



SIRC

Southern India Regional Council

News Letter

October 2021
Volume 47 | Part 4

The Institute of Chartered Accountants of India



Virtual cum Physical

53rd REGIONAL CONFERENCE of SIRC of ICAI

Le Meridien, Coimbatore ★ 19th & 20th November 2021

Registration Link: https://www.sirc-icai.org/common_events.php

**CPE:
12 Hrs**

FEES

Virtual:

Member - Rs.1,100 + GST

Non Member - Rs.1,695 + GST

(Last Date for Registration 17th November 2021)

Physical:

Member - Rs.4,999 + GST

(Last Date for Registration 31st October 2021)

**“You must be the Change
You Wish to See
In the World”**

- Mohandas Karamchand Gandhi

Hosted by:

Coimbatore Branch of SIRC of ICAI

Taxation of Real Estate Transactions – 2nd Sept 2021



Resource Person CA. B Ramakrishnan, Chennai seen along with CA. K. Jalapathi, Chairman, SIRC of ICAI.

Opportunities and Risks under Customs - a Neglected Child of CFO – 3rd Sept 2021



Resource Persons CA. Parth S. Shah, Mumbai and CA. Ashutosh Nath, Mumbai seen along with CA. J. Murali.

An Overview of Prohibition of Benami Transactions – 4th Sept 2021



Resource Person CA. Rajiv Khandelwal, Mumbai seen along with CA. Gangesh K Shrinivas.

Teacher's Day Celebration- 5th September 2021



CA. M. P. Vijayakumar, Central Council Member, ICAI honoring faculty Dr. P.R. Vittal seen along with CA. K. Jalapathi, Chairman, SIRC of ICAI and Dr. T. Paramasivan, Joint Director(Tech.).

Virtual Teachers Day Quiz – 5th Sept 2021



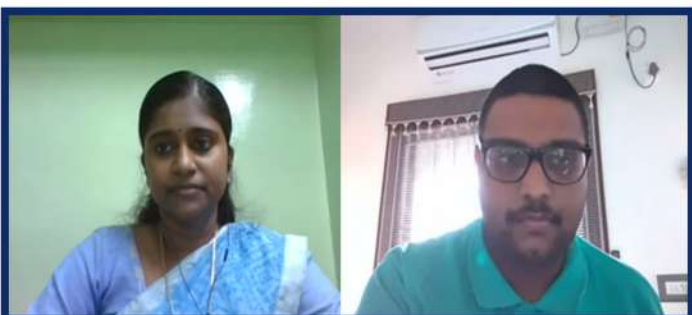
Quiz Masters CA. Renuka Murali, Chennai and CA. Subashini Ganapthy, Chennai seen along with CA. K. Jalapathi, Chairman, SIRC of ICAI.

Project Finance for MSMEs – 6th Sept 2021



Resource Person CA. Anand Saklecha, Indore seen along with CA. Subashini Ganapathy.

Areas of IT and IS Audit Practice & Audit Methodology of IT Audits – 8th Sept 2021



Resource Person CA. S. Deephika, Chennai seen along with CA. Survajith Krishnan.

New Labour Laws Impact on Business, Financial Services & Relevance for CAs – 11th Sept 2021



Resource Persons Shri. Naresh Kumar Piniseti, Pune and Adv. G.V.S. Ganesh, Hyderabad seen along with CA. Gangesh K Shrinivas.



Chairman's Communique

Esteemed and Beloved Colleagues,

Economic Environment

With India creating world records - day after day - in vaccinating our fellow citizens against Covid 19, country and its economic activity is slowly coming back to normalcy. However, every one of us should strictly observe Covid 19 protocol to avoid the spread of this deadly virus. Key economic indices including stock exchange Indexes Quarterly Employment survey and economic projections of multilateral agencies provide positive vibe about our economy.

Members of our Institute, both in industry and in practice should therefore have to play a pro-active role in ensuring the economic growth of our country and widespread distribution of the prosperity.

