

The Institute of Chartered Accountants of India



VASAI BRANCH OF WIRC

# NEWSLETTER

[www.vasai-icai.org](http://www.vasai-icai.org)

Together Everyone Achieve More

August 2015

 15th August

Raksha Bandhan



Dr. A P J Abdul Kalam  
July 27, 2015

*You cannot change, your Future, but, you can change, your habits,  
and surely your habits, will change your Future.*

Workshop on Direct Tax held on 12th July 2015 at Bhayander (West)



(L-R) CA. Anitha Viswanathan (Dy. Convenor-Vasai Virar Study Circle), CA. Dayaram Paliwal (Past Chairman-Vasai Br.), CA. Tarun Ghia (CCM & Chairman DTC), Shri. S. K. Gupta (CIT-I, Thane), CA. Umesh Mestry (Chairman-Vasai Br.), Smt. Anuradha V Ravi (Addl. CIT-II, Thane) & CA. K. B. Kothari (Vice Chairman-Vasai Br.) at the dais.



(L-R) CA. Sumeet Doshi (Secretary & Treasurer-Vasai Br.), CA. Prakash Kotadia (Speaker), CA. Umesh Mestry (Chairman-Vasai Br.), CA. K. B. Kothari (Vice Chairman-Vasai Br.) & CA. Vimal Agarwal (Committee Member-Vasai Br.) at the dais.



CA. Umesh Mestry (Chairman-Vasai Br.) presenting bouquet to Shri. S. K. Gupta (CIT-I, Thane).



CA. K. B. Kothari (Vice Chairman-Vasai Br.) presenting bouquet to Smt. Anuradha V. Ravi (Addl. CIT-II, Thane)



CA. Dayaram Paliwal (Past Chairman-Vasai Br.) presenting Memento to Shri. S. K. Gupta (CIT-I, Thane) also seen CA. Tarun Ghia (CCM & Chairman DTC) & CA. Umesh Mestry (Chairman-Vasai Br.)



CA. Umesh Mestry (Chairman-Vasai Br.) presenting Memento to Smt. Anuradha V. Ravi (Addl. CIT,II-Thane) also seen by CA. K. B. Kothari (Vice Chairman-Vasai Br.).



CA. Anitha Viswanathan (Dy. Convenor-Vasai Virar Study Circle) presenting bouquet to CA. Tarun Ghia (CCM & Chairman DTC)



Participants

Speakers



CA. Tarun Ghia



CA. Prakash Kotadia



CA. Kevin Shah



CA. Vinod Awtani

## CHAIRMAN'S COMMUNICATION



Dear Professional Collagues,

“Dreams transform into thoughts and thoughts results in action. Dreams are not those which come while we are sleeping, but dreams are those when you don't sleep before fulfilling them.”

– APJ Abdul Kalam

Vasai Branch of WIRC of The Institute of Chartered Accountants of India conveys deepest condolences on the sad demise of a great visionary scientist His Excellency Dr. A P J Abdul Kalam, Hon'ble past President of India. He occupies a special position for the Institute of Chartered Accountants of India as he gave new dimensions to our contribution to the Indian developmental process and be partner in nation Building. In one of the events of ICAI he exhorted CA's to have a mission of “National Economic Development”. His contribution to the nation was immense and would be cherished forever. On behalf of the institute, members and students of Chartered Accountancy we pray to the Almighty that the departed soul rests in peace.

**I would like to extent my wishes to all of you on the occasion of Independence Day & Raksha Bandhan.**

We are thankful to Direct Tax Committee of ICAI Chairman CA. Tarun Ghia for giving us opportunity to conduct **Direct Tax Workshop** wherein galaxies of speaker enlighten the subject knowledge on Taxation. Our chief guest Shri S. K. Gupta-CIT - I Thane and Smt. Anuradha V. Ravi –Addl.CIT, range II Thane graced the occasion and interacted with participants helping out various queries faced by CA Members.

It is first time branch conducted **Women Empowerment Programme** under the support and guidance of Women Members Empowerment Committee. We are very much thankful to CA. Prafulla Chhajed, (CCM and Chairman of WMEC) for giving us such a wonderful opportunity to host Women Programme at our branch. Dignitaries who graced the occasion were CA. Prafulla Chhajed, (CCM and Chairman of WMEC), Mrs. Geeta Jain (Mayor-MBMC), CA. Priti Savla (RCM), CA. Mahesh Madkholkar (RCM & WIRC Nominee) CA. Shrutika Shah (RCM) and 40 CA. Women Members gathered on this occasion.

