

555

550

The
Registered Accountants
Journal

(Conducted under the auspices of the Society of Auditors, Madras.)

Edited by:
K. V. SRINIVASAN, B.Sc., G.D.A., R.A.

Office of Publication:
161, Mount Road, Madra

Vol. I.
No. 3

OCTOBER 1945

Annual Subscription
Indian Rs. Six
Foreign Sh. Ten

SOCIETY of AUDITORS

COACHING INSTITUTE

Recognised by the
Government under
- R. A. Rules -

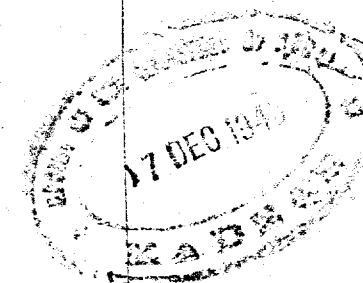


CLASSES for FIRST
R. A. EXAMINATION in
FULL SWING.



Y. M. I. A. BUILDINGS,

ARMENIAN ST.,
G. T., MADRAS.



3L

X: 8 Fm 211, NUS RA

NUS

169753

Published on the 25th of Every Month

SUBSCRIBE LIBERALLY TO

THE VIVEKANANDA

COLLEGE

FUND

Subscriptions may be sent to:

Sri M. SUBBAROYA AYYAR, B.A., B.L.,

Advocate,

Pelathope, Mylepore, Madras.

The Registered Accountants' Journal

(Conducted under the auspices of the Society of Auditors, Madras.)

Vol. I

OCTOBER 1945

No. 3

CONTENTS

EDITORIAL NOTES: Production of Books in Income-tax Assessments, Registered Accountants and Provincial Governments, Acknowledgment ...	25
ARTICLES: (1) Rule 5 of Schedule I of the Excess Profit Tax Act— A. K. Sivaramakrishnan ...	26
(2) Section 105-C of the Indian Companies Act 1913— M. S. Srinivasan ...	28
READERS' FORUM: (6) Payments to gramophone artistes, (7) Cotton kappas spinning, (8) Remuneration of Directors, Answers to Queries ...	31
CASE LAW ...	32
NOTIFICATIONS ...	33

Production of Books in Income-tax Assessments:—In our maiden issue we published a list of queries posed to the Central Board of Revenue Member and to the Excess Profits Tax Adviser together with the answers given by them, in their interview with the Society of Auditors, Madras. Point number 3 relating to income-tax dealt with the automatic issue of the notices for production of books even in audited cases. A request was made that this procedure should be resorted to only after due examination of the statements and after calling for further particulars. The Member agreed entirely with the principles of the suggestion.

We need not say much on the advantages of the procedure now suggested. It will be a great relief to the auditors, and a great saving in time and bother to the Income-tax Department also, if a prior scrutiny of the Auditors' statements takes place and explanations are called for before the books are actually required to be produced. The profession is ready after scrutiny of the books to give a certificate in any reasonable form that may be prescribed by the Central Board of Revenue. We find, however, that the position remains unchanged and books are still called for indiscriminately. The profession will do well to suggest a form

of certificate for this purpose which will be acceptable to the Department and which will be in accordance with the scrutiny made by them.

2. Registered Accountants and Provincial Governments:—There are very many instances where the Government, both Provincial and Central, appoint auditors under the various acts like the Co-operative Societies Act, the Electricity Act, the Mining Act and various Rules like Educational Rules, Receiver-ship Rules contained in the District Court Manual and so on. It is a matter of deep concern to the profession that these appointments are not always confined to the Registered Accountants, the only qualified body of Accountants. Various other people—advocates and businessmen with no specialised knowledge of accounts—are entrusted with these audits. The Government of India should take up the matter and insist that only Registered Accountants should be appointed. There is also the other hardship of limiting the selection to a particular panel of Registered Accountants chosen by heads of the various Departments. This invidious distinction should not be allowed to

exist further and the choice of auditors should be from among the names appearing in the list of Registered Accountants. The Government of India should take up the case of the Registered Accountants as a whole in this matter and see that their privileges are safeguarded.

