

## ACKNOWLEDGEMENT

Received with thanks from M/s. MODI ESTATES. a

Return of fringe benefits in Form No.3B for assessment year 2006-07, having the following particulars.

(a) PAN	AAEFM1459R
(b) Value of fringe benefits	26039
(c) Tax paid	
(i) Advance fringe benefit tax	NIL
(ii) fringe benefit tax on self-assessment	3350
(iii) Total of [(i) + (ii)]	3350

Acknowledgement No. 1001000303, Date of Receipt \_\_\_\_\_

Ward/Circle/Range \_\_\_\_\_

भारत सरकार / Government of India वित्त मंत्रालय / Ministry of Finance आयकर विभाग / Income Tax Department
12 OCT 2006
प्राप्त किया..... Received by..... आयकर अपर आयुक्त रेंज-10, कार्यालय हैदराबाद, No. Addl. CIT, Range-10, Hyderabad. C-1

Seal

\_\_\_\_\_  
 Name and signature of the Official  
 receiving the return

**FORM No. 3B**  
[See Rule 12 of Income-tax Rules, 1962]  
**RETURN OF FRINGE BENEFITS**

**ITS-3B**

**ASSESSMENT YEAR - 2006-07**

For the assessee -

- (i) who are required to furnish the Return of Income and also the Return of Fringe Benefits but -
  - (a) have filed the Return of Income in Form No.1 or Form No.2 or Form No.2D or Form No.3A for the Assessment Year 2006-07 before the notification of this Form No.3B, or
  - (b) opts to file the Return of Income in Form No.2D
- (ii) who are not required to furnish the Return of Income but are required to furnish the Return of Fringe Benefits.
  - Please follow instructions and fill in relevant schedules.
  - PAN must be quoted.
  - Use block letters only.

**ACKNOWLEDGEMENT**

For Office use only

Receipt No. \_\_\_\_\_ Date \_\_\_\_\_

Seal and Signature of  
Receiving Official

- Details filed in this return and its Schedules may, at the option of the assessee, be first transmitted electronically (Please see Instruction No. 7)
- Please do not enclose any statement showing the computation, proof of payment of Advance Tax / Self-Assessment Tax or any other document. If enclosed, same shall be returned by the official receiving the return.
- All documents and other evidences in support of the computation of the Tax payable and Tax Paid should be retained by the Assessee for verification by the Income Tax Authorities, if necessary.

**PART-A  
GENERAL**

1. PERMANENT ACCOUNT NUMBER (PAN) AAEP71659R
2. NAME MODI ESTATES
3. Date of incorporation / formation (DD-MM-YYYY) 13 - 05 - 1996
4. Status (If company write 1, if firm write 2, if others write 3) 2
5. ADDRESS 5-4-187/386,387 FLOOR  
(Flat No./Door/House No./Premises, Road, Locality  
Village, Town / District, State / Union Territory,  
in that order) SOHAN HANSDON, M.G. ROAD  
SECUNDERABAD
6. Is there any change in Address ? (If Yes write 1, and if No Write 2) 2
7. Telephone number: STD Code: 060 Number: 66335551
8. e-mail ID : - NA -
9. Ward/Circle/Range ACFI 1001/440
10. Ward/Circle/Range where return of income, if filed 1
11. Section under which this return is being filed\* 1
12. Whether Original or Revised Return ? (If original write 1, and if revised write 2) 1  
If revised, Receipt No. and date of filing original return. \_\_\_\_\_ and \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_
13. Nature of business or profession  

Manufacturing	<input type="checkbox"/> 1100	Trading	<input type="checkbox"/> 1200	Manufacturing-cum-trading	<input type="checkbox"/> 1300
Services	<input type="checkbox"/> 1400	Profession	<input type="checkbox"/> 1500	Others	<input checked="" type="checkbox"/> 1600
14. Are you liable to maintain accounts as per section 44AA? (If Yes write 1, and if No write 2) 1
15. Are you liable to audit under section 44AB(a)/(b) ? (If Yes write 1, and if No write 2) 1  
If yes, date of audit report. 29 - 09 - 2006
16. Are you liable to audit under section 44AB(c) read with section 44AD/44AE/44AF/44BB/44BBB? (If Yes write 1, and if No write 2) 1  
If yes, date of audit report. 29 - 09 - 2006
17. Residential Status (if resident write 1, if non-resident write 2, and if resident but not ordinarily resident write 3) 1
18. In the case of non-resident, is there a permanent establishment (PE) in India (If Yes write 1, and if No Write 2) 2
19. Have you claimed any double taxation relief ? 2
  - (i) under agreement with any country (If Yes write 1, and if No write 2) 2
  - (ii) in respect of a country with which no agreement exists (If Yes write 1, and if No write 2) 2
20. In the case of resident, is there a permanent establishment (PE) outside India? (If Yes write 1, and if No write 2) 2
21. Particulars of Bank Account (Mandatory in refund cases) (Schedule-1)

Return of fringe benefits

Sec. 115WD(1) - 21 , Sec. 115WD(2) - 22 , Sec. 115WH - 23

**PART-B**  
**COMPUTATION OF FRINGE BENEFITS**

1. Value of fringe benefits for first quarter	8500	NIL
2. Value of fringe benefits for second quarter	8501	7384
3. Value of fringe benefits for third quarter	8502	18655
4. Value of fringe benefits for fourth quarter	8503	NIL
5. Value of total fringe benefits (Schedule-2)	8504	3350
6. Fringe benefit tax payable [30% of (5)]	8505	1005
7. Surcharge on (6)	8506	100
8. Education Cess on [(6) + (7)]	8507	22
9. Total fringe benefit tax payable [(6) + (7) + (8)]	8508	4477
10. Advance fringe benefit tax paid (Schedule-3)	8509	NIL
11. Balance Tax payable [(9) - (10)]	8510	4477
12. Interest under section 115WJ(3)	8511	417
13. Interest under section 115WK	8512	+
14. Self-assessment tax paid (Schedule-4)	8513	
15. Balance tax payable / refundable [(11) + (12) + (13) - (14)]	8550	4894

**VERIFICATION**

I, Soham Modi (full name in block letters), son/daughter of Satish Modi solemnly declare that to the best of my knowledge and belief, the information given in the return and the schedules thereto is correct and complete and that the amount of total fringe benefits and other particulars shown therein are truly stated and are in accordance with the provisions of the Income-tax Act, 1961, in respect of fringe benefits chargeable to tax for the previous year relevant to the assessment year 2006-07. I further declare that I am making this return in my capacity as Managing Partner and I am also competent to make this return and verify it.

Date: 29/09/06  
Place: Sec-Bad

For MUDI ASSTANT  
*Soham Modi*  
Soham Modi  
Partner  
Name and Signature

**Certificate of electronically furnishing the details of the Return (optional) (See Instruction No. 7)**

Certified that I have also furnished the details contained in this return and its schedules electronically to the designated website vide acknowledgment number..... Dated.....

.....  
Name and Signature

**Schedule - 1 : Particulars of Bank Account (Mandatory in Refund cases)**

Name of the Bank	MICR Code (9 digit)	Address of Bank Branch	Type of Account (Savings/Current)	Account Number	ECS (Y/N)

### SCHEDULE - 2 : Value of Fringe Benefits

Nature of expenditure (i)	Amount / Value of expenditure (ii)	Percentage (iii)	Value of fringe benefit (iv) = (ii) x (iii) ÷ 100
1. Free or concessional tickets provided for private journeys of employees or their family members (The value in column (ii) shall be the cost of the ticket to the general public as reduced by the amount, if any, paid by or recovered from the employee).	NIL	100	NIL
2. Contribution to an approved superannuation fund for employees.	NIL	100	NIL
3. Entertainment	NIL	20	NIL
4 (a). Hospitality in the business other than the business of hotel.	NIL	20	NIL
4 (b). Hospitality in the business of hotel.	NIL	5	NIL
5. Conference (other than fee for participation by the employees in any conference)	NIL	20	NIL
6. Sale promotion including publicity (excluding any expenditure on advertisement referred to in proviso to section 115WB(2)(D)).	7384	20	1477
7. Employees welfare	2664	20	533
8 (a). Conveyance, tour and travel (including foreign travel) in the business other than the business of construction, or in the business of manufacture or production of pharmaceuticals or computer software.	12391	5	620
8 (b). Conveyance, tour and travel (including foreign travel) in business of construction, or in the business of manufacture or production of pharmaceuticals or computer software.	NIL	5	NIL
9 (a). Use of hotel, boarding and lodging facilities in the business other than the business of manufacture or production of pharmaceuticals or computer software.	NIL	20	NIL
9 (b). Use of hotel, boarding and lodging facilities in the business of manufacture or production of pharmaceuticals or computer software.	NIL	5	NIL
10 (a). Repair, running (including fuel), maintenance of motor cars and the amount of depreciation thereon in the business other than the business of carriage of passengers or goods by motor car.	NIL	20	NIL
10 (b). Repair, running (including fuel), maintenance of motor cars and the amount of depreciation thereon in the business of carriage of passengers or goods by motor car.	NIL	5	NIL

