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Adding value

Newsletter India

Latest news on compliance, tax and business in India

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Read in this Issue:

> Compliance News

> Tax News

> Direct and International Taxation News

> Indirect Tax

> Accounting/Audit News

> Rödl & Partner Info

Compliance News

> Compulsory disclosure of ultimate beneficial ownership and control under Companies Act, 2013

- On 13 June 2018, the Ministry of Corporate Affairs (MCA) has notified Companies (Significant Beneficial Owners) Rules ("SBO") and has amended section 90 the Companies Act, 2013.

- The amended Section 90 of Companies Act, requires every individual who, either by himself or with others (including a trust and persons resident outside India), falling within the definition of a significant beneficial owner (SBO) of a company, to make a declaration to that company specifying the nature of his beneficial interest.

- A person is said to be beneficial owner when he is entitled to exercise rights attached to such shares or receive or participate in any dividend or other distribution in respect of such shares whether through contract or otherwise. Such disclosure is compulsory, if the holding of beneficial interest by a person exceeds 10 per cent or a person is exercising or has the right to exercise significant influence or control over a company.

- Such declaration has to be made within 90 days from the commencement of SBO Rules and within 30 days in case of any change in his significant beneficial ownership. Failure to make such declaration can bar enforcement of any rights attached to such shares and can also invite penal consequences.

- This has significantly increased the compliance burden on the companies. Companies are also required to maintain register of Significant Beneficial Owners (SBO) and keep it open for inspection by shareholders, file return of SBOs i.e. the declaration of beneficial interest received with the Registrar, give notice to any person whom the company believes to be a SBO of the company or to have been a SBO of the company during the preceding three years and who is not registered as a SBO. Non-compliance of the amended sections and notified SBO Rules by the companies can invite heavy penalty upon the companies- punishable with fine between INR 1 million and 5 million and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for each day after the first during which the failure continues.

> External Commercial Borrowings (ECB) Policy-Rationalization and Liberalization

- The Reserve Bank of India (RBI) vide a circular ("RBI Circular") dated 27 April 2018 has rationalised and liberalised the ECB guidelines in a bid to facilitate cheaper access of overseas funds.

- It has been decided to stipulate a uniform all-in-cost ceiling of 450 basis points over the benchmark rate. The benchmark rate will be 6 months US Dollars (USD) London Interbank Offer Rate (LIBOR) or applicable benchmark for respective currency, thus doing away with the different slabs for different maturities. This is done with a view to harmonize the extant provisions of foreign currency and rupee ECBs and Rupee denominated bonds (RDBs).

- It has been decided to increase the ECB liability – to- equity - ratio for ECB raised from direct foreign equity holder under the automatic route to 7:1. This means, for every rupee of equity, companies can now borrow INR 7 through ECBs. This ratio will not be applicable if total of all ECBs raised by an entity is up to USD 5 million or equivalent.

> Ministry of Corporate Affairs (MCA) mandates annual filing of Know Your Customer (KYC) for all companies through Form- DIR-3 KYC

- The MCA now requires all the directors of companies to annually file KYC through a newly notified form DIR-3 KYC. On 5 July 2018, MCA has notified the format of e-form DIR-3 KYC under new Rule 12-A of Companies (Appointment and Qualification of Directors) Fourth Amendment Rules, 2018 ("Amendment Rules").

- Under the Amendment Rules, all directors who have been allotted Director Identification Number (DIN) on or before 31 of March 2018, are to submit DIR-3 KYC on or before 31 August 2018 and for those directors who have allotted their DIN as on 31 March of a financial year , the same has to be filed on or before 30 April of immediate next financial year.

- Failure to file DIR-3 KYC within the stipulated period in accordance with Rule 12-A of the Amendment Rules, will result in deactivation of DIN of directors. The DIN can be reactivated only after filing of DIR-3 KYC along with the payment of INR 5000 as late fee as prescribed under Companies (Registration Offices and Fees) Third Amendment Rules, 2018.

> No need to file Form – MGT 14 with Registrar for keeping the registers, copies of annual returns at any place other than the registered office of the company

- Recently, section 25 of Companies Amendment Act, 2017 has been notified which thereby amends section 94(1) of Companies Act, 2013.