Acknowledgment:—We thank all our subscribers for the spontaneous and generous support they have given to our new venture. The volume of support received by us is heartening and we trust we will be enabled to discharge our duties to the satisfaction of our readers and to the benefit of our profession in general. We take the opportunity of inviting the attention of our readers to the Readers' Forum. It will be of great help to the practising accountants and to the commercial men alike if greater interest is evinced in these columns and queries and answers are sent to a greater extent.

We have to apologise to our subscribers for the delay in the publication of our journal owing to unavoidable factors. We trust we will be in a position to keep up to our schedule from the beginning of the New Year.

SPECIAL ARTICLES

Rule 5 of Schedule I of the Excess Profit Tax Act

The construction of the above rule came up for consideration before the Learned Judges of the Bombay High Court in the recent case of *Killick Nixon & Co. Vs. The Commissioner of Income-tax*. It was held that for the purpose of arriving at the increase in Bank and Debenture borrowings, only

the average borrowings employed in the Business during the standard period and the relevant chargeable Accounting period should be considered and a comparison between the absolute borrowings at the close of the standard period and the average borrowings during the chargeable accounting period was

not in accordance with the general scheme of the Act.

It will be useful to recall the conditions which the Department requires an assessee to satisfy to support his claim for the benefit and the extent thereof of Rule 5 of Schedule I. They are:—

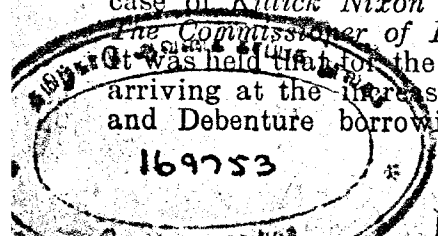
- (1) There must be an increase in the average borrowings represented by General assets.
- (2) There must be an increase in the average borrowings during the chargeable accounting period over the absolute borrowings at the close of the standard period.
- (3) The benefit of the adjustment is restricted to the difference between the average borrowings during the standard and chargeable periods or that between the average borrowings during the chargeable accounting period and the absolute borrowings at the close of the standard period *whichever is lower*.
- (4) If there is no increase in the average capital during the chargeable accounting period over the average capital during the standard period then there is no adjustment under Rule 5 of Schedule I, as there is no increase in the general assets.

Clause (1) above needs no explanation and is a condition precedent to an adjustment under the Rule. The target of discussion in the following paragraph is clauses (2) and (3). Referring to the facts of

the case quoted above, the average borrowings during the standard period (a) were more than the absolute borrowings at the close of the standard period (b). It was pleaded for the Commissioner that for purposes of the Rule a comparison between (b) and the average borrowings during the chargeable accounting period (c) was not in accordance with the scheme of the Act and that the Rule should be interpreted so as to fit in with the natural meaning of section 6 of the Act which implied only a comparison of the average capital in the two periods. It should be observed that such a pleading suited the Department and the principle was of course accepted by the Learned Judges as sound and free from absurdities.

What becomes, then, of the contention which has been put forward and accepted without question by assesseees that the benefit of the Rule is restricted in appropriate cases to the difference between (b) and (c)? The case cited above establishes beyond doubt that the Rules should be interpreted in a manner not inconsistent with the scheme of the main provisions of the Act. Despite the obvious inequity one finds in a comparison of an actual figure at a particular date with the average figures for a particular period, it is a hard fact that the words "after the close of the standard period" have been too strictly interpreted to the detriment of many assesseees.

After the addition of the Rule 5-A to Schedule I and Rule 2-A to Schedule II, the adjustments under Rule 5 of Schedule I have been merged in the adjustments required to be made under the new Rules, as these provide for not only an



increase in borrowings but also covers cases of decrease in borrowings after the standard period, the applicability of the Rules being extended to all borrowings. The elucidation of the difficult point is, however, no less important to assesses, who are called upon for the first time to submit returns for the later war years, the propor-

tion of which necessarily involves the computation of deficiency for the earlier periods. It should not be overlooked that the new Rules 5-A of Schedule I and 2-A of Schedule II have by no means totally superseded Rule 5 of Schedule I, but have only limited its application in point of time.

A. K. SIVARAMAKRISHNAN.

Section 105-C of the Indian Companies Act, 1913.

This is an attempt to dissolve the confusion that exists in the interpretation of section 105-C of the Indian Companies Act, 1913. The Section runs as follows:

"Where the directors decide to increase the capital of the company by the issue of further shares such shares shall be offered to the members in proportion to the existing shares held by each member (irrespective of class) and such offer shall be made by notice specifying the number of shares to which the member is entitled, and limiting a time within which the offer, if not accepted, will be deemed to be declined; and after the expiration of such time, or receipt of an intimation from the member to whom such notice is given, that he declines to accept the shares offered, the directors may dispose of the same in such manner as they think most beneficial to the company."

The interpretation of the section centres round the interpretation of the clause, "where the directors decide to increase the capital of the company by the issue of further shares".

The following is a quotation from The Law Journal, 1909, Volume 78, page 368, right hand column:

"The expression INCREASE OF CAPITAL is also used in the Companies Acts in two senses—first, as meaning an actual increase effected by the issue of new shares, and, secondly as meaning the amount which the company takes power to issue over and above its registered capital."

"It is the resolution of the company that increases the maximum authorised capital, and the directors then increase the actual capital."

Again, the following is a quotation from The Law Journal, 1914, Volume 73, Chancery Division, Page 422, left hand column:

"SHARE CAPITAL is an ambiguous phrase and may mean either issued capital or authorised capital according to the context. Here I think the context points to issued share capital."

Under the provisions of sub-section (2) of section 50 of the Indian Companies Act, 1913, the authori-

sed capital can be increased by the company in general meeting. Therefore, the capital that could be increased by the decision of the directors is the Subscribed Capital and not the Authorised Capital.

Further, by the provisions of sub-section (2) of section 17 of the Indian Companies Act, 1913, Regulation 71 of Table A in the First Schedule to the Indian Companies Act, 1913 must be deemed to be an article contained in the articles of association of every company. This regulation provides that "the business of the company shall be managed by the directors... who may exercise all such powers of the company as are not, by the Indian Companies Act, 1913... or by these articles, required to be exercised by the company in general meeting, subject nevertheless to any regulation of these articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the company in general meeting". The act of issuing shares is an administrative one and it is the function of the directors. Therefore, the decision to increase the subscribed capital of the company can be taken by the directors only.

Hence, the clause, "where the directors decide to increase the capital of the company by the issue of further shares," means, "where the directors decide to increase the Subscribed Capital of the company by the issue of shares further to the shares already subscribed for and forming part of the already existing Authorised Capital."

The view expressed by the learned authors, Messrs. Sir N. N. Sircar

and Susil C. Sen, in their book on the Indian Companies Act, 1913, in page 309, that the words, "further shares", "must mean shares which are issued for the purpose of increasing the capital beyond the authorised capital", is, in my view, not correct. On the other hand, the view expressed by Solomon Judah, in his book on the Indian Companies Act, 1913, page 199, seems to be correct. He says "when directors decide to issue further shares of the authorized but unissued capital they must, in the first instance, offer such shares to the members of the company...."

Under sub-section (16) of section 2 of the Indian Companies Act, 1913, "Share" means share in the share capital of the company. Therefore, the shares that are issued under the provisions of section 105-C must be offered in proportion to the nominal value of the shares held by the existing members and not according to the number of shares held or according to the amount paid up on the shares held by each member.

Sometimes the Articles of Association of certain companies provide, for the purpose of preventing the cornering of shares in the company, that no member of the company may hold at any time more than a specified number of shares or shares of the total nominal value of more than a specified amount. Supposing that an article provides that a member of the company shall not at any time hold shares in the company of the nominal value of more than Rs. 5,000. In case there are members having share of the nominal value of Rs. 5,000, if the directors decide to issue further shares, will the members already having shares of the aggregate nominal value of

Rs. 5,000, the maximum limit fixed by the Articles of Association of the company, be entitled to have their quota of the further issue in accordance with the provisions of section 105-C? The provisions of section 105-C being mandatory and unqualified, such members are certainly entitled to have their quota and for this purpose the company will have to alter the Articles of Association suitably.

Regulation 42 of Table A closely follows the provisions of section 105-C and if the Articles of Association of a company contains an article similar to that regulation I am of opinion that there can be no inconsistency with the provisions of Section 105-C. Regulation 42 of Table A runs as follows:

"Subject to any direction to the contrary that may be given by the resolution sanctioning the increase of share capital, all new shares shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. . ."