Branch conducted **Student Residential Refresher Course at Goa**, during this tour branch conducted joint programme with Goa Branch and Industrial visit at Kaju Factory. It has indeed been a fantastic event, the memories of which shall be remembered & cherished throughout.

We had organized **Quiz & Elocution** Contest, wherein huge number of students whole heartily participated and graced the occasion by contributing their knowledge and understanding.

Branch also conducted **Seminar on Proceeding at CIT Appeal and Tribunal** wherein learner speaker CA. Bhupendra Shah enlighten subject

knowledge of participants by sharing his own practical experience in area of appeal and at CIT (Appeals) & Tribunal.

Branch also conducted **Seminar on Investor Awareness Programme** highlighting topics such as Financial Planning & Credit Rating and followed by Branch 10th Annual General Meeting at Bhayander.

Branch also hosted **Two days Workshop on Companies Act 2013**, with eminent speaker CA. Durgesh Kabra and CS. Jigar Shah wherein Members and CA Students took the benefits of revised Companies Act field.

Branch also commenced **PT Batch of Information System Audit** at Bhayander. We are very much thankful to CA. Rajkumar S. Adukia (CCM & Chairman-CIT) for giving us such a wonderful opportunity to host ISA batch at our branch.

### Forthcoming Programme

**Campus Placement Programme for Newly Qualified Chartered Accountants** on 18th & 19th August at Bhayandar. This Placement Programme of the Institute provides an excellent opportunity to the recruiters to peruse the particulars of a large number of Chartered Accountants, interview and recruit the suitable ones in their organisation. The scheme provides an opportunity – both to employing organisations as well as the young professional aspirants to meet and explore the possibility of having a mutually beneficial relationship. Orientation Programme for Newly Qualified Chartered Accountants on 17th August.

**Certificate Course on Concurrent Audit** - The Internal Audit Standards Board of the ICAI is pleased to offer Certificate Course on “Concurrent Audit of Banks” to enable members to understand the intricacies of Concurrent Audit of Banks. By undergoing this Certificate Course you will be able to hone your skills in carrying out internal check of the transactions and other verifications and compliance with the procedures laid down. We request you to take advantage of said course by early enrolment. Commencement of said batch course in the month of November. Limited Seats only.

**Debate Competition 2015**- Branch also schedule Debate Competition for students of classes XI & XII in the month of September. The Debate Competitions organised by ICAI has been acclaimed by various stakeholders of the school children and instrumental in identifying thought leaders of tomorrow.

I would like to congratulate all the rank holders and those who have passed the CA Final, IPCC and CPT examinations. However, for those who could not clear these, being a senior in profession I would advise them to do hard work and attempt again wholeheartedly; I am sure, they will succeed eventually.

With Warm Regards

**CA. Umesh P. Mestry**  
Chairman

### MANAGING COMMITTEE

<b>CA. Umesh P. Mestry</b>	Chairman	<b>CA. Ramanand Gupta</b>	WICASA-Chairman	<b>CA. Vimal Agarwal</b>	Committee Member
<b>CA. Kanhaiyalal B. Kothari</b>	Vice-Chairman	<b>CA. Kishor Vaishnav</b>	Imm. Past Chairman	<b>CA. Preksha Jain</b>	Committee Member
<b>CA. Sumeet Doshi</b>	Secretary & Treasurer	<b>CA. Dayaram Paliwal</b>	Past Chairman	<b>CA. Mahesh Madkholkar</b>	WIRC-Nominee

### EDITORIAL BOARD

Editor : **CA. Umesh Mestry**

- CA. Pramod Dhamankar ● CA. Unmesh Narvekar ● CA. Nidhi Kothari ● CA . Bhanu Prakash Ashawa ● CA. Anadi Bhase ● CA. Rajesh Kotak
- CA. Hemant Shah ● CA. Lalit Munoyat ● CA. Haresh Mehta