- As per section 94(1) of Companies Act, 2013 company's registers and copies of annual returns filed were to be kept at the registered office of the company. These registers or copies of return may also be kept at any other place in India provided in such place where more than one-tenth of the total number of members entered in the register of members reside, subject to passing of a special resolution passed at a general meeting of the company. Erstwhile, the proviso also required a copy of the proposed resolution to be given to the Registrar in advance, now the Amendment Act has done away with this requirement.

> Now annual general meeting of an unlisted company may be held at any place in India

- The amended Section 96(2) of Companies Act, has been notified. Accordingly an annual general meeting of an unlisted company may be held any place in India if consent is given in writing or by electronic mode by all the members in advance.

> Reserve bank of India (RBI) has changed foreign direct investment (FDI) reporting system vide Single Master Form (SMF) and Entity Master Form (EMF)

- On 7 June 2018, the Reserve Bank of India (RBI) had introduced 2new forms (namely Single Master Form and Entity Master Form) vide a circular RBI/2017-18/194 (RBI Circular), with the aim of

simplifying reporting under the Foreign Exchange and Management Act, 1999 (FEMA).

- RBI has provided a online reporting interface to all the Indian entities viz. Indian companies and Limited Liability partnerships (LLP) which have received foreign investment till date to make compulsorily one time reporting of the same through filing of EMF in prescribed manner. This online reporting interface is available on RBI's website from 28 June to 20 July 2018.

- The EMF has to be filed by a person authorized by the entity to furnish the required details on behalf of the concerned entity. Such person is solely authorized to furnish details of foreign investment in the form EMF and would be responsible for information given in the said form.

- In the said EMF form, the entity needs to provide the details of all foreign investment received from the date of incorporation till the date of filing. This will be inclusive of all foreign remittances received by the entity, irrespective of the fact whether the regulatory reporting to RBI regarding the same been made or not or whether the same has been acknowledged or not.

- Consequences ensuing from failure to provide details in EMF within the prescribed time limit are such that defaulting entities will not be able receive foreign Investment (including indirect foreign investment) and will be considered as non-compliant with FEMA and regulations made thereunder.

- Single Master Form ("SMF") integrates the reporting requirements for FDI in India, and the same will be made available with effect from 1 August 2018.

- SMF seeks to consolidate the reporting through existing forms (i) FC-GPR (Issue of capital instruments by an Indian company to a person/company residing outside India), (ii) FC-TRS-(Transfer of capital instruments between a person resident outside India and a person resident in India (iii) LLP-I – FDI (Capital infusion in LLP), (iv) Form LLP-(v)Form ESOP – Issue of ESOPs / sweat equity shares/ shares against exercise of ESOP by an Indian company to an employee resident outside India etc

- The SMF will be an integrated reporting form which will be an event-based form aiding in reporting the total foreign investment in India made by a person residing outside India.

> Issue of sweat equity shares to permanent employee of the company who has been working in India or outside India for less than 1 year

- Ministry of Corporate Affairs (MCA) on 7 May 2018, notified Companies (Share Capital and Debentures) Second Amendment Rules, 2018 thereby amending Rule 8 of Companies (Share Capital and Debentures) Rules, 2014(Principal Rules). The definition of Permanent employee is changed to employee of the company who has been working in India or outside. Earlier an employee for the purpose of issuing sweat equity shares was considered to be an employee who has been working in India or outside India for the company for at least 1 yea, now this requirement for working for at least 1 year is no longer prescribed.

> President Approves Promulgation of Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018

Key Changes provided by the Ordinance

- A major development under the ordinance permits withdrawal of cases. However the withdrawal will be permitted only with the approval of the Committee of Creditors backed by 90 per cent of voting share.

- There can be no withdrawal after notice inviting Expression of Interest has been published and the process of bidding commences. This regulation will bring further clarity as it lays down mandatory guidelines.

- The Ordinance also seeks to reduce voting thresholds. In order to facilitate the corporate debtor to continue as a going concern during Corporate Insolvency Resolution Process (CIRP), the voting threshold for routine decisions has been reduced to 51 per cent. Also, voting threshold for all major decisions like approval of resolution plan, extension of Corporate Insolvency Resolution Process etc. to be taken by the Committee of Creditors is lowered to 66 per cent from 75 per cent.

