



SIRC



Southern India Regional Council The Institute of Chartered Accountants of India (Set up by an Act of Parliament)

Orientation programme for the Newly elected members of SIRC of ICAI and Members of Managing Committee of Branches of SIRC of ICAI - APRIL 29&30, 2022, at Hyderabad.



CA. Aniket Sunil Talati, Vice-President, ICAI inaugurated the Orientation programme in the presence of Regional Council Members and Central Council Members

All Regional Council Chairmen meet on APRIL 26th 2022, at New Delhi



Group photograph of ICAI President CA. (Dr.) Debashis Mitra along with CA. Aniket Sunil Talati, Vice-President, ICAI, CA. (Dr.) Jai Kumar Batra, Secretary, ICAI, CA. Atul Mehrotra, Chairman, CIRC of ICAI, CA. China Masthan Talakayala, Chairman, SIRC of ICAI, CA Ravi Kumar Patwa, Chairman, EIRC of ICAI, CA. Naveen Garg, Chairman, NIRC of ICAI

NEWSLETTER

New Code of Ethics & Recent changes for auditors to Consider on 1st April 2022



Resource person CA. Jai Narayan Gupta, Kolkata seen along CA. S. Rajesh, Regional Council Member of SIRC of ICAI

Use of free tools for sampling, analytics, documentation, reporting in Bank Audit on 3rd April 2022



Resource persons CA. Saran Kumar, Hyderabad and CA. Siva Prasad, Hyderabad seen along CA. Mandava Sunil Kumar, Regional Council Member of SIRC of ICAI

Standards on Auditing: AS 600, AS 610, AS 620 on 4th April 2022



Resource person CA. Sanichan Mathew Madhavath, Kottayam seen along CA. Panna Raj S. Vice-Chairman SIRC of ICAI

Fundamentals of FEMA including Residential Status, Capital & Current Account transactions & Facilities and Obligations for NRIs on 5th April 2022



Resource persons CA. Mayur Nayak, Mumbai and CA. Pradeep G Tulsian, Ahmedabad seen along CA. Rekha Uma Shiv, Regional Council Member of SIRC of ICAI

Practical cases related to Compounding & ED Matters, Appeals and Adjudication and Practical issues in FEMA Compliance and Auditor's Role on 6th April 2022



Resource persons CA. Mayur Nayak, Mumbai and CA. Pradeep G Tulsian, Ahmedabad seen along CA. Satheesan. P, Chairman, SICASA

Landmark judicial pronouncement under RERA on 7th April 2022



Resource persons CA. Ashwin Shah, Mumbai and CA. Rajasekar Reddy, Hyderabad seen along CA. China Masthan Talakayala, Chairman, SIRC of ICAI and CA. Naresh Chandra Gelli, Secretary, SIRC of ICAI

New Dimensions in Banking Frauds on 8th April 2022



Resource person Mr. Rahul Magan, New Delhi seen along CA. Panna Raj S. Vice-Chairman SIRC of ICAI

Live Q&A on Bank Branch Audit on 9th April 2022



Resource persons CA. Ramesh, Chennai and CA. R. Sundararajan, Chennai seen along CA. China Masthan Talakayala, Chairman, SIRC of ICAI and CA. Naresh Chandra Gelli, Secretary, SIRC of ICAI

Basics to Valuation and Company Valuation on 11th April 2022



Resource person CA. Keerthi Ganesh. B. U, Chennai seen along CA. R. Sundararajan, Treasurer, SIRC of ICAI

Foreign investment in India (except for NRIs) including indirect foreign investment on 12th April 2022



Resource person CA. Rajendra Prasad P. V. R, Hyderabad seen along CA. Rekha Uma Shiv, Regional Council Member of SIRC of ICAI

Standards on Auditing : SA 250, SA 550, SA 570 on 13th April 2022



Resource person CA. Prasanna Varma. P. R, Chennai seen along CA. R. Sundararajan, Treasurer, SIRC of ICAI

Standards on Auditing : SA 500, SA 501, SA 505 and SA 570 on 15th April 2022



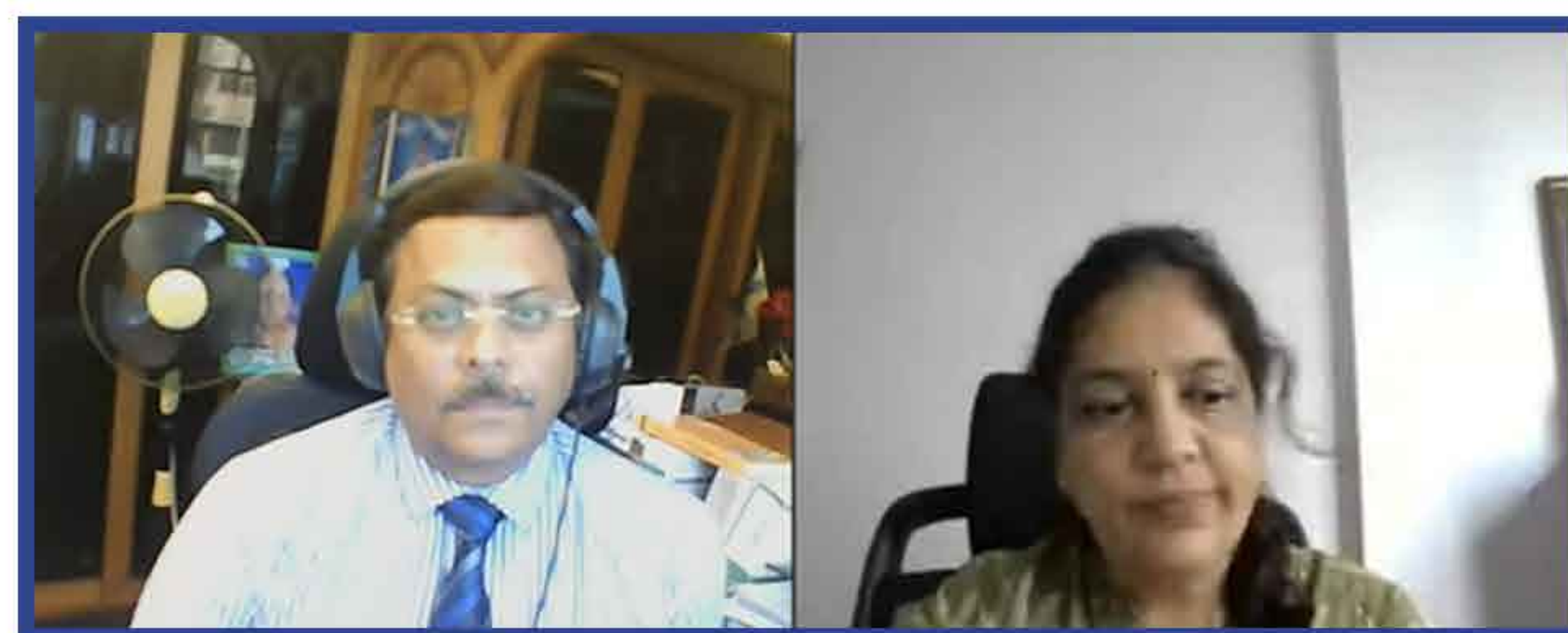
Resource person CA. R.S. Balaji, Chennai seen along CA. Panna Raj S. Vice-Chairman SIRC of ICAI

Overseas investment from India including branch overseas and LRS on 16th April 2022



Resource person CA. Vishnu Moorthi H, Bengaluru seen along CA. Subba Rao Muppala, Regional Council Member of SIRC of ICAI

Benami Transactions on 18th April 2022



Resource person CA. Rajesh Sanghvi, Mumbai seen along CA. Revathi S. Raghunathan, Regional Council Member of SIRC of ICAI

Borrowings & Lending under FEMA and Import & Export of Goods Services on 19th April 2022



Resource person CA. L. V. Shyam Sundar, Chennai seen along CA. Satheesan. P, Chairman, SICASA

Investors Awareness Programme - Financial Literacy and Financial Freedom on 20th April 2022



Resource person Shri. Satyanarayan Yanmantram, Chennai seen along CA. Mandava Sunil Kumar, Regional Council Member of SIRC of ICAI.

CHAIRMAN'S COMMUNIQUE

PROFESSIONAL VALUES:

The professional values are gauged by the following constituents –

- Image through reliability, consistency and loyalty.
- Deliverance with quality and with defined timeframes.
- Accepting accountability for one's actions.



Our professional values are the core values and ethics that we adopt and demonstrate and revolves around these traits mentioned hereinabove. It is not only that we perform in our view. It should seem to have been performed in the eyes of others. We do make others feel so and that is why the society recognizes and respects our profession and we are called “Partners in Nation Building”. Let us pledge to continue our professional service to enhance our reputation.

HEARTY CONGRATULATIONS:

The month of April was indeed, as in the past, a hectic one for the members in practice who were fully occupied with the bank audit, and members in industry with finalizing their company accounts. It is gratifying to note that our members were able to meet the target in completing the bank audit in time and the members in industry also gearing up to present their company's audited annual accounts. SIRC records its appreciation and hearty congratulations to every one of them for their remarkable performance.

We have been proving our mettle and esteem on all occasions by rendering our professional services with aplomb, perfection, precision and timeliness adhering to the scheduled targets. We have been ensuring timely compliance by our clientele to the regulators. Let us continue to offer our services to our clientele and other stakeholders to maintain the legacy and enhance the esteem and image of our profession.

RELIVING THE SIGNIFICANT OCCASION:

It is always a pleasure to recall the happiest occasions of the past and more so it is a delight to share such past glory amongst the people connected with the occasion. When I am writing the communiqué I went through the history of SIRC and pleased to note that on 1st May 1952 the first meeting of the Regional Council was held at YMIA Building, Madras at the stroke of 12.00 Noon chaired by CA. R.N. Rajam Aiyar, the First Chairman of SIRC. SIRC has travelled in the last 70 years in the path laid by our predecessors in the helm of affairs of SIRC to serve our members' and students' fraternity since then, of course, with the unstinted support from all quarters. I am happy to share that the ensuing meeting of SIRC will be the 250th meeting which is a one of the greatest milestone in the records of SIRC.

Through this column, I join with my colleagues in SIRC in saluting our founding members in SIRC who have built a strong foundation, structure and a roadmap. Their successors have been inspired by their performance and so we too in the present team. We in SIRC continue to be inspired by the rich legacy and tradition set up by them.

ACTION PLAN:

One has to assess the objectives and priorities for effective implementation to achieve success. We in SIRC are fully conscious of our mission which we have delved in our Action Plan and published in last months' Newsletter. We are following up what has been stated in the Acton Plan in tune with the Action Plan of ICAI. We have also advised the Branches to have their own Action Plan in sync with both of SIRC and ICAI.

These three put together, we are confident, would ensure that the members and students would be up for best services in all respects. When we have supporting members like you we shall scale greater heights. The Committees which we have formed have been given a well-defined role and based on their inputs and recommendations we will offer you the best of services in the days ahead.

FORTHCOMING PROGRAMMES OF SIRC OF ICAI:

“Knowledge has to be improved, challenged and increased constantly, or it vanishes.” – Peter Drucker.

As Chartered Accountants we have the opportunity to work with different stakeholders and therefore we need to constantly learn the “Best Business Practices” to render our services. It is in this background SIRC conducts the CPE Programmes throughout the Southern Region by itself, through its Branches and other Programme Organizing Units. Some of the programmes scheduled for the month of May 2022 are briefed hereunder.

REGIONAL RESIDENTIAL COURSES:

The month of May is a hot season throughout the country and we also experience humid and hot weather in Southern Region. It is estimated by the Metrological Department that the temperature during this year would be slightly higher than before. SIRC is therefore desirous of making the month a pleasant one for the members by way of organizing Regional Residential Courses in places which have lovely environment devoid of scorching heat and having cool weather atmosphere and with yet another prime objective of keeping the members connected with the updation of professional knowledge.

SIRC is happy to announce the first Regional Residential Course of the year 2022 at Elephant Court, Thekkady, Kumily, Kerala on the 6th, 7th and 8th May 2022 organized by SIRC and hosted by the Puducherry and Chengalpatu District Branches of SIRC. We are also having yet another Regional Residential Course on 13th, 14th and 15th May 2022 at Yercaud hosted by Salem and Erode Branches of SIRC of ICAI

We are delighted that after a hiatus of more than two years the Regional Residential Courses are conducted. I am sure members would be eager to meet each other and exchange their pleasantries and thoughts on professional matters by attending these residential programmes.

The details of the above programmes are published elsewhere in this Newsletter. The programme being residential we had to restrict the number of participants and therefore request you to register online immediately with the required delegate fee.

OTHER PROGRAMMES:

The month of May 2022 will have plethora of CPE Programmes at SIRC covering 25 days of feast of knowledge in diverse areas of professional subject of interest to our members. Besides the regular evening meetings on a specific subject, we have scheduled three programmes in the form of workshops in association with the Corporate Laws and Corporate Governance Committee of ICAI between 18th and 20th May 2022, with the Digital Accounting and Assurance Board between 23rd and 25th May 2022 and a MSME Workshop between 26th and 28th May 2022.

SIRC invites you to participate to refresh, refine and relive your thoughts on our professional arena and enhance our level of knowledge and competence by gaining insightful thoughts that will be shared by the resource persons of eminence in the respective sessions.

The complete details of each of the programmes are listed in the Calendar of Events appearing in Page No. 9 in this Newsletter. Please do participate and also exhort your colleagues in our profession to be part of the enlivening, educative and enlightening programmes being organized by SIRC.

REGIONAL CHAIRMEN MEETING AT NEW DELHI:

The Chairmen of all five Regions met together at the meeting convened at New Delhi by our beloved President CA. (Dr.) Debashis Mitra on 26th April 2022. The meeting was very interactive and informative. The meeting deliberated in detail the way forward for our profession. Our President CA. (Dr.) Debashis Mitra and Vice-President CA. Aniket Sunil Talati shared the priorities before our profession. The meeting also gave a clear and constructive direction in terms of offering our valued services to our members' and students' fraternity.

I had also taken this opportunity to mutually share with my counterparts in other Regions their experience, expertise, experiments with newer and innovative programmes and more so their methodologies of conducting programmes. It was very interesting and informative. Our beloved president has lauded some of the impressive suggestions given by the SIRC at the meeting.

ORIENTATION PROGRAMME FOR MEMBERS OF THE MANAGING COMMITTEE OF BRANCHES AND NEWLY-ELECTED MEMBERS OF SIRC:

ICAI organized an orientation programme for all the members of the Managing Committee of all 45 Branches of SIRC in the Southern Region and for the newly elected members to the 24th Regional Council. Our esteemed Vice-President CA. Aniket Sunil Talati inaugurated the programme and delivered inaugural address. He lauded the efforts taken by SIRC in taking forward the initiatives of ICAI, the uninterrupted activities even during the pandemic period and to provide value added services to our members and students.

He exuded confidence that the accounting profession in India is on a high note and way forward to a glorious future with so many professional opportunities opening up for the professional fraternity. He underlined the importance of contributing to the society through the CSR activities both by SIRC and its Branches and also by members in their individual capacity.

Our Central Council Members CA. Dayaniwas Sharma, CA. D. Prasanna Kumar, CA. K. Sripriya, CA. Cotha S. Srinivas, CA. Muppala Sridhar and CA. (Dr.) Rajkumar S. Adukia addressed the participants and explained the role of ICAI in different spheres of activities of ICAI. The Chairmen of Regional Committees shared their Committee's Action Plan. A special session between the Chairmen of SICASA and the Chairmen of Branches of Students' Association was also held. A noteworthy development at this programme was number of members came forward/assured to contribute funds for CABF.

Overall the sessions had offered insight to the members of the Managing Committee of the Branches for having better coordination between SIRC and Branches and the resultant effective functioning at all levels. The participants expressed satisfaction and thanked for organizing the two day orientation programme which they felt was enlightening one giving them a roadmap to excel and to exceed the expectations of the members and students.

21ST WORLD CONGRESS OF CHARTERED ACCOUNTANTS AT MUMBAI – 18TH TO 21ST NOVEMBER 2022 AT MUMBAI:

It is a global recognition for our profession having been bestowed with a golden opportunity to play host to the 21st World Congress of Accountants to be held in Mumbai between 18th and 21st November 2022 at the newly built Jio World Convention Centre at Mumbai. This is the first time in the history of ICAI that this World Congress is held in India under the auspices of the International Federation of Accountants (IFAC), the worldwide organization for the accountancy profession and ICAI playing host. More than 6000 top accountants from over 130 countries world-wide are expected to participate in the programme.

The details of the programme are hosted in the ICAI Website. I appeal to our members to register for the programme. The occasion is an excellent opportunity for you to be part of the World Congress of Accountants and interact with accountants across the globe. It is my desire that a large contingent of members from our Region make their presence in this prestigious Conference.

CAMPUS PLACEMENT FOR GRADUATES AND THOSE COMPLETED FINAL SEMESTER:

On 9th March 2022 SIRC organized the Campus Placement for Articled Assistants at selected places in the Region. The excellent response to our initiative has propelled us to introduce yet another service to the firms of Chartered Accountants. The result is our thought culminated into planning a Campus Placement Programme for Graduates and those who complete the final semester examination and desirous of career growth.

This initiative, we are sure, would provide job opportunities for younger generations and at the same time the firms of Chartered Accountants can select the best of candidates and offer them employment. The Branches have been assigned the responsibility with a clear-cut and uniform methodology of conducting this Campus Placement Programme. The respective branches will be in touch with the firms of Chartered Accountants in this regard during this month and in June 2022.

SIRC requests the firms of Chartered Accountants to make use of this unique facility, first of its kind at SIRC.

PROGRAMMES OF APRIL 2022 - AN OVERVIEW:

The month of April had three workshop series in the subjects of Accounting Standards for Non-Corporate Entities covering five days with 15 hours CPE Credit, Standards on Auditing stretching for three days with 9 hours CPE Credit and FEMA for a period of five days with a total CPE credit of 15 hours SIRC hosted a National Conference on International Taxation organized under the auspices of Committee on International Taxation of ICAI between 21st and 23rd April 2022 by virtual mode. We had witnessed wonderful response from our members for these and other programmes organized on diverse topics of contemporary subjects.

SIRC looks forward to the continued patronage from members both from practice and in industry as we cover the entire ambit of concerning our professional areas from to time pertaining to and catering to both segments of our professional colleagues.

PAYMENT OF MEMBERSHIP FEE:

Members would have received the communication from ICAI relating to payment of membership fee and certificate of practice fee, wherever applicable for the year 2022-2023. Please make your remittance immediately though the last date for payment of fees is 30th September 2022. The schedule of fees payable towards the annual membership fee and certificate of practice fee was published last month and continued this month too in this Newsletter.

CONTRIBUTION TO CHARTERED ACCOUNTANTS BENEVOLENT FUND:

It is said "Service to Society is service to God". When it comes to support our own fraternity it adds up our value of service. I am extremely happy to share that my appeal for contribution to CABF has been evoking excellent response from our members.

I, through this column, record our appreciation and acknowledgement to CA. C.N. Pradeep of Warangal for the contribution of Rs. 1,00,116/- he made towards the Chartered Accountants Benevolent Fund. SIRC expresses its sincere thanks to the member for his munificent contribution.

I once again appeal to our professional fraternity to come forward to make liberal contribution to the CABF and augment its financial resources to widen its service base to our members.

INTERACTION WITH MEMBERS AND STUDENTS:

When this issue is in your hands, the present team would have completed 75 days in office. It has been an interesting and invigorating journey for me having met the members and students either during my visits to the Branches or during my participation in programmes where members attended across the Region. The visits have given me an opportunity to closely come together and have their views and suggestions for the betterment of our profession.

SICASA NEWSLETTER:

I congratulate CA. P. Satheesan, Chairman, SICASA for taking efforts to revive the publication of e-Newsletter for SICASA. It is thoughtful on the part of SICASA to keep their members updated with dissemination of knowledge by way of articles on varied subjects of their interest and announcements of programmes benefitting the students' fraternity. I wish the SICASA team all the best in their endeavours.

With warm regards,

CA. China Masthan Talakayala
Chairman, SIRC of ICAI



It is always a pleasure and privilege for me to contact my professional colleagues through this SIRC Newsletter. This monthly has been the most followed and effective communication channel between the SIRC and its members for 47 years. I am thankful to CA China Masthan Talakayala, Chairman, SIRC, for offering me this opportunity to share my thoughts with our elite and erudite professionals.

The Regional Council has nominated me to chair the Regional Direct Taxes and International Taxation Committee for 2022-2023. We made a welcome beginning with a Three-Day National Conference on International Taxation held under the Committee on International Taxation of ICAI. The SIRC hosted the virtual program. We plan to conduct workshops on Direct Taxes and International Taxation. Selecting such topics requires constant revision for the members both in practice and industry. I am sure our initiative would be wholeheartedly welcomed with the sign of more significant and active participation by our members.

Communication plays a pivotal role in developing one's skills as one gathers and, as a result, gains exposure, expertise, and experience. Many untapped resources contain treasures of knowledge. The dissemination of information in these resources is formal communication. As professionals, we should lay our hands on such resources.

To be precise, I mean our ICAI Journal and SIRC Newsletter as valuable resources and reservoirs containing exciting and informative information for our members. The Committees of the ICAI host technical papers and the latest notifications and circulars of the regulators and the Institute. This method is equally applicable to the Students' Newsletter. It contains exceptional articles which attract the attention of members too. Through this message, I would only urge our members and students to regularly access the treasures of this precious information and gather a wealth of knowledge to assess and enhance their capabilities.

I offer my greetings and good wishes to you and seek your unstinted support and input to further the functions of the Committee on Direct Taxes and International Taxation in particular and to further the activities of SIRC in its entirety.

The men at the helm of affairs of the Regional Council and Branches had a two-day intense and interactive session to guide the newly-elected members to the Managing Committee of Branches at the Orientation Programme held at Hyderabad on 29th and 30th April 2022. Everyone spoke their minds about how best to organize, introduce and implement programs to benefit our members and students across the Region. Brainstorming sessions gave the participants a well-defined perspective of their roles in the cause of our profession.

Before I conclude, I sign off with the following quote, which would amply testify to the value of sharing thoughts. I am feeling happy to have shared my thoughts amongst our professional fraternity and hope to have similar feelings from the other side.

"There is no delight in owning anything unshared." - Seneca.

With warmest regards,

CA. Chengal Reddy Ramireddygari
Regional Council Member, SIRC of ICAI

CPE PROGRAMMES –MAY 2022

Regn: <https://bit.ly/sirclogin>

Forthcoming VIRTUAL CPE

Meetings from SIRC of ICAI (Limited to 1000 members registering on first come first served basis)

CPE Programme for the month of May and June 2022

S.No	Date	Timings	Topic	Resource Persons	Fees Exclusive of GST Rs.	CPE
1	2nd May 2022 (Mon)	5pm-7pm	Treasury & Forex Management	CA. Avinash Singhal, New Delhi	100	2
2	4th May 2022 (Wed)	5pm-8pm	GST Simplified Using TallyPrime	CA Monica Challani Ranka, Chennai Mr. Deepak Tiwari, New Delhi	Nil	3
3	5th May 2022 (Thu)	5pm-8pm	TDS & TCS Management in Tally Prime	CA Uttamchand Challani, Chennai Mr. Shanmukha CG, Bangalore	Nil	3
4	6th, 7th & 8th May 2022 (Fri, Sat & Sun)		Residential Refresher Course - Pondicherry			12
5	9th May 2022 (Mon)	5pm-8pm	IND AS 115	CA. Naga Durga Sudhakar GV, Hyderabad	100	3
6	11th May 2022 (wed)	5pm-8pm	Cyber Security Audit	CA. K. Paul Jayakar, Chennai	100	3
7	12th May 2022 (Thu)	5pm-8pm	How Professionals, CA's can add value to their startup clients and build a practice	CA. Namita Gad, Mumbai	100	3
8	13th, 14th & 15 May 2022 (Fri, Sat, Sun)		Residential Refresher Course - Salem			12
9	16th May 2022 (Mon)	5pm-7pm	Audit evidences standard	CA. Harsh Hasmukh Dedhia, Mumbai	100	2
10	17th May 2022 (Tue)	5pm-8pm	Code of Conduct	CA. Raval Parag Rajnikant, Ahmedabad	Nil	3
11	18th May 2022 (wed)	5pm-8pm	GST Issues & challenges for real estate	CA. Pasupuleti Venkata Prasad, Hyderabad	100	3
12	21th May 2022 (Sat)	5pm-8pm	IND AS 32	CA Anjani Kumar Khetan, Bangalore	100	3
13	23rd May 2022 (Mon)	5pm-7pm	Decoding the Private equity investment in India and professional opportunity for CAs	CA. Aditya Guha Roy, Chennai	100	2
14	25th May 2022 (Wed)	5pm-7pm	Investor Awareness Programme	Ms. Vijayalakshmi yanmantram, Chennai	Nil	2
15	26th May 2022 (Thu)	5pm-7pm	Understanding Data in the context of Governance Risk Compliance	Eminent Speaker	100	2
16	27th May 2022 (fri)	5pm-8pm	IT - Power Query and Power Pivot for Audit	Eminent Speaker	100	3
17	1st June 2022 (Wed)	5pm-7pm	How to draft replies and pleadings to various notice under the Income Tax, 1961 - A Practical Approach	Eminent Speaker	100	2
18	2th June 2022 (Thu)	5pm-8pm	Recent Developments in Transfer Pricing	Eminent Speaker	100	3
19	4th June 2022 (Sat)	5pm-7pm	Enterprise Risk Management	CA. Dipen V. Trivedi, Mumbai	100	3
20	8th June 2022 (Wed)	5pm-7pm	Standards on Auditing : Documentation & External Confirmations	Eminent Speaker	100	2
21	9th June 2022 (Thu)	5pm-8pm	Important Aspects of Audit of SMEs for FY 2021-22	CA. Nikhil Patel, Mumbai	100	3
22	18th June 2022 (Sat)	5pm-8pm	Journey of GST and impact on selected sectors and transactions	CA. Y Ravi Kumar, Bengaluru	100	3

CPE Credit on attending full programme only

Prior Registraton Complusory : <https://bit.ly/sirclogin>

Disclaimer

The SIRC/ICAI does not accept any responsibility for the views expressed in different contributions/ advertisements published in this Newsletter.

OBITUARY

Sl. No.	MRN	Name	Status	Place	Demise
1	215827	VINOD P	FCA	CHENNAI	3-Jan-22
2	020162	GOPALAN RAGHAVACHARI	FCA	CHENNAI	6-Jan-22
3	018266	LOGANATHAN M	FCA	POLLACHI	9-Jan-22
4	020978	VISVANATHAN S	FCA	CHENNAI	9-Jan-22
5	007064	VENKATARAMAN N K	FCA	TIRUVANNAMALAI	15-Jan-22
6	007163	PONRAJ M P	FCA	CHENNAI	17-Jan-22
7	005028	KODUR MOHANA RAJA GUPTA	FCA	MADANAPALLE	17-Jan-22
8	006952	SUBRAMANIAN K G	FCA	COIMBATORE	21-Jan-22
9	006195	MOHAN WASUDEV BHAGWAT	FCA	HUBBALLI	23-Jan-22
10	009731	SANKARANARAYANAN T S	FCA	CHENNAI	25-Jan-22
11	021701	MURTHY C V S	FCA	VISAKHAPATNAM	26-Jan-22
12	223598	RAJESH S	FCA	SAGAR (KR)	28-Jan-22
13	021671	SHIVARAMA BHAT D	FCA	BENGALURU	1-Feb-22
14	020397	THIRUNAVUKKARASU K	FCA	SALEM	3-Feb-22
15	011178	RAGHU K	FCA	COIMBATORE	9-Feb-22
16	018396	KAMESWARA RAO D S V S	FCA	GUNTUR	9-Feb-22
17	004277	VISWANATHAN R	FCA	KOTTARAKARA	11-Feb-22
18	233819	SHIVA SHANKAR V	FCA	SALEM	28-Feb-22
19	020371	SATYANARAYANA MURTY G	FCA	HYDERABAD	1-Mar-22
20	006281	SREEDHARAN C H	FCA	BENGALURU	1-Mar-22
21	203592	MURALI MOHAN BHAT	FCA	MANGALURU	18-Mar-22

May the Almighty Architect of the Universe rest their soul in peace.

UPDATES

Corporate Law



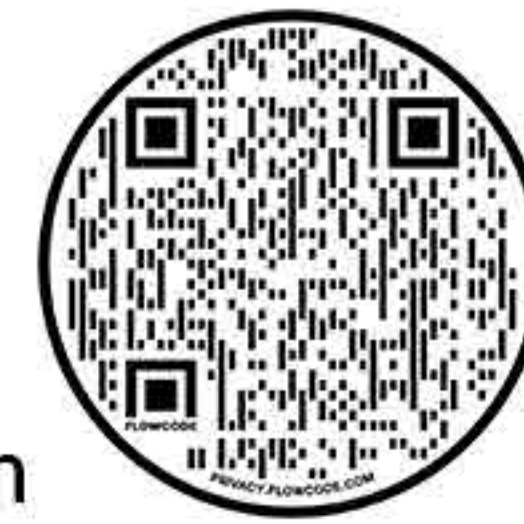
Contributed by:
CA. M. Asir Raja Selvan,
Chennai
asir.cs@gmail.com

FEMA



Contributed by:
CA. G. Murali Krishna,
Hyderabad
gmk@grandhiandassociates.in

Goods and Services Tax



Contributed by:
CA. G. Saravana Kumar,
Madurai
saravanakumar.g@bsls.pro

Information Technology



Contributed by:
CA. S. Deephika,
Chennai
cadeephika@gmail.com

Karnataka VAT-GST



Contributed by:
CA. Annapurna D Kabra,
Bengaluru
annapurnat@yahoo.com

Tamil Nadu VAT



Contributed by:
CA. V.V. Sampath Kumar,
Chennai
vvsampat@yahoo.com

SEBI



Contributed by:
CA.V M V Subba Rao
Nellore.
vmvsrao@gmail.com

INCOME TAX



Contributed by:
CA.V.K. Subramani,
Erode
vksintax@gmail.com

Virtual CPE programmes conducted by SIRC of ICAI
Please note the link for Resources of Past Virtual and other
programmes of SIRC of ICAI
<https://www.sirc-icai.org/past-programmes.php>

IMPORTANT ANNOUNCEMENT

Peer Review Mandate - Roll Out - (Revised)

The Council at its 407th Meeting held from 7th – 9th January 2022 decided to mandate the Peer Review process for coverage of more firms under Peer Review process. An Announcement dated 12.02.2022 in this regard was hosted on the website.

Certain aspects required revision to bring in more clarity e.g. the time limit for compliance of the mandate, qualifications of reviewer of listed entity auditors, etc. The same have been addressed by the Council at its 410th Meeting held on 24th – 25th March 2022. It was clarified that holding a valid Peer Review certificate by Practice Units (referred to as 'firms' in the Announcement dated 12.02.2022) should be a pre requisite for undertaking audit of all entities falling under phase I; II; III and IV of the mandate from respective dates of mandate becoming operative.

Accordingly, the Peer Review Mandate (Revised), operative from April 1, 2022 has been made in following four stages:

Phase	Category of firms covered for Mandatory Peer Review	Date from which Peer Review is Mandatory
I(*)	Practice Units which propose to undertake Statutory Audit of enterprises whose equity or debt securities are listed in India or abroad as defined under SEBI (Listing Obligations and Disclosure Requirements), 2015: For these Practice Units, there is a pre-requisite of having Peer Review Certificate.	1st April 2022
II	Practice Units which propose to undertake Statutory Audit of unlisted public companies having paid-up capital of not less than rupees five hundred crores or having annual turnover of not less than rupees one thousand crores or having, in aggregate, outstanding loans, debentures and deposits of not less than rupees five hundred crores as on the 31st March of immediately preceding financial year: For these Practice Units, there is a pre-requisite of having Peer Review Certificate. OR Practice Units rendering attestation services and having 5 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.	1st April 2023
III	Practice Units which propose to undertake the Statutory Audit of entities which have raised funds from public or banks or financial institutions of over Fifty Crores rupees during the period under review or of anybody corporate including trusts which are covered under public interest entities : For these Practice Units, there is a pre-requisite of having Peer Review Certificate OR Practice Units rendering attestation services and having 4 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.	1st April 2024
IV	Practice Units which propose to undertake audits of branches of Public Sector banks: For these Practice Units, there is a pre-requisite of having Peer Review Certificate OR Practice Units rendering attestation services and having 3 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.	1st April 2025

(*) for auditors from this category, Peer Review is already mandatory by SEBI, this mandate is further requirement stipulated by the ICAI

Thus, at each phase, before undertaking statutory audit the concerned Practice Unit should possess Peer Review Certificate.

For example: i) for the Practice Units, from April 1, 2023, there is a pre-requisite of having Peer Review Certificate for undertaking Statutory Audit of unlisted public companies having paid-up capital of not less than rupees five hundred crores or having annual turnover of not less than rupees one thousand crores or having, in aggregate, outstanding loans, debentures and deposits of not less than rupees five hundred crores as on the 31st March of immediately preceding financial year or ii) From April 1, 2024, Practice Units rendering attestation services and having 4 or more partners should have a Peer Review Certificate before undertaking any statutory audit.

On the date, Peer Review becoming mandatory for a Practice Unit, if it is in possession of Peer Review Certificate, there is no need of once again subjecting the Practice Unit to Peer Review, till conclusion of the validity period of the said Certificate. It is necessary for such a Practice Unit to possess a new Peer Review Certificate on conclusion of validity of Peer Review Certificate that was available at the time Peer Review becoming mandatory.

Any firm falling under phase I of the roll out is required to submit a declaration form hosted at <https://forms.office.com/r/AA5Zpgdsrr> (<https://forms.office.com/r/AA5Zpgdsrr>).

In respect of Peer Reviewer of auditors/Practice Units auditing listed entities, a reviewer who has carried out audit of listed entity or also one who has undergone training and test for this purpose in addition to normal training and test, is also qualified to conduct peer review.

Guidelines for issuance of Peer Review Certificate to newly established firms (i.e. firms in existence for less than 12 months) will shortly be issued by the Peer Review Board.

Chairman,
Peer Review Board

IMPORTANT ANNOUNCEMENT



Announcement

Auditing and Assurance Standards Board
The Institute of Chartered Accountants of India

April 15, 2022

Expert Panel for Addressing queries related to Statutory Audit pertaining to Auditing Aspects

The Institute of Chartered Accountants of India (ICAI) being the world's second largest accounting body and regulator of accountancy profession in India has always partnered in Nation Building and provided service to Indian economy in public interest.

With the rapidly evolving business environment, introduction of new age companies, start-ups, increased number of companies going public and amidst increasing regulatory and reporting requirements, the role of auditors has increased manifolds. In the current environment with ever increasing expectation from auditors, this year the Auditing and Assurance Standards Board of ICAI has decided to provide necessary support to the members in practice with respect to the Statutory Audit of Entities pertaining to auditing aspects with the objective of enhancing audit quality.

In this regard, we are pleased to inform you that the Board has formed an Expert Panel who will provide technical support to the members with respect to their queries and concerns on auditing aspects.

The Panel will address the queries from **16th April, 2022 till 30th September, 2022.**

The queries are to be sent at email address: auditfaq@icai.in

Panel Convenors

CA. (Dr.) Sanjeev Kumar Singhal, Chairman, AASB, ICAI and CA. Vishal Doshi, Vice Chairman, AASB, ICAI.

Members are specifically informed that the views expressed by the experts would be their personal views and not necessarily the views of the Auditing and Assurance Standards Board (AASB) or the Institute of Chartered Accountants of India (ICAI). AASB, ICAI or the members of the Panel, do not accept any responsibility for actions taken by the querists based on such advice. Further, these views are not to be used as evidence in any non judicial/ quasi judicial/ judicial proceeding before any authority. Further, depending upon the nature of query, the Board reserves the right not to answer the query without any further intimation/notice/email and without assigning any reason thereof.

To enable us to serve you better, you are also advised to:

- Be brief but provide full information and facts.
- Not to mention the name of the Client or Entity in order to avoid problem of violation of client confidentiality requirements under the ICAI Code of Ethics.
- Avoid rejoinders.
- Not to send the same query twice.
- Draft the report on your own.
- Use own judgment.

Vice Chairman
Auditing and Assurance Standards Board

Chairman
Auditing and Assurance Standards Board



The World Congress of Accountants (WCOA) is being held under the aegis of the International Federation of Accountants (IFAC), the worldwide organization for the accountancy profession.

World Congress of Accountants is popularly known as the "Olympics of the Accountancy Profession"

For the first time in India ICAI will be hosting this prestigious event.



Date: 18th-21st November 2022

Venue: Jio World Convention Centre, BKC, Mumbai, India



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(SETUP BY AN ACT OF PARLIAMENT)



International Federation of Accountants

Follow Us On:



wcoa2022reg@icai.in



[wcoa2022](https://www.instagram.com/wcoa2022)



[World Congress Of Accountants 2022](https://www.facebook.com/WorldCongressOfAccountants2022)



भारतीय विवाला और रोपन अक्षमता कोर्ष
Insolvency and Bankruptcy Board of India



3rd NATIONAL ONLINE

Quiz

ON INSOLVENCY AND BANKRUPTCY CODE, 2016

16th April, 2022 - 15th May, 2022



FOR DETAILS SCAN QR CODE

Take a 10 minutes quiz from anywhere, any mobile/computer, anytime!



10 consolation prizes of ₹ 10,000/- each for next 10 best performers

Top 10% performers shall be awarded "Certificate of Merit"

[Click here for Guidelines](#)

[Click here for Sample Quiz](#)

[Click here for Registration](#)

[Click here for Taking Quiz](#)

Guidelines on National Online Quiz on IBC

The Insolvency and Bankruptcy Code, 2016 (IBC) provides a market mechanism for insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders. It is one of the deepest economic reforms of India in the recent years. Elucidating its importance, the Hon'ble Prime Minister in his address at the centenary celebrations of Kirloskar Group on 6th January, 2020 observed:

"साथियो, आजकल Insolvency और bankruptcy code IBC की इतनी चर्चा होती है, लेकिन ये सिर्फ इतना पैसा वापस आया, उतना पैसा वापस आया- वहाँ तक ही सीमित रहती है। लेकिन वो उससे भी आगे है। आप सभी ये बेहतर जानते हैं कि कुछ स्थितियों में धंधे से बाहर निकलना ही कई बार समझदारी माना जाता है। ये जरूरी नहीं कि जो कंपनी सफल न हो रही हो, उसके पीछे कोई साजिश ही हो, कोई गलत बरादा हो, कोई लालच हो; ये जरूरी नहीं है। देश में ऐसे उद्यमियों के लिए एक रास्ता तैयार करना आवश्यक था और IBC ने इसका आधार तय किया। आज नहीं तो कल, इस बात पर अध्ययन जरूर होगा कि IBC ने कितने भारतीय उद्यमियों का भविष्य बचाया, उन्हें हमेशा-हमेशा के लिए बर्बाद होने से रोका।"

- The Insolvency and Bankruptcy Board of India (IBBI) is a key pillar of the ecosystem responsible for implementation of the IBC. It is responsible for development and regulation of insolvency professionals, insolvency professional agencies and information utility. It regulates various processes, namely, corporate insolvency resolution, corporate liquidation, fresh start, individual insolvency resolution and individual bankruptcy. It acts as the 'Authority' for regulation and development of the profession of valuers under the Companies (Registered Valuers and Valuation) Rules, 2017.
- To promote awareness and understanding of the IBC among various stakeholders (Indian citizens) across the country, the IBBI has launched this online Quiz in collaboration with MyGov.in.
- Terms and Conditions:**
 - The Quiz shall be open on the MyGov portal <https://quiz.mygov.in> for a period of one month from 16th April, 2022 to 15th May, 2022.
 - The Quiz is open to Indian citizens aged 18 years and above as on 16th April, 2022. Individuals working in IBBI and BSE Investors Protection Fund (permanent and contractual), service providers under the IBC and registered with IBBI and also their immediate family members are not eligible to participate in the Quiz. A participant is required to self-certify that he/she is eligible to take the Quiz and also that he/she abides by these terms and conditions.
 - A participant needs to register on the MyGov portal before taking the Quiz. For registration, the participant needs to submit a valid mobile number and a valid e-mail ID. The same mobile number or email ID cannot be used twice for registration. This means that a participant can participate in the Quiz only once. In case of same mobile number/email id being used multiple times, only the first entry will be considered eligible, and the remaining entries will be eliminated.
 - The Quiz is available both in English and Hindi. A participant may choose either of the languages.
 - The Quiz will have 20 (twenty) multiple choice questions, each carrying one mark. A participant will get 10 (ten) minutes to complete the Quiz. There will be no negative marking.
 - Any kind of malpractice such as impersonation, double participation, etc., will render the participation of the individual null and void.
 - Performance in the Quiz will be evaluated based on "Maximum Correct Answers in the Shortest Time". For example, if many individuals secure 20 marks, they will be ranked on the basis of the time taken to complete the Quiz, as electronically determined by MyGov. The individual, who has completed the Quiz at the earliest shall be considered the best performer. After ranking the individuals with score of 20, the individuals with score of 19 will be ranked, and so on.
 - The best performer will be awarded a Gold Medal along with a cash prize of ₹ 1,00,000/- (One lakh rupees only). The second-best performer will be awarded a Silver Medal along with a cash prize of ₹ 50,000/- (Fifty thousand rupees only). The third best performer will be awarded a Bronze Medal along with a cash prize of ₹ 25,000/- (Twenty five thousand rupees only). The next ten best performers will be awarded consolation prizes of ₹ 10,000/- (Ten thousand rupees only) each. These prizes and medals are sponsored by the BSE Investors' Protection Fund, as part of its investor awareness initiatives. These prizes and medals will be given away at an appropriate function to be decided by the IBBI.
 - Besides the above, top 10% of the participants in terms of performance shall be awarded a "Certificate of Merit".
 - After the closure of the Quiz, and prior to the announcement of results, the winners of cash prizes will be required to provide their identity details. Non-submission of these details will render their participation null and void and the next best performer will be chosen accordingly. The entries, if any, of cash prize winners of 1st and 2nd National Online Quiz, organized by IBBI in 2020 and 2021 respectively, will not be considered for award of cash prizes.
 - All participants who are already registered on MyGov portal are advised to check and update their current, valid contact details (email ID and mobile number) in their MyGov profile/account, prior to playing the Quiz. All communications from the Board to the participants/ winners will be made only on the contact details available with MyGov in their system.
 - In case of any dispute, the decision of the IBBI shall be final.
 - By participating in the Quiz, the participant agrees to have read and accepted the above-mentioned terms and conditions.

The quiz is open from 16th April, 2022 00:01 hour to 15th May, 2022 24:00 hours

IMPORTANT ANNOUNCEMENT



Announcement

**Auditing and Assurance Standards Board
The Institute of Chartered Accountants of India**

April 2, 2022

Guidance Note on the Companies (Auditor's Report) Order, 2020

The Ministry of Corporate Affairs (MCA) issued the Companies (Auditor's Report) Order, 2020 (CARO 2020) in February 2020. CARO 2020 contains many new reporting requirements for auditors such as revaluation of property, plant and equipment (including right of use assets) or intangible assets, benami property, working capital limits on basis of security of current assets, granting loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment, undisclosed income, company declared as wilful defaulter, material uncertainty in meeting liabilities, CSR activities. The Auditing and Assurance Standards Board (AASB) of the ICAI has issued the "Guidance Note on the Companies (Auditor's Report) Order, 2020" (Guidance Note on CARO 2020) in July 2020 to provide detailed guidance on various clauses of CARO 2020 and reporting requirements for auditors.

To ensure that the management of companies provide various disclosures which pertain to clauses of CARO 2020 especially the aforesaid new reporting requirements, the MCA has brought out corresponding amendments in Schedule III (Division I, Division II and Division III) to the Companies Act, 2013 vide its notification dated 24th March 2021 for preparation of the financial statements. In addition to the said amendments, various other disclosure requirements have also been added in Schedule III to the Companies Act, 2013.

The members may note that in light of the said amendments, a comprehensive revision of the Guidance Note on CARO 2020 is being initiated by AASB. In the interregnum, the members should read CARO 2020 in conjunction with the corresponding amendments made in Schedule III to the Companies Act, 2013 for presentation and disclosure requirements stated therein and perform the audit procedures accordingly.

Annexure to this Announcement summarises interplay of some of the clauses in CARO 2020 and consequential amendments to Schedule III to the Companies Act, 2013.

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
1	Whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company. If not, provide prescribed details [Clause 3(i)(c)]	<ul style="list-style-type: none"> ▶ Disclosure of details of title deeds of immovable properties (excluding leased properties) not held in the name of the company in the prescribed format. ▶ Disclose company's share - if jointly held 	
2	<ul style="list-style-type: none"> ▶ Whether the company has revalued its property, plant and equipment (PPE) (including right of use assets) or intangible assets or both during the year, ▶ If so, whether the revaluation is based on the valuation by a registered valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of PPE or intangible assets [Clause 3(i)(d)] 	Disclosure regarding revaluation of PPE/ intangible assets: <ul style="list-style-type: none"> ▶ Amount of change due to revaluation (if change is 10% or more in the aggregate of the net carrying value of each class of PPE/ intangible assets) ▶ Whether revaluation is based on valuation by a registered valuer defined under the Companies Act, 2013 	

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
3	<ul style="list-style-type: none"> ▶ Whether any proceedings have been initiated/ pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, ▶ If so, whether the company has appropriately disclosed the details in its financial statements. [Clause 3(i)(e)] 	Disclosure prescribed for proceeding initiated/ pending for holding any benami property e.g.: <ul style="list-style-type: none"> ▶ Details of such property and amount thereof ▶ Details of beneficiaries ▶ If property is in the books, then reference to item in balance sheet ▶ If property is not in the books, then the fact with reasons ▶ Details of proceedings ▶ Nature of proceedings, status of same and Company's view 	
4	Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; whether the quarterly returns or statements filed by the company with such banks or financial institutions are in	In case of borrowings from banks or financial institutions on the basis of security of current assets, disclose whether quarterly returns/ statements of current assets filed with banks or financial institutions agree with books of accounts, If not, adequately disclose	CARO 2020 prescribes reporting relating to sanctioned working capital limits in excess of five crore rupees, in aggregate. However, disclosure requirements

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
	agreement with the books of account of the Company, if not, give details; [Clause 3(ii)(b)]	summary of reconciliation and reasons of material discrepancies	under Schedule III to the Companies Act, 2013 are not limited to working capital but cover all borrowings. Further, no monetary threshold has been prescribed under Schedule III to the Companies Act, 2013 while making this disclosure.
5	Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in section 2(76) of the Companies Act, 2013 [Clause 3(iii)(f)]	Disclosure to be provided in prescribed format where loans/ advances in the nature of loans are granted to promoters, directors, key managerial personnel and related parties, either severally or jointly with any other person, that are: <ul style="list-style-type: none"> ▶ Repayable on demand or ▶ Without specifying any terms or repayment period 	CARO 2020 additionally requires percentage of loan granted. Further, in Schedule III to the Companies Act, 2013, loans and advances given to promoters, directors, KMP and other related parties are considered, whereas in CARO 2020, if loans and advances are given to other than related parties,

IMPORTANT ANNOUNCEMENT

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
			these are also to be included. So, reporting requirements in CARO 2020 are wider as compared to Schedule III to the Companies Act, 2013.
6	Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, if so, whether the previously unrecorded income has been properly recorded in the books of account during the year [Clause 3(viii)]	<ul style="list-style-type: none"> ▶ Details of transaction not recorded in the books of accounts that has been surrendered/ disclosed as income during the year in the tax assessments (e.g. search), unless there is immunity for disclosure under the scheme ▶ Disclose whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year 	
7	Whether the company is a declared wilful defaulter by any	Disclose following if the company is a declared	

Page 5 of 8

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
	bank or financial institution or other lender [Clause 3(ix)(b)]	wilful defaulter by any bank/ financial institution / other lender: <ul style="list-style-type: none"> ▶ Date of declaration as wilful defaulter ▶ Details of defaults (amount and nature of defaults) 	
8	Whether term loans were applied for the purpose for which the loans were obtained; if not, the amount of loan so diverted and the purpose for which it is used may be reported [Clause 3(ix)(c)]	Where borrowings from banks and financial institutions not used for the specific purpose for which it was taken at the balance sheet date – company to disclose details of where they have been used	CARO 2020 prescribes reporting on term loans from any party. However, disclosures under Schedule III to the Companies Act, 2013 are not limited to term loans but cover all borrowings. Further, disclosures under Schedule III to the Companies Act, 2013 have been prescribed only for borrowings from banks and financial institutions.

Page 6 of 8

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
9	On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date [Clause 3(xix)]	<p>Disclosure of certain ratios including current ratio, debt-equity ratio, debt service coverage ratio, ¹capital to risk-weighted assets ratio</p> <ul style="list-style-type: none"> ▶ ²Explain items included in numerator and denominator ▶ ³Explain any change in the ratio by more than 25% as compared to previous year 	CARO 2020 requires the auditor to comment on material uncertainty in payment of liabilities on basis of the financial ratios and other prescribed matters. However, Schedule III to the Companies Act, 2013 requires disclosure of certain ratios.
10	▶ Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months	Details of CSR activities including amount required to be spent, amount of expenditure incurred, shortfall, total of previous years shortfall, reason for shortfall, nature of CSR	CARO 2020 requires reporting of unspent CSR amount. However, disclosures prescribed under Schedule III to the

¹ As prescribed under Division III to Schedule III to the Companies Act, 2013.
² Not prescribed under Division III to Schedule III to the Companies Act, 2013.
³ Not prescribed under Division III to Schedule III to the Companies Act, 2013.

Page 7 of 8

Sr. No	Summary of reporting requirements under CARO 2020	Summary of disclosures requirements under Schedule III to the Companies Act, 2013	Remarks
	of the expiry of the financial year in compliance with second proviso to section 135(5) of the Companies Act, 2013 [Clause 3(xx)(a)] <ul style="list-style-type: none"> ▶ Whether any amount remaining unspent under section 135(5) of the Companies Act, 2013, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of section 135(6) of the Companies Act, 2013 [Clause 3(xx)(b)] 	activities, details of related party transactions, movements in provision made with respect to liability incurred by entering into a contractual obligation	Companies Act, 2013 are wider as compared to reporting requirements under CARO 2020.

Vice Chairman
Auditing and Assurance Standards Board

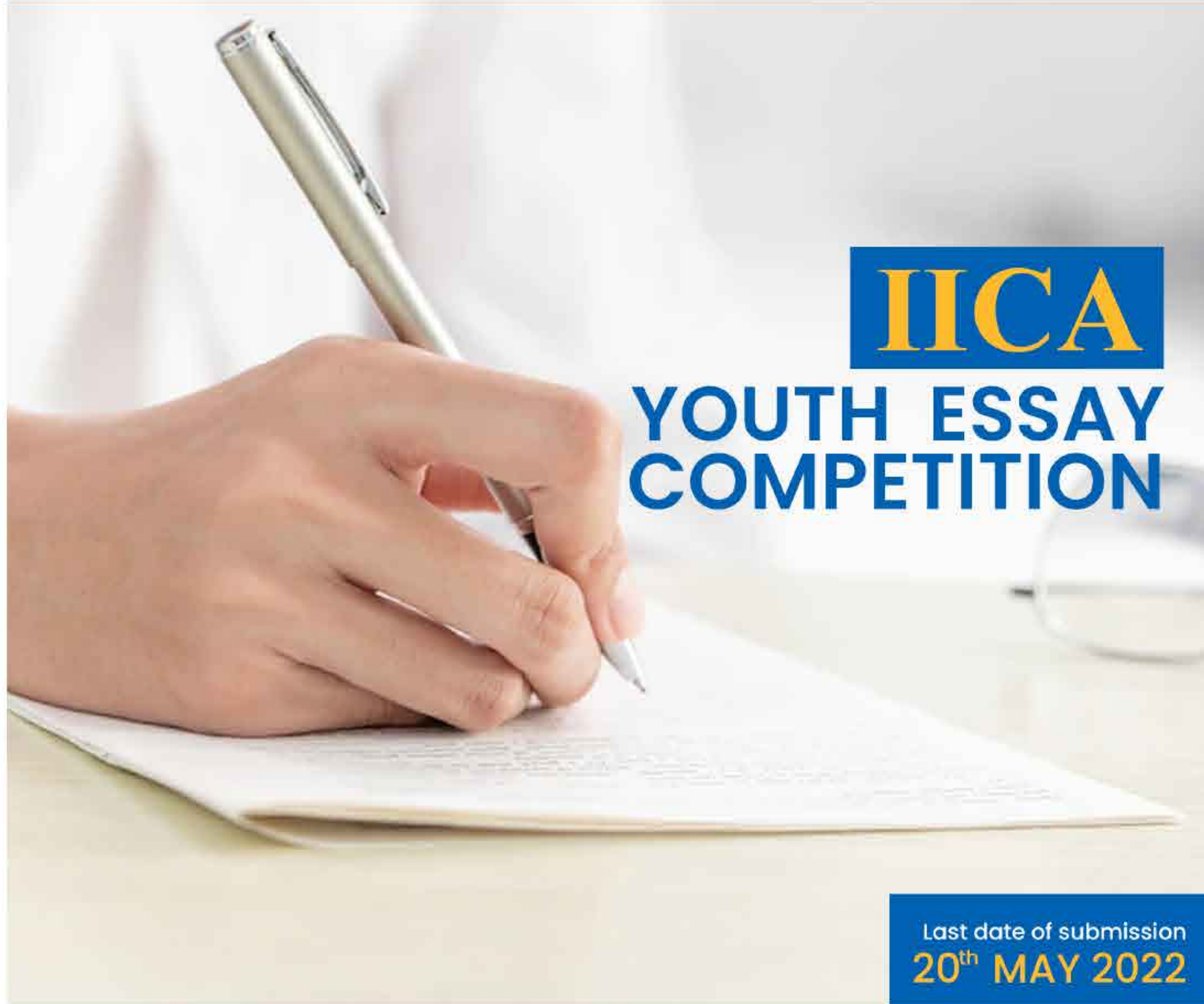
Chairman
Auditing and Assurance Standards Board

Page 8 of 8

IMPORTANT ANNOUNCEMENT



Theme
Corporate Governance: Evolving Vision for New India



Last date of submission
20th MAY 2022

2022

All India Youth Essay Competition

Organized by



IICA Youth Essay Competition

Under the aegis of the Ministry of Corporate Affairs, IICA will celebrate the Azadi Ka Amrit Mahotsav (AKAM) to commemorate 75 years of independence on 12th June 2022. To mark the occasion, an All India Essay competition is also being organized for the Indian youth with an aim to engage them in thought leadership process for the corporate ecosystem of New India. The topic for the essay is "Corporate Governance: Evolving Vision for New India".

Declaration of winners and shortlisted entries: 12th June 2022 on IICA website

The Guidelines

- The topic for the essay is "Corporate Governance: Evolving Vision for New India".
- There is no registration fee.
- The contest is open to anyone who has completed senior secondary (XII) level of education and is either a registered UG/PG/PhD student or a working professional with an upper age limit of 30 years as on 12th June, 2022.
- Essay shall be authored in English or Hindi language by a single author. It must be an original piece of work and should not violate any provisions of the Indian Copyright Act 1957. No part of the essay should have been published earlier nor should it be under consideration for publication or in a contest elsewhere.
- One participant can send only one entry. The word limit for the essay is 1500 to 3000 words, including footnotes.
- All entries should be typed in A4 sheet in Times New Roman (font size 12) for English and Mangal (font size 11) for Hindi with 1.5 line spacing. Page number should be inserted on the bottom right corner.
- The top three contestants will get a cash prize of Rs. 10,000, Rs. 5000 and Rs. 2000 each with certificates. The three winners will also be invited to IICA campus for the felicitation ceremony on 12th June 2022 as part of the Azadi Ka Amrit Mahotsav celebration. They will be provided 2nd class AC train fare and free boarding and lodging at IICA campus.
- All shortlisted entries will be awarded digital participation certificates.
- Selection criteria: Creative, innovative, influential, and relevant to the contest theme.
- The decision of the jury will be final.

Last date of submission: 20th May 2022

Where to Submit

Each entry containing two files: 1. **Essay** (please do not include any other information in this file) 2. **Author's profile***, should be submitted at scgpp@iica.in with subject line "AKAM Essay competition" latest by 20th May 2022.

*Author's profile: A separate sheet containing Author's Name, Father's name, address, email id, mobile no, Affiliation (college/University/Institution) and a copy of Aadhar card.

The hard copies of the above two files should also be sent to IICA on the following postal address:

Postal Address

Dr. Niraj Gupta
School of Corporate Governance & Public Policy
Indian Institute of Corporate Affairs,
Ministry of Corporate Affairs (Govt. of India)
P-6, 7, 8, Sector-5, IMT Manesar, Distt. Gurgaon-122050, Haryana, India
(Please mention "IICA AKAM Essay competition" on top of the envelope)

For any queries, please write to: scgpp@iica.in or call at 0124-2640049

FOUNDATION-NOV 22 BATCH



Southern India Regional Council of
The Institute of Chartered Accountants of India
(Setup by an Act of Parliament)

HYBRID
MODE
MORNING
BATCH

Are U writing
your NOV 2022 CA Foundation Examinations?

LEARN FROM THE BEST - YOUR ALMAMATER

SIRC - CA FOUNDATION Classes

Course Dates

From : 14/06/2022
To : End of Sep 2022
Timing : 7.00A.M. to 12.30 P.M.
Duration : 5 Hours (All Days)

Last Date of Registration 13/06/2022

Physical Fees : ₹ 15000/- Only

Virtual Fees : ₹ 11000/- Only

FREE RAPID REVISION CLASSES - 15 DAYS

SUNDAY TEST SERIES :- 8 TESTS

MOCK TESTS :- 2 TESTS

REFER LINK FOR DETAILS : <https://rb.gy/awveii>

Paper	Subject	Hours	Self Assessment MCQ No. of Tests
Paper - 1	Principles & Practice of Accounting	120 Hrs	20
Paper - 2A Paper - 2B	Business Law Business Correspondence & Reporting	120 Hrs	10 10
Paper - 3	Business Mathematics Logical Reasoning Statistics	120 Hrs	10 5 5
Paper - 4	Business Economics Business and Commercial Knowledge	120 Hrs	10 10

Link for Registration : <http://www.sirc-icai.org/view-batch/php>

NO FEE

For Govt. & Govt. Aided School Students of Southern Region States
(Tamil Nadu, Kerala, Karnataka, Andhra, Telangana and Union Territory of Pondicherry)
(10th / 11th / 12th Mark Sheet - Attach Proof of Govt. Aided School)

Helpline : Mobile : 96771 26011, 73585 06400, 82205 22669
Phone : 044 - 3021 0323 / 300 / 370 / 379 / 359
Email : sirc.foundation@icai.in, and cc to sircdean@icai.in,

CA. CHINA MASTHAN TALAKAYALA
Chairman, SIRC of ICAI



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

Board of Studies (Academic)
The Institute of Chartered Accountants of India
28th April, 2022

ANNOUNCEMENT

Sub: 75% Concession in Registration Course Fee for all levels of CA Courses for the wards of demised members of ICAI.

The Council of the Institute has decided to extend 75% fee concession on registration fees to the wards of demised members of ICAI effective from 1st April, 2022 for pursuing the CA Course at all levels.

The following fee needs to be paid by the above categories of students:-

Level	Registration Fees (Rs)	Concession (Rs)	Registration Fees to be Paid (Rs.)
Foundation	9000	6750	2250
Intermediate	18000	13500	4500
Final	22000	16500	5500

All other Fees except the registration fee mentioned above will have to be paid by the beneficiary student.

The eligibility criteria for granting 75% concession on registration fees would be as under:-

- Student has to fill the respective Registration Forms in SSP Portal along with the requisite documents. In addition, the student has to upload the copies of following documents duly attested by any member of the Institute:-
 - Death Certificate
 - Membership Proof of the deceased parent, namely, Membership Card / Membership Certificate / Fee Receipt of the Membership Fees paid, or any other proof.
 - Any valid Identity Proof of the deceased Member
 - Declaration by student that the Annual income of family is Rupees Five Lakh or less than Rupees Five Lakh

Director

15

National Conference on International Taxation - Role of Indian Chartered Accountant - Services at Abroad - Australia & Malaysia on 21st April 2022 (Day 1)



Resource persons CA. Yateender Gupta, Australia & CA. Anil Gupta, Malaysia seen along CA. China Masthan Talakayala, Chairman, SIRC of ICAI

National Conference on International Taxation - Role of Indian Chartered Accountant - Services at Abroad - USA & UK on 22nd April 2022 (Day 2)



Resource persons CA. Vivek Raju. P, Hyderabad & CA Ramakrishna Karanam, Hyderabad seen along CA. Naresh Chandra Gelli, Secretary, SIRC of ICAI and CA. Rekha Uma Shiv, Regional Council Member, SIRC of ICAI

National Conference on International Taxation - Role of Indian Chartered Accountant - Services at Abroad - Singapore & UAE on 23rd April 2022 (Day 3)



Resource persons CA. Kala Subramanian, Singapore & CA. Ugamoorthy, UAE seen along CA. Naresh Chandra Gelli, Secretary, SIRC of ICAI.

Accounting Standards for Non - Corporate Entities AS 9, AS 10 and AS 16 - Day 1



Resource person CA. Yagnesh Desai, Mumbai seen along with CA. Panna Raj, Vice-Chairman, SIRC of ICAI and CA. A. V. Arun, Regional Council Member, SIRC of ICAI

ONLINE PROCESS FOR FORMATION OF NETWORKING OF CA FIRMS LAUNCHED

**Members and Students Services Directorate
The Institute of Chartered Accountants of India
1st April, 2022
ANNOUNCEMENT**

Online Process for Formation of Networking of CA Firms Launched

The Online process has been launched for formation of Networking of CA firms, as per new networking guidelines approved by the Council last year.

The networking tab is available under Firm Module in Self Service Portal (SSP) and members can now directly apply through Portal for approval and registration of Network. The Guidelines for Networking of Indian CA Firms 2021 are available at ICAI website at below link:

<https://resource.cdn.icai.org/64061mss51444.pdf>

Members and Students Services Directorate

Printed and Published by Mr. S. Sivanesan, Deputy Secretary on behalf of Southern India Regional Council of the Institute of Chartered Accountants of India, 'ICAI Bhawan', # 122, Mahatma Gandhi Road, Nungambakkam, Chennai - 600034. Phone - 044-39893989, 30210320. Email: sirc@icai.in. Website: www.sirc-icai.org. Printed at Rathna Offset Printers, 40, Peters Road, Royapettah, Chennai 600014, Editor: CA. Dungar Chand U Jain, Member, SIRC of ICAI.

SICASA

Activities Planned for the month of May

2022

Date	Program/Event Name	Nature of the Event
08 May 2022	Regional Level Elocution Contest by BOS	Elocution Contest
10 May 2022	Half Day Workshops On Using Audit Tools-MS – Excel	Training Workshops of Half Day Program
14 May 2022	Half Day Workshops On Using Audit Tools-MS – Excel	
15 May 2022	Half Day Workshops On Using Audit Tools-MS –Word	
21 May 2022	Half Day Workshops On Using Audit Tools-Tally	
24 May 2022	Practical Issues In Filing E-TDS/MCA Returns	
28 May 2022	Half Day Workshops On Using Audit Tools-SAP	Seminars/Conferences of One Day Program
29 May 2022	One Day Seminar On How To Attend Interviews	
30 May 2022	How To Approach CA Foundation May 2022 Exams	Special Programs / Special Innovative efforts for overall development and benefits of the Students

ICITSS AND AICITSS BATCH DETAILS

ICITSS Courses by SIRC of ICAI (Physical Mode).

Commencing from 09.05.2022 to 26.05.2022

Information Technology Training (ICITSS- IT)

BATCH NO	TIMINGS
CHN-ICITSS-IT-05-22-175	07.30 A.M TO 01.30 P.M

Orientation Course (ICITSS-OC)

BATCH NO	TIMINGS
ICITSS-OC-CHE-191	01.45 P.M TO 08.15 P.M
ICITSS-OC-CHE-192	07.00 A.M TO 01.30 P.M

The enrolment of students shall be done on First come First served basis.

Please register through the link:

https://www.icaionlineregistration.org/Admin_Module/login.aspx

ICITSS Courses by SIRC of ICAI (Physical Mode).

Commencing from 09.05.2022 to 26.05.2022

Information Technology Training (ICITSS- IT)

BATCH NO	TIMINGS
CHN-ICITSS-IT-05-22-175	07.30 A.M TO 01.30 P.M

Orientation Course (ICITSS-OC)

BATCH NO	TIMINGS
ICITSS-OC-CHE-191	01.45 P.M TO 08.15 P.M
ICITSS-OC-CHE-192	07.00 A.M TO 01.30 P.M

The enrolment of students shall be done on First come First served basis.

Please register through the link:

https://www.icaionlineregistration.org/Admin_Module/login.aspx

MOCK TEST COUNSELLING SESSION



Board of Studies (Academic)

The Institute of Chartered Accountants of India

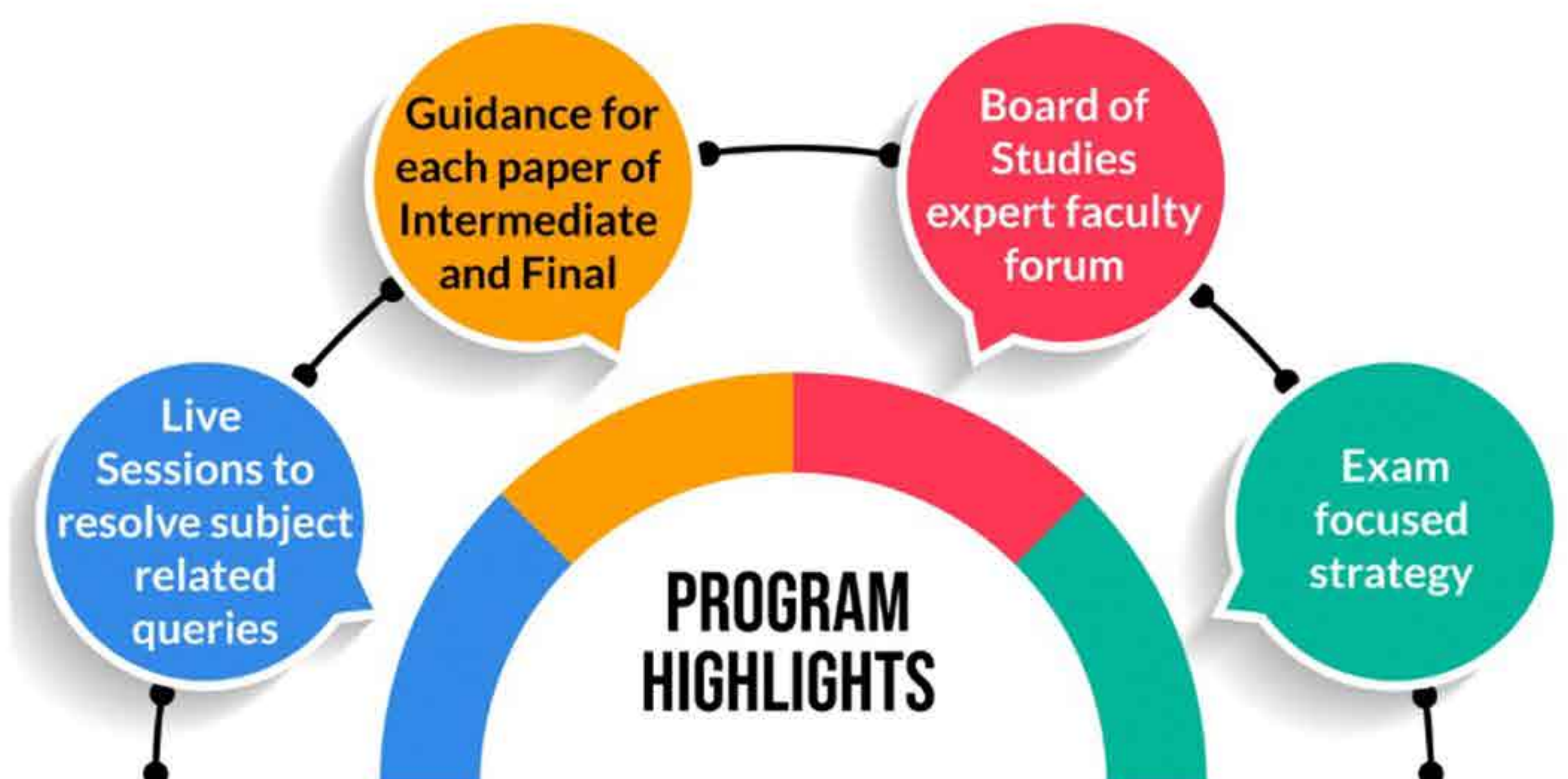
(Set up by an Act of Parliament)

Counseling Sessions for Mock Test Papers - Intermediate & Final for May 2022 Examination

commencing from



Board of Studies (Academic) of ICAI is commencing Counselling sessions on April 27, 2022, for students appearing in CA Intermediate & Final for May 2022 examination.



Counselling session schedule can be accessed/viewed at

<https://resource.cdn.icaai.org/69823bos55780b.pdf>

Link to join: <https://live.icaai.org/bos/vcc/>

You can also check the same on

Exclusive (ICAI BOS) mobile app for one stop solution, Download Now!



Accounting Standards for Non – Corporate Entities
AS 1, AS 2 and AS 7 – Day 2

Accounting Standards for Non – Corporate Entities
AS 18 and AS 19 – Day 3



Resource person CA. Achal Jain, New Delhi seen along with CA. Subba Rao Muppala, Regional Council Member, SIRC of ICAI



Resource person CA. Vinod Balachandran, Kochi seen along with CA. Rajesh. S, Regional Council Member, SIRC of ICAI

Accounting Standards for Non – Corporate Entities
AS 22 and AS 29 – Day 4



Resource person CA Udupi Vikram, Bangalore seen along with CA. K Jalapathi, Immediate Past Chairman, SIRC of ICAI

CORPORATE LAW

Contributed by: CA. M. Asir Raja Selvan, Chennai.

Corporate Law Update – April 2022

The following are the important updates in Companies Act, 2013 from 25th March 2022 to 24th April 2022

I. Nidhi (Amendment) Rules, 2022

G.S.R. 301(E).—In exercise of the powers conferred by sub-section (1) of section 406 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules, further to amend the Nidhi Rules, 2014, namely:-

- (1) These rules may be called the Nidhi (Amendment) Rules, 2022.
- (2) They shall come into force on the date of their publication in the Official Gazette (19th April, 2022).

Key Changes are

In Rule 3, in subrule 1, after clause a), the following clause be inserted

“(aa) “Branch” means a place other than the registered office of Nidhi”,

After Rule 3A the following clause be inserted

“ 3B. (1) On and after commencement of Nidhi (Amendment) Rules, 2022, public company desirous to be declared as a Nidhi shall apply, in Form NDH-4, within a period of 120 days of its incorporation for declaration as Nidhi, if it fulfils the following conditions, namely:-

- (I) it has not less than 200 members; and
- (II) it has Net Owned Funds of Rs.20 Lakhs or more.

(2) The company shall also attach, along with Form NDH-4, the declaration with regard to fulfilment of fit and proper person criteria, as per this sub-rule, by all the promoters and directors of the company.

(3) For the purpose of determining as to whether any promoter or director is a “fit and proper person”, the following shall be taken into account, namely:-

(a) integrity, honesty, ethical behaviour, reputation, fairness and character of the person; and

(b) the person not incurring any of the following disqualifications, namely:-

(i) criminal complaint or information under section 154 of the Code of Criminal Procedure, 1973 (2 of 1974) has been filed by a person authorised by the Central Government against such person and which is pending;

(ii) charge sheet has been filed against such person by any enforcement agency in matters concerning economic offences which is pending;

(iii) an order of restraint, prohibition or debarment has been passed against such person by any regulatory authority or enforcement agency in any matter concerning company law, securities laws or financial markets which is in force;

(iv) an order of conviction has been passed against such person by a court for any offence involving moral turpitude;

(v) such person has been declared insolvent and not been discharged;

(vi) such person has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;

(vii) such person has been categorised as a wilful defaulter;

(viii) such person has been declared a fugitive economic offender;

(ix) such person is a director in five or more companies incorporated or declared as Nidhi, or is a promoter of three or more companies incorporated or declared as Nidhi.”

