether in appeal or revision or otherwise, by any court, Appellate Tribunal Authority or any other authority to the adjudicating authority for a fresh adjudication or decision, then such case shall not be entitled for settlement.
- The proviso to sub-section (3) of section 32 provides that where a Member of the Central Board of Excise & Customs is appointed as the Chairman, Vice Chairman or Member of the Settlement Commission, he shall cease to be a member of the Board. Such proviso has been deleted due to its redundancy.
- Section 32B is being amended so as to enable Vice Chairman or Member of the Settlement Commission to officiate as Chairman in the absence of the Chairman of the Settlement Commission.
- Sub-section (1A) to section 32E providing for provision related to applications made prior to 1st day of June 2007 has been omitted; since the actual operation of the said section being 1st June 2007 has already lapsed.
- Sub-section (6) of section 32F providing last date of final order in respect of the applications filed before 31st day of May, 2007 before Settlement Commission has been omitted due to the reference to the dates already became redundant.
- Section 32H provides that Settlement Commission can reopen the completed proceedings in certain conditions. As per the first proviso to the said section no proceedings can be reopened after five years from the date of application, and as per second proviso to the said section Settlement Commission cannot reopen any proceedings in respect of an application made after 1st day of June 2007. Thus, Settlement Commission has no powers to reopen any completed proceedings after expiry of five years from 1st day of June 2007, thus making this section redundant. Therefore, this section is being omitted.
- Sub-section (1) of section 32K providing for provision related to applications filed on or before 31st day of May 2007 has been omitted, since the actual operation of the said section being 31st day of May, 2007 has already lapsed.
- Section 32O has been amended to omit the phrase “passed under sub-section (7) of the section 32F, as it stood immediately before the commencement of section 122 of the Finance Act, 2007 (22 of 2007) or sub-section (5) of the section 32F” as the same have become redundant.
- Sub-sections (4) and (5) of section 37 are being amended relating to penalty –

Particulars	Sections	Penalty
Any manufacturer, producer or licensee of a warehouse [Section 37(4)]	Removes any Excisable Goods in Contravention of Provisions	Increased penalty from Rs. 2000 to Rs. 5000.
	Not accounted for all such goods manufactured, produced or stored by him	
	Engages in the manufacture, production or storage of such goods without having applied for the registration	

	Contravenes the provisions of any such rule with intent to evade payment of duty	
Any manufacturer, producer or licensee of a warehouse [Section 37(4)]	Who acquires possession of, or is in any way concerned in transporting, removing, depositing, keeping, concealing, selling or purchasing, or in any other manner deals with, any excisable goods which he knows or has reason to believe are liable to confiscation	Increased penalty from Rs. 2000 to Rs. 5000.

- S.No.205A of notification No.12/2012-CE dated 17-3-2012 exempts railway or tramway track construction material of iron and steel from payment of excise duty on the value of rails, subject to condition that such rails have suffered excise duty and no credit of duty paid on them is taken under the CENVAT Credit Rules, 2004. This exemption is being made applicable retrospectively for the period from 17.03.2012 to 02.02.2014.

CUSTOM PROPOSALS

Proposals involving changes in rates of duty

I. CHEMICALS AND PETROCHEMICALS

Particulars/Items	Rate of BCD
Ulexite ore	Reduced from 2.5% to Nil.
Isoprene & Liquefied butane	Reduced from 5% to 2.5%.
Ethylene dichloride (EDC), vinyl chloride monomer (VCM) and styrene monomer (SM)	Reduced from 2.5% to 2%.
Butyl acrylate	Reduced from 7.5% to 5%.
Anthraquinone	Reduced from 7.5% to 2.5%.
Antimony metal and antimony waste and scrap	Reduced from 5% to 2.5%
Particulars/Items	Rate of BCD
SAD on naphtha, ethylene dichloride (EDC), vinyl chloride monomer (VCM) and styrene monomer (SM) for manufacture of excisable goods	Reduced from 4% to 2%

II. FERTILISERS

Particulars/Items	Rate of BCD
Sulphuric acid for the manufacture of fertilizers	Reduced from 7.5% to 5%

