

RNM ALERT

Thinking of the Bottom Line – Think of Us

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U.N. Marwah

Dear Readers,

I am pleased to inform you that we held the Puja ceremony for our new office in Gurgaon on 13th August 2011. The new office at the 6th floor of Suncity Business Towers, Sector 54, Golf Course Road, Gurgaon is now fully equipped and ready for operations.

The Ministry of Corporate Affairs (MCA) has made a slew of changes to simplify and streamline processes. Most notable among them is their initiative enabling incorporation of a new Company in 24 hours. This is a major achievement and in line with global best practices- practically it remains to be seen whether such timeline would be possible even in the cases of foreign shareholders and directors. The new guidelines to the RD and OL in regard to amalgamation cases would also go a long way in reducing the otherwise lengthy time involved in obtaining approvals for amalgamation.

The annual Master Circulars of the Reserve Bank of India (RBI) were issued on July 1, 2011. To shore up the weakening stock exchanges, SEBI in consultation with the RBI has decided that foreign investors (termed as Qualified Foreign Investors/ QFIs) who meet KYC requirement may invest in equity and debt schemes of Mutual Funds (MF) in India. Earlier only FII's and NRIs were so permitted.

Team RNM firmly stands for a corruption free India and supports the current peoples movement. The change has to come from each one of us by which we need to reject the so called "easy way" of getting things done in our system.

We would like to remind all our readers that September 30th is the last date for filing the Return of Income for corporates and non-individuals.

We wish all our readers a happy 65th Indian Independence Day which was commemorated on 15th August.

Regards,

U.N. Marwah

For and behalf of the RNM Alert Editorial Board

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DIRECT TAX

➤ Case Laws

International Taxation

Sec9(1)(vii): Income deemed to accrue or arise in India- Fees for technical services- Deduction of tax at source- DTAA- India- UK (90, 195)

Services rendered by the UK company to the applicant Indian Company pursuant to the data processing services agreement being in the nature of routine data entry, application sorting, document handling and data capturing services, cannot be said to be managerial or technical services within the meaning of Art 13 of the Indo –UK DTAA or Explanation 2 to section 9(1)(vii) and therefore, consideration received for such services is not taxable in India and accordingly, there is no question of withholding tax under section 195.

[Source: R.R. Donnelley India Out source (P) Ltd (2011) 241 CTR 305 / 199 Taxman 255 / 56 DTR 1(AAR)]

Sec9: Income deemed to accrue or arise in India- Business income- Discounting of promissory note-DTAA- India- USA (Art 7)

It was not in dispute that income arising to applicant from discounting promissory note payable in India, is business income taxable in India. However, as per Article 7 of the DTAA profits of an enterprise of a contracting State shall be taxable only in such State unless enterprise of a contracting state, operates in the Other State through a permanent establishment situated therein. It is assumed for the purpose of this Ruling that applicant has no permanent establishment in India, it has to be ruled that income of applicant from discounting of promissory note would not be taxed in India. Even otherwise, discounting of a bill of exchange or promissory note being a purchase of instrument as it were and especially when it discounted without recourse, applicant is not liable to tax in India in view of DTAA between India and USA.

[Source: ABC International Inc. (2011) 199 Taxman 211/ 241 CTR 289 / 55 DTR 393(AAR)]

House Property

Sec25B: Income from house property- Arrears of rent(S 23)

Arrears of rent received in subsequent year cannot be spread over previous years, it is taxable in the year of receipt (Asst years 1996-97 -2000-01).

[Source: CIT v R.J.Wood P. Ltd (2011) 334 ITR 358 (Delhi) (High Court)]

Profit & Gain from Business & Profession

Sec28(i): Business Income - Property Rental assessable as “business profits” if commercial activities carried out

Merely because income is attached to immovable property, it cannot be the sole factor for assessment of such income as income from property. Primary object of the assessee while exploiting the property has to be considered. If the main intention is to exploit the immovable property by way of complex commercial activities, the income is assessable as business income. (Asst. Year: 2006-07)

[Source: ITOI vs Shanaya Enterprises (Mumbai) (ITAT) (www.itatonline.org)

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ITR 353 (SC) explained as not being in conflict with Shambhu Investments (2003) 263 ITR 143 (SC)]

Sec28(1): Capital gains-Business Income--Shares PMS transaction gains are STCG and not business profits(S45)

(i) Given the definitions of the term “business” and “capital asset” in s. 2(13) & 2(14), shares, if held for more than 12 months, will be a long-term capital asset, inspite of continued and systematic dealings;

(ii) On facts, as the assessee had engaged a portfolio manager to look after its’ investments and all decisions to buy and sell were taken by the portfolio manager and not by the assessee, the assessee cannot be called a “dealer”;

(iii) The object of the PMS was to maximize the value of the portfolio. It was “wealth maximization” and not “profit maximization”;

(iv) In the balance sheet, the shares were valued at cost and not at lower of cost or market value;

[Source: ARA Trading & Investment Pvt. Ltd. vs DCIT (Pune)(ITAT) www.itatonline.org]

Sec35DDA: Business expenditure-Scheme floated by the assessee giving option

to the employees of one unit. (S. 10(10C), read with rule 2BA)

The scheme floated by the assessee giving option to the employees of one unit to leave its employment without any qualifying condition regarding age or length of service against payment of compensation is to be treated as VRS though it is not in conformity with Rule 2BA and assessee is entitled to deduction of one fifth of the expenditure incurred on the payments under that scheme in accordance with the provisions of section 35DDA. (Asst years 2005-06 & 2006-07).

[Source: Sony India (P) Ltd v Addl CIT (2011) 56 DTR 156 (Delhi) (Trib)]

Sec43B: Business expenditure- Deduction on actual payment-Excise duty paid in advance.

Assessing officer holding that deduction can be claimed only on removal of goods from factories. High Court held that the assessee is entitled to deduction in respect of excise duty paid in advance. (Asst year 1989-90).

[Source: CIT v Modipon Ltd (NO 2). (2011) 334 ITR 106 (Delhi) (High Court)]

Capital Gain

Sec45: Capital gains-Transfer of shares to wholly owned

subsidiary-Transaction not regarded as transfer – (S. 47 (iii), S. 92 to 92f, 139)

Transfer of shares of wholly owned Indian subsidiary by the applicant a US company to another group company based in Singapore without consideration being a gift is not taxable under the provisions of section 45, in the absence of any income accruing from the transfer of shares, provisions of section 92 to 92F relating to transfer pricing are not applicable, however applicant is under obligation to file return under section 139.