Vitthakam - 53rd Regional Conference of SIRC of ICAI

SIRC cordially welcomes all its members to plan and attend its Annual Gala event VITTHAKAM - 53rd Regional Conference of SIRC of ICAI at Le Meridien, Avinashi Road, Coimbatore on 19th and 20th November 2021. This conference, hosted by Coimbatore Branch of SIRC of ICAI, is being planned in both virtual and physical mode (but only limited seats are available due to Covid 19 protocol). To maintain rich tradition of setting gold standards in organizing Regional Conferences, SIRC, as in the previous years, has geared up to set new benchmarks in organising this Conference including lining up renowned experts and with the world famous Kovai hospitality.

This Conference is also very special for SIRC as it is being held in the Platinum Jubilee Year of SIRC. I am extremely happy to recall that a decade ago in 2011 we had the Regional Conference in the Diamond Jubilee Year also at Coimbatore.

Sponsorship opportunities are available, details of which are given elsewhere in this newsletter. We request our members to refer the details of the sponsorship amongst deserving organisations.

The process of payment of delegate fee both for physical participation and through virtual forum have also been published in this Newsletter.

The Conference being open also through virtual platform we look forward to huge participation of members. We assure that we will have the best of technology in place to give you a wonderful experience and wide spectrum of knowledge-sharing.

We shall post you any further details of the Conference from time to time through mail communication and in the upcoming SIRC Newsletter in November.

Please inform your colleagues in the profession to join with you to be part of this mega conference in anyone of the modes of participation.

Teacher's Day Celebration

Education is an important component in one's life. It is the key to success in the future and to have many opportunities in our life. Teaching enables individuals to realise their real potential. Accordingly, teaching is a noble profession. Teachers are selfless, always ready to go to any extent to help their students. It gives a boundless feel of self-satisfaction to a teacher when they see their students accomplish in life. Due to unique articleship requirements for students and Continuing Professional Education for members, every member of the Institute including the CPE resource persons, authors contributing articles / updates in the CA Journal, Regional and Branch level newsletters deserve to be greeted and thanked on the Teacher's Day. Furthermore, the role of teachers in a professional course like ours is of supreme importance.

SIRC held Teachers Day Celebration on 5th September 2021 and felicitated the teachers and Coaching Class administrators.

Quiz Programme for College Professors:

On the evening of Teachers Day on 5th September 2021 a unique Quiz Programme for College Professors across Tamil Nadu was conducted as part of the Teachers Day Celebrations. The programme evoked excellent response from the participants.

Mahatma Gandhi Jayanti - 2nd October

India celebrates the birthday of our iconic front-runner every year. He has been offered the title of 'Father of the Nation' for his significant contributions to the country. He played an enormous role in attaining freedom from British. It is a great opportunity for the countrymen to pay homage to this great leader, who sacrificed his life for the betterment of the country. The UN General Assembly announced on 15 June 2007 that it adopted a resolution which declared that 2 October will be celebrated as the International Day of Non-Violence. SIRC as a respect to our Mahatma lined up Mega Blood Donation Camp throughout South India. Please get in touch with the nearest Branch of SIRC to donate blood.

Extension of due date for filing of ITRs for the Assessment Year 2021-22 :

On consideration of representations received from various stakeholders across the country, Central Board of Direct Taxes, Ministry of Finance, Government of India has decided to extend the due date for filing of Income Tax Returns from 30th September 2021 to 31st December 2021. Likewise, the due date of furnishing of Report of Audit has been extended from 31st October 2021 to 15th January 2022. Similarly, CBDT has also extended the due dates for other key returns / reports for the year 2020-21.

CPE and Students Programmes

SIRC and its Branches have been active throughout the month of September by conducting various CPE programmes as well as Students Programmes through virtual (and physical in certain instances) mode on topics of contemporary relevance and attracting expert speakers from various parts of the Country. We request the members, Students and other stakeholders to participate in the forthcoming Virtual CPE and Students Programmes as well.

Furthermore, SIRC is happy to note that participation in the virtual CPE Programmes is noteworthy with quality deliberations and discussions.

I had the pleasant privilege of participating in the following programmes organised by the Branches and immensely impressed with the organisers in conducting these virtual Programmes with class.