> No requirement of annual ratification of appointment of auditors

- The MCA vide its notification dated 7 May 2018 has amended Companies (Audit and Auditors) Rules 2014 (Principal Rules) by Companies (Audit and Auditors) Second Amendment Rules 2018 (Amendment Rules).

- Now during a single term of 5 years, there shall be no requirement for ratification of the appointment of auditor. This is a big relief for companies, auditors and tribunals. A company sending notices for Annual General Meeting on or after 7 May 2018 is not required to include ratification of the auditor as its agenda item.

> Loans to directors - section 185 of 2013 of Companies Act, 2013 (The Act)is amended

- Companies can now provide loan, guarantee or security in connection with any loan, to any person in whom the director is interested, provided prior approval is obtained by a special resolution. Further, such loans, should be utilized by the borrowing company for its principal business activities. It is pertinent to note that prohibition continues on giving of loan/ guarantee/security to the director of the company

Tax News

> Transfer Pricing

Advanced Pricing Agreement ("APA") Statistics

Central Board of Direct Taxes ("CBDT") achieves another milestone by signing its 200th unilateral APA in April 2018

- The unilateral APA entered during the month of April 2018, pertains to provision of sourcing support services. The Indian APA programme has been appreciated nationally and internationally for being able to address complex transfer pricing issues in a fair and transparent manner. With this, the total number of APAs entered into by CBDT till June end has gone up to 223, which inter alia includes 20 bilateral APAs.

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Guidance on appropriate use of Country by Country Reporting ("CbCR")

CBDT instruction No. 2 dated 27 June 2018

Much awaited guideline [as suggested by Organisation for Economic Co-operation and Development ("OECD") in its CbCR Peer Review Report] on access and usage of Country by Country Reporting (CbCR) has been now issued by CBDT as summarised below:

- Access of CbCR

  - All the CbC reports shared under Multilateral Competent Authority Agreement ("MCAA") or Bilateral Competent Authority Agreement ("BCAA") will be primarily accessed by the Competent Authority and the Director General of Income-tax - Risk Assessment ("DGRA");

  - Information pertaining to the constituent entity shall be shared with the Transfer Pricing Officer ("TPO"), only for the cases selected for scrutiny based on Risk Assessment by the Centralised Risk Assessment Unit ("CRAU"). Standard operating procedures for the TPO will be formulated by CRAU in this regard.

- Use of CbCR

  - CbCR will be appropriately used by the TPO for (a) high level TP risk assessment; (b) assessment of other BEPS related risks; and (c) economic and statistical analysis;

  - CbCR may also be additionally used for (a) planning a tax audit; and (b) as the basis for making further enquiries into group's transfer pricing arrangements and tax matters, in case of an audit.

  - CbCR by itself shall not be applied as the only document by any officer for making transfer pricing adjustments in any taxpayer's case.

  - The TPO is not bound to restrict his queries only to the potential risks identified by the CRAU based on the CbCR.

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- Confidentiality of CbCR
  - The Instruction clearly states that confidentiality of the CbCR is not only a legal requirement under tax treaties, but also an international obligation, since any leakage of data shall impact India's ability to receive information from other jurisdictions in the future. Accordingly, the sensitivity of CbCR shall be strictly followed by all officers.
- Monitoring, Control and Review
  - Due emphasis has been given on the monitoring, control and review of the usage of the CbCR data. It also empowers the taxpayer to raise concerns over breach of appropriate use to the jurisdictional CIT (TP) through the TPO, and in absence of any resolution, to be brought to the notice of the Competent Authority. Also, in case of adjustments made to a taxpayer's case by inappropriate usage of CbCR data, the CBDT affirms that the Competent Authority is committed to promptly concede such adjustments under the MAP proceedings.

Direct and International Taxation

> Final Notification on tax consequences of foreign companies having POEM in India

Sect. 6 of the Income-tax Act, 1961 ("ITA") was amended vide Finance Act, 2016 to provide that a foreign company will be considered as a "Resident" in India if its "Place of Effective Management" (POEM) is in India. Special provisions were introduced in the ITA to provide for taxation of such foreign companies considered to be "Resident" in India.