11. Repair, running (including fuel) and maintenance of aircrafts and the amount of depreciation thereon in the business other than the business of carriage of passengers or goods by aircraft.  20
12. Use of telephone (including mobile phone) other than expenditure on leased telephone lines.  20
13. Maintenance of any accommodation in the nature of guest house other than accommodation used for training purpose.  20
14. Festival celebrations.  50
15. Use of health club and similar facilities.  50
16. Use of any other club facilities  50
17. Gifts  50
18. Scholarships.  50
19. Value of fringe benefits [Total of Column (iv)]
20. (a) Are you having employees based both in and outside India? (If Yes write 1, and if No write 2)
- (b) if Yes, are you maintaining separate books of account for Indian and Foreign operations? (If Yes write 1, and if No write 2)
- (c) If separate accounts are not maintained, -
- (i) Number of employees based in India
- (ii) Total number of employees both in and outside India
- (d) Value of taxable fringe benefits [column 19 x column 20(c)(i) ÷ column 20(c)(ii)]

**SCHEDULE - 3 : Advance Fringe Benefit Tax**

Name of the Bank Branch	BSR Code of Bank Branch (7 Digit)	Date of deposit (DDMMYY)	Serial No. of challan	Amount (Rs.)

Date of installment	For first quarter <input type="text" value="8585"/>	For second quarter <input type="text" value="8586"/>	For third quarter <input type="text" value="8587"/>	For fourth quarter <input type="text" value="8588"/>
Amount				

Total Advance Fringe Benefit Tax Paid

**SCHEDULE - 4 : Fringe Benefit Tax paid on self-assessment**

Name of the Bank Branch	BSR Code of Bank Branch (7 Digit)	Date of deposit (DDMMYY)	Serial No. of challan	Amount (Rs.)

Total Fringe Benefit Tax Paid on self-assessment

## **Instructions for filling up FORM No. 3B**

(to be detached before filling the return)

### **GENERAL**

1. These instructions though stated to be non-statutory, may be taken as guidelines for filling the particulars in this Form. In case of any doubt, please refer to relevant provisions of the Income-tax Act, 1961 and the Income-tax Rules, 1962.
2. This Form is a form for the return of fringe benefits.
3. This Form is applicable in case of persons -
  - (i) who are required to furnish the return of income and also the return of fringe benefits but -
    - (a) have filed the return of income in Form No. 1 or Form No. 2 or Form No. 2D or Form No 3A for Assessment Year 2006-07 before the notification of this Form No 3B, or
    - (b) opts to file the return of income in Form No. 2D
  - (ii) who are not required to furnish the return of Income but are required to furnish the return of fringe benefits.
4. This Form is applicable for assessment year 2006-2007 only.
5. Please do not enclose any statement showing the computation of fringe benefits, proof of payment of advance tax or self-assessment tax or any other document. If enclosed, same shall be returned by the official receiving the return.
6. All documents and other evidences in support of the computation of the tax payable and tax paid, should be retained by the Assessee for verification by the Income Tax Authorities, if necessary.
7. You are **encouraged** to follow a **two-step procedure** to file this return. **First**, transmit this return and schedules thereto electronically (without digital signature) to web-site <http://www.incometaxindiaefiling.gov.in> and **thereafter** file a paper return. The date of such transmission and acknowledgment number given to you electronically by the Income-tax Department for such transmission be filled in this certificate. **However, in case you do not transmit the Return electronically, the paper Return must necessarily be filed and will be treated as a valid Return.**
8. The paper return in this Form is not to be filled in duplicate. Acknowledgment slip attached with this Form be duly filled. On receiving the Form by the receiving official, the same shall be returned to the assessee as the acknowledgment of having received the return.
9. The acknowledgment is deemed to be the intimation. No intimation is separately given unless there is a demand or refund.