- Virtual CA Students National Conference organised by Students Skills Enrichment Board (BOS – Operations) of ICAI and hosted by Mangaluru Branch of SIRC of ICAI and Mangaluru Branch of SICASA held on 3rd and 4th September 2021.
- Virtual CA Students Conference organised Students Skills Enrichment Board (BOS – Operations) of ICAI and hosted by Salem Branch of SIRC of ICAI and Salem Branch of SICASA – held on 23rd and 24th September 2021.

Preview of the forthcoming Virtual programmes at SIRC, Chennai:

On October 22, 2021 SIRC is organizing the 14th V. Sankar Aiyar Memorial Lecture on Resetting Centre – State Finances: Rethinking the Third Tier. Shri N. K. Singh, Chairman of the 15th Finance Commission of India will deliver the memorial lecture. SIRC invites the members to participate in large numbers. Other CPE Programmes lined up during October 2021 covers areas like GST, Excel, Opportunities for Young CAs in Capital markets, Contract Management, Valuation, Income Tax and Investors Awareness etc.,

Please have this on your working desk to keep track of the programmes for registering to programmes. As requested from time to time, please share your preference of subjects that you wish us to cover in November 2021.

Mock Tests and Counselling Sessions for CA Students:

SIRC will be conducting Mock Tests (Series-1) for the students appearing for the ensuing December 2021 Examination in Foundation, Intermediate (New Syllabus), IIPC (Old Syllabus) and Final (New and Old Syllabus) during the month October 2021 to enable them to approach the examinations confidently. The initiative is received well with large number of students requesting for the Mock Tests. SIRC conveys its best wishes to all the students appearing for the examination to perform well. The registrations for the mock test could be done through https://www.sirc-icai.org/view_cevent_batches.php

Kudos to CA Rank Holders:

SIRC offers its heartiest congratulations to the rank holders and other successful candidates of Foundation, Intermediate (IPC), Intermediate (New), Final (Old) and Final (New) Examinations held in the month of July 2021. I wish each and every one of them successful career growth.

Invitation to offer views on Exposure Drafts:

The Accounting Standards Board and Auditing and Assurance Standards Board of ICAI have been issuing Exposure Drafts inviting suggestions from members before making them as Exposure Drafts. Recently the Accounting Standards Board had issued an Exposure Draft of amendments in Ind AS 12 corresponding to IASB's amendments in IAS 12 on Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The last date for submitting your suggestions is 25th October 2021. The detailed information is published in this Newsletter for members to go through and send their suggestions.

Elections to the Central and Regional councils:

The election to the Twenty –Fifth Council and Twenty-Fourth Regional Councils of ICAI are scheduled to be held on 3rd and 4th December 2021. Announcement/s made by ICAI in this regard is published in the Institute's website www.icai.org. Members may please note and exercise their franchise.

Payment of Annual Membership Fee for the year 2021-2022:

The last date for payment of membership fee and / or certificate of practice fee for the year 2021-2022 was on 30th September 2021. I request those members who have not remitted the prescribed fee as aforesaid may please arrange to restore their names in the Register of Members by duly following the process of submitting Form No. 9 and the prescribed fee including the restoration fee for restoring their names with retrospective effect.

Festivities:

SIRC conveys its greetings to the members, students and the staff of ICAI on the occasion of Ayudha Pooja and Milad Un-Nabi to be celebrated during October and advance Deepavali Greetings.

I conclude this month's column with the substance of a Thirukural highlighting the value of virtue: Virtue will confer heaven and wealth; what greater source of happiness can man possess? Let us continue to maintain our virtues in the interest of our stakeholders and in turn promote the image of our profession and our alma mater ICAI.

Until we meet through this column, my warm regards,


In the service of members and students forever.

CA. K. JALAPATHI
Chairman, SIRC of ICAI.

FORTHCOMING VIRTUAL CPE MEETINGS – October 2021

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

(Limited to 2500 members registering on first come first served basis)

Date	Timings	Topic	Resource Person(s)	Structured CPE	Fees (Rs) +GST
1 st Oct 21 (Fri)	5PM-7PM	GST - Mