

Taxman Probes if Startups Structures Violate Norms

Cos taking holding outside to attract foreign investment, say insiders

Sachin Dayal/timesgroup.com

Several Indian startups have found their structures to hold as assets, India's federal property tax audit unit has been told by the income tax department, said two people with direct knowledge of the matter.

Multiple startups, in the last few years have created foreign companies and held over their Indian businesses through them.

The income tax department is investigating whether holding structures could be akin to transfer pricing violations.

The tax department is looking to serve several summonses to see if these new structures violate transfer pricing regulations.

In most cases, after the structures are flagged, Indian auditors assess 100 per cent of the permitted tax.

"Our model is fine for a startup, but that does not mean every entity needs to do some accounting work. But how do you start up whose business is built in the same way?" said a senior government official.

This comes at a time when Nandan Nilekani, chairman of TCS, took to Twitter in October about the problem of "Twitter executives... shades of the East" while comparing type of startup here - Indian-startup, Indian-customers, Indian-develop-



pers, Indian workforce. However 200+ employees think for his investors. If it's a startup, it's not transfer pricing," he tweeted.

Insiders point out that several US-based investors that have recently invested in Indian "unicorns" had insisted on flip-in provisions. This meant that a company was created in Singapore, Europe and the US, which would hold the Indian company.

These investors are insisting that they won't invest in start-ups unless the funding company which has got the central 80% is called India, "said a senior Indian investment banker who was part of a multi-million-dollar fund that had invested in tech startup through a Singapore funding route.

In most cases, the Indian share holding

pattern is mirrored in the new company that's created outside India, a step that leads to tax and cost trapping losses, say experts.

The startup looking to raise capital must be mindful of several norms like top-down, round-trip capital gains tax to the founders, tax on dividends, tax on dividends and tax on transfers of unquoted units from holding companies," Ankit Maheshwari, partner ACG Global, a US-based consulting firm.

According to people in the know, the Indian investors are insisting on linking the Indian economy closely with India as they do not want to deal with foreign regulators.

Almost all the startups are held through companies based in tax havens.

Withdrawal of New Agri Laws Unlikely: Officials

ITI Tiwari & Jayashree Bhasale

New Delhi: The government expects steady negotiations with farmers as it attempts to adjust the demand of withdrawing the new laws when the two sides meet for the ninth round of negotiations today.

Farmers are demanding repealing of laws, which doesn't look possible. There is little room for compromise in laws. So the government may propose options for less intervention over disputes, which as of now can have to be resolved in areas of sub-subsidy importation and direct marketing," said a senior agriculture ministry official.

He said the government remained committed to its intention to support price discovery mechanisms.

The government plans to increase MSP and rice to MSP to four to three of production under National Food Security Act. So, government purchase is bound to continue to fulfil this potential demand. No government can take risk to discuss so when the government farmers are not ready.

The official said that four of MFP scrips as issued as government transfers more than Rs 2 lakh crore annually to farmers took account towards procurement of grains, oilseeds and pulses worth Rs 10,000-12,000 crore to farmers under PM Kisan scheme. From that, government spends more than its liability on food and fertiliser, seeds and irrigation facilities. We are committed towards farmers welfare," he said.

The official said that the procurement of



farmers has gone up by 20% from last year, indicating greater interest towards returning MSP. Farm leaders however are divided and are getting support from traders in Mandia in Maharashtra, about 300

wholesalers, who will remain neutral for the time being.

Most mandis are controlled by the Nationalist Congress Party (NCP), says a senior source.

A hand full are controlled by the Congress or the BJP.