## FORTHCOMING PROGRAMMES FOR MEMBERS

Date	Seminar on	Timings	Venue	Speakers	Co-ordinators	Fees	CPE
1st Aug. to 20th Sept. 2015	Post Qualification on Information System Audit Course	9.30 a.m. to 5.30 p.m.	Old Zaika, 1st Floor, Near Maxus Mall, 150Ft Road, Bhayandar (West)	Eminent Speaker	CA. Sumeet Doshi 9869525956 CA. Ramanand Gupta 9322231113 CA. Dayaram Paliwal 9820331010 CA. Vimal Agarwal 9320617447 CA. Preksha Jain 9029877140	For ACA- ₹ 12,500. For FCA- ₹ 17,500	–
17th Aug 2015	Orientation Programme for New CA	9.30 a.m. to 1.00 p.m.	GCC Club, Mira Bhayander Road, Mira Road (East)	–	CA. K. B. Kothari 9594196090 CA. Ramanand Gupta 9322231113 CA. Kishor Vaishnav 9892194382	Free	–
18th & 19th Aug 2015	Campus Placement Programme for New CA	9.30 a.m. to 5.30 p.m.	GCC Club, Mira Bhayander Road, Mira Road (East)	–	CA. K. B. Kothari 9594196090 CA. Sumeet Doshi 9869525956 CA. Ramanand Gupta 9322231113 CA. Preksha Jain 9029877140	Free	–
7th Nov. to 22nd Nov. 2015	Certificate Course on Concurrent Audit of Banks	9.30 a.m. to 5.30 p.m.	GCC Club, Mira Bhayander Road, Mira Road (East)	Eminent Speaker	CA. Sumeet Doshi 9869525956	₹ 12,500	36 hrs

## FORTHCOMING PROGRAMMES FOR VASAI VIRAR STUDY CIRCLE

Date	Seminar on	Timings	Venue	Speakers	Co-ordinators	Fees	CPE
14th Aug 2015	Tax Audit and New ITR 4, 5 & 6	4.00 p.m. to 7.00 p.m.	“Hotel Kubera Veg Treat, Opp. Parvati Theatre, Station Road, Vasai (W)”	CA. Avinash Rawani	CA. Kalpesh Shah 9850576510 CA. Ankush Mestry 9823821224 CA. Anitha Vishwanathan 9860463169	Free for Study Circle Members	3 hrs

## Certificate Course on Concurrent Audit of Banks

### Programme Details

#### Two Hundred First Batch of the Certificate Course on Concurrent Audit of Banks

Organized by :

**Internal Audit Standards Board of the ICAI**

Hosted By

**Vasai Branch of WIRC of ICAI**

<b>Venue</b>	Amruta Building, Indralok Phase-II, New Golden Nest Road, Bhayander (East), Dist-Thane Bhayander-401105
<b>Day &amp; Date</b>	7th Nov to 22nd Nov 2015 (Every Saturday & Sunday)
<b>Timing</b>	9.30 am to 5.00 pm
<b>CPE</b>	36 hrs.
<b>Fees</b>	Delegate fee ₹ 12,500 per delegate payable by cheque/DD in favor of “Secretary, ICAP” payable at Delhi and should be sent to Vasai Branch at “Amruta Building, Indralok Phase-II, New Golden Nest Road, Bhayander (East), Dist-Thane Bhayander-401105” along with duly filled registration form available on link: <a href="http://220.227.161.86/29878iasbform19476.pdf">http://220.227.161.86/29878iasbform19476.pdf</a>
<b>Course Chairman</b>	CA. Charanjot Singh Nanda (CCM & Chairman, Internal Audit Standards Board)
<b>Course Director</b>	CA. Tarun Jamnadas Ghia (CCM & Member, Internal Audit Standards Board)
<b>Course Co-ordinator</b>	CA. Umesh Mestry (Chairman, Vasai Branch of WIRC of ICAI)
<b>For Registrations and Details Please contact</b>	Mr. Khushmat Jain Please Contact (Branch Incharge, Vasai Branch of WIRC of ICAI) Contact No. : 07208099778, (022) 65568900/01/02 Email : <a href="mailto:vasaibranch@gmail.com">vasaibranch@gmail.com</a>

### Programme Schedule

Date	Topics
<b>November 7, 2015</b>	Inaugural Session
	Loans and Advances
	Book Debts and Stock Audit
	Prudential norms on Income Recognition, Assets Classification and Provisioning pertaining to Advances
<b>November 8, 2015</b>	Concurrent Audit Procedures
<b>November 14, 2015</b>	Treasury and Investment Function Part I
	Treasury and Investment Function Part II
	Implementation of Basel Capital Regulatory Requirements in India.
	Disclosure Requirements
<b>November 15, 2015</b>	Bankers’ Panel Discussion (GMs of Banks to Address)
	Legal and Regulatory Frame work
	KYC norms & Obligation of banks under Prevention of Money Laundering Act (PMLA 2002)
<b>November 21, 2015</b>	Effective Concurrent Audit
	Diligence Reports of Banks
	FOREX & TRADE
<b>November 22, 2015</b>	Fraud Detection, Classification and Reporting Discussion on Case Studies on Frauds Occurred in Banking Industries
	Audit in CBS Environment
<b>November 22, 2015</b>	Software Usage in Banks – CBS Demonstration
	Objective Assessment

# CAMPUS PLACEMENT PROGRAMME

August-September, 2015  
For Newly Qualified Chartered Accountants

## Invitation For Participation

Your search for complete business solution provider ends here

The Committee for Members in Industry of the Institute organises Campus Placement Programme for newly qualified Chartered Accountants at various centres all over India. The scheme has been evolved to provide an opportunity both to employing organisations as well as the young professional aspirants to meet and explore the possibility of taking up positions in Industry.

### Invitation to Organisations/CA Firms

Campus Placement Programme will be organized at various centres viz. Ahmedabad, Bangalore, Baroda, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Ernakulam, Hyderabad, Indore, Jaipur, Kanpur, Kolkata, Ludhiana, Mumbai, Nagpur, Nasik, Navi Mumbai, New Delhi, Pune, Thane & Vasai.

CA. Charanjot Singh Nanda  
Chairman  
Committee for Members in Industry  
The Institute of Chartered Accountants of India

### The Schedule of the Campus Placement Programme August-September, 2015

Centre	Dates
Chandigarh & Ludhiana	14th August, 2015
Baroda, Coimbatore, Ernakulam, Nasik & Navi Mumbai	17th – 18th August, 2015
Bhubaneswar, Kanpur, Thane & Vasai	18th – 19th August, 2015
Indore & Nagpur	19th – 20th August, 2015
Ahmedabad & Jaipur	20th – 21st August, 2015
Pune	21st – 22nd August, 2015
New Delhi	14th, 15th, 16th, 17th, 18th & 19th September, 2015
Mumbai*	14th, 15th, 16th, 18th, 19th & 21st September, 2015
Chennai & Kolkata	15th, 16th, 17th, 18th & 19th September, 2015
Bangalore*	15th, 16th, 18th, 19th & 21st September, 2015
Hyderabad*	16th, 18th, 19th & 21st September, 2015

\*17th September, 2015 (Vinayak/Ganesh chaturdashi) is holiday in Bangalore, Hyderabad and Mumbai centres.

The programme would be organized in the months of August-September, 2015 for the candidates who would be passing in the CA Final examination held in May, 2015 and also for others who are eligible.

For Complete details please visit [www.placement.icai.org](http://www.placement.icai.org)

#### Organised By:

Committee for Members in Industry (CMII)

**The Institute of Chartered Accountants of India**

(Set up by an Act of Parliament)

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Website: [www.icai.org](http://www.icai.org), [www.placement.icai.org](http://www.placement.icai.org)





— Compiled by — Haresh P. Kenia  
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□ *Finance Act, 2015 [231 Taxman (st) 53]*

An relevant extracts of Finance Act, 2015 to give effect to the financial proposal of the Central Government for the F.Y. 2015-16 which was accented by the President of India on 14/05/2015, are available at the above magazine. The Finance Act, 2015 came into force on the 1st day of April, 2015.