The actual creation of shares being, under the provisions of section 50, within the province of the company in general meeting, the resolution creating any share may give any specific direction for the issue thereof. The directors, in the matter of issuing such shares, must comply with the directions attached to the shares at the time of their creation. The existence of an article similar to regulation 42 of Table A cannot be said to be inconsistent with the statutory provisions of section 105-C.

I have met with certain difficulty when interpreting the words, "by the issue of further shares", occurring at the beginning of section 105-C, when the company, before 1939, offered for public subscription 6,000 shares of Rs. 100 each. No time limit was ever fixed for making application for shares. For more than a year or two previous to 1940 no application for shares was received by the company. When yarn prices increased and the company showed unmistakable signs of prosperity, certain shares forming part of the 6,000 offered to the public originally but not taken up by any till 1940 were allotted to the managing agents and certain directors. The members of the company were not appraised of the opportunity of taking up shares at that stage of the company's life. Can such an allotment be considered an infringement of the provisions of section 105-C of the Indian Companies Act, 1913? In this connection it is interesting to refer to the meaning of the words, "issue of shares", as given in The Laws of England by Halsbury:

"The term *issue*, as regards shares, has been used by the legislature. The shares which are signed for by the signatories to the memorandum are issued when the company is registered. As regards other shares, when a person is on his own authority entered on the register as a shareholder the shares have been issued to him although he has not obtained the share certificate. But a resolution to allot shares is not necessarily the issue of them, and the term seems to mean some act, distinct from and subsequent to allotment where-by the title of the allottee

became complete, either by his receiving the certificate, or by being registered, or by other step by which the title derived from allotment may be completed."

Further, according to The Laws of England by Halsbury, the phrase "Issued Capital" is generally treated as synonymous with "Subscribed Capital".

In the instance narrated by me above, there was an original offer, that offer was open even in 1941 as there was no specific resolution withdrawing the same, and the allotment was the acceptance of the application for shares made in

1941 in response to an offer already made in 1936. The Indian Companies Act, 1913, in Form F of the Third Schedule, makes a distinction between Subscribed Capital and Issued Capital. That is, it contemplates cases where all the Issued Capital might not have been taken up and subscribed. According to the classification made in Form F, Issued Capital means "Capital offered for subscription". When the offer for subscription was made in 1936, and when there is no fresh offer from the directors, the said allotment cannot be said to have contravened the provisions of section 105-C.

M. S. SRINIVASAN.

READERS' FORUM

This Section is intended to serve our readers in two ways. Firstly, difficult problems of each individual professional accountant is discussed and answers are obtained. Secondly, the readers who consider the answers get the benefit of the intense study that the answering of the problem implies and all readers get the benefit of the general discussion.

QUERIES

Q. 6. Payments to gramophone artistes.—A certain sum was paid to an artist for recording his song in ten titles. Can this sum with all recording charges be charged to revenue account when (a) only 5 titles have been recorded and the balance is pending, (b) when all the titles are recorded but only 5 of them have been released for sale, and (c) when all the titles have been recorded and only 5 are released and the rest are considered scrap?

"C. H. S."

Q. 7.—Can any of your readers give the usual shortage in weight arising when cotton kappas are ginned?

"S. V. R."

Q. 8. The Directors of a private Limited Company have provided a lump sum remuneration to themselves at the close of the accounting period of the Company after the profits are known. Is this proper under the Indian Companies Act? What is the position for taxation?

"K. R."

ANSWERS TO QUERIES

Q. 4. Income-tax Deduction Certificates.—The Income-tax Deduction Certificates from the Government relating to Govern-

ment bonds acquired by me is in the name of my bankers in whose name the bonds stand. In my income-tax assessment, I wish to

169253

claim the tax already paid under that certificate. Is it necessary for my bankers to endorse the certificate to me like a negotiable instrument and if so what is the form of endorsement?

M.L.I.

A. 6. The Deduction Certificate cannot be considered a negotiable instrument and there cannot, therefore, be any endorsement. The owner of the Government Bonds should sign the Declaration contained in this Certificate in token of his ownership. This, to my mind, should be sufficient.