In compliance with the above circulars, electronic copies of the Notice of the AGM and Annual Report for fiscal 2011 will be sent to all the shareholders whose email addresses are registered with the Company/Registrar. Participants in dematerialized mode, are requested to request the relevant addresses of their respective brokers, with their relevant deposit slip through their deposit participants. Shareholders holding shares in physical mode are requested to furnish their email addresses and mobile numbers with the Company's Registrar and Share Transfer Agent, Incentive Consultancy Private Limited and CDSL Global Services Ltd. All the documents required for the 20th Annual Meeting and Annual Report for the year 2010 will also be made available on the Company's Website at www.inanimarbles.com. Members can attend and participate in the AGM through Video Conferencing only. The AGM will be held on December 20, 2011 at 11:00 AM IST through video conferencing ("VCC") in compliance with General Circular number GCR/2010/1420/2010 dated 12/01/2010. The AGM will be held at the office of Corporate Affairs (MA) and the Management of the AGM and Exchange Brokers (EB) in Mumbai to transact the business and receive the Notice of Meeting.

In compliance with the above circulars, electronic copies of the Notice of the AGM and Annual Report for fiscal 2011 will be sent to all the shareholders whose email addresses are registered with the Company/Registrar. Participants in dematerialized mode, are requested to request the relevant addresses of their respective brokers, with their relevant deposit slip through their deposit participants. Shareholders holding shares in physical mode are requested to furnish their email addresses and mobile numbers with the Company's Registrar and Share Transfer Agent, Incentive Consultancy Private Limited and CDSL Global Services Ltd. All the documents required for the 20th Annual Meeting and Annual Report for the year 2010 will also be made available on the Company's Website at www.inanimarbles.com. Members can attend and participate in the AGM through Video Conferencing only. The AGM will be held on December 20, 2011 at 11:00 AM IST through video conferencing ("VCC") in compliance with General Circular number GCR/2010/1420/2010 dated 12/01/2010. The AGM will be held at the office of Corporate Affairs (MA) and the Management of the AGM and Exchange Brokers (EB) in Mumbai to transact the business and receive the Notice of Meeting.

As per Section 103 of the Companies Act, 2013 read with Rule 23 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 4 of MCA 210 (Being Directorate of Registration, Rules, 2014), the notice of the AGM shall be sent to the members of the Company, through electronic mode, as far as practicable, for the AGM to be held in person, the Company is pleased to provide its shareholders to cast their vote on the resolutions set forth in the Notice through electronic voting system ("REMOTE E-VOTING") of Central Depository Services (India) Limited (CDSL).

Pursuant to Section 103 of the Companies (Management and Administration) Rules 2014 (as amended), the Company further informs all Members that:

- The Business to be done at the AGM may be voted electronically.
- The date of Completion of writing of Notice is 27th November, 2010.
- The Voting Rights of the Members shall be in proportion to the Equity Shares held by them in the paid up Equity Shares Capital of the Company as on Cut-off date i.e. December 12, 2010.
- The cut-off date determining the eligibility to vote by remote voting is December 12, 2010. A person whose name is recorded in the Depositories as cut-off date only shall be entitled to avail the right to remote e-voting.
- Any Person, who becomes a member of the Company after sending of AGM Notice, and is a member as on the cut-off date for voting i.e. December 12, 2010, such person may obtain the cut-off date by sending a request to evo@inanmarbles.com by mentioning his/her CIN ID and Client ID.

1. The remote e-voting period commences on Sunday, December 17, 2010 (9:00 AM) and ends on Tuesday, December 20, 2010 (10:00 AM).

2. The voting through electronic means shall not be allowed beyond 10:00 AM on Tuesday, December 20, 2010.

3. The family members attending the meeting who have not already cast their vote by remote e-voting and be able to exercise their right at the AGM. Detailed procedure for remote e-voting at the AGM are provided in the Notice.

4. The Notice of AGM, together with Explanatory statement, Remote E-voting Instructions and the processes of e-voting resolution of non-voting members in terms of AGM & Pre-emptive Right ("Remote E-Voting") in terms of MCA Circulars is available on the Company Website www.inanimarbles.com and on CDSL website www.votingnow.com.

5. In light of the MCA Circulars, Members, who have not registered their email address may get their valid email registered by sending an email to the Company's Share Transfer Agent at ag2121@yahoo.com. Member may also send an email to remote_e_voting@inanmarbles.com at all times.