### **10. BRIEF SCHEME OF THE LAW**

#### **(1) Computation of fringe benefits tax, surcharge, education cess and interest in respect of fringe benefits chargeable to tax.**

- (a) Chapter XII-H of the Act relates to income-tax on fringe benefits paid or deemed to have been paid by an employer to his employees. Previous year 2005-06 is the first year for which the provisions of income-tax on fringe benefits are applicable. Thus, an employer has to furnish the return of fringe benefits for the assessment year 2006-07 and onwards.
- (b) Section 115WB provides the list of fringe benefits provided or deemed to have been provided by an employer to his employees which are chargeable to tax. Section 115WC provides as to how to compute the value of the fringe benefits provided or deemed to have been provided.
- (c) Additional income-tax (fringe benefit tax) is required to be paid by every specified employer at the rate of thirty percent on the value of such fringe benefits. Surcharge and Education Cess at specified rates are also to be paid on fringe benefit tax (FBT). FBT is payable by an employer even if no income-tax is payable by him on his total income
- (d) Specified employer means a company, firm, an association of persons or a body of individuals (whether incorporated or not), a local authority and every artificial juridical person. However any person eligible for exemption under section 10(23C) or registered under section 12AA or a political party registered under section 29A of the Representation of the People Act, 1951 is not chargeable to fringe benefits tax.
- (e) The Central Board of Direct Taxes has issued an exhaustive Circular No.8 / 2005 dated 29-8-2005 explaining the provisions relating to fringe benefit tax. In case of any doubt, the assessee may refer to the said circular.

#### **(2) Filing of Return**

A return of fringe benefit can be filed in any of the following manners :

- (i) Under section 115WD(1) i.e., within the "due date" prescribed by the law ; or
- (ii) Under section 115WD(3) i.e., after the expiry of the "due date" but before the expiry of one year from the end of the relevant assessment year.
- (iii) Under section 115WD(2) i.e., pursuant to a statutory notice calling for the return. If an assessee has not filed the return on or before the due date.
- (iv) Under section 115WH i.e., pursuant to a statutory notice for assessing or reassessing fringe benefits that have been either not assessed or under-assessed earlier.
- (v) A return filed under section 115WD(1) or 115WD(2) can be revised by filing a fresh return within one year from the end of the relevant assessment year or before the completion of assessment, whichever is earlier.
- (vi) Incomplete or erroneous returns are liable to be held defective [section 139 (9)] or even invalid. If held defective, time (usually 15 days, extendable in some circumstances) will be allowed to rectify the defect(s).

### **11. SCHEME OF THE FORM**

The Scheme of this form follows the scheme of the law as outlined above in its basic form. The Form has been divided into two parts. It also has four schedules. The details of these parts and the schedules are as under:-

- (i) The first part, i.e., Part-A is spread over first page of the return. It seeks general information requiring identificatory and other data.
- (ii) The second part, i.e., Part-B on second page is regarding an outline of the value of fringe benefits and tax computation in respect of fringe benefits chargeable to tax.

- (iii) After Part-B, on second page, there is a space for a statutory verification.
- (iv) On page 2, after verification, there is a space for giving a certificate of transmitting the details of Form and Schedules thereto electronically in accordance with the procedure mentioned in instruction no.7.
- (v) On page 2, there is also Schedule-1 which seeks particulars of bank account (mandatory in refund cases)
- (vi) On page 3 and on part of page 4, there is Schedule-3 regarding computation of value of fringe benefits
- (vii) On page 4, there are also Schedules-4 and 5 seeking details of payment of advance fringe benefit tax and fringe benefit tax paid on self-assessment.