III. INFRASTRUCTURE

Particulars/Items	Rate of Additional duty
Imported Motor Spirit [Petrol] and High Speed Diesel Oil [commonly known as Road Cess]	Increased from Rs. 2 per litre to Rs. 8 per litre (scheduled rate) increased from Rs.2 per litre to Rs. 6 per litre only.(Effective rate)

IV. ORES & METALS

Particulars/Items	Rate of BCD
Metallurgical coke	Increased from 2.5% to 5%
Goods falling under all the tariff items of Chapters 72 and 73 that is iron and steel and articles of iron or steel. However, there is no change in the existing effective rates of basic customs duty on these goods.	Increased from 10% to 15%

Particulars/Items	Rate of Export Duty
Export duty on upgraded ilmenite	Reduced from 5% to 2.5%.

Particulars/Items	Rate of SAD Duty
Melting scrap of iron & steel including stainless steel scrap for melting, copper scrap, brass scrap and aluminium scrap.	Reduced from 4% to 2%.

V. ELECTRONICS / HARDWARE

Particulars/Items	Rate of BCD
Metal parts' for use in the manufacture of electrical insulators	Reduced from 10% to 7.5%
Mobiles Phones	
Without CENVAT	No Changes
With CENVAT	Increased from 6% to 12%
NCCD of 1% on Mobile Phones remains unchanged	
Tablet Computers	
Without CENVAT	2%
With CENVAT	12.5%
Ethylene-Propylene-non-conjugated-Diene Rubber (EPDM), Water blocking tape and Mica glass tape, for use of insulated wires and cables, subject to actual user condition.	Reduced from 10% to 7.5%
Magnetron of upto 1 KW for use in the manufacture of domestic microwave ovens, subject to actual user condition.	Reduced from 5% to NIL.
Zeolite, ceria zirconia compounds and cerium compounds for use in the manufacture of washcoats, which are used in manufacture of catalytic converters.	Reduced from 7.5% to 5%
Specified components for use in the manufacture of specified CNC lathe machines and machining centres.	Reduced from 7.5% to 2.5%
C-Block for Compressor, Over Load Protector (OLP) & Positive thermal co-efficient and Crank Shaft for compressor for use in the manufacture of Refrigerator compressors.	Reduced from 7.5% to 5%
Specified inputs for use in the manufacture of flexible medical video endoscope	Reduced from 5% to 2.5%
HDPE for use in the manufacture of telecommunication grade optical fibre cables	Reduced from 7.5% to NIL
Black Light Unit Module for use in the manufacture of LCD/LED TV panels, subject to actual user condition	Reduced from 10% to NIL
Organic LED (OLED) TV panels	Reduced from 10% to NIL
Digital Still Image Video Camera capable of recording video with minimum resolution of 800x600 pixels.	Reduced to NIL.

Particulars/Items	Rate of SAD
All goods except populated printed circuit boards, falling under any Chapter of Customs Tariff, for use in the manufacture of ITA Bound Items	Fully Exempted
Specified raw materials [battery, titanium, palladium wire, eutectic wire, silicone resins and rubbers, solder paste, reed switch, diodes, transistors, capacitors, controllers, coils (steel), tubing (silicone)] for use in the manufacture of pacemakers	Fully Exempted (CVD also Fully Exempted)
Inputs for use in the manufacture of LED drivers and MCPCB for LED lights, fixtures and lamps, subject to actual user condition.	Fully Exempted

VI. RENEWABLE ENERGY

Particulars/Items	Rate of BCD
Active Energy Controller (AEC) for use in the manufacture of Renewable Power System (RPS) Inverters. Subject to MNRE.	Reduced to 5%
Evacuated Tubes with three layers of solar selective coating for use in the manufacture of solar water heater and system	Fully Exempted

VII. HEALTH

Particulars/Items	Rate of BCD & CVD
Artificial heart (left ventricular assist device).	Fully Exempted

AMENDMENTS IN THE CUSTOMS ACT, 1962

1. Penalties

Particulars	Sections	Penalty
Not involving fraud or collusion or willful mis-statement or suppression of facts or contravention	Duty along with interest under section 28AA paid within 30 days from the date of receipt of the notice and the proceedings	No penalty shall be imposed
Involving fraud or collusion or willful mis-statement or suppression of facts or contravention	With the intent to evade payment of duty	Penalty payable shall be 15% instead of 25%
Improper Importation of Goods	Any person who acquire possession of dutiable goods other than prohibited goods which he knows liable to confiscation under section 111	Higher of a) 5000, or b) Not exceeding 10% of the duty

Short levy or non-levy or short payment or non-payment and erroneous refund of duty for reasons of collusion or any willful misstatement or suppression of facts	Duty [Section 28(8)] and interest (section 28AA)	25% of the penalty, if paid within 30 days from the date of communication
Exports goods improperly	Section 114 provides for penalty, any person who, in relation to any dutiable goods, other than prohibited goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 113	Higher of a) 5000, or b) Not exceeding 10% of the duty

2. The proviso to clause (b) of section 127A relating to the provisions of Settlement Commission is being amended to delete the reference to “in appeal or revision, as the case may be” so as to provide that when any proceeding is referred back, whether in appeal or revision or otherwise, by any court, Appellate Tribunal Authority or any other authority to the adjudicating authority for a fresh adjudication or decision, then such case shall not be entitled for settlement.

3. Sub-section (1A) to Section 127B providing for application made prior to 1st day of June 2007 has been omitted, since the actual operation of the said section being 1st day of June 2007 has already lapsed.

4. Sub-section (6) of section 127C providing last date of final order in respect of the applications made prior to 31st day of May, 2007 before Settlement Commission has been omitted due to reference to the dates already become redundant.

5. Sub-section (1) of section 127H providing for provision related to applications filed made prior to 31st day of May 2007 has been omitted, since the actual operation of the said section being 31st day of May, 2007 has already lapsed.

6. Section 127L provides the situations in which the person in whose case the order has been passed by the Settlement Commission cannot again approach the Settlement Commission. When the said section was amended in 2007, the said section made distinction in respect of the orders passed prior the commencement of section 102 of the Finance Act, 2007 and after that. In respect of the cases decided after the said commencement, the applicant was barred from making subsequent applications, whereas in the cases decided prior to that he could have made the application if his case was not covered by any of the clauses mentioned in sub-section (1). However, vide the amendments made by the Finance Act, 2010, even in cases decided after commencement of section 102 of the Finance Act, 2007 the applicant was allowed to approach Settlement Commission if not hit by any of the clauses to sub-section (1). Thus, clause (i) and (ii) of sub-section (1) to section 127L are being amended so as to delete the phrase “passed under sub-section (7) of the section 127C, as it stood immediately before the commencement of section 102 of the Finance Act, 2007 (22 of 2007) or sub-section (5) of the section 32F” as the same have become redundant.

AMENDMENT IN THE FIRST SCHEDULE TO THE CUSTOMS TARIFF ACT, 1975

- 1) The **tariff rate** of basic customs duty on **bituminous coal** is being **reduced from 55% to 10%**.
- 2) Tariff rate of items of Chapters 72 and 73 that are iron and steel and Chapter 87 that is motor vehicles.

Particulars/Items	Tariff BCD	Effective BCD
Items of Chapters 72 and 73 that is iron and steel	Increased from 10% to 15%	No change
Heading 8702 that is motor vehicles for the transport of ten or more persons, Heading 8704 that is motor vehicles for the transport of goods.	Increased from 10% to 40%	Increased from 10% to 20%

Note-1: Customs duty on such vehicles in Completely Knocked Down (CKD) condition and electrically operated vehicles of heading 8702 including those in CKD condition will continue to be at 10%.

Note-2: Concessional customs duties of Nil Basic Customs Duty, 6% excise/CVD and Nil SAD on specified goods for use in the manufacture of electrically operated vehicles and Hybrid motor vehicles, presently available up to 31.03.2015, are being extended up to 31.03.2016.