On 15 June, 2017, the Central Board of Direct Taxes ("CBDT") issued a draft notification to invite comments from stakeholders and public for taxation of such companies in India. Now, the CBDT has issued the final Notification which confirms/elaborates the draft Notification.

An important clarification put forth by the CBDT is that the foreign company shall continue to be treated as a foreign company even if it is treated as a "resident in India" and all the provisions of the ITA shall apply accordingly. This implies that the tax rates applicable to a foreign company will continue to remain at 40 per cent (excl. applicable surcharge & cess) even when it is deemed to be a Resident company. The Notification further prescribes the manner in which the written down value ("WDV") of depreciable assets as well as brought forward loss and unabsorbed depreciation for the purpose of carrying forward and set off are to be calculated in case of a foreign company designated as a Resident company.

The Notification further clarifies that the foreign company shall be entitled to relief or deduction of taxes paid in the home country.

> Relaxation in PAN/TAN norms for Indian companies

The CBDT through press release dated 14 April 2018 clarified that, Permanent Account Number ("PAN") and Tax Deduction and Collection Account Number ("TAN") mentioned in the Certificate of Incorporation ("COI") issued by Ministry of Corporate Affairs ("MCA") to the Indian company shall be treated as sufficient proof of PAN and TAN for the said company.

For incorporating a company in India, Common Application Form is required to be submitted before the MCA. This form also includes application for allotment of PAN and TAN and hence COI issued by MCA contains a mention of both PAN as well as TAN.

Please note that vide Finance Act 2018, the Indian government had earlier removed the requirement of issuing PAN in the form of a laminated card by amending the provisions of the Indian domestic tax laws. Thus, this clarification from the CBDT is in line with the ease of doing business initiatives of the Indian Government.

> Tax return forms for FY 2017-18 amended

The CBDT has issued new tax return forms for all classes of tax payers (i.e. salaried, companies, firms, etc.) for the reporting period 1 April 2017 to 31 March 2018. The major changes effected in the various tax return forms are as under:

- The unlisted companies are now required to furnish details of natural persons who are ultimate beneficial holders of the company holding not less than 10 per cent of the voting power (directly or indirectly) at any time during the previous year
- New schedules of Balance Sheet and Profit & Loss Statement disclosure introduced for companies following Indian Accounting Standards (Ind-AS).
- Computation format has been amended to introduce fee for delay in furnishing of tax return (INR 5,000/INR 10,000)
- Schedule for Depreciation has been amended. Rates of various types of block of assets capped at 40 per cent in view of amendment made in the Income-tax Rules. Further, in case of business restructuring and business re-organization (e.g. demerger, amalgamation), it is now required to provide total amount of proportionate depreciation claimed out of total depreciation on account of demerger, amalgamation, etc.
- Schedule GST (Goods and Service Tax) introduced wherein details regarding expenditure with registered and non-registered GST entities is to be disclosed.
- Schedule FD (Foreign currency Details) introduced for entities not liable for tax audit u/s 44AB, requiring details of payments / receipts in foreign currency.

> Government withdraws Transport allowance

In the Budget 2018, the government had announced that from Financial Year 2018-19 onwards (i.e. period starting from 1 April 2018) instead of the transport allowance (INR 1,600 monthly) and medical reimbursement (INR 15,000 annual), the salaried employees shall be provided an annual deduction of INR 40,000.

To give effect to such announcement, the Government vide notification dated 6 April 2018, has amended provision of the Income-tax Rules, 1962 and has removed the transport allowance exemption from it.

> Mere non-furnishing of TRC cannot disentitle treaty benefits

In a recent ruling by the Ahmedabad Income-Tax Appellate Tribunal ("ITAT"), it was held that mere non-furnishing of Tax Residency Certificate ("TRC") by a non-resident entity cannot be held as a limiting factor to deny relevant tax treaty benefits to the non-resident entity. In the absence of TRC, treaty benefits ought to apply if the Assessing Officer is satisfied about treaty residency, based on documents supplied in support of proving the tax residency status of the non-resident entity.