□ *MAT–Section 115JA–Committee Constituted to examined Direct Tax matters including levy of MAT on FII's [231 Taxman (st) 124]*

A office memorandum dated 26/05/2015 has invited suggestions and representations from all stake-holder, including industry associations on matter relating to levy of MAT on FII's for the period prior to 01/04/2015. The committee on the Direct Tax matters headed by Justice A.P. Shah which was constituted on 20/05/2015 decided to examine the matter relating to levy of MAT on FII's for the period prior to 01/04/2015. A hard copy of representations may be sent on the following address :-

**Mr. Raman Chopra**  
**Director (TPL-II), Central Board of Direct Taxes,**  
**Room No. 147-E,**  
**North Block,**  
**New Delhi – 110 001.**

The suggestions may be sent by e-mail to raman.chopra@nic.in

□ *Section 92CC of the Income Tax Act, 1961 – Transfer Pricing – Advance Pricing Agreement (APA) – Clarifications on rollback provisions of Advance Pricing Agreement Scheme. [231 Taxman (st) 136]*

A CBDT Vide Circular No. 10/2015 dated 10/06/2015 clarifies by adopting a question and answer format a rollback provisions in the APA Scheme which were introduced by the Finance (No.2) Act, 2014 through Section 92CC(9A) of the Income Tax Act and the relevant rules, 10MA & 10RA were notified. Subsequent to the notification of the rules, requestes for the clarification regarding certain issues have been received to the CBDT.

The Advance Pricing Agreement provisions were introduced in 2012 through insertion of sections 92CC and 92CD in the Income Tax Act, 1961 by the Finance Act, 2012. Subsequently, the Advance Pricing Agreement Scheme was notified vide S.O. 2005(E), dated 30/08/2012, thereby inserting Rules 10F to 10T and Rule 44GA in the Income Tax Rules, 1962.



### Obituary

## CA. Mangesh G. Kochikar

*From Vasai*

We express our deep condolence and grief on sad demise of CA. Mangesh Govind Kochikar on 6th April 2015  
May the departed soul rest in peace.



— Compiled by — CA. Hemant R. Shah |  
e-mail: gatu\_1968@yahoo.co.in | 9869011148

## □ HIGH COURTS

### 1) CIT vs. Dalmia Dyechem Industries (Bombay High Court)

**Section 271(1)(c): The rigors of penalty provisions cannot be diluted only because a small number of cases are picked up for scrutiny. No penalty can be levied unless if assessee's conduct is "dishonest, malafide and amounting concealment of facts". The Assessing Officer (AO) must render the "conclusive finding" that there was "active concealment" or "deliberate furnishing of inaccurate particulars"**

Conditions U/s 271(1)(c) must exist before the penalty can be imposed. Mr.Chhotaray tried to widen the scope of the appeal by submitting that the decision of the Apex Court should be interpreted in such a manner that there is no scope of misuse especially since minuscule number of cases are picked up for scrutiny. Because small number of cases are picked up for scrutiny does not mean that rigors of the provision are diluted. Whether a particular person has concealed income or has deliberately furnished inaccurate particulars, would depend on facts of each case.

### 2) Reliance Industries Ltd. vs. CIT (Bombay High Court)

**Section 221: Penalty for failure to pay TDS in time can be levied even if the assessee voluntarily pays the TDS. Financial hardship, diverse locations and lack of computerization are not good excuses. The fact that CIT(A) decided in favour of the assessee & deleted the penalty does not necessarily mean that two views are possible.**

Parliament treats a person who has deducted the tax & fails to pay it to revenue as a class different from a person who has not deducted the tax and also not deposited the tax with revenue. This is for the reason that in the first class of cases the assessee concerned after deducting the tax, keep the money so deducted which belongs to another person for its own use. In the second class of cases, the assessee concerned does not take any advantage as he pays the entire amount to the payee without deducting any tax and

does not enrich itself at the cost of the government. Therefore, although penalty is also imposable in the second class of cases, yet in view of the proviso to Section 201(1) of the Act, it is open to such assessee to satisfy the Assessing Officer that as they have good and sufficient reasons no penalty is imposable. It is in the above view that in the first class of assesseees the Parliament has provided for prosecution under Section 276B of the Act for failing the pay the tax deducted at source.

### 3) CIT vs. Bisleri Sales Ltd. (Bombay High Court)

**Section 28(va)/115JA: Non-compete consideration received prior to insertion of section 28(va) is not taxable. Amount credited to reserves without a corresponding debit to the P&L A/c cannot be added to the "book profits"**

To invoke clause (b) of the Explanation below Section 115JB (identical to Section 115JA) of the Act, two conditions must be satisfied cumulatively viz. there must be a debit of the amount to the Profit and loss account and the amount so debited must be carried to Reserves. Admitted position in this case is that there is no debit to the Profit and loss account of the amount of Reserves. The impugned order has in view of the self evident position taken a view that in the absence of the amount being debited to Profit and Loss account and taken directly to the reserve account in the balance sheet, the book profits as declared under the Profit and Loss account cannot be tampered with.