[Source: Deere & Company, In re (2011) 56 DTR 242 (AAR)]

Sec54EC: Capital gains Deduction allowable before set-off of brought-forward loss

While s. 54EC is an exemption provision which exempts capital gains and takes them outside the purview of chargeable “capital gains”, s. 74 deals with the carry forward and set off of loss under the head “capital gains”. The stage at which set off of carried forward long term capital loss is to be given is subsequent to the stage at which income

under the head capital gains is computed and deduction u/s 54EC is to be given in the course of the latter. Accordingly, s. 54EC deduction has to be given before set-off of losses.

[Source: *The Tata Power Co. Ltd. vs. ACIT (Mumbai) (ITAT)* www.itatonline.org]

Income from Other Sources

Sec56(2)(v): Amount received by legal heir for abstaining from contesting the will of deceased is not income from other sources

Assessee, a legal heir of deceased having received a compromise amount under a settlement with the legatee for agreeing to the Court granting probate in respect of the last will of the deceased and withdrawing his caveat against grant of probate, the abstinence of the assessee from contesting the will constituted the consideration for payment and, therefore the provisions of section 56 (2) (v) are not attracted and the amount received by the assessee can not be treated as income under section 56(2)(v). (Asst Year 2006-07).

[Source: *Purvez A. Poonawala v ITO (2011) 138 TTJ 773/ 55 DTR 297 (Mumbai) (Trib)*]

Sec56(2)(v): Income from other sources – Gift received from HUF – Exempt – HUF is a “relative” u/s 56(2)(v), (vi) & (vii)

Where assessee receives gift from HUF it was held that though the definition of the term “relative” does not specifically include a Hindu Undivided Family, a ‘HUF’ constitutes all persons lineally descended from a common ancestor and includes their mothers, wives or widows and unmarried daughters. As all these persons fall in the definition of “relative”, an HUF is ‘a group of relatives’. As a gift from a “relative” is exempt, a gift from a ‘group of relatives’ is also exempt since the singular will include the plural;(A. Y. 2005-06)

[Source: *Vineetkumar Raghavjibhai Bhalodia vs ITO (ITAT)(Rajkot)* www.itatonline.org]

Undisclosed Income

Sec69: Income from undisclosed sources-Addition –Set off on account of intangible

If the intangible additions are made as undisclosed income during survey for earlier assessment years, while considering the assessment of subsequent assessment year and making addition of

unexplained investment in stock, the assessing Officer should consider the question of set off of the intangible addition made in appeal. (Asst Year 1997-98).

[Source: *Balram Saha v CIT (2011) 56 DTR 209 (Cal) (High Court)*]

Sec69A: Unexplained money-Statement of third party- Survey

No incriminating material was found during search proceedings. Merely on the basis of statement of third party no addition can be made.

[Source: *CIT v Concorde Capital Management Co Ltd (2011) 334 ITR 346 (Delhi) (High Court)*]

Deduction u/s 80IB

Sec80IB(10): Deduction- Housing Project-Commercial area- Projects commenced prior to 1-4-2005- Restriction of 5% is not applicable

The tribunal noted that the assessee’s project had commenced prior to 1-4-2005. It also noted that in the case of Brahma Associates, the High Court has held that the amendment to section 80IB is prospective in operation. Since the assessee’s project had commenced in December 2003, the Tribunal held that amendment to section 80IB(10) w.e.f Assessment Year 2005-06, restricting the

commercial area to 5 % is not applicable to projects commenced prior to 1-4-2005.(Asst Year 2005-06).

[Source: ITO vs. Chheda Construction Co., ITA No. 2764/Mum/2009, dt.27-04-2011, 'C' Bench, A.Y. 2005 – 2006, Mumbai ITAT, BCAJ pg. 29, Vol. 43-A, Part 3, June 2011]

Assessment Procedure

Sec132: Search and Seizure. If Search & Seizure action violates “human rights”, officers personally liable to pay compensation

The income-tax department conducted search and seizure operations u/s 132 at the premises of the assessee when interrogation & recording of statement was conducted for more than 30 hours and till the odd hours of the night without any break or interval. The assessee filed a complaint alleging violation of human rights. HELD upholding the plea: The Commission is of the view that the members of the raiding party may take their own time to conclude the search & seizure operations but such operations must be carried out keeping in view the basic human rights of the Individual. They have no right to cause physical and mental torture to him. If the officer-in-charge of the Interrogation/recording of statements wanted to continue

with the process he should have stopped the same at the proper time and resumed it next morning. But continuing the process without any break or interval at odd hours up to 3:30 AM, forcing the applicant and/or his family members to remain awake when it is time to sleep was torturous act which cannot be countenanced in a civilised society. It was violative of their rights relating to dignity of the individual and therefore violative of human rights. Even die-hard criminal offenders have certain human rights which cannot be taken away. The applicant's position was not worse than that. In the opinion of the Commission, the Income Tax Department should ensure that the search & seizure operations at large in future are carried out without violating one's basic human rights.

[Source: Rajendra Singh (Bihar Human Rights Commission) www.itatonline.org]

Sec147: Reassessment-If assessee does not ask for s. 147 reasons & object to reopening, ITAT cannot remand to AO & give assessee another opportunity
While the AO is required to record reasons, Law does not mandate the AO to suo moto supply the reasons to the assessee. It is for the assessee

to demand the reasons and raise objections to the reopening which the AO is required to dispose off by passing a speaking order. As the assessee did not ask for the reasons and instead participated in the reassessment proceedings, the Tribunal could not have restored the matter back to the file of the AO and given another opportunity to the assessee to raise objections to the “reasons to believe” recorded by the AO. It is trite that what cannot be done directly, it is not allowed indirectly as well. This novel and ingenuousness method adopted by the Tribunal in setting aside the reassessment orders on merits cannot be accepted. However, also held that as the assessee had challenged the validity of reassessment before the CIT(A), it ought to have been provided with the reasons and so the matter was remitted for supply of reasons.