(4) The Central Government, shall examine the application filed in Form NDH-4 and convey its decision within a period of 45 days to the company:

Provided that in case a decision on an application filed in form NDH-4 is not taken by the Central Government within the aforesaid period of receipt of such application, the same shall be deemed as approved.

(7) The provisions of this rule shall not be applicable to a public company incorporated under the Act before the date of commencement of the Nidhi (Amendment) Rules, 2022.

In Rule 4, subrule 1 shall be substituted with the following

In rule 4 of the said rules, in sub-rule (1), -

(a) for the words “five lakh rupees”, the words “ten lakh rupees” shall be substituted;

(b) the following proviso shall be inserted, namely:-

“Provided that every Nidhi existing as on the date of commencement of the Nidhi Amendment Rules, 2022, shall comply with this requirement within a period of 18 months from the date of such commencement”.

In Rule 5, subrule 5 shall be inserted

(5) The provisions of this rule shall not be applicable for the companies incorporated as Nidhi on or after the commencement of the Nidhi (Amendment) Rules, 2022.

In Rule 8, after subrule 3 the following rule shall be inserted

“(4) A member shall not transfer more than fifty percent of his shareholding (as on the date of availing of loan or making of deposit) during the subsistence of such loan or deposit, as the case may be.

Provided that the member shall retain the minimum number of shares required under subrule (3) of rule 7 at all times”.

In Rule 9,

The net owned fund requirement shall be increased to Rs.20 Lakhs from existing Rs.10 Lakhs.

For Rule 18, on Dividend the following Rule shall be substituted

18. Dividend - A Nidhi shall not declare dividend exceeding twenty-five per cent in a financial year”.

II. Companies (Incorporation) Amendment Rules, 2022

G.S.R. -----In exercise of the powers conferred by section 10(A) read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules, further to amend the Companies (Incorporation) Rules, 2014, namely:-

(1) These rules may be called the Companies (Incorporation) Amendment Rules, 2022.

(2) They shall come into force on the date of their publication in the Official Gazette.

Key Changes are

In Rule 12, the following proviso shall be inserted

“Provided further that in case of a Company being incorporated as a Nidhi, the declaration by the Central Government under section 406 of the Act shall be obtained by the Nidhi before commencing the business and a declaration in this behalf shall be submitted at the stage of incorporation by the company.”

And the e-form INC 20A, has been amended to capture the details of approval under Sec 406.

III. Companies (Accounts) Second Amendment Rules, 2022

G.S.R. -----(E) In exercise of the powers conferred by sub-sections (1) & (3) of section 128, sub section (3) of section 129, section 133, section 134, sub section (4) of section 135, sub section (1) of section 136, section 137 and section 138 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules, further to amend the Companies (Accounts) Rules, 2014, namely:-

(3) These rules may be called the Companies (Accounts) Second Amendment Rules, 2022.

(4) They shall come into force on the date of their publication in the Official Gazette.

Key Changes are

In the proviso to sub rule (1) of Rule 3, the following changes shall be inserted

Provided that for the financial year commencing on or after the 1st day of April, 2022 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled

In the proviso to sub rule (1B) of Rule 12, the following changes shall be inserted

Provided that for the preceding financial year 2020-2021, Form CSR-2 shall be filed separately on or before 31st March 2022 31st May 2022, after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be.

I. Limits for investment in debt and sale of Credit Default Swaps by Foreign Portfolio Investors (FPIs)

RBI vide A.P. (DIR Series) Circular No. 01 dated April 19, 2022, issued directions to AD Category-I (AD Cat-I) wherein it has been stated that the limits for FPI investment in Government securities (G-secs), State Development Loans (SDLs) and corporate bonds shall remain unchanged at 6%, 2% and 15% respectively, of outstanding stocks of securities for FY 2022-23. Accordingly, the revised limits for FPI investment in G-secs, SDLs and corporate bonds have been notified.

II. Amendment to Foreign Exchange Management (Non-debt Instruments) Rules, 2019

Pursuant to changes in FDI policy announced vide Press Note No 1 (2022 series) issued by DPIIT, the Ministry of Finance vide its notification S.O. 1802(E) dated 12' April 2022 made amendment to Foreign Exchange Management (Non-debt Instruments) Rules, 2019 giving effect the said changes under FEMA.

Please refer FEMA updates for the month of April 2022 for the said changes.

III. Extension of the validity of FCRA registration certificates

In continuation of Ministry of Home Affairs' Public Notice No. II/21022/23(22)/2020 FCRA-III, dated 31' December 2021, the Central Government through a public notice dated 24th March, 2022, has extended the validity of FCRA registration certificates of certain categories of FCRA registered entities, as follows:

(i) The validity of registration certificates of such entities whose validity was extended till 31.03.2022 in terms of the Public Notice dated 31' December 2021 and whose renewal application is pending will stand extended till 30.06.2022 or till the date of disposal of renewal application, whichever is earlier.

(ii) The validity of those FCRA entities whose 5 years validity period is expiring during 01.04.2022 to 30.06.2022 and who have applied/apply for renewal before expiry of 5 years validity period will stand extended upto 30.06.2022 or till the date of disposal of renewal application, whichever is earlier.

IV. Updates to RBI's Master Direction on Foreign Investment in India and Business User Manual on FIRMS:

FEMA Non-debt Instruments (NDI) Rules 2019 replaced FEMA Foreign Direct Investment Regulations of 2007. However, RBI updated its Master Direction on Foreign Investment in India only on March 17, 2022 wherein reference is now given to NDI Rules. Similarly, RBI has updated FIRMS Business User Manual wherein now reference is made to NDI Rules and the contents of relevant certifications specified therein are amended. As per latest pricing guidelines, in case of transfer of equity instruments between a resident and non-resident, the valuation certificate should not be older than 90 days from the date of transfer.

V. Extension of Foreign Trade Policy 2015-20

Ministry of Commerce and Industry, vide its notification no. 64/2015-20, dated March 31, 2022, has extended the validity of Foreign Trade Policy 2015-20 from March 31, 2022 to September 30, 2022.

VI. FEMA Case Law

NATARAJ DAKSHINAMURTHY AND ORS. VERSUS THE SPECIAL DIRECTOR, DIRECTORATE OF ENFORCEMENT, SOUTHERN REGIONAL OFFICE

Facts of the case:

1. The respondent (Special Director, ED) raised a compliant on the petitioner wherein various provisions of FEMA Act and FEMA Permissible Capital Account Transactions Regulations were alleged to be violated. The amount involved in contravention is around INR 180 Crore.
2. The petitioners contended that the show cause notice issued by the respondent lacks minimum material particulars and it is very vague. The petitioners further contend that for said reason they were in a disadvantageous position of not replying thereto.
3. The respondent argued that FEMA does not provide any specific format towards notice or compliant, and that the notice was drafted in such way that all the facts as mentioned in the compliant were also included. They further contended that merely because the notice content is around 19 pages does not prohibit the petitioners in replying at least with their difficulty in replying.

Held that:

- a. The petitioners are aware of the facts of the case and were already party to the proceedings under PMLA as well.
- b. Merely because the notice was vague and difficult to read, it cannot be contended that they are not able to reply to said notice. They should have at least replied saying they are having difficulty in reading the notice, but rather the petitioners contended the validity of the notice.
- c. Petitioners are granted four-week time to reply and that they are open to seek reasonable clarifications on the notice.

VII. Update on Compounding Orders issued under FEMA Regulations:

a. M/s. Shriram General Insurance Company Limited

Regulation Regulation 15(i) and Regulation 15(iii) of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 notified vide Notification no. FEMA 120/2004-RB dated July 07, 2004

Contravention Failure to receive evidence of investment in the foreign entity to the satisfaction of RBI within the prescribed time limit and failure to submit APR in respect of Joint Venture or

Wholly owned Subsidiary Outside India

Date of Order 30-03-2022

Compounding Fee ₹98,475

b. M/s. Godrej Investment Advisers Private Limited

Regulation Regulation 7(1)(iii) read with Regulation 7(2), and Regulation 15(iii) of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 notified vide Notification No. FEMA 120/2004-RB, dated July 07, 2004

Contravention Failure to obtain approval from the concerned regulatory authorities both in India and abroad, for venturing into financial sector activity outside India

Date of Order 29-03-2022

Compounding Fee ₹39,50,980

C. M/s. Birlasoft Limited (erstwhile Kpit Technologies Ltd)

Regulation Regulation 3 of the Foreign Exchange Management (Foreign Currency Accounts by a Person Resident in India) Regulations, 2000, notified vide Notification no. FEMA 10/2000-RB, dated May 3, 2000, as amended from time to time

Contravention Default in complying with rules relating to holding of foreign currency account by a person resident in India

Date of Order 31-03-2022

Compounding Fee ₹1,42,832

Standard Operating Procedure (SOP) for Scrutiny of returns for FY 2017-18 and 2018-19 – GST - Instruction No. 02/2022-GST dated 22nd March, 2022

Section 61 of the Act, provides for scrutiny of returns and related particulars furnished by the registered person. Vide above instructions the board has given SOP to be followed by the officers till the time scrutiny module for online scrutiny of returns is made available.

i. The Proper Officer shall scrutinize the returns and related particulars furnished by the registered person to verify the correctness of the returns. Information available with the proper officer on the system in the form of various returns and statements furnished by the registered person and the data/details made available through various sources like DGARM, ADVAIT, GSTN, E-Way Bill Portal, etc. may be relied upon for this purpose.

ii. For convenience of proper officers, an indicative list of parameters to be verified is enclosed in the instructions.

iii. As per Rule 99, the proper officer shall issue notice in Form GST ASMT – 10 informing the discrepancy noticed and seeking explanation thereto. The registered person may accept such discrepancy or furnish an explanation for the discrepancy in Form GST ASMT- 11 to the proper officer.

iv. Where the explanation furnished by the registered person is found to be acceptable the proper officer shall inform the registered person in Form GST ASMT -12.

v. The proper officer is expected to rely upon the information available with him or with the department. As far as possible, scrutiny of returns should have minimal interface between the proper officer and the registered person and, there should normally not be any need for seeking documents/ records from the taxpayers before issuance of FORM GST ASMT-10.

vi. The proper officer shall issue a notice to the registered person in FORM GST ASMT-10 informing him of the discrepancies noticed and seeking his explanation thereto. While issuing such notice, the Proper Officer may, as far as possible, quantify the amount of tax, interest and any other amount payable in relation to such discrepancies. It may also be ensured that the discrepancies so communicated may, as far as possible, be specific in nature and not vague or general.

vii. There may be cases where the registered person may already have made additional payment of tax, cess, etc., after filing of the returns for the relevant tax period, through FORM GST DRC-03. The payments thus made through FORM GST DRC-03 may also be taken into consideration while communicating discrepancies to the taxpayer in FORM GST ASMT-10.

viii. For each GSTIN identified for scrutiny for a financial year, the proper officer is required to scrutinize all the returns pertaining to the corresponding Financial Year under consideration and a single compiled notice in FORM GST ASMT-10 may be issued to the taxpayer for that financial year.

ix. The registered person may accept the discrepancy mentioned in the notice issued in FORM GST ASMT-10, and pay the tax, interest and any other amount arising from such discrepancy through FORM GST DRC-03 and inform the same or may furnish an explanation for the discrepancy in FORM GST ASMT-11 to the proper officer within the time period prescribed under rule 99 of CGST Rules (Not exceeding thirty days).

x. Where the explanation furnished by the registered person or the information submitted in respect of acceptance of discrepancy and payment of dues is found to be acceptable by the Proper Officer, he shall conclude the proceedings by informing the registered person in FORM GST ASMT-12.

xi. In case no satisfactory explanation is furnished by the registered person in FORM GST ASMT-11 within a period of thirty days of being informed by the proper officer or such further period as may be permitted by him or where the registered person, after accepting the discrepancies, fails to pay the tax, interest and any other amount arising from such discrepancies, the proper officer, may proceed to determine the tax and other dues under section 73 or section 74.

xii. If the proper officer is of the opinion that the matter needs to be pursued further through audit or investigation to determine the correct liability of the said registered person, then he may refer the matter to the jurisdictional Principal Commissioner / Commissioner through the divisional Assistant / Deputy Commissioner, for the decision whether the matter needs to be referred to Audit Commissionerate or Anti-evasion Wing of the Commissionerate, as the case may be.

Indicative List of Parameters for Scrutiny

1) Tax liability on account of "Outward taxable supplies (other than zero rated, nil rated and exempted)" and "Outward taxable supplies (zero rated)" as declared in table 3.1(a) and table 3.1(b) respectively of FORM GSTR-3B may be verified with corresponding tax liability in respect of outward taxable supplies declared in table 4 (other than table 4B), table 5, table 6, table 7A(1), table 7B(1), table 11A and table 11B (along with the net effect of amendments thereof in Table 9, 10 and 11(II)) of FORM GSTR-1.

2) Tax liability on account of "Inward supplies (liable to reverse charge)" as declared in Table 3.1(d) of FORM GSTR-3B may be verified with the following:

a. ITC availed in Table 4(A)(2) and Table 4(A)(3) of FORM GSTR-3B

b. ITC in respect of inward supplies attracting reverse charge as available in Table 3 and Table 5 (along with the net effect of amendments thereof in Table 4 and Table 6 respectively) of FORM GSTR-2A

c. Tax/Cess paid in cash as per column 8 of Table 6.1 of FORM GSTR-3B.

3) ITC availed in respect of "Inward supplies from ISD" in Table 4(A)(4) of FORM GSTR-3B may be verified with Table 7 (along with the net effect of amendments thereof in Table 8) of FORM GSTR-2A.

4) ITC availed in respect of "All other ITC" in Table 4(A)(5) of FORM GSTR-3B may be verified with Table 3 and Table 5 (along with the net effect of amendments thereof in Table 4 and Table 6 respectively) of FORM GSTR-2A.

5) It may be verified that the taxable value declared on account of "Outward taxable supplies (other than zero rated, nil rated and exempted)" in Table 3.1(a) of FORM GSTR-3B is not less than the net amount liable for TCS and TDS credit as per Column 6 of Table 9 of FORM GSTR-2A.

6) Liability on account of outward supplies in Table 3.1(a) and 3.1(b) of FORM GSTR-3B should be verified with the Tax liability as declared in e-way bills.

7) Claim of ITC in respect of supplies from taxpayers whose registrations have been cancelled retrospectively.