A. V. R.

Q. 5. Valuation of tools.—One of my clients purchased tools in respect of a single contract work done by him. The tool is practically

worn out in that work and he does not expect that the contract work will be repeated. I would like to have your Readers' views on the admissibility for income-tax purposes of writing off the cost of tools against that contract, contrary to the usual procedure of charging only the replacement values of the tools worn out when they are replaced.

SANKARAN.

A. 7.—In as much as the contract is non-recurring the entire cost of tools must be taken as a regular expenditure incurred wholly for earning the income of that year. The usual method of charging the value of tools when replaced is, therefore, not applicable.

SITARAMAN.

Case Law.

IX. Duty on petrol paid under protest in 1934 and carried forward in suspense account and finally written off in 1941, when it was held that the duty was correctly charged, cannot be claimed as a bad debt in 1941 for income-tax purposes. A bad-debt presupposes the existence of a debt. The method according to which the assessee keeps his books is no concern.

(National Petroleum Co., Ltd. Vs., Commissioner of Income-tax, Bombay—Bombay High Court—13 I.T.R. 336.)

X. The expenses incurred for defending a suit of a property is revenue expenditure and not capital expenditure within the meaning of section 10 (2) (xii) of the Indian Income-tax Act; and it is, therefore, an allowable deduction. The test to be applied in determining whether litigation expenses

are capital or revenue is to find out whether expenses were incurred in acquiring a new capital asset or in improving or altering the existing capital asset. There is no distinction in principle between litigation expenses incurred to defend business premises and those incurred in defending stock-in-trade.

(Mahavir Parshad and Sons Vs. Commissioner of Income-tax Punjab 13 I.T.R. 340).

XI. Medical expenses incurred by a shorthand writer by reason of the fact that he had to exercise his profession at a certain period in very uncomfortable condition, dangerous to his health, does not represent money wholly and exclusively laid out for the purposes of the trade, profession, employment or vocation of the patient. They

are laid out in part for the advantage and benefit of the tax-payer as a human being. The tax-payer is not entitled to deduct Medical expenses on the plea that they relate to wear and tear of his person. The tax-payer's own body could not be regarded as plant under the Income-tax Act.

XII. A family is an association of people. It is a natural, as distinct from an artificial, association. The members of an undivided Hindu Family consist both of males and females. In other words, females are, and can be, component parts of an undivided Hindu family. That being so, there can be, in our judgment, an undivided Hindu family consisting of females only. The existence of co-parcenary is not essential for the existence of a joint Hindu family.

(Commissioner of Income tax Vs., Sa. wan Kumar 13 I.T.R. 361).

XIII. The income, profit or gain accruing or arising without British India before the beginning of the accounting year and after the first day of April 1933 are assessable under section 4 (1) (b) (iii) of the Indian Income-tax Act, if they are brought into or received in British India, during the accounting year in the case of a person resident but not ordinarily resident in British India.

(Ragunath Mathavilal Vs. Commissioner of Income-tax, Bombay—13 I. T. R. 376).

XIV. Managing Agency remuneration calculated at a certain percentage of the profits, received from a company doing partly agricultural business is wholly taxable under the Income-tax Act. What may be deducted in the assessment of the principal company does not necessarily bear the same character when the payment is received by the employee. It cannot be stated that the managing agent received any portion of the agricultural income when he received remuneration for services rendered for managing the affairs of the principal company, only one of whose business is held to be agricultural.

(Premier Construction Company Vs. Commissioner of Income-tax 13 I.T.R. 391.)

XV. The word "discontinued" in Section 25 (3) of the Indian Income-tax Act, 1922, as amended by the Indian Income-tax (Amendment) Act, 1939, means only a complete cessation of the business and does not include the case of discontinuance of the business by the person formerly carrying it on as a result of the transfer or assignment of the business to another person who thereafter carries it on.

(Commissioner of Income-tax, Bombay Vs. P. E. Polson—Privy Council—13 I.T.R. 384).

NOTIFICATIONS

Government of India.
Department of Commerce.
New Delhi, the 13th October, 1945.
Registration of Accountants.