[Source: CIT Vs Safetag International India Pvt. Ltd. (Delhi)(High Court) www.itatonline.org]

Sec147: Reassessment - If AO does not assess income for which reasons were recorded u/s 147, he cannot assess other income u/s 147

Though Explanation 3 to s. 147 inserted by the F.A. 2009 w.e.f. 1.4.1989 permits the AO to assess or reassess income which has escaped assessment even if the recorded reasons have not been recorded with regard to such items, it is essential that the items in respect of which the reasons had been recorded are assessed. If the AO accepts that the items for which reasons are recorded have not escaped assessment, it means he had no “reasons to believe that income has escaped assessment” and the issue of the notice becomes invalid. If so, he has no jurisdiction to assess any other income. (Jet Airways 331 ITR 236 (Bom) followed).

[Source: **Ranbaxy Laboratories Ltd. vs CIT (Delhi) (High Court)**, www.itatonline.org]

Tax Administration

Sec254(1): Appeal- Tribunal- CBDT Circular on monetary limits for filing appeals applies to pending appeals

As per Instruction No. 3 of 2011 dated 09.02.2011 appeal before Tribunal can be filed where the tax effect exceeds the monetary limit of Rs. 3 lakhs. However, considering the similar situation where tax limits were modified by the CBDT Instruction No. 5 of 2008 the jurisdictional High

Court in **Madhukar K. Inamdar (HUF) 318 ITR 149** held that the circular will be applicable to the cases pending before the court either for admission or for final disposal. In view of the order of the jurisdictional High Court we hold that Instruction No. 3 dated 09.02.2011 is applicable for the appeal preferred by the Revenue.

[Source: **ITO vs Laxmi Jewel Pvt. (Mumbai) (ITAT)**, www.itatonline.org]

Sec263: Revision of orders prejudicial to revenue – effect order not passed within “reasonable time” - order becomes “infructuous”

Even if there is no period of limitation prescribed u/s153 (3)(ii) to give effect to s. 263 orders, the AO is required to pass the order within a “reasonable period”. Non-specification of period of limitation does not mean that the AO can wait for indefinite period before passing the consequential order.

[Source: **CIT vs Goyal M. G. Cases Pvt. Ltd. (Delhi) (High Court)**, www.itatonline.org]

Penalty

Sec271(1)(c): Penalty - Concealment-Valuation of closing stock- Explanation 1

Valuation of stock on account of deterioration of old stock

and the same has not been accepted by the Revenue, penalty under section 271 (1) (c) is not leviable, in the absence of any finding that the claim of the assessee was false or that it fudged the books of account. (Asst year 1987- 88).

[Source: **CIT v H.P.State Forest Corporation Ltd (2001) 56 DTR 113 (HP) (High Court)**]

Sec272A(2)(c): Penalty-Failure to file TDS return-Statement- Quarterly Return

Failure to file quarterly return penalty is not leviable. Clause (c) of section 272 A (2) relates to return / statement under section 133, 206 and 206C, which are unrelated to TDS, therefore, penalty under section 272 A (2) (C) is not leviable for non submission of quarterly returns for TDS.

[Source: **Porwal Creative Vision (P) Ltd v Addl CIT (2011) 139 TTJ 1/ 55 DTR 241. (Mumbai) (Trib)**]

➤ Notification

If individual/HUF/firm covered under section 44AB – then file return electronically under digital signature

A firm required to furnish the return in Form ITR-5 or an

individual or Hindu Undivided Family (HUF) required to furnish the return in Form ITR-4 and who is required to get its **accounts audited under section 44AB**, shall **furnish the return** for assessment year 2011-12 and subsequent assessment years **electronically under digital signature**.

[Notification no. 37/2011 [F. No. 149/68/2011-so (TPL)] Dated 1-7-2011]

Certain Salaried employees not required to file Return

Individuals having total income up to Rs. 5,00,000 for FY 2010-11, after allowable deductions, consisting of **salary from a single employer** and interest income from deposits in a saving bank account up to Rs.10,000 are not required to file their income tax return. Such individuals must report their Permanent Account Number (PAN) and the entire income from bank interest to their employer, pay the entire tax by way of deduction of tax at source, and obtain a certificate of tax deduction in Form No.16. **The scheme shall also not be applicable in cases wherein notices are issued for filing the income tax return**

under section 142(1) or section 148 or section 153A or section 153C of the Income Tax Act 1961.

[Notification No. 36/2011 [F. No. 142/09/2011 (TPL)], Dated 23-6-2011]

Quoting of PAN Mandatory

Central Board of Direct Taxes has mandated w.e.f. 1st July, 2011 for quoting the PAN in documents pertaining to specified transaction as follows:—

1. Payment of an amount aggregating Rs. 50,000 **or more** in a year as **life insurance premium** to an insurer
2. Payment to a dealer,—
 - (i) of an amount of Rs. 5,00,000 **or more** at any one time; or
 - (ii) Against a bill for an amount of Rs. 5,00,000 **or more**, for purchase of bullion or jewellery.

[Notification No. 27/2011 [F. No. 149/122/2010-SO (TPL)]/S.O. 1214(E), Dated 26-5-2011]



INDIRECT TAX

Service Tax

➤ Notification

Exemption in relation to Club or Association Service

The Central Government exempts club or association service provided by an association of dyeing units in relation to the project, from the whole of service tax leviable thereon under section 66 of the Finance Act.

Explanation.- For the purposes of this notification, project means common facility set-up for treatment and recycling of effluents and solid waste discharged by dyeing units, with financial assistance from the Central or State Government.

[Source: Notification No. 42/2011-ST, Dt 25-7-2011]

Clarification on “Completion of service”

The Department of Revenue has made a clarification on “completion of service” as provided under the Point of Taxation Rules, 2011 and Service Tax Rules, 1994. The Service Tax Rules, 1994 require that invoice should be

issued within a period of 14 days from the completion of the taxable service. It is clarified that completion of service would include not only the physical part of providing the service but also the completion of all other auxiliary activities that enable the service provider to be in a position to issue the invoice. Such auxiliary activities could include activities like measurement, quality testing etc which may be essential pre-requisites for identification of completion of service. The test for the determination whether a service has been completed would be the completion of all the related activities that place the service provider in a situation to be able to issue an invoice. Above interpretation also applies to determination of the date of completion of provision of service in case of “continuous supply of service”.