6. Post successful registration of the email, the member would get soft copy of the notice and the procedure for voting along with the User ID and Password to enable e-voting for this Notice. In case of any query, member may write to ag2121@yahoo.com or remote_e_voting@gmail.com.

7. Members are however requested to register their email addresses, in respect of electronic holdings with their Share Transfer Agent/Particulars and in respect of their shares registered with the Company's Share Transfer Agent, Incentive Consultancy Private Limited.

Pursuant to Section 91 of the Companies Act, 2013, the Registrar of Member and Share Transfer Book of the Company will remain closed from Thursday, 24th December 2010 to Wednesday, 29th December 2010 (both days inclusive) for the purpose of forthcoming AGM and ascertain the payment of dividend.

8. Shareholders may note that the Board of Directors in their meeting held on 10th June, 2010 has recommended a final dividend of Rs 0.04 per share. The record date for payment of dividend for financial year 2010-11 will be 21st December 2010. The final dividend amount payable to the shareholders in the existing AGM will be paid on or after Friday, 04th January, 2011 electronically through various online transfer modes to those shareholders who have updated their bank account details. For shareholders who have not updated their bank account details, their dividend will be paid in cash. Shareholders who have not updated their bank account details will receive their dividend in cash.

9. Pursuant to Finance Act 2010, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2009 and the tax on dividend income required to deduct tax at the rate of 10% will be deducted by the Member at presentation of the Income Tax Return ("ITTR").

10. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by him during the financial year 2010-11 does not exceed Rs. 5,000/- and less in case where members provide Form 16G/16H (applicable to individual aged 60 years or more) subject to conditions specified in the IT Act, in particular, to enable compliance with TDS requirements, members are requested to complete and/or update their residential status, HSC Category as per the IT Act with the relevant authority. The Company may issue shares in physical mode to those shareholders whose shares are held in physical mode to receive the dividend directly into their bank account on the payment date.

11. Pursuant to Finance Act 2010, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2009 and the tax on dividend income required to deduct tax at the rate of 10% will be deducted by the Member at presentation of the Income Tax Return ("ITTR").

12. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by him during the financial year 2010-11 does not exceed Rs. 5,000/- and less in case where members provide Form 16G/16H (applicable to individual aged 60 years or more) subject to conditions specified in the IT Act, in particular, to enable compliance with TDS requirements, members are requested to complete and/or update their residential status, HSC Category as per the IT Act with the relevant authority. The Company may issue shares in physical mode to those shareholders whose shares are held in physical mode to receive the dividend directly into their bank account on the payment date.

13. In case of any queries or grievances regarding e-voting you may refer to our website www.inanmarbles.com or www.votingnow.com or write to us at evo@inanmarbles.com or remote_e_voting@inanmarbles.com or call us at 022-2390-3303.

Date: 07.12.2010
Place: Chinchwad

Deadline Extended for LIC Actuarial Firm Bidding

Our Bureau

New Delhi: The government has extended the deadline for submission of bids from eligible companies for the appointment of an actuarial firm to determine the embedded value of the Insurance Corporation of India (ICI) and the Life Insurance Corporation of India (LIC).

LIC needs to develop an Indianised Value (IV) framework for the proposed life insurance products and related instruments. It needs to develop an Indianised Value (IV) framework for the proposed life insurance products and related instruments.

As per notifications specific instructions should have developed and reported actualized EV or IEV of a life insurance company of Rs 10,000 crore or \$1.2 billion or more between April 30 and March 31, 2009.

As per notifications specific instructions should have developed and reported actualized EV or IEV of a life insurance company of Rs 10,000 crore or \$1.2 billion or more between April 30 and March 31, 2009.

COMMODITIES

Commodity	Open	Close	High	Low	Volume	Turnover
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (troy oz)	118.00	118.00	118.00	117.00	1,000	118,000,000
Gold (kg)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (gms)	3,700.00	3,700.00	3,700.00	3,698.00	1,000	3,700,000
Gold (kg)</						