8) Ineligible ITC availed in respect of invoices / debit notes issued by the suppliers who have not filed their GSTR-3B returns for the relevant tax period.

9) ITC availed in respect of "Import of goods" in Table 4(A)(1) of FORM GSTR-3B may be verified with corresponding details in Table 10 and Table 11 of FORM GSTR-2A.

10) Whether the registered person has made reversals of ITC in accordance with provisions of rule 42 and rule 43 of the CGST Rules.

11) Whether the registered person has paid interest liability in terms of section 50.

12) Whether the registered person has paid late fee in terms of section 47 in respect of returns/statements.

Technology updates for April 2022

1.Windows powers the future of hybrid work

Over the past two years, work has changed dramatically. Most employees want flexible and remote options to stay. Cyberthreats are at an all-time high. And with the move to hybrid work, IT managers are challenged to empower their workforces with new tech experiences.

Microsoft, took responsibility to deliver tools and technologies that make hybrid work, work for you, our customers. Windows is central to this mission.

Windows 11 is the operating system for hybrid work. It's built on a compatible and familiar foundation that's easy for IT to manage. It's designed to meet the challenges of an ever-evolving cyber landscape and equipped with experiences that help employees do their best work.

Since launching Windows 11, they've seen strong demand and the highest quality and product satisfaction scores of any version of Windows we've ever shipped. This is just the beginning, our team is committed to innovating how Windows can streamline experiences whether you're returning to the office, working from home or never left the workplace as a frontline employee. And with Windows 365, businesses can stream the entire Windows experiences from the

Microsoft cloud to any device, representing an important step in our journey to bring Windows to the cloud.

There has never been a better time to move your business to Windows 11 and Windows 365 – the most productive, manageable and secure Windows ever.

Zero Trust chip-to-cloud security in Windows tuned for hybrid work

2. Microsoft Teams and the next era of work

Since the start of the pandemic, Microsoft Teams has become a central part of many people's remote working experiences. The latest data suggests the platform is now frequented by as many as 270 million users each month.

However, the transition to a remote or hybrid working arrangement has been kinder to some than others. In some cases, people find it difficult to communicate effectively over digital channels, often finding their messages misconstrued or themselves misinterpreting the messages of others.

This problem will only be compounded by the internationalization of the workforce as businesses unshackle themselves from the geographical restrictions imposed by traditional office culture.

To help address these communication barriers, and to improve productivity, Microsoft rolled out the Suggested Replies feature earlier this year. The system "uses assistive AI to create short responses based on the context of the previous message".

This trend is echoed elsewhere in recent updates for Google products, with both Gmail and Docs receiving new features that effectively handle the composition of content on the user's behalf. With advances in the sophistication of natural language processing models like GPT-3 (created by a company in which Microsoft has invested), systems of this kind will only become better at intuiting the most effective or appropriate response in any given situation.

And we are just at the beginning; the logical conclusion of this trajectory is a system whereby replies are fired off automatically, without manual approval from the user. Although there is likely to be push-back, and there are a number of obvious risks inherent in such a system, the benefits from a productivity and clarity of communication perspective are clear.

Broadly, irrespective of the pitfalls, the movement in workplace collaboration is towards a system in which fewer and fewer of our words are truly our own.

3. Zero-day vulnerabilities

Historically, zero-day exploits have been available to state-sponsored actors only, due to the high cost of development or purchase. However, new analysis shows that unaffiliated threat actors are increasingly getting their hands on these powerful hacking tools.

According to a report from MIT Technology Review, based on a Mandiant study, many modern cybercriminals are wealthy enough to fund the development of zero-day exploits, which can be used to launch devastating and highly lucrative attacks.

The report credits this industry shift to the rise of ransomware attacks, which have proven an effective method of extorting businesses for cash. The term 'zero-day' describes a vulnerability that is unknown to the victim, who is therefore defenceless in the face of an attack. When leveraged, they allow threat actors to deploy malware and control devices remotely or siphon out data and other sensitive information.

The Mandiant report shows that the proportion of zero-day vulnerabilities exploited by cybercriminals is growing. A third of all hacking groups that exploited zero-days last year were not state-sponsored threat actors, but rather financially motivated groups. In previous years, "only a very small fraction of zero-days" were deployed by cybercriminals, the report states.

These vulnerabilities don't come cheap, though, with zero-days for iPhone and Android selling for upwards of \$1 million. In previous years, hacking groups did not have that kind of budget.

However, ransomware has made it possible for them to demand ransom payments in the millions, as was seen in cases such as Colonial Pipeline, JBS and others.

They are "picking up state-sponsored threat actors' zero-days at a quicker pace," said Adam Meyers, SVP Intelligence at the security firm CrowdStrike. "They quickly figure out how to use zero-days, and then they leverage them for continued operations."

4. Windows 11 - Secure file-sharing

SMB1 protocol will soon be disabled by default on all versions of Windows 11. Sharing files on Windows 11 will soon be even more secure as Microsoft has announced its plans to finally disable the SMB1 protocol in all editions of its operating system.

For those unfamiliar, the Server Message Block (SMB) protocol was originally developed by IBM back in the 1980s to make it easier to share access to files, printers and other resources on a network. SMB1 meanwhile is a dialect of the protocol that was also created by IBM for file sharing in DOS. In a new blog post, principal program manager in the Windows Server engineering group, Ned Pyle explained that Windows Insiders on the Dev Channel will be the first to see SMB1 disabled by default for all Windows 11 editions.

This makes a great deal of sense as Microsoft has shipped both Windows 10 and Windows Server without SMB1 installed since the release of the Fall Creators Update back in 2017. Now though, this will extend to all versions of Windows 11 which will no longer have the insecure file sharing protocol enabled.

Analysis of Karnataka Professional Tax Law

- As per Article 265, no tax shall be levied or collected except by authority of law. A tax is a compulsory extraction of money by a public authority for public purposes enforceable by law. The power to tax is an incident of sovereignty. As per Article 265, not only *levy* but also the *collection* of a tax must be under the authority of some law.
- Article 246 of the Constitution deals with the distribution of legislative powers as between the Union and the State Legislatures, with reference to the different lists in the 7th Schedule of the Constitution. List I or the Union List includes subjects over which the Union shall have exclusive powers of legislation. Example: Custom duty. List II or the State List comprises subjects over which State Legislatures have exclusive powers of legislation. Example: State tax and duties, List III or the Concurrent List gives concurrent powers to the Union Parliament and the State Legislatures.
- As per Article 248 of the Constitution, the residuary power of legislation belongs to Union Parliament. Such power includes the power of making any law imposing a tax not mentioned in either of those lists. Entry 60 of List-II includes states/ other local authority in a State authorized to levy a tax on professions, trades, callings and employment.
- Article 276 states that Notwithstanding anything contained in article 246, no law of the legislature of a state relating to taxes for the benefit of the state or a municipality, district board, local board or other local authority therein in respect of professions, trades, callings or employments shall be invalid on the ground that it relates to a tax on income
- The total amount payable in respect of any one person to the state or to any one municipality, district board, local board or other local authority in the state by way of taxes on professions, trades, callings and employments shall not exceed two thousand and five hundred rupees per annum.
- Profession tax is levied under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976. The Profession Tax shall be paid by every person exercising any Profession or calling or is engaged in any trade or holds any appointment, public or private as specified in the Schedule to the Act. However, no tax is payable by persons who have attained age of sixty years. Also, no tax is payable for holding any Profession for less than 120 days in the year.
- The employer is defined as a person under whom one or more employees are working deriving an amount by way of salary or wages on regular basis. The person or officer responsible for making such disbursement of salary or wage, head of the office or a manager are also considered as employer. (Sec 2 f).
- The "person" means any person who is engaged in any profession, trade, calling or employment in the State of Karnataka and includes a Hindu Undivided Family, firm, company, corporation or other corporate body, any society, club or association, so engaged but does not include any person who earns wages on a casual basis;
- Every branch of a firm, company, corporation or other corporate body, any society, club or association is treated as separate person for the purpose of tax liability. Here it is to be noted that levy of professional tax is on profession, trades, callings and employments and not based on the establishments of branch in the state. [Karnataka bank ltd V/s State of Andhra Pradesh & Others].
- The 'salary' or 'wage' includes pay or wage, dearness allowance and all other remunerations received or receivable by any person including any amount received by way of arrears of salary or bonus by whatever name called whether payable in cash or kind and also includes perquisites and profits in lieu of salary as defined in section 17 of the Income Tax Act, 1961. If the bonus is received in part then it will be spread over the twelve months of the year or to the months it particularly relates to. (Sec 2 (j))

The following are liable to pay Professional Tax

- Every person carrying on a profession or calling engaged in any trade holding an appointment (public or private) employed in any manner in the state specified in the second column of the schedule shall be liable to pay at the rate mentioned in the corresponding entry in the third column of the schedule.

Employer's liability to deduct & pay tax on behalf of employees

- The tax payable by any person earning salary or wage (on regular basis), shall be **deducted by his employer** from the salary or wage payable to such person before it is paid to him, & such employer irrespective of whether deduction is made or not while paying salary or wage be liable to pay tax on behalf of all such persons.

Return and Payment of tax Sec 6

- The Return to be filed by employer on behalf of employees in Form 5 yearly within 60 days from the expiry of a year. The Return to be filed by employer on behalf of employees in Form 5A monthly within 20 days from the expiry of the month. The Return to be filed in Form 4A by every enrolled person annually. The Penalty for non-filing of returns for an employer Rs. 250/- Every enrolled person has to make the payment of the PT annually within 30 days from the end of financial year. All the payments over and above Rs. 5000/- has to be made electronically. Payment of tax has to be made by the employer on behalf of employees within 20 days from the end of the month or quarter as applicable to him. The payment of tax by other enrolled persons must be made within 30 days from the end of the relevant Financial Year.

Interest u/s Sec 11 and Penalty u/s Sec 12

If an employer or an enrolled person does not deduct the tax or fails to pay the tax deducted or fails to pay the tax as required under the Act, he shall be liable to pay simple interest at 1.25% per annum of the amount of tax due. If the registered employer or enrolled person has defaulted payment of tax under this act without any reasonable cause penalty @ 50% of amount of tax due can be charged. The Penalty for non-payment of tax by enrolled person and registered employer with interest at rate of 1.25% per month and Penalty not exceeding 50% of the tax amount due.

Some of the recurring omissions made by dealer under Professional Tax law

- **Bonus:** Usually bonus paid to employees is not apportioned to work out liability. Apportionment of bonus may substantially shift the employees from non taxable slab to taxable slab particularly in case of employers like garments, security agency etc. where salaries of employees are around Rs. 20,000.
- **Salary paid to Partners / Directors of Company:** Partners / Directors getting salary (including remuneration) are taxable as salaried employees. Usually tax is not paid on remuneration paid to working partners even though reflected in profit and loss account.
- **Tax Deduction under Section 10:** Though it is mandatory to deduct tax by certain enrolled or registered persons under section 10 as listed above, we can find non compliance in Hospitals, Insurance and Banking companies, taxi hirers and security person hirers etc.
- **Tax on Branches:** Each branch of a firm, company, corporation, corporate body, society, club or association is a deemed person and liable to pay for each such branches. As per explanation VI of the schedule, every branch of a self employed professional is also deemed to be a separate assessee for the purpose of levy of tax.
- **Employees working at branches in Karnataka:** Some of the companies are having their corporate office located outside Karnataka and processes employees' salary from those offices even though employees work in branches or at work sites in Karnataka. Some of such company either do not deduct profession tax or deposit the deducted tax at the state where their corporate office is located.
- **Misclassification of wages as wages on casual basis and employees as consultants etc.:** Only persons earning wages on a casual basis cannot be reckoned as person as defined under Section 2(h). All other wage earners are taxable under Sl. No. 1 of the Schedule.

Case laws

- **M.R.Abdul Majeed Vs The Deputy Commissioner and District Magistrate, Chitradurga and others 1998 (44) Kar.L.J. 159A(HC):** It is the duty of assessee to get his enrollment cancelled if he has stopped profession or trade otherwise he will be liable to pay tax, interest and penalty.
- **Suresh Enterprises Bangalore V/s State of Karnataka 71 KLJ 734 (Tri) (DB):** Godown s meant for storing goods cannot be undersigned as branch and tax cannot be demanded under the Karnataka tax on professions, trades, calling and stamp, Act 1976 (2011) 71 KLJ 734 (Tri) (DB) (Only for proprietor and not for firm and company)
- **Udupi Puttur Sri Laxmi Venkatesha Temple V/s PT officer, Udupi 1997 (42) KLJ 485A (HC)** Being Juristic entity, Hindu deity is capable of being taxed through its trustees entrusted with carrying of profession or trade in its name is liable to pay tax.
- **Bharat Sanchar Nigam Limited Davangere and Another Vs State of Karnataka and Others 2013(75) Kar I.J. 313 (HC):** No appeal is maintainable against an order passed under sub section (3) of section 7 of the Act. Sub section 3-A of section 7 of the Act provides for imposing penalty in addition to the tax assessed under sub section (3) of section 7 of the Act.

Several Commercial Tax laws in Karnataka like luxury tax, entertainment tax, etc are subsumed in GST law except Karnataka Professional Tax laws. Therefore, the dealer should comply with the provisions of professional tax laws in Karnataka even though he is the registered person under the GST law.