Miscellaneous

1. Parts and components of cash dispenser and automatic bank note dispensers [heading 8473 40] are exempt from Basic Customs Duty. However, since the classification of parts was not mentioned in the relevant notification, there were doubts about the scope of the exemption for parts of cash dispenser and automatic bank note dispensers. As the 'parts and components of cash dispensers and automatic bank note dispensers' were specifically included in the description of goods even though their classification was not, it is clarified that the benefit of exemption from Basic Customs Duty was available to parts and components of cash dispenser and automatic bank note dispensers. Prospectively, the S. No. 408 of the Notification No. 12/2012- Customs dated 17-3-2012 is being amended to include the classification [8473 40] of parts and components of cash dispensers and automatic bank note dispensers.
2. **Nil BCD and Nil CVD** for goods imported for setting up a Mega Power Project specified in List No. 32A of the said Notification subject to condition that importer furnishes a bank guarantee or fixed deposit receipt for a term of 36 months or more increased to 66 months.
3. Bulk drugs used in the manufacture of the specified drugs are either exempt from BCD or attract concessional rate of 5% BCD, under Sl. No. 148(B) and 147(B) respectively, if the procedure as laid down in the Customs Rules, 1996 is followed by the importers. Further, these bulk drugs used in the manufacture of the specified drugs are also exempt from excise duty, provided the procedure laid down in the Central Excise Rules, is followed. It is being clarified that there is no need to separately comply with *Central Excise (Removal of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2001 for the purposes of availing of the CVD exemption*, if the *procedure as laid down in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rule, 1996* is already followed by the importer for availing exemption / concession from BCD on the same bulk drug.
4. Basic Customs Duty and CVD leviable on life saving drugs and medicines imported by an individual for personal use subject to the Condition No.10 fully exempted, which stipulates that importer produces a certificate (in prescribed form) issued by the Director General or Deputy Director General or Assistant Director General, Health Services, New Delhi, Director of Health Services of the State Government or the District Medical Officer/Civil Surgeon of the district, in each individual case, that the goods are life saving drugs or medicines. The prescribed Form is being amended so as to provide that such certificate shall be valid for a period of one year in case of patients who have to import such drugs and medicines on a regular basis.
5. CVD and SAD exemption on specified goods imported for use by Security Printing and Minting Corporation of India Limited (SPMCIL) are being withdrawn.

OTHER PROPOSALS

I. OVERVIEW OF INDIAN ECONOMY

- Indian economy about to take-off on a fast growth trajectory.
- Rupee has appreciated 4.6% against a basket of currencies.
- Gross Domestic Product for FY 15 at 7.4%. GDP for 2015-16 pegged between 8-8.5%
- Expect CPI (Consumer Price Index) to remain close to 5% by year end
- Fiscal deficit seen at 3.9 percent of GDP in 2015/16
- Fiscal deficit of 3% in 3 years targets are: 3.5% for 2016-17 & 3.0% for 2017-18.
- GST to be in force by April 1, 2016
- Game changing reforms on the anvil:
 - Goods and Service Tax (GST)
 - Jan Dhan, Aadhar and Mobile (JAM) - for direct benefit transfer
- Transparent Coal Block auctions to augment resources of the States.
- Stock market - Second best performing in 2014.
- Fiscal deficit will be 3.9 per cent of GDP and Revenue Deficit will be 2.8 per cent of GDP.

II. INFRASTRUCTURE AND INDUSTRIAL DEVELOPMENT

- 'Housing for all' by 2022 by Team India to complete 2 crore houses in urban areas and 4 crore houses in rural areas.
- 1,00,000 km of roads currently under construction plus sanctioning and building another 1,00,000 km of road.
- Allocating Rs 25,000 crore for rural infrastructure
- CAPEX of the public sector units is expected to be 3,17,889 crore, an increase of approximately 80,844 crore over Revenue Estimates 2014-15.
- Increased outlays on both the roads and the gross budgetary support to the railways, by 14,031 crore & 10,050 crore
- The Government also proposes to set up 5 new Ultra Mega Power Projects, each of 4000 MWs.
- A sum of Rs150 crore will be earmarked for Atal Innovation Mission (AIM) to be established in NITI to foster a culture of innovation , research and development.
- PPP mode of infrastructure development to be revisited and revitalised.
- Tax free infrastructure bonds for the projects in the rail, road and irrigation sectors.
- National Investment and Infrastructure Fund (NIIF), to be established with an annual flow of Rs 20,000 crore to it.