In the facts of the case, the tax deductor in India made certain payments to a US based entity. The Assessing Officer sought to treat the tax deductor Indian entity as an assessee-in-default for not withholding taxes at source while making such payments. Non furnishing of TRC was held to be one of the reasons for denying treaty benefits. It was held by the ITAT that TRC was a mere procedural requirement and thus concluded that the provisions of the ITA cannot put the assessee to any greater burden than the burden placed by the provisions of applicable tax treaty. The decision supports situations of non-residents being eligible to tax treaty benefits, even when they are not able to provide TRC's to Indian resident deductors, but can prove the treaty residency by means of alternative documentary evidence.

> AAR holds MasterCard constitutes PE in India under India-Singapore DTAA

Recently, the Authority for Advance Ruling ("AAR") in the case of MasterCard Asia Pacific Pte Ltd ("MasterCard Singapore") ruled that MasterCard Singapore's Indian operations led to the constitution of a Permanent Establishment ("PE") in India under Article 5 of the India Singapore Double Tax Avoidance Agreement ("DTAA").

In facts of the case, under license agreements with various Indian banks and financial institutions, MasterCard Singapore received transaction processing fees in exchange for authorization, clearing, and settlement of card-based transactions, and also some additional fees for other incidental services.

In arriving at the above conclusion re: constitution of PE, the AAR disregarded the taxpayer's contention that the global card network was located outside India and the related networks in India (i.e. Interface Processor, transmission tower, leased lines, etc.) were actually owned by the Indian subsidiary company. The AAR held that all material decisions relating to the operation and maintenance of the related networks in India were made by MasterCard Singapore which were at the disposal of MasterCard Singapore for the duration of the licence agreements. The AAR observed that although several functions were performed outside India, significant activities relating to clearance and settlement took place in India. Further, the application software used to access the MasterCard network was also owned and controlled by the MasterCard Singapore.

Considering the above and other additional facts, the AAR arrived at the conclusion that the MasterCard Network, the Interface Processor placed at various banks and financial institutions, the designated settlement bank in India as well as the Indian subsidiary constituted a Fixed Place PE for MasterCard Singapore in India. Additionally, the Indian subsidiary was also held to constitute a Dependent Agent PE of the taxpayer in India since all orders were routed through the Indian subsidiary and in AAR's view, the subsidiary was habitually securing orders for the taxpayer in India.

The AAR also held that the services rendered by visiting employees of MasterCard Singapore (which were present in India for more than 90 days), such as taking customer feedback providing information about new products, and monitoring the efficiency of operations were an integral part of the transaction processing services provided by the MasterCard Singapore to Indian customers, leading to constitution of a Service PE in India.

As regards the payments made under the license agreements, the AAR characterised the transaction processing fees received by MasterCard Singapore from Indian Customers as royalty under Article 12 of the India- Singapore DTAA. However, since such payments were effectively connected to the PE of MasterCard Singapore in India, it was held to be taxed as business profits under Article 7 of the India-Singapore tax treaty.

Lastly, the AAR stated that in this particular case, arm's length remuneration paid to the Indian Subsidiary for activities performed in India, would not absolve the foreign entity from any further attribution of its global profits in India, since the Function Assets and Risk of the Indian Subsidiary does not reflect the functions/risks of the taxpayer performed/undertaken by it. This ruling will have far reaching impact on structures where Indian subsidiaries are performing or supporting the activities for foreign companies in India. Thus, it may be prudent for foreign companies to review and revisit the arm's length price paid to the Indian subsidiary having regard to the functions performed in India.

> Waiver of loan not taxable income – Supreme Court

The Supreme Court of India (SC) recently delivered a ruling on the question - whether a capital loan liability waived off by the lender would constitute taxable income of the tax payer? In the facts of the case, the tax payer had obtained the loan for purchasing capital asset and had not claimed a deduction of such loan in previous years.

The SC held that the loan waived off is neither a benefit or perquisite arising from the business nor it is a cessation of a trading liability. The waiver of such loan is to be regarded as a capital receipt and therefore, not subject to tax under ITA.