[Source: Circular No. 144/13/ 2011 – ST 18th July, 2011]

➤ Case Laws

No Penalty if Reasonable cause for non-payment

Penalty- Non-payment of service tax- Reasonable cause for non-payment- Assessee undertaking manufacture and also erecting and commissioning their finished products- Customer charged for services rendered as well as value of goods- Excise duty paid on whole value including that for services and liability under service tax disputed till tribunal- Tax paid after Tribunal order in favour of Revenue- No willful attempt to evade- Commissioning, installation and erection work brought under tax net only from 1-7-2003 and tax claimed for period 1-7-2003 to 30-9-2003- Period transitional and benefit of doubt to be given- Reasonable cause for non-payment in view of Section 80 of Finance Act, 1994- No infirmity in Tribunal’s order setting aside penalty.

[Source: Commr. of Service Tax, Bangalore v Lincoln Helios (India) Ltd., 2011(23) STR 112 (Kar.)]

Service Tax on Import of Services only After 18-4-2006

Import of Service- Franchise service- Royalty paid by wholly owned 100% subsidiary of foreign company, carrying on cash and carry business in India- w.e.f. 18-4-2006, Finance Act, 1994 introducing liability to service tax on receipt of service from service provider outside the country, with no establishment in India- HELD: Such services were liable to service tax as franchise service only from 18-4-2006- It was irrespective of fact that notification Nos. 36/2004-ST, 24/2005-ST, 9/2006-ST and 10/2006-ST had made the recipient of service liable to Service Tax- Service tax – Section 66A ibid.

[Source: Commr. of ST, Bangalore v Metro Cash and Carry, 2011(23) STR 124 (Kar.)]

Procuring purchase order not Clearing & Forwarding Agent Service

Clearing and Forwarding Agent Service- Assessee procuring purchase orders from prospective buyers for their principals and despatches the

goods to the prospective buyers- Assessee also owns the responsibility and guarantee of payment- Activity undertaken by assessee not covered under the category of “clearing and forwarding agency” at all- Section 65(25) of Finance Act, 1994.

[Source: Commissioner of Central Excise, Jaipur v K K Polymers, 2011(23) STR 129(Tri.- Del.)]

Handling Goods within Factory Premises no Taxable Service

Cargo Handling Services- Handling goods within factory premises- Shifting of unfinished and finished goods in factory premises of another- Cargo handling service means loading, unloading, packing or unpacking of cargo- Cargo, according to dictionary meaning- is loaded or unloaded on truck, aircraft and ship- Definition in Section 65(23) of Finance Act, 1994 not covers handling of goods within factory premises- Revenue’s Appeal dismissed.

[Source: Commissioner of C. Ex., Ranchi v Modi Construction Company, 2011 (23) STR 6 (Jhar)]

Central Excise

➤ Case Laws

Clandestine removal

Document recovered from employee of assessee, showing clearances of goods – Its content accepted to be true and correct by Managing Director of assessee – However, assessee denied opportunity to cross-examine the employees – HELD: Evidentiary value of documents was not lost for non-production of the employee for cross-examination, and no prejudice was caused to assessee – He was not a third party witness totally removed from transactions of assessee – Rules 11 and 25 of Central Excise Rules, 2002.

[Source: Shalini Steels Pvt. Ltd. v Commr. Of Cust. & C.Ex., Hyderabad, 2011 (269) E.L.T. 485 (A.P.)]

Redemption fine and penalty

Quantum of – Wrong declaration of lesser value of goods and import against import policy – CESTAT reducing redemption fine from Rs. 2,30,000 to Rs. 1 lac and penalty from Rs. 40,000 to Rs. 20,000 – HELD: CESTAT having fixed penalty and fine

depending on facts and circumstances of the case, in absence of perversity, quantum could not be said to illegal – No reason for High Court to interfere – Sections 112 and 125 of Customs Act, 1962.

[Source: **Dhillon Enterprises v Commr. Of Custs., 2011 (269) E.L.T. 492 (P & H)**]

Export duty

Imposition of – Relevant date – Effective from date after filing of shipping bill and commencement of loading of goods – Order under Section 51 of Customs Act, 1962 is a composite order permitting clearance and loading of goods for export, as rightly held by

Tribunal – Relevant date in terms of Section 16 ibid was date of that order, subsequent change in rate of duty being immaterial – In that view, exporter was not liable to the fresh duty.

[Source: **Commr. Of C. Ex, Guntur v Kineta Minerals And Metals ltd. 2011 (269) E.L.T. 494 (A.P.)**]



COMPANY LAW UPDATES

➤ Circulars/Notification

Master Circular on Prosecution of Directors – Regarding

As per this circular, the Ministry of Corporate Affairs has laid down certain guidelines to be followed by ROCs to decide about a director for being an "officer in default or not" before launching prosecution proceedings. Certain categories of directors have been specifically excluded whereas in other cases, it is to be decided on case to case basis. This master circular consolidates circular No.2/2003 dated 7.7.2003, No.08/2011 dated 25.3.2011, No.1/88/2010-CL.II dated 18.4.2011 and 47/2011 dated 14.7.2011 respectively.

[Source: MCA Master Circular No. 1/2011 dated 29.07.2011]

Filing of Balance Sheet and Profit and Loss Account in eXtensible Business Reporting Language (XBRL) mode

The Para 3 of the Circular No. 37/2011 dated 07.06.2011 may be read as under:

“All companies falling in Phase-I class of companies (excluding exempted class) are permitted to file their financial statements without any additional fee up to 30.11.2011 or within 60 days of their due date, whichever is later.”

Further, in suppression of Para 2(i) of Ministry's Circular No. 43/2011 dated 07.07.2011, it is informed that the verification and certification of the XBRL document of financial statements on the e-forms would continue to be done by authorized signatory of the Company as well as professional like Chartered Accountant or Company Secretary or Cost Accountant in whole time practice.

[Source: MCA General Circular No.57/2011 dated 28.07.2011]

In partial modification to Para 2 of Ministry's Circular No. 26/2011 dated 18.05.2011, the filing on MCA 21 in the XBRL mode will be effective in respect of financial statements closing on or after 31.03.2011 instead of the year 2011-12.

Further, in continuation to the Circular No. 37/2011 dated

07.06.2011, the further information is given as under:-

1. Besides signing by signatories as specified u/s of the Companies Act, 1956, the Statutory Auditor has to certify the financial statements prepared in XBRL mode for filing on MCA-21 portal.
2. Phase-1 class of companies as per Circular 9/2011 dated 31.03.2011 and later exempted from XBRL filing (under Power sector, Insurance sector, NBFC and Banking sector) who are unable to file their financial statements would be exempted from additional fee due to delay in filing up to 30.09.2011.