- Basic facility of 24x7 power, clean drinking water, a toilet and road connectivity.

III. FDI

- Foreign investments in Alternate Investment Funds to be allowed.
- Govt to do away with distinctions between FII and FDI and replace it with Composite Caps
- A project development company to facilitate setting up manufacturing hubs in CMLV countries, namely, Cambodia, Myanmar, Laos and Vietnam.

IV. FINANCIAL SECTOR

- Allocating Rs 20,000 crore for Mudra Bank for Small and Medium Enterprises
- The total additional public investment over and above the Revenue Estimates is planned to be 1.25 lakh crore out of which '70,000 crore would be capital expenditure from budgetary outlays.
- NBFCs registered with RBI and having asset size of 500 crore and above will be considered for notifications as 'Financial Institution' in terms of the SARFAESI Act,
- Forward Markets commission to be merged with SEBI.

V. RURAL DEVELOPMENT

- Deen Dayal Upadhyay Gramin Kaushal Yojana to enhance the employability of rural youth.
- Allocating additional Rs 5000 crore for MNREGA
- Allocates Rs 34,699 crore for rural employment guarantee scheme

VI. SWACHH BHARAT

- 100% deduction for contributions, other than by way of CSR contribution, to Swachh Bharat Kosh and Clean Ganga Fund
- Clean energy cess increased from Rs. 100 to Rs 200 per metric tonne of coal, etc. to finance clean environment initiatives

VII. EDUCATIONAL DEVELOPMENT

- A student Financial Aid Authority to administer and monitor the front-end all scholarship as well Educational Loan Schemes, through the Pradhan Mantri Vidya Lakshmi Karyakram
- An IIT to be set up in Karnataka and Indian School of Mines, Dhanbad to be upgraded in to a full-fledged IIT
- A post graduate institute of Horticulture Research & Education is to be set up in Amritsar
- 3 new National Institute of Pharmaceuticals Education and Research in Maharashtra, Rajasthan & Chattisgarh and one institute of Science and Education Research is to be set up in Nagaland & Orissa each.

VIII. HEALTH CARE

- New All India Institute of Medical Science (AIIMS) to be set up in J&K, Punjab, Tamil Nadu, Himachal Pradesh and Assam. Another AIIMS like institutions to be set up in Bihar

IX. BLACK MONEY

- Evasion of tax in relation to foreign assets to have a punishment of rigorous imprisonment upto 10 years, be non-compoundable, have a penalty rate of 300% and the offender will not be permitted to approach the Settlement Commission.
- Non-filing of return/filing of return with inadequate disclosures to have a punishment of rigorous imprisonment upto 7 years.
- Undisclosed income from any foreign assets to be taxable at the maximum marginal rate
- Mandatory filing of return in respect of foreign asset.
- Entities, banks, financial institutions including individuals all liable for prosecution and penalty.
- Benami Transactions (Prohibition) Bill to curb domestic black money to be introduced in the current session of Parliament.
- Acceptance or re-payment of an advance of Rs 20,000 or more in cash for purchase of immovable property to be prohibited.
- PAN being made mandatory for any purchase or sale exceeding Rupees One lakh

X. GOLD INVESTMENT

- Gold monetisation scheme to allow the depositors of gold to earn interest in their metal accounts and the jewellers to obtain loans in their metal account to be introduced
- Sovereign Gold Bond, as an alternative to purchasing metal gold scheme to be developed
- Commence work on developing an Indian gold coin, which will carry the Ashok Chakra on its face.