Indirect Tax

> Important updates under the Goods & Services Tax Law

- No GST required to be paid on supply of goods and services received from an unregistered person: As per Notification 12/ 2018 – Central Tax (Rate) dated 29 June 2018 and Notification 13/ 2018 – Integrated Tax (Rate) dated 29 June 2018, intra-state and inter-state supplies of goods or services or both received by a registered person from an unregistered supplier, shall be exempted from the levy of GST under reverse charge mechanism up to 30 September 2018.

- Due Date for filing Form GSTR – 1 for Input Service Distributor extended: As per Notification 25/2018 – Central Tax, dated 31 May 2018, the due date for filing Form GSTR – 6 being return by an input service distributor, for the months of July 2017 to June 2018, has been extended to 31 July 2018.

- Services in the nature of short-term accommodation, conferencing, banqueting, etc. provided to a Special Economic Zone (SEZ) developer or a SEZ unit should be treated as an inter-State supply: Clarification provided vide Circular No. 48/22/2018-GST dated 14 June 2018

- Levy of IGST on Customs Bonded Warehouse Goods: As per Circular 3/1/2018-IGST dated 25 May 2018 it has been clarified that integrated tax shall be levied and collected at the time of final clearance of the warehoused goods for home consumption i.e., at the time of filing the ex-bond bill of entry and the value addition accruing at each stage of supply shall form part of the value on which the integrated tax would be payable at the time of clearance of the warehoused goods for home consumption.

- Clarification provided for LUTs required for Exports: As per Circular 40/14/2018-GST dated 6 April 2018 it has been clarified that exporters shall be required fill and submit FORM GST RFD-11 being form for LUT on the common portal. Further, LUT shall be deemed to be accepted as soon as an acknowledgement for the same, generated online. It has also been clarified that no document needs to be physically submitted to the jurisdictional office for acceptance of LUT.

- Clarifications provided vide Circular No. 47/21/2018-GST dated 8 June 2018: Issues were raised if the moulds and dies owned by Original Equipment Manufacturers (OEM) sent free of cost (FOC) to a component manufacturer is leviable to tax and whether OEMs are required to reverse input tax credit. It has been clarified as under:

- Moulds and dies owned by the original equipment manufacturer (OEM) which are provided to a component manufacturer (being unrelated persons) on FOC basis would not constitute a supply as there is no consideration involved. Further, since the moulds and dies are provided on FOC basis by the OEM to the component manufacturer in the course or furtherance of his business, there is no requirement for reversal of input tax credit availed on such moulds and dies by the OEM.

- It has been further clarified that while calculating the value of the supply made by the component manufacturer, the value of moulds and dies provided by the OEM to the component manufacturer on FOC basis shall not be added to the value of such supply since the cost of moulds/dies was not to be incurred by the component manufacturer. However, if the contract between OEM and component manufacturer was for supply of components made by using the moulds/dies belonging to the component manufacturer, but the same have been supplied by the OEM to the component manufacturer on FOC basis, the amortised cost of such moulds/dies shall be added to the value of the components and the OEM will be required to reverse the credit availed on such moulds/ dies, as the same will not be considered to be provided by OEM to the component manufacturer in the course or furtherance of the former’s business.

Accounting/Audit News

Property, Plant & Equipment (PPE)

Property, Plant & Equipment are tangible items that are held for use in the production or supply of goods or services or for administrative purpose and are expected to use during more than one period in business. The basic principles of accounting treatment of PPE have been briefed herein:

- Recognition

  An Item of property, plant and equipment should be recognised as asset if it is probable that the future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably

- Initial measurement

  An item of property, plant and equipment should initially be recorded at cost (cost includes all costs necessary to bring the asset to working condition) when the cost is incurred and when it satisfies the recognition criteria's mentioned above

- Measurement subsequent to initial recognition

  On subsequent recognition dates the items of PPE are recognised at cost less accumulated depreciation and impairment till that date.

  Under the recognition principle, an entity does not recognise the day-to-day cost of PPE as carrying costs. Rather, these costs are recognised in profit or loss account as expenditure for repairs and maintenance.

  The cost of replacing parts of PPE are recognised as items of PPE, if the recognition criteria's are met and if it increases the capacity of production of PPE in the long term.