[Source: MCA General Circular No.43 dated 07.07.2011]

Blocking of DIN consequent to non-filing of Statement of Affairs (SOA)

Ministry has been decided to give the Companies which are not filing Statement of Affairs (SOA) in time in terms of section 454 of the Companies

Act, 1956 and the Directors of such Companies where winding up orders have been passed by the Hon'ble Court, one months notice to file SOA before action for blocking their DIN is initiated by the Ministry.

Official Liquidators shall furnish list of all such directors who have failed to furnish SOA (giving their details) to the Ministry on 3rd working day of every month starting from 5th September, 2011 by e-mail to respective RD, ROC, e-Governance Cell and Insolvency Section of this Ministry.

MCA 21 cell in the Ministry would block DIN of all such directors on getting information after approval of the competent authority concerned and intimate the same to all.

[Source: MCA General Circular No.56/2011 dated 28.07.2011]

Scrutiny Inspection and Investigation in all winding up cases

It has been noticed that winding up petitions are being filed by management after having committed major violations under the Companies Act, 1956 as well as misappropriation of funds of the company. Winding up of such companies are also being

filed by creditors. In order to curb such malpractices following procedure may be followed in all such cases:-

- (a) The moment winding up petition is filed before the Court, Official Liquidator(OL) will obtain a copy of petition and forward the same to the Registrar of Companies (ROC) concerned;
- (b) ROC will have a scrutiny of the details/documents available in respect of the company in MCA21 registry and will submit a preliminary report to the Ministry within a week time for inspection or investigation, if so required, containing prescribed information for the past five years of the date of filing of petition.
- (c) MCA will take a final view in the matter within a period of 15 days from the date of receipt of preliminary report from ROC. If any inspection under Section 209A and/or investigation under Section 235/237 of the Act is ordered, the same will be completed by the ROC and forwarded to the OL within 30 days.
- (d) The OL will place the report before the Hon'ble

High Courts for seeking appropriate order/action under Section 539 to 544 and other relevant provisions of the Act. Simultaneously, necessary action as per law will be initiated against the director, ex-director and key management of the company for any violation of law/ Companies Act, 1956.

- (e) These cases will be monitored in the monthly staff meeting of Regional Directors.

[Source: MCA General Circular No.55/2011 dated 26.07.2011]

Pro-active action in case of winding up petitions

In order to speed up the winding up process and to introduce best international practices the winding up process, following actions will be taken by concerned Official Liquidator (OL):-

- (a) OLs shall post one of the staff members to the Company Court to keep track of all cases where applications have been filed for winding up, but orders for winding up are yet to be issued by the Court.
- (b) For all cases pending till date and in future as well, information shall be

obtained by OL from “institution register” maintained in High Court and action as below must be taken in all cases.

- (c) In each case the OL will file an application praying to the Court to direct the management of the company to submit prescribed information duly verified by a chartered accountant.
- (d) RDs will ensure that in all pending cases, the applications are moved by OL before the Court before the next date of hearing and in all new cases, these are filed before the Hon’ble Court before the second hearing of the case.
- (e) RDs will ensure that a standard draft is prepared by them after taking legal advice and the same is used in all cases by OLs.

[Source: MCA General Circular No.54/2011 dated 26.07.2011]

Guidelines for RDs/ROCs in the matter of scheme of arrangement/amalgamation u/s 391-394

It has been observed that various field formations are following different practices while sending comments to the Hon’ble High Courts in respect of scheme of

arrangement/amalgamation u/s 391-394 of the Companies Act, 1956 on behalf of the Central Government. In order to streamline the procedure the following guidelines along with timelines are issued for strict compliance. These guidelines supersede all previous guidelines on the matter. The procedure to be followed and the timelines are indicated below:

- (a) On receipt of notice from the court u/s 394A regarding the scheme, the Regional Director should make an entry in a register or in electronic form. If the petition has already been filed with ROC in Form 61 in the system, the same can be monitored directly from the system.
- (b) Thereafter within three days of receipt, Regional Director shall send a mail to ROC concerned for the report.
- (c) ROC should furnish his report online to RD within 7 days from receipt of Form 61 without waiting for RD’s communication.
- (d) Within seven days of receipt of notice RD should send a letter to local branch of Law Ministry / Assistant Solicitor General appointed for the state by Law

Ministry as the case may be (furnishing copy of the notices received u/s 394A) requesting for nomination of an advocate.

- (e) Regional Director should send a letter within five days of receipt of notice to company /its Advocate to provide material of valuation report, Chairman’s report regarding creditors / members meeting and on receipt of the information; the matter should be processed and finalized within a week’s time.
- (f) The finalized affidavit should be sent to designated Standing Counsel for the particular case for signature and then to Law Ministry (local branch) for identification. This exercise should not take more than five days after which the affidavit should be filed in Court Registry.

The ROCs may examine the matter in respect of issues and send their report to concerned RDs who would take into consideration the report of the ROC before finalizing their comment.

[Source: MCA General Circular No.53/2011 dated 26.07.2011]

Simplified procedure for obtaining online approval of Central Government u/s 297 of the Companies Act, 1956

In order to cut timelines in giving approval, the Ministry has decided to simplify the procedures under section 297 of the Companies Act, 1956 and to give approval online, if the proposed contract has been approved by the shareholders by way of special resolutions in a general meeting.

According to new procedure, application will be made in a new e-form with the prescribed fee. The relevant information like terms of contract and details of Board resolutions and special resolutions shall be captured in the e-form. The e-form shall also be certified by the practicing professional who shall specifically certify the correctness of the information and declarations given by the company in the e-form.

The company while seeking approval of the directors and shareholders in their meetings shall specifically take approval to the effect that: --

- i. Proposed contract is competitive, at an arm's length, without conflict of interest and is not less

advantageous to it as compared to similar contracts with other parties.

- ii. The company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon and has filed its upto date Balance Sheets and Annual Returns with the Registrar of Companies;
- iii. The proposed contract is falling within the provisions of section 297 of the Act and provisions of sections 198, 269, 309, 314 and 295 are not applicable in the proposed contract.
- iv. The company and its Directors have complied with the provisions of sections 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956 with regard to the proposed contract.

The application will be processed online and approval of Central Government shall also be made available to the applicant company online on the basis of declarations made by the company and certifications by the

professionals given in the e-form.

The process of online approval of Central Government under section 297 of the Companies Act, 1956 is likely to be implemented with effect from 24th September, 2011.

[Source: MCA General Circular No.52/2011 dated 25.07.2011]

Simplified procedure for rectification of register of charges u/s 141 of the Companies Act, 1956

In order to simplify the procedures and cut timelines, the Ministry has decided to notify section 20 of the Companies (Second Amendment) Act, 2002 (1) of 2003 as per which the work relating to rectification of register of charges under section 141 of the Companies Act, 1956 shall be shifted from the jurisdiction of Company Law Board to the Central Government.

It has further been decided to delegate this work to the respective Registrar of Companies under whose jurisdiction the registered office of the company is situated. The petitions filed with the Company Law Board and pending as on the effective date of notification shall be

transferred to respective Registrar of Companies.

The above simplified process is likely to be implemented with effect from 24th September, 2011.

[Source: MCA General Circular No.51/2011 dated 25.07.2011]

Simplified procedure for obtaining confirmation of shifting of registered office from one state to another state u/s 17 of the Companies Act, 1956

In order to simplify the procedures and cut timelines, the Ministry has decided to notify section 8 of the Companies (Second Amendment) Act, 2002 (1) of 2003 thereby the work relating to confirmation of shifting of registered office from one state to another state and consequent alteration to Memorandum of Association of the company under section 17 of the Companies Act, 1956 shall be shifted from the jurisdiction of Company Law Board to the Central Government.

It has further been decided to delegate this work to the respective Registrar of Companies under whose jurisdiction the registered office of the company is situated. The petitions filed with the Company Law Board

and pending as on the effective date of notification shall be transferred to respective Registrar of Companies.

The simplified process is likely to be implemented with effect from 24th September, 2011.

[Source: MCA General Circular No.50/2011 dated 25.07.2011]

Online incorporation of companies within 24 hours

Ministry of Corporate Affairs is modifying the incorporation procedures to enable promoters to get their companies incorporated online within 24 hours. Now, the Ministry is also simplifying the procedures to approve incorporation applications forms online.

In case the e-forms 1, 18, 32 and e-form for Memorandum of Association (MOA) and Articles of Association (AOA) have been certified by the practicing professional regarding the correctness of the information and declarations given by the subscribers, the application shall be processed electronic ally and the digital certificate of incorporation shall be issued immediately online by the Registrar of Companies.

The simplified process of online incorporation of companies is likely to be

implemented with effect from 11th August, 2011.

[Source: MCA General Circular No.49/2011 dated 23.07.2011]

Name Availability Guidelines, 2011

In continuation of this Ministry's earlier circular no. 45 dated 8.7.2011 on the subject cited above, it is stated as under:-

1. The Name Availability Guidelines, 2011 and revised e-form 1A shall be implemented with effect from 24th July, 2011.
2. A fee of Rs. 1,000/- shall be charged w.e.f. 24th July, 2011 for making an application for availability of name in revised e-form 1A as provided under Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011 dated 14.07.2011.

[Source: MCA General Circular No.48/2011 dated 22.07.2011]

Amendment of Companies (Central Government's) General Rules and Forms, 1956

The Ministry introduced Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011 to be effective

from 24.07.2011 which shall effect the following changes:

- The fees for Form 1A has been increased to Rs. 1000/-
- Instead of the Company providing for the information as to whether the changed name or the proposed name is undesirable under Section 20, the Registrar shall cause to examine the application as to whether the changed name or the proposed name is undesirable under Section 20.
- In case the name is undesirable, Registrar may reject the application or ask for resubmission or additional information, within 3 days of receipt of application. Opportunity of resubmission, by Registrar, may be given for not more than two chances after which the application shall be rejected.
- If the application is certified by a practicing CA/CS/CWA, the application will be processed and approved online.
- In case the name is approved by the Registrar, the same shall be adopted by the promoters/ company within 60 days of such

approval as against 6 months according to the Rules prior amendment. Further, no extension is allowable.

- Names approved prior to these amendments, shall lapse after the expiry of 60 days from the date of their approval and further 30 days, if renewed.

[Source: MCA Notification No. G.S.R. 533(E) dated 14.07.2011]

The Ministry of Corporate Affairs has amended the Companies (Central Government's) General Rules and Forms, 1956 by substitution of Rule 10C regarding **sub-section (1B) of section 314 of Companies Act, 1956** and the said regulations may be called as Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2011.

[Source: MCA Notification No. G.S.R. 514 (E) dated 07.07.2011]

Prosecution of Directors – Regarding

The nominee director on behalf of Public Financial Institutions, Financial Institutions and banks on the board of companies should also be treated in the same manner as provided in the Para 2 of the Ministry's

General Circular No. 08/2011 dated 25.03.2011.

[Source: MCA General Circular No.47/2011 dated 14.07.2011]

Waiver of approval of CG for payment of remuneration to professional managerial person by companies having no profits or inadequate profits- Amendment in Schedule-XIII

In order to promote the development of Indian Corporate sector and another step towards simplification of procedure under the Companies Act, 1956, the Ministry has decided to amend Schedule XIII to the Companies Act, 1956 w.e.f.14.7.2011.

At present, listed companies and their subsidiaries companies, which are not having profits or having inadequate profits, have to come to the Central Government for seeking approval for payment of remunerations exceeding Rs. 4 lakh p.m. even to professional managerial person, who has no interest in the capital or any relation with the directors of the company.

Pursuant to this amendment, no approval of Central

Government will be required by the listed companies and their subsidiary companies, which are not having profits or having inadequate profits for payment of remunerations exceeding Rs. 4 lakh p.m., if the managerial person:-

- (a) is not having any direct or indirect interest in the capital of the company or its holding company or through any other statutory structures at any time during last two years before or on the date of appointment; and
- (b) is having a graduate level qualification with expert and specialized knowledge in the field of his profession.

The other general conditions specified in Para (c) of Section II of Part II of Schedule XIII to the Act shall continue to be complied with.