No. 1-A (8)/44.—The following draft of certain further amendments to the Auditor's Certificates Rules, 1932, which it is proposed to make in exercise of the powers conferred by sub-

section (2) of Section 144 of the Indian Companies Act, 1913 (VII of 1913), is published as required by the said subsection, for information of all persons likely to be affected thereby, and notice is hereby given that the draft will be taken into consideration on or after the 3rd November 1945. Any objection or suggestion which may be

received from any person with respect to the said draft before the date specified will be considered by the Central Government.

Draft Amendments.

In the Appendix 3 to the said Rules in item (5) for the words "like means" the words, "means partaking of the nature of advertisement" shall be substituted, and to that item the following note shall be added, namely:—

Note.—The use of any designation or expression except "Registered Accountant" on professional documents, visiting cards or sign boards shall be construed as "advertisement" within the meaning of the above item unless it be—

- (a) A title of honour conferred by Government;
- (b) A title indicating membership of a recognised Institute or Society as specified in Rule 7 of the Auditor's Certificates Rules, 1932; or
- (c) An Academical qualification whether of the United Kingdom or India set out without reference to any special merit or distinction achieved.

2. Registered Accountants entitled to style themselves as "Certified Accountants" according to the Auditor's Certificates Rules of an Indian State, who are not members of the Scottish Institute or Society of Chartered Accountants shall not use the letters "C.A." after their names without specifying source from which the designation has been acquired.

R. K. NEHRU, *Joint Secy. to the Government of India.*

**Central Board of Revenue.
Income-tax**

Simla, the 6th October, 1945.

No. 39.—The following draft of a further amendment to the Indian Income-tax Rules, 1922, which the Central Board of Revenue proposes to make in exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act, 1922

(XI of 1922), is published as required by sub-section (4) of the said section, for the information of all persons likely to be affected thereby, and notice is hereby given that the said draft will be taken into consideration on or after the 19th November, 1945. Any objection or suggestion which may be received from any person in respect of the said draft before the date specified will be considered by the said Board.

Draft amendments.

In the Statement set out below rule 8 of the said Rules under the head "III. Machinery and Plant" and sub-heading "(2) special rates to be applied to the whole of the machinery and plant used in the following concerns" against the letter "B"—after item XXXIV the following shall be added, namely:—

"(XXXV) Manufacture of pottery and other clay products."

**Central Board of Revenue.
Income-tax**

Simla, the 29th September, 1945.

No. 38.—In exercise of the powers conferred by sub-section (1) of section 59 of the Indian Income-tax Act, 1922 (XI of 1922), the Central Board of Revenue directs that the following further amendments shall be made in the Indian Income-tax Rules, 1922, the same having been previously published as required by sub-section (4) of the said section, namely:—

In rule 22 of the said Rules:—

(i) after clause (n) the following shall be added namely:—

"(o) an order under clause (c) of sub-section (3) of section 31 confirming an order cancelling the registration of, or refusing to register, a firm under sub-section (4) of section 23 or cancelling such order and directing the Income-tax Officer to register the firm, be in form L (T).

(p) an order under clause (h) of sub-section (3) of section 31, be in form K (T)."

(ii) In the Forms appended to the said rule, after form J(1) (T) the following forms shall be inserted, namely:—

FORM K (T)

Form of Section 18 (3-A), (3-B) or (3-C)—Denying Liability to deduct Tax Appeal

IN THE (INCOME-TAX) APPELLATE TRIBUNAL, BOMBAY

18 (3-A), (3-B) or (3-C)—D.L.T.A. No. of 19 .*

Appellant	Versus	Respondent
Province from which the appeal is filed.		
Income-tax Officer making the original order.		
Date of Income-tax Officer's order holding the appellant liable to deduct and pay tax under sub-section (3-A), (3-B) or (3-C) of Section 18 of the Indian Income-tax Act, 1922 read with sub-section (6) of that section.		
Amount (other than interest paid by him to the non-resident) in respect of which the Appellant has been held liable to deduct and pay tax under the provisions of sub-section (3-A), (3-B) or (3-C) of Section 18 of the Indian Income-tax Act, 1922 read with sub-section (6) of that section.		
Amount of tax paid under sub-section (3-A), (3-B) or (3-C) of Section 18 of the Indian Income-tax Act, 1922.		
Date of payment.		
Appellate Assistant Commissioner determining the Appeal.		
Date of the order of the Appellate Assistant Commissioner.		
Date on which the appellant was served with notice of the Appellate order.		
Postal address at which the appellant undertakes to receive notices.		
Postal address at which notices should be issued to the respondent.		
Relief claimed in appeal.		