- Accounting Depreciation

  For all depreciable assets: The depreciable amount (cost less residual value) should be allocated on a systematic basis over the asset's useful life. The residual value and useful life of an asset should be reviewed at least at each financial year-end and, if expectations differ from previous estimates, any change is accounted for prospectively as a change in estimate and it has to be mentioned in the notes to financial statement. The useful life of depreciable assets is prescribed under Schedule II of Companies Act, 2013.

- Tax Depreciation

  Depreciation so computed above is not allowed as deductible expenditure for computation of taxable income for determining the tax liability. The deductible depreciation for this purpose is computed separately (outside the books of accounts) in accordance with the provisions of Indian Income Tax Act, 1961.

  Rates of depreciation are prescribed in New Appendix-I under Indian Income Tax Rules depending on the categories of Property, Plant & Equipment.

These are the general accounting principles commonly followed by entities for accounting of PPE in their financials. However certain specifics may vary depending upon the accounting standards followed and statute applicable to the different type of entities.

Compliance Calendar for the period July 2018 to September 2018

Listed below are the statutory due dates in the quarter July 2018 to September 2018:

Sl. No.	Particulars	Due Date
A	**Direct Tax**	
i.	Monthly Payment of TDS (Jun, Jul & Aug)	7th of next month
ii.	Filing of Tax Collection at Source (TCS) Return for the quarter April 2018 to June 2018	15th July
iii.	Issue of TCS Certificate for the quarter April 2018 to June 2018	30th July
iv.	Filing of Tax Deducted Source (TDS) return for the quarter April 2018 to June 2018	31st July
v.	Issue of TDS Certificate for the quarter April 2018 to June 2018	15th August
vi.	Payment of 2nd Instalment Advance Tax for the FY 2018-19.	15th September
vii.	Filing of Income Tax Return for Other than Individual FY 2017-18	30th September/ 30th November
B	**Indirect Tax**	
i.	Filing of GSTR 1 (Monthly)	10th of the next month
ii.	Filing of GSTR 1 (Quarterly)	30th of the next month following the quarter
iii.	Filing of GSTR 3B (Monthly)	20th of next month

Upcoming Events/Publications

Here you will find a selection of our events, where you will get our first-hand expertise:

> **Praxisseminar Indien**
Bilanzierung, Besteuerung und Recht
Speakers: Seema Bhardwaj
Organiser: ICC Austria
Place/ Date: Wien, 16. Oktober 2018

For more information on our events please visit our website:

www.roedl.de/indien

Please read more about the following topics on our Rödl & Partner website:

Abschließende Bestimmungen für das Masterfile und CbC Reporting
www.roedl.de/themen/verrechnungspreise/masterfile-cbc-reporting-oecd-indien

Final Rules on Master File and Country-by-Country Report
www.roedl.de/de-de/de/themen/documents/indien_16_tp_update.pdf

For additional information on Mergers & Acquisitions, Market Entry, Investment, GST and many more current India topics please read our publications on the Rödl & Partner website:

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Newsletter India

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Adding value

„India is one of the strongest worldwide growth economies. Seize the opportunity that this enormous market offers. We advise you from a single source on all legal, tax and economic issues relating to your contemplated project or investment."

Rödl & Partner

„The formation of our towers always starts with a solid base; then we move on to building the stable middle and top levels. Only united and with a collaborative effort, are we, people of varied characters, able at all to complete our artistic formations. Once the tower is built, we dare to take a look into what lies ahead."

Castellers de Barcelona

Each and every person counts" – to the Castellers and to us.

Human towers symbolise in a unique way the Rödl & Partner corporate culture. They personify our philosophy of solidarity, balance, courage and team spirit. They stand for the growth that is based on own resources, the growth which has made Rödl & Partner the company we are today.

„Força, Equilibri, Valor i Seny" (strength, equilibrium, valour and common sense) is the Catalan motto of all Castellers, describing their fundamental values very accurately. It is to our liking and also reflects our mentality. Therefore Rödl & Partner embarked on a collaborative journey with the representatives of this long-standing tradition of human towers – Castellers de Barcelona – in May 2011. The association from Barcelona stands, among many other things, for this intangible cultural heritage.

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