## 12. HOW TO FILL UP THE PAGES

- (1) All sheets and items must be filled in the manner indicated therein; otherwise the return may be liable to be held defective or even invalid. If any sheet is wholly inapplicable, write "--NA--" across that sheet. If any item is inapplicable, write "NA" against that item. Write "Nil" to denote nil figures, and (-) before negative figures. All figures should be rounded off to the nearest one rupee. However, the figures for total fringe benefits be finally rounded off to the nearest multiple of ten rupees.
- (2) You are advised to follow the following sequence in filling out the sheets ;
  - (i) Part A on page 1.
  - (ii) Schedule-2, Schedule-3 and Schedule-4.
  - (iii) Part B : Computation of fringe benefits and tax payable thereon.
  - (iv) Schedule - 1.
  - (v) Verification and certificate on page 2.
- (3) Necessary instructions to fill the Parts and Schedules are as under -

### Part-A

All items are self explanatory. However, following points may kindly be noted.

- (i) Item No. 15 & 16: The audit report should not be furnished before furnishing the return or attached with the return. Same should be retained with the assessee and should be produced before the Assessing Officer if required by him. In these items, fill the details of date of the audit report.
- (ii) Item 17 : Residential status has to be decided in accordance with the provisions of Section 6.

### Schedule-2

- (i) If accounts have been maintained separately for each business, business-wise computation of fringe benefits of the previous year may be carried out and the consolidated figures be given in items 1 to 18.
- (ii) In item 4, any expenditure on or payment for food and beverages provided by the employer to his employees in office or factory or any payment through non-transferable paid vouchers usable only at eating joints or outlets shall not be included in column (ii).
- (iii) In item 5, any expenditure on conveyance, tour and travel (including foreign travel), on hotel, boarding and lodging, in connection with any conference shall be included in column (ii).
- (iv) In item 6, any expenditure on advertisement in any print or electronic media or on sponsorship of any sports event, etc, as referred to in proviso to clause (D) of sub-section (2) of section 115WB shall not be included in column (ii).
- (v) In item 7, any expenditure incurred for fulfilling any statutory obligation or mitigating occupational hazards, as referred to in Explanation to clause (E) of sub-section (2) of Section 115WB shall not be included in column (ii).

### Schedules - 3 and 4

In these Schedules, fill the details of payment of advance fringe benefits tax and fringe benefits tax paid on self-assessment. The details of BSR Code of the bank branch (7 digits), date of deposit, challan serial no., and amount paid should be filled out from the acknowledgment counterfoil.

### Part-B

- (i) Quarter wise break-up of fringe benefits is required to be given in items 1 to 4 , so as to facilitate computation of interest in item 12 for default in paying the quarterly instalments of advance fringe benefits tax.
- (ii) In item 5, fill the details of fringe benefits as computed in item 20(d) of Schedule 2. The amount in item 5 must necessarily be equal to the total of the amounts in items 1 to 4.
- (iii) In item 6, compute the fringe benefit tax payable on the value of fringe benefits for the previous year, i.e., on the amount in item 5.
- (iv) In item 7, compute the surcharge as prescribed by the law on the fringe benefit tax as computed in item 6. In case of association of persons or body of individuals, surcharge is leviable (at the rate of 10 per cent) only if total fringe benefits exceeds ten lakh rupees. In case of a domestic company, a firm or an artificial juridical person the surcharge is leviable (at the rate of 10 per cent) irrespective of the level of total fringe benefits. Further in case of a company other than a domestic company, the surcharge is leviable (at the rate of two and one-half per cent.) irrespective of the level of total fringe benefits.
- (v) In item 8, compute the education cess as prescribed by the law on the fringe benefit tax and surcharge thereon.
- (vi) In item 12, compute the interest under section 115WJ(3) for default in payment of advance fringe benefit tax.
- (vii) In item 13, compute the interest under section 115WK(1) for defaults in furnishing return of fringe benefits.

### Verification

Fill up the required information in the Verification. Strike out whatever is not applicable. Please ensure that the verification has been signed before furnishing the return. Write also the designation of the person signing the return. Please note that any person making a false statement in the return or the schedules shall be liable to be prosecuted under section 277 of the Income-tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

### Certificate of electronically furnishing the details of the Return

It be given by the same person who is verifying the Return.