GROUND'S OF APPEAL

Signed (Appellant).

Signed (Authorised representative, if any).
Verification

I, _____, the appellant do hereby declare that what is stated above is true to the best of my information and belief. Verified at _____ to-day the day of _____

Signed (_____).

* To be filled in by the office.

N.B.—1. Strike out unnecessary columns.

2. The appeal must be accompanied by a certified copy of the order appealed from and two copies of the grounds of appeal to the Tribunal.

3. If the appellant is the assessee, the appeal form must be accompanied by Treasury Receipt for Rs. 100.

FORM L (T)

Form of Section 23(4) Registration Appeal
IN THE (INCOME-TAX) APPELLATE TRIBUNAL, BOMBAY
23(4) Reg. A. No. of 19 *

Appellant Versus Respondent

Province from which the appeal is filed.

Date of the application to Income-tax officer.

Name of the firm registration of which was applied for.

Income-tax Officer making the original order

Date of intimation of the order refusing to register the firm or cancelling the registration under section 23-(4).

Appellate Assistant Commissioner determining the appeal.

Whether the original order was confirmed on appeal or cancelled and the Income-tax Officer directed to register the firm.

Date of the appellate order.

If the appeal is by the assessee, the date on which the assessee was served with notice of the appellate order.

Postal address on which the appellant undertakes to receive notices.

Postal address at which notices should be issued to the Respondent.

Relief claimed in appeal.

GROUND'S APPEAL

Signed (APPELLANT).

Signed (Authorised representative, if any.)

Verification

I, _____, the appellant do hereby declare that what is stated above is true to the best of my information and belief.
Verified to-day the day of _____ at _____

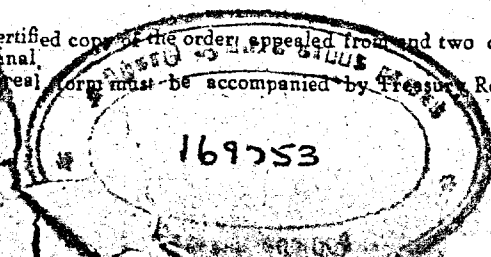
Signed (_____).

* To be filled in by the office.

N.B.—1. Strike out unnecessary columns.

2. The appeal must be accompanied by a certified copy of the order appealed from and two copies of the grounds of appeal to the Tribunal.

3. If the appellant is the assessee, the appeal must be accompanied by Treasury Receipt for Rs. 100.



MIDLAND INSURANCE COMPANY, LIMITED

Head Office:

13-14, Second Line Beach, Madras

Offers

Liberal Commission to Agents and
Posts of position to successful ones

For full particulars, apply to:

A. V. THYAGARAJA, General Manager

SMALL SAVINGS SCHEME

THE scheme was not intended for obtaining money for war purposes but to encourage the poorer classes especially to save regularly however small the savings might be and invest the savings wisely in National Savings Certificates and thereby become partners of the State in the national wealth and have their standard of living raised.

THE need for saving now for the individual and for the country is as great as ever since inflation is bound to continue for some time to come until supplies are more plentiful and since money will be required for various post-war reconstruction measures.

SAVE TO WIN THE PEACE

and

SAVE FOR POST-WAR RECONSTRUCTION

and invest wisely in

NATIONAL SAVINGS CERTIFICATES

DENOMINATIONS: Rs. 5 to Rs. 5,000.

INTEREST: 4 1/6 per cent per annum simple interest which increases the capital invested by 50 per cent at the end of the maturity period of 12 years. Interest is income-tax free.

ENCASHMENT: Rs. 5 certificates encashable after 1 1/2 years and the others after 2 years with accrued interest.

MAXIMUM for an individual Rs. 5,000 and higher maxima for co-operative societies, associations, local bodies etc.

Certificates obtainable from Author

ents, Post-Offices and Savings Bureaux.

ADS.