[Source: MCA General Circular No. 46/2011 dated 14.07.2011 & MCA Notification No. G.S.R. 534(E) dated 14.07.2011]

Integration of DIN issued under Companies Act, 1956 with DPIN issued under Limited Liability Partnership (LLP) Act, 2008

Ministry, vide notification dated 5th July, 2011, has

integrated the Director's Identification Number (DIN) issued under Companies Act, 1956 with Designated Partnership Identification Number (DPIN) issued under Limited Liability Partnership (LLP) Act, 2008 with effect from 9.7.2011.

Pursuant to this notification:-

- (a) With effect from 9.7.2011, no fresh DPIN will be issued. Any person, who desires to become a designated partner in a Limited Liability Partnership, has to obtain DIN by filing e-form DIN-1.
- (b) If a person has been allotted DIN, the said DIN shall also be used as DPIN for all purposes under Limited Liability Partnership Act, 2008.
- (c) If a person has been allotted DPIN, the said DPIN will also be used as DIN for all the purposes under Companies Act, 1956.
- (d) If a person has been allotted both DIN and DPIN, his DPIN will stand cancelled and his DIN will be used as DIN as well as DPIN for all purposes under Limited Liability Partnership Act, 2008 and Companies Act, 1956.

All DPIN holders, who had not furnished their PAN at the time of obtaining DPIN, are required to furnish their PAN to the Ministry by filing eform DIN-4 by 30th September, 2011, failing which their DPIN/DIN will be disabled and they will also be liable for heavy penalty. Corresponding amendment has also been notified in the LLP Act.

[Source: MCA General Circular No.44 dated 08.07.2011 read with MCA Notification No. G.S.R. 506 (E) dated 05.07.2011]

Payment of fees to CAs in cases where funds are not permitted from Common Pool Fund

It has been noticed that certain Courts have not allowed fees to be paid to the Chartered Accountants from Common Pool Fund in cases where petitions are filed in respect of companies under liquidation having no assets. The matter has been considered and it has been decided that in all such cases following steps be taken.

- (i) Official Liquidator will take permission of Court to appoint a Chartered Accountant.
- (ii) Official Liquidators will appoint Chartered Accountants for issuing necessary certificate.

- (iii) The terms and conditions of payment of fees to the CAs in such cases will be decided by a Committee consisting of concerned OL and ROC, chaired by the RD.
 - (iv) All the fees will be approved by the Committee by following GFR.
 - (v) Each OL will maintain a list of local CAs/CA firms and selection should be done from them only.
2. The payment of fees to CAs in this respect will be made out of the Budget Head "Office Expenses".
[Source:MCA General Circular No.42 dated 07.07.2011]

E-filing of Income Tax return in respect of companies under liquidation

In discussion with CBDT the following steps are proposed to be taken by Official Liquidators for E-filing of Income Tax return in respect of companies under liquidation:-

1. To check whether the company which has come in liquidation has a PAN and takes possession along with other records.

2. If PAN is not available in the records, the PAN No. of the company shall be obtained from concerned ITO.
3. There are cases where no certificate of Registration and/or Article of Association/Memorandum of Association is available. For this following action be taken:
 - a) If the company has no assets, it must be got liquidated and there is noneed to apply for PAN.
 - b) If the company has assets, the concerned ROC be requested to send documents about the company for applying to concerned ITO for obtaining PAN.
4. In the verification column of the ITR, OL will mention his personal PAN as this is only for the purpose of Verification Number obtained in official designation.
5. As Representative Assessee, OL official address should be given in Part A General Information under column No.(b).i.e. address of Official Liquidator's office would be mentioned as the address of

- the company under Liquidation.
6. Since this is a regular activity, following actions be taken:
 - a) Staff be trained to prepare and file application for PAN withoutsourced agencies of CBDT namely NSDL and UTI;
 - b) All IT Returns filing is now on-line. Hence staff be trained to do the same. No CA firms/consultants be employed for above tasks.

[Source:MCA General Circular No.41 dated 06.07.2011]

Amendment of Companies (Director Identification Number) Rules, 2006

The Ministry of Corporate Affairs has amended the Companies (Director Identification Number) Rules, 2006 by substitution of sub-rule (ii) of Rule 2 regarding **Director Identification Number** and by substitution for Forms DIN-1 and DIN-4 and the said regulations may be called as Companies Director Identification Number (Third Amendment) Rules, 2011.

[Source:MCA Notification No. G.S.R. 507 (E) dated 05.07.2011]

SEBI& RBI UPDATES

➤ Circular

Regularization of Liaison / Branch Offices of foreign entities established during the pre-FEMA period

The foreign entities who have established Liaison or Branch Offices in India and continuing to function without obtaining permission from the Reserve Bank of India should approach the Reserve Bank within a period of 90 days from the date of issue of this circular for regularization of establishment of such offices in India, in terms of the extant FEMA provisions.

The foreign entities who may have established Liaison or Branch Offices with the permission from the Government of India may also approach the Reserve Bank along with a copy of the said approval for allotment of a Unique Identification Number (UIN) by the Reserve Bank of India.

All such applications/ requests should be submitted in form FNC routed through the AD Category – I bank where the

account of such LO /BO is maintained.

[Source: RBI/2011-12/ 112 A.P. (DIR Series) Circular No. 02 dated 15.07.2011]

Investment by banks in liquid/short term debt schemes of mutual funds

It has been decided that the total investment by banks in liquid/short term debt schemes (by whatever name called) of mutual funds with weighted average maturity of portfolio of not more than 1 year, will be subject to a prudential cap of 10 per cent of their net worth as on March 31 of the previous year.

With a view to ensuring a smooth transition, banks which are already having investments in these schemes of mutual funds in excess of the 10 per cent limit, are allowed to comply with this requirement at the earliest but not later than six months from the date of this circular.