## □ TRIBUNAL DECISIONS

### 1) Color Craft v ITO (ITAT Mumbai)

**Notice served by 'speed post' is as valid as 'registered post' in the eyes of Law**

(Appeal No: ITA No. 5818/Mum/2014 Date of Decision: 17/07/2015)

ITAT Mumbai, in this case, has held that the Notice sent through the 'speed post' is totally valid in the eyes of law as 'registered post'. The Hon'ble Tribunal while substantiating their decision relied on section 27 of General Clauses Act, which mentions about 'service by post' and also on section 114(f) of the Evidence Act where the 'presumption about the proper maintaining of records have been mentioned'.

## 2) DCIT v M/s ECAP Equities Ltd.

Valuation of Derivatives can be done at cost or market price whichever is lower

(Appeal No: ITA No. 1764/Mum/2013, Decision Date: 15/06/2015)

In the present facts of the case, the Hon'ble Tribunal completely relied on the judgment of M/s. Indsec Securities & Finance Ltd., ITA No. 4236/M/2012, where it was observed that Derivatives are also Stock-in-trade and accordingly the valuation will be done.

## 3) Smt. Parin K. Rajwani v JCIT (ITAT, Mumbai),

**Penalty not invocable if barred by limitation or there is absence of mala fide intention**

(Appeal No: ITA No. 1076/Mum/2013, Decision Date: 30/06/2015)

In the present case, the Hon'ble Tribunal held that penalty could not be levied if it is barred by limitation or if the intention of going against the Law is absent.

These are the two appeals relating to two different AYs which have been agitated by the Assessee against the common Order against the confirmation of the penalty levied U/s. 271D of the Income Tax Act. The Assessee was a small tailor took loan in cash from her daughter in law without taking receipts.

The ld. Counsel for the assessee for the year A.Y. 2007-08 regarding the imposition of penalty contended that the Assessee was not aware of the provisions of Law in which the receipt of loan through cheque or bank draft was required. It was further contended that the Assessee was engaged in the work of tailoring and she was not having any intention to go against the Law. Also, after the receipt of loan the amount was deposited in the bank. Hence, the imposition of penalty U/s. 271D could not be made.

The ld. Counsel for the Assessee contended that the Order of the Ld. AO is barred by limitation as provided U/s. 275(1)(c) of the Act.

It was contended by the Revenue that the ignorance of Law is no excuse.

The ld. CIT(A) held that the penalty would be levied U/s. 271D r/w section 269SS as it is the settled principle that the ignorance of Law is no Excuse. A person should be aware of the legal formalities regarding the transaction they are undertaking.

The Hon'ble Tribunal while giving decision in favour of Assessee for A.Y.2007-08 held that as Assessee is a small tailor and was earning only ₹ 1.5 lakhs annually and *was not aware of the technicalities of Law* while accepting ₹ 40000/- in cash as a loan. Therefore, intention in breaching the provision of Law can't be made out. For, any contravention a malafide intention is needed and in this case if the person doesn't know about the technicalities of that particular Law then how can she be expected to infringe it. Therefore, penalty could not be levied U/s. 271D.

For the AY 2008-09, the Hon'ble Tribunal relied on the Judgment of Hon'ble Rajasthan High Court in the case of CIT vs. Jitendra Singh Rathore [2013] 352 ITR 327 in which it was held that proceedings U/s. 271(1)(c) could be initiated after the date of issue of first show cause Notice by AO and not by the Show Cause Notice issued by Joint Commissioner. The Hon'ble Tribunal while relying on this Judgment, held that the penalty proceedings are against section 271(1)(c) and therefore, it cannot be initiated.

## 4) M/s. Shoreline Hotels Pvt. Ltd. v CIT (ITAT, Mumbai)

**Section 263 could be invoked if proper investigation not made (Appeal No: ITA No. 964/Mum/2015, Decision Date: 19/06/2015)**

ITAT Mumbai has, in this case has held that **CIT was justified in invocation of section 263 when** AO has not made any inquiry with regard to the expenses claimed in respect of accommodation bills obtained by the assessee that reduced profit of assessee by 100% instead of 15% considered by AO.