XI. EPF, ESI & PPF

- Government to bring enabling legislation to allow employee to opt for EPF or New Pension Scheme (NPS). For employee's below a certain threshold of monthly income, contribution to EPF to be optional, without affecting employers contribution.
- Unclaimed deposits of Rs 3,000 crore in EPF and Rs 6,000 crore in PPFs to be used to create corpus for benefit of senior citizens
- The employee should have the option of choosing either ESI or a Health Insurance product, recognized by the Insurance Regulatory Development Authority (IRDA)

XII. JAN SURAKSHA SCHEMES

- Pradhan Mantri Suraksha Bima Yojna to cover accidental death risk of Rs 2 Lakh for a premium of just Rs 12 per year.
- Atal Pension Yojana to provide a defined pension, depending on the contribution and the period of

contribution. Government to contribute 50% of the beneficiaries' premium limited to Rs 1,000 each year, for five years, in the new accounts opened before 31st December 2015

- Pradhan Mantri Jeevan Jyoti Bima Yojana to cover both natural and accidental death risk of Rs 2 lakh at premium of Rs 330 per year for the age group of 18-50
- A new scheme for providing Physical Aids and Assisted Living Devices for senior citizens, living below the poverty line.
- Government committed to the on-going schemes for welfare of SCs, STs and Women
- Rs 1000 crores to the Nirbhaya Fund

XIII. OTHERS

- Allocating Rs 5,300 crore for micro-irrigation schemes
- Propose a Senior Citizen Welfare Fund, new scheme for providing assisted devices for those below poverty line
- Higher outlays for infrastructure to benefit steel, cement, infrastructure companies
- Investment in Infra to go up by Rs 70,000 crore
- National Investment & Infra fund to be set up with govt funding for Rs 20,000 crore
- Intend to establish a national investment and infrastructure fund
- 5 crore small business to get mudra bank with corpus of Rs 20,000 crore and credit guarantee backup of Rs 3,000 crore
- Govt is establishing a mechanism, which will act as incubator to startups; Setting aside Rs 1,000 crore initially for this
- Payments to the beneficiaries including interest payment on deposit in Sukanya Samridhi scheme to be fully exempt.
- Target of renewable energy capacity revised to 175000 MW till 2022, comprising 100000 MW Solar, 60000 MW Wind, 10000 MW Biomass and 5000 MW Small Hydro
- Visas on arrival is proposed to be increased from existing 43 to 150 countries in stages.
- Postal network with 1,54,000 points of presence spread across villages to be used for increasing access of the people to the formal financial system
- Revival of growth and investment and promotion of domestic manufacturing for job creation.

WE MAY BE CONTACTED AT

PASCHIM VIHAR, NEW DELHI

A-2/132, Prateek Apartments, Paschim Vihar, New Delhi – 110 063
Tel: +91 11 25278405 ; +91 11 25278406 ; +91 1145581263 ;
+ 91 11 45581264 ; +91 11 45625927
Email: pvoffice@lunawat.com

MUMBAI

Office No. 9, 1st Floor, Star Trade Centre, Chamunda Circle, Near
Station, Borivali (W), Mumbai - 400 092
Tel: + 91 22 28954451
Email: mumbai@lunawat.com

DARYAGANJ, NEW DELHI

54, Daryaganj, New Delhi – 110 002
Tel: +91 11 23270624 ; + 91 11 23279414
Email: dgoffice@lunawat.com

KARAMPURA, NEW DELHI

109, Magnum House-1, Karampura Complex, New Delhi-110 015
Tel: + 91 11 25920301 ; + 91 11 25920303
Email: karampura@lunawat.com

KESHOPUR, NEW DELHI

WZ-339, 2nd Floor, Street No. 19, Santgarh, Keshopur, Outer Ring
Road, New Delhi - 110 018
Tel. : +91 11 28333914 Fax :+ 91 11 28331602
Email: keshopur@lunawat.com

OUR ASSOCIATES AT

- Bangalore • Baroda • Bharatpur • Chandigarh • Chennai • Cochin • Hyderabad • Indore
- Jaipur • Jharsuguda (Orissa) • Jodhpur • Kolkata • Ludhiana • Pune • Panipat • Ranchi
- Udaipur • Ghaziabad

Lunawat & Co.

Chartered Accountants

E-mail: ca@lunawat.com • Website: www.lunawat.com