[Source: RBI/2011-12/106 DBOD.No.BP.BC. 23 /21.04.141/2011-12 dated 05.7.2011]

Redemption of Foreign Currency Convertible Bonds (FCCBs)

Keeping in view the need to provide a window to facilitate refinancing of FCCBs by the Indian companies who may be facing difficulty in meeting the redemption obligations, it has been decided to consider applications for refinancing of FCCBs by Indian companies under the automatic route. Accordingly, designated AD Category - I banks may allow Indian companies to refinance the outstanding FCCBs subject to compliance with the terms and conditions set out hereunder: -

1. Fresh ECBs/ FCCBs shall be raised with the stipulated average maturity period and applicable all-in-cost being as per the extant ECB guidelines;
2. The amount of fresh ECB/FCCB shall not exceed the outstanding redemption value at maturity of the outstanding FCCBs;

3. The fresh ECB/FCCB shall not be raised six months prior to the maturity date of the outstanding FCCBs;
4. The purpose of ECB/FCCB shall be clearly mentioned as 'Redemption of outstanding FCCBs' in Form 83 at the time of obtaining Loan Registration Number from the Reserve Bank;
5. The designated AD - Category I bank should monitor the end-use of funds;
6. All other aspects of ECB policy under the automatic route, such as, eligible borrower, recognized lender, end-use, prepayment, refinancing of existing ECB and reporting arrangements shall remain unchanged;
7. ECB / FCCB beyond USD 500 million for the purpose of redemption of the existing FCCB will be considered under the approval route; and
8. ECB / FCCB availed of for the purpose of refinancing the existing outstanding FCCB will be reckoned as part of the limit of USD 500 million available under the automatic route as per the extant norms.

[Source: RBI/2011-12/ 105 A.P. (DIR Series) Circular No.01 dated 04.07.2011]



CORPORATE FINANCE

➤ Latest News

MERGER & ACQUISITIONS

Cognizant to acquire CoreLogic India for \$50 million

Information technology (IT) services company Cognizant is to acquire CoreLogic Global Services Pvt. Ltd (CoreLogic India) for \$50 million in cash to expand its mortgage services portfolio. As part of the transaction, CoreLogic and Cognizant will enter into a services agreement with a minimum revenue commitment of \$324 million, plus applicable inflation adjustments, over five years, with various renewal and extension rights. Under this, Cognizant will provide a range of services to CoreLogic globally

[Source: Live mint, July 26, 2011]

AIM-listed

Infrastructure India To Buy Indian Energy For \$13M

LSE's Alternate Investment Market-listed Infrastructure India Plc. is acquiring another exchange-listed firm, Indian Energy Plc., which owns and operates wind assets in the country. The all-stock deal for the acquisition of Indian Energy (it owns and operates 41.3 MW across two wind farms) is valued at £7.9 million (\$13 million or Rs 57.2 crore).

[Source: Researchviews, 21 July 2011]

Cox & Kings To Buy UK's Holidaybreak For \$510M

Indian travel services firm Cox & Kings Ltd is acquiring European holiday specialist Holiday break Plc, in a deal valued at £312 million or \$510 million (Rs 2,260 crore). Cox & Kings has made an offer for the shareholders of Holiday break in what will be the biggest overseas deal in the travel services industry. Deal may be biggest M&A in Indian travel services industry;

Holidaybreak is nearly 7 times bigger in terms of revenues.

[Source: The Hindu, 28 July 2011]

VENTURE CAPITAL

Bigshoebazaar Raises \$9M From Catamaran & Nexus Venture Partners

Bigshoebazaar India Pvt. Ltd. (BSB), an online wholesaler and retailer of shoes, apparel, bags, accessories and gift items, has raised Rs 40 crore from Nexus Venture Partners and Catamaran Ventures, a private investment firm. This is the second round of funding for the company. The latest round of capital infusion comes close on the heels of a \$2.2 million that the company raised from Nexus Venture Partners late last year.

[Source: Reuters, 21 July 2011]

SAIF Partners Leads \$5.5M Investment In Zovi.com

Private equity firm SAIF Partners and angel investors like MakeMyTrip founder Deep Kalra have invested \$5.5 million in ZOVI, the first exclusively online clothing brand in India. Kalra has also joined the board of the company ZOVI will use these funds to expand its supply chain, inventory and product range.

[Source: The Economic Times, July 05, 2011]

Mangrove Capital Invests \$4M in Global Online Apparel

Mangrove Capital Partners, a Luxembourg-based venture capital firm which has backed Skype and Nimbuzz, has invested \$4 million for a minority stake in Global Online Apparel, a holding company of Indian shoe e-tailer BeStylish.com, as well as other e-commerce sites across the globe.

[Source: Wall street Journal, July 05, 2011]

IFC To Lend \$15M To Bhilwara Energy For Wind Power Project

International Finance Corporation will lend \$15 million to Bhilwara Green Energy Ltd, to develop, own and operate a 51 MW wind farm in Maharashtra. This venture also marks an expansion of activities for Bhilwara Energy, which has been primarily involved in hydroelectric projects

[Source: Silicon India, 04July 2011]

PRIVATE EQUITY

Bessemer Leads \$40M Round In Snapdeal

Group buying portal Snapdeal.com has raised \$40 million in series B funding, led by Bessemer Venture Partners, along with existing investors Nexus Venture Partners and Indo-US Venture Partners. The investment comes barely six months after it has announced a \$12 million Series A round in January this year from Nexus and Indo-US Venture Partner

[Source: The Economic Times, July 28, 2011]

Xander Invests Rs 240Cr For 14.5% Stake In HCC Concessions

Construction and civil engineering major HCC

Infrastructure Co. Ltd will dilute 14.5 per cent stake in HCC Concessions Ltd to US-based investment firm Xander Group for Rs 240 crore, according to a statement. HCC Infrastructure is a 100 per cent subsidiary of Hindustan Constructions Company Ltd, whose flagship projects include the Bandra-Worli Sea Link and Lavasa hill city. The deal values HCC Concessions, which builds, finances and operates transport infrastructure, at \$375 million or Rs 1650 crore. The share price of HCC Constructions closed at Rs 30.95 on the BSE, down 4.62 per cent on weak Q1 results

[Source: Money control, July 28, 2011]

Vayavya Labs Raises \$1M From Indian Angel Network

Indian Angel Network (IAN) has invested \$1 million in embedded software tool developer Vayavya Labs, to pick an undisclosed minority stake in the company. This is IAN's 25th investment and will help Vayavya expand its toolset suite for electronic systems level design, R&D and business development.

[Source: Business world, July 18, 2011]

Mobile Ad Network Vserv Raises \$3M From IDG Ventures

Mumbai-based Vserv Digital Services Pvt Ltd has completed its series A round of funding to the tune of \$3 million from technology

venture capital firm IDG Ventures India for an undisclosed stake. Manik Arora and Karan Mohla from IDG Ventures will be joining Vserv's board of directors. Incidentally, Ajay Adiseshann, founder and managing director of mobile

payment company PayMate, has recently invested an undisclosed amount in Vserv. [Source: Business Standard, July 19, 2011]



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