— Compiled by — CA Anadi Bhase

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I) Definition.

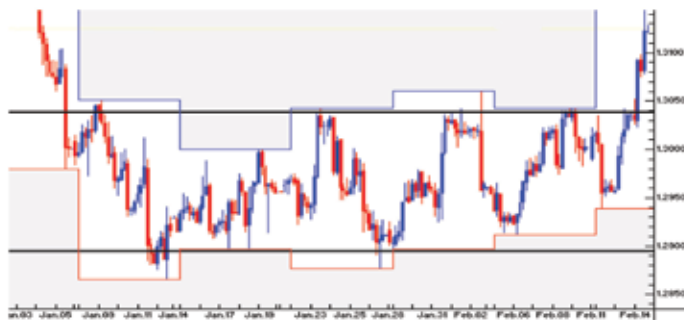
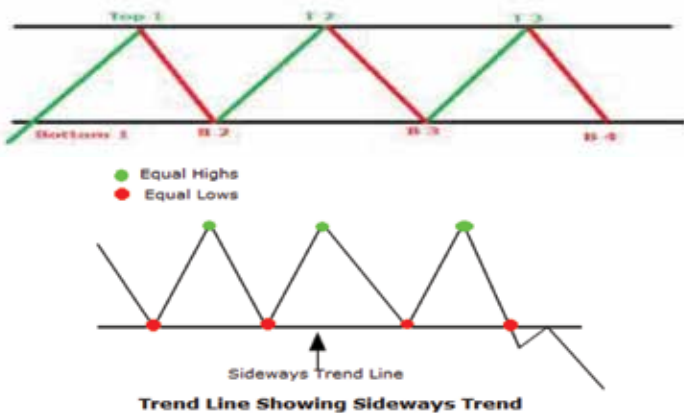
II) Strategy to be adopted in Sideways movement of prices.

### I) Definition of 'Sideways Trend':

Sideways trend is basically a horizontal trend or a no trend situation. Sideways trend occur when the forces of demand and supply are almost equal. A sideways trend is often regarded as a period of consolidation before the price continues in the direction of the previous move. In sideways trend, generally the price travels between strong forces of support and resistance. Sideways trend may even continue for a prolonged period of time before starting a move higher or lower.

Normally, when this type of trend is recognized properly at the early stage, proves useful for very short term investment decisions, especially using futures and options. The traders use these lines to take utmost benefit out of their investments. The aggressive ones can play both the sides, long as well as short and they may earn higher returns than the long term investors who remain invested despite of this known fluctuations.

### Sideways Trend (Ranging)



### II) Strategy to be adopted in Sideways stock market:

It is comparatively easier to make an investment decision when the prices move in any one direction, either generally up or generally down. But when the market moves sideways, i.e., non-directionally, investment decision-making becomes more difficult. During trendless markets, investors tend to become inactive. If the price action slows and the market moves sideways, a strategy to pick up smaller profits may be a better course of action. Trendless markets generally require investors to become intimately involved with macro themes - to understand what is driving the global economy and what will persist in the long term. They must also look at company

fundamentals, especially the drivers of growth. With non-directional markets, timing becomes much more important. **After a sideways market comes a major uptrend or downtrend.** In a sideways stock market, the key approach lies in finding strong stocks. Sideways trend essentially denotes a range. There is not a lot that can be done with a sideways range rather than to sell at the top of the range and buy at the bottom as they are easier to locate. Any breakout of this range either on the up side or the down leads to substantial movement of the price on the either side. The following examples make it amply clear:



In the above example, Of 'Hitachi Home & Life Solutions' the prices stuck in the range of 102 to 170 for almost two years. When the breakout happened on the upside in May 2014 at the price of 170, it followed by very huge move on the upside and today stock is trading around 1500.



Similarly, the above example of 'Bhusan Steel limited' illustrates that when the sideways range is broken on the downside, it was followed by a massive movement and the stock fell to the levels of ₹ 100 from ₹ 400.



We have selected another chart of 'Yes bank limited' till today wherein the prices are moving in sideways trend. It has a range of 777 to 903. The short term investors should buy around 800 (Stop loss 770) for a target of 880. Similarly, the short sellers should go short around 850 (Stop loss 900) and keep the target of 770. One should be ready for a bigger move when the prices fall below 770 or cross over 900.