MADRAS HIGH COURT Judgments in VAT CST GST

Availability of efficacious alternative appeal remedy: Despite the orders of this court, the respondent did not furnish a copy of the report dated 03.06.2013, but proceeded to pass the orders dated 08.09.2021. Later in another WP, the learned Judge also, without properly appreciating the said fact, dismissed the WPs and directed them to avail the alternate remedy. The copy of the report dated 03.06.2013 along with notice dated 17.09.2021 was served on the appellant, after the service of the order dated 08.09.2021, which is impugned in the WPs. The appellant prayed to allow these Writ appeals by setting aside the impugned orders. Having regard to the availability of efficacious alternative appeal remedy to the appellant and they are in possession of all the required documents, the Court permitted the appellant to file appeal raising all the grounds available to them, along with pre-deposit of tax at 25%, before the Appellate Authority. **Tvl.Rajalakshmi Oils Vs CTO, Pollachi (West) Assessment Circle, W.A. Nos. 521, 523, 526 & 529 of 2022 DT : 16.03.2022**

Opportunity of Personal hearing not used: Petition under Article 226 can be entertained only under three circumstances. I. Violation of principles of natural justice ii.Violation of statutory provisions, and iii. For want of jurisdiction. None of the above three circumstances is available, in this matter. There has been a notice issued before passing the impugned order by the Revenue and an opportunity of personal hearing was also given. This chance since has not been utilised by the petitioner, he cannot make a cry over the passing of the impugned order and dismissed the WP **M/s. Aurum Jewels Ltd Vs STO, Peddunaickenpet Assessment Circle, WP No.5899 of 2022 DT : 16.03.2022**

Limitation to appeal filing: Petitioner has not filed the return for consecutively 6 months. His registration was cancelled. Appeal preferred before the Appellate Authority. However, appeal was rejected through the impugned order dated 15.12.2021 in Appeal No.584/2021 on the sole ground that the appeal could not be entertained, because it is filed beyond the limitation period. Petitioner submit that, the issue with regard to the filing of appeal against various orders including the cancellation of registration like the petitioners' case filed before the Appellate Authority whether can be entertained or not in view of the Covid-19 situation, having been gone into and decided favourably by a learned Judge of this Court in a batch of WPs in **M/s.Suguna Cutpiece Center Vs. Appellate DC(ST)(GST) in W.P.No.25048 of 2021 dated 31.01.2022**. Considering this, the Court set aside the impugned orders and the matter is remitted back to the respondents. **Bullseye Event Management Vs. Commissioner of GST & CE (Appeals-II), Chennai - 40 and The Superintendent of Central Tax Range I, Adyar Division, Chennai. W.P.No.1765 of 2022 DT : 15.03.2022**

First appellate authority and remand order: After considering the entire materials available on record and the pleadings of both the parties, the first appellate authority rendered elaborate findings, while remanding the issue relating to penalty to the assessing officer, which was also confirmed by the Tribunal by the order impugned herein and therefore, the said well-considered findings, which appear to be reasonable, the court held, cannot be faulted, for its interference **Voltas Limited Vs AC(CT) I, FTAC- II and others W.P.No.22069 of 2007 DT : 11.03.2022**

Goods release: Goods intercepting official found that the conveyance did not have a valid E-Way Bill or the E-Way Bill already obtained had expired. Hence, the court ruled that the impugned detention order as well as the SCN is tenable and do not require any interference of this Court. However, the court stated that it is open to the petitioner to give a BG for a sum proposed as penalty and if such BG is given, after accepting the same, the respondent Revenue can release the goods in question forthwith and the adjudication proceedings can go on. **M/s.Yash Pigments LLP Vs DSTO, Static RS, Intelligence-I, Chennai 6 and AC(ST), Adjudication, Intelligence-I, Chennai - 6. W P No.3920 of 2022 DT : 15.03.2022**

Rule of discretion / Article 226 Remedy: It is settled law that writ is an extraordinary remedy not ordinarily entertained, when there are alternative remedies available. In other words, the proceedings under Article 226 of the Constitution of India is clearly a rule of discretion and it is a self-imposed restraint. The Hon'ble SC has repeatedly held that in fiscal statutes, this rule of restraint has to be applied with utmost rigour vide decision in **Assistant Collector of Central Excise, Chandan Nagar, WB v. Dunlop India Ltd. [(1985) 1 SCC 260]**. **Tvl. Bidhisha Sri Builders Vs AC (ST),Salem Town North Circle, W.A.Nos.476 & 477 of 2022 DT : 08.03.2022**

Pre-deposit 25% or 50% in Appeal Learned single Judge disposed of the WP granting liberty to the writ petitioner to file an appeal, subject to the condition that they should deposit 50% of the disputed tax. Since the provision itself requires only 25% of the pre-deposit for filing statutory appeal before the appellate authority, this Court is of the opinion that the order of the learned Judge, which is impugned herein, is liable to be interfered to that extent and the impugned order dated 03.07.2019 passed in WP by the Single judge stands modified by reducing the deposit of the disputed tax at 50% to 25%. **M/s. Coimbatore Aero Based Control Systems P Ltd Vs AC (CT), R.S.Puram (East) Assessment Circle W.A. Nos. 3636, 3637, 3639 & 3646 of 2019 DT : 10.03.2022**

Non remittance of Disputed tax: The single Judge while disposing the WP, imposed the condition of paying 25% of the disputed tax on the appellant. The said condition, has not been complied with by them, till date. Therefore, the appellant, being the defaulter in complying with the directions issued by the learned Judge, cannot seek any indulgence of this court. **M/s. Thirumurugan Traders Vs CTO, Gr VII Enf (N), Chennai - 6 and STO, Harur Assessment Circle, W A No.2078 of 2018 DT : 03.03.2022**

E-Way Bill defect : Having considered rival submissions, the Court was inclined to dispose of these WPs stating that the absence of Entry in Part B in E-Way Bill can be condoned or not, is a question to be gone into by the Adjudicating Authority, before whom, it is open to the petitioner to raise all these points which have been raised before this Court for consideration. **M/s. Asian Paints Ltd Vs AC(ST), Adjudication, Intelligence I, Chennai-6 & DSTO, RS-III, Chennai W.P.Nos.7378 & 7384 of 2022 DT: 29.03.2022**

Objections filed and not considered : Portioner submitted that he has not claimed any ITC for the interstate sale for which Form A was also submitted. Without taking into account replies and the same not even have been referred in the impugned order since the Revenue has passed an order, there can be no doubt that order has been passed without considering the reply given by the petitioner. The court stated that "That the impugned order is set aside and the matter is remanded back to the respondent and the respondent while reconsidering the same, the reply already given by the petitioner two times shall be considered." **M/s.Bhandari Foils and Tubes Ltd Vs AC (ST),Broadway Assessment Circle, WP Nos.6563 of 2022 DT : 23.03.2022**

Opportunity: As the appellant did not avail the opportunity of hearing granted to them, the assessing authority has passed the order of assessment. The learned Judge, taking note of the above facts, has rightly directed the appellant to assail the order of the assessing officer by filing an appeal to the appellate authority. Stating so, the Court found no reason to interfere with such a direction issued by the learned Judge and dismissed this WA. **Bava Erectors Vs CTO, Cuddalore Taluk Assessment Circle WA.No.510 of 2022 DT : 11.03.2022**

SEBI

Contributed by: CA. V M V Subba Rao, Nellore.

Standard Operating Procedures (SOP) for dispute resolution available under the stock exchange arbitration mechanism for disputes between a listed company and its shareholder(s)/ investor(s) - SEBI

- Contents

CIRCULAR

SEBI/HO/CFD/SSEP/CIR/P/2022/48

April 08, 2022

To

All Recognized Stock Exchanges (except Commodity Exchanges)

Listed Companies

Registrar and Share Transfer Agent

Dear Sir / Madam,

Sub: Standard Operating Procedures (SOP) for dispute resolution available under the stock exchange arbitration mechanism for disputes between a listed company and its shareholder(s)/ investor(s)

1. [Regulation 40](#) of [SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015](#), and bye-laws, listing agreement & regulations of the stock exchanges provide for dispute resolution under

the stock exchange arbitration mechanism for disputes between a listed company and its shareholder(s)/ investor(s).

2. In this regard, stock exchanges are advised to put in place by June 01, 2022, Standard Operating Procedures (SOP) for operationalizing the resolution of all disputes pertaining to or emanating from investor services such as transfer/transmission of shares, demat/remat, issue of duplicate shares, transposition of holders, etc. and investor entitlements like corporate benefits, dividend, bonus shares, rights entitlements, credit of securities in public issue, interest /coupon payments on securities, etc.

3. Further, in respect of disputes in above matters where Registrar and Share Transfer Agents (RTA) are offering services to shareholder(s)/ investor(s) on behalf of listed companies, the RTAs shall continue to be subjected to the stock exchange arbitration mechanism.

4. The recognized stock exchanges are directed to bring the provisions of this circular and the SOP put in place in this regard to the notice of listed companies and also to disseminate the same on their website.

5. This circular is issued in exercise of powers conferred by [Section 11\(1\)](#) of the [Securities and Exchange Board of India Act, 1992](#), to protect the interests of investors in securities and to promote the development of, and to regulate the securities market and shall come into effect immediately.

6. A copy of this circular is available on SEBI website at www.sebi.gov.in under the categories "Legal Framework/Circulars".

Yours faithfully,

Yogita Jadhav

General Manager

Corporation Finance Department

+91 22 2644 9583

Email - yogitag@sebi.gov.in

INCOME TAX

Contributed by: CA. V.K. Subramani, Erode.

Direct Tax Updates – May 2022

1.Fee for failure to intimate Aadhaar number with prescribed Income-tax Authority: The CBDT inserted rule 5A to Income-tax Rules, 1962 w.e.f. 01.04.2022 whereby every person who is required to intimate his Aadhaar number fails to do so before 31st March, 2022 shall pay by way of fee Rs.500 when such intimation is made up to 30.06.2022. Where the intimation of Aadhaar is made beyond that date the fee payable shall be Rs.1000. The fee is payable at the time of intimation of Aadhaar number to the prescribed authority.

2.E-assessment of income escaping assessment: The Central Government in exercise of its powers conferred by section 151A(1)(2) has notified E-assessment of income Escaping Assessment Scheme 2022 which shall come into force with effect from the date of its publication in the Official Gazette. The expression "automated allocation" means an algorithm for randomised allocation of cases, by using suitable technology tools, including artificial intelligence and machine learning with a view to optimize the use of resources. For the purpose of this scheme, (a) assessment, reassessment or recomputation under section 147 of the Act; (b) issuance of notice under section 148 of the Act – shall be through automated allocation in accordance with risk management strategy formulated by the Board as referred to in section 148 of the Act for issuance of notice and in a faceless manner, to the extent provided in section 144B of the Act with reference to making assessment or reassessment of total income or loss of assessee.

3. Section 206C(1G) not to apply to an individual who is not a resident in India and who is visiting India: The Central Government in exercise of its powers conferred by fifth proviso to section 206C(1G)(ii) has notified that the provisions of section 206C(1G) shall not apply to an individual who is not a resident in India in terms of section 6(1) and section 6(1A) of the Act and who is visiting India. Section 206C(1G) provides for collection of tax by a seller of an overseas program package from a buyer, being a person purchasing such package, at the rate of 5% of the amount of the package. The Central Government considered the representation of the domestic tour operators who face difficulty in collection of tax from non-resident individuals who while visiting India book overseas tour package from such domestic tour operators. This is because such persons may not have PAN and in such case TCS has to be collected at higher rates. Further, such non-residents may find it difficult to furnish their ITR and claim refunds. In order to remove such difficulties, the domestic tour operator is not required to collect tax on sale of overseas tour package to non-resident individuals visiting India. The Press Release dated 31.03.2022 makes reference to Notification No.20/22 dated 30.03.2022. However, the title to the notification is somewhat misleading. The Press Release provides much required clarity in this regard.

4. Circular providing for relaxation of the rigours of rule 114AAA: The CBDT vide Circular No.7 of 2022 dated 30th March, 2022 has explained the consequence of not intimating / linking of PAN and Aadhaar. rule 114AAA says that if PAN of a person becomes inoperative because of not intimating Aadhaar such person is liable to pay fee under section 234H. Besides PAN becoming inoperative, rule 114AAA of the Income-tax rules would lead to consequences such as (i) such person will not be able to file ITR using the inoperative PAN; (ii) his pending ITRs will not be processed; (iii) pending refunds will not be issued to inoperative PANs; (iv) pending proceedings as in the case of defective returns cannot be completed once the PAN is inoperative; and (v) tax will be deducted at a higher rate as PAN becomes inoperative. In order to mitigate such consequences, the Circular No.7 of 2022 says that the consequences of rule 114AAA will not apply up to 31st March, 2023. For the taxpayers during the period beginning from 1st April, 2022 to 31st March, 2023 the said rule 114AAA shall not have its negative consequences. However, the taxpayers have to pay fee in accordance with sub-rule 5A of rule 114AAA.

5. Extension of time for filing Form 10AB to avail the benefits of sections 10(23C), 12A or 80G: The CBDT vide Circular No.8 of 2022 dated 31st March, 2022 on consideration of difficulties in electronic filing of Form No.10AB as stipulated in rule 2C or rule 11AA or rule 17A of the Income-tax Rules, 1962 w.e.f. 01.04.2021 has extended the due date for filing of such form. Thus where the application falls due on or before 29th September, 2022 it may be filed on or before 30th September, 2022.

6. Rules and countries notified for the purpose of section 89A: The Finance Act, 2021 inserted section 89A whereby in the case of "specified person" income accrued in specified account shall be taxed in such manner and in such year, as may be prescribed. The "specified account" means an account maintained in a notified country in respect of retirement benefits of the assessee and the income from such account is not taxable on accrual basis but is taxed by such country at the time of withdrawal or redemption. The "specified person" means a person resident in India who opened a specified account in a foreign country while being non-resident in India and resident in that country. To give effect to the legal provision the Central Government has inserted rule 21AAA to explain the methodology of taxing the income or exempting the income. Further the Notification No.25 of 2022 dated 04.04.2022 only three countries has been notified viz. (i) Canada; (ii) United Kingdom of Great Britain and Northern Ireland; and (iii) United States of America.

7. Mandatory filing of ITR based on turnover / TDS/TCS/deposit in one or more SB accounts: The CBDT in exercise of its powers conferred by section 295 of the Income-tax Act, 1961 has inserted rule 12AB whereby it is mandatory for certain kind of persons to furnish ITR by virtue of the seventh proviso to section 139(1)(iv). They are independent and not cumulative. The conditions are (i) if total sales, turnover or gross receipts in the business exceeds Rs.60 lakhs during the previous year; or (ii) if gross receipts in profession exceeds Rs.10 lakhs during the previous year; or (iii) if the aggregate of TDS/TCS during the previous year is Rs.25,000 or more; or (iv) deposit in one or more savings bank account of the person in aggregate is Rs.50 lakhs or more during the previous year. In the case of senior citizens resident in India the threshold limit for TDS/TCS must be read as Rs.50,000 instead of Rs.25,000 mentioned earlier in (iii) above.

8. Calculation and deduction of taxable interest relating to provident fund: The Ministry of Labour and Employment of Government of India in No.WSU/6(1) 2019/Income Tax/Part-I(E-33306) dated 05.04.2022 has given detailed guideline for computation of interest taxable pertaining to contribution to provident fund account. Interest exceeding Rs.2.50 lakhs in provident fund shall form part of taxable income of the subscriber. The non-taxable contribution shall be the contribution aggregate amount as on 31st March, 2021 and any contribution subsequently made which is not included in the taxable contribution shall form part of non-taxable contribution. The said Notification of the Ministry of Labour and Employment contains examples for better appreciation of the issues involved therein.

9.Notification of E-Dispute Resolution Scheme, 2022: The Central Government in exercise of its powers conferred by sub-sections (3) and (4) of section 245MA has notified E-Dispute Resolution Scheme vide Notification No. 27 of 2022 dated 05.04.2022. Readers may take note of the Scheme.