Industrial Visit at Kaju Factory Goa held on 11th July 2015



Joint Seminar with Goa Branch held on 10th July 2015



Student's Residential refresher Course at Goa held on 9th to 12th July 2015



Quiz & Elocution Contest held on 18th July 2015 at Bhayander (East)



Women Empowerment Programme jointly with Women Members Empowerment Committee-ICAI on 19th July 2015



CA. Priti Agarwal (Co-ordinator), CA. Priti Savla (RCM), CA. Mahesh Madkholkar (RCM & WIRC Nominee), CA. K. B. Kothari (Vice Chairman-Vasai Br.), CA. Prafulla Chhajed, (CCM and Chairman of WMEC), Mrs. Geeta Jain (Mayor-MBMC), CA. Shweta Jain (Past Chairperson-Vasai Br.), CA. Shruti Shah (RCM), CA. Anu Agarwal.



CA. Prafulla Chhajed, (CCM and Chairman of WMEC) presenting Bouquet to Mrs. Geeta Jain (Mayor-MBMC) also seen CA. K. B. Kothari (Vice Chairman-Vasai Br.) and CA. Shweta Jain (Past Chairperson-Vasai Br.)



CA. K. B. Kothari (Vice Chairman-Vasai Br.) presenting Bouquet to CA. Prafulla Chhajed, (CCM and Chairman of WMEC)



CA. Anu Agarwal



CA. Jhankhana M. Thakkar



Group Photo taken at the programme

10th Annual General Meeting held on 26th July 2015 at Bhayander



(L-R). CA. Sumeet Doshi (Secretary & Treasurer –Vasai Br.), CA. K. B. Kothari (Vice Chairman-Vasai Br.), CA. Preksha Jain (Committee Member-Vasai Br.), & Mr. Khushmat Jain (Branch Incharge) at the dais.



Participants

Seminar on Proceeding at CIT Appeal and Tribunal held on 18th July 2015 at Bhayander (East)



(L-R). CA. K. B. Kothari (Vice Chairman- Vasai Br.), CA. Bhupendra Shah (Speaker), CA. Sumeet Doshi (Secretary & Treasurer –Vasai Br.) & CA. Umesh Mestry (Chairman-Vasai Br.) addressing the participants.



Participants



CA. Bhupendra Shah (Speaker)

Seminar on Investor Awareness Programme held on 26th July 2015 at Bhayander (West)



(L-R). CA. Sumeet Doshi (Secretary & Treasurer–Vasai Br.), CA. K. B. Kothari (Vice Chairman-Vasai Br.), CA. Biharilal Deora (Speaker) & CA. Lalit Bajaj (Past Chairman-Vasai Br.) at the dais.



Participants



CA. Manish Hingar (Speaker)



CA. Biharilal Deora (Speaker)

Workshop on Companies Act 2013 held on 22nd & 23rd July 2015



(L-R). CA. K. B. Kothari (Vice Chairman-Vasai Br.), CA. Umesh Mestry (Chairman-Vasai Br.), CA. Durgesh Kabra (Speaker) & Mr. Khushmat Jain (Branch Incharge) at the dais.



CA. Durgesh Kabra (Speaker)



CS. Jignesh Makwana (Partner at JMJA & Associates LLP), CA. K. B. Kothari (Vice Chairman-Vasai Br.), CS. Jigar Shah (Speaker), CA. Lalit Bajaj (Past Chairman-Vasai Br.)



CS. Jigar Shah (Speaker)

# TENDER NOTICE



## THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA (ICAI)

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**Branch Office: Vasai Branch of WIRC**, Amruta Building, Indralok Phase-II, Opp. Sutharwadi, New Golden Nest Road, Bhayander (East) Thane-401 105. Contact:-022-65568900/65568901.

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Secretary, ICAI

Editor: CA. Umesh Mestry Published by Vasai Branch of Western India Regional Council of The Institute of Chartered Accountants of India and printed at Finesse Graphics and Prints Pvt. Ltd., 309, Parvati Ind. Est., Sun Mill Compound, Lower Parel, Mumbai 400 013. Tel. : 4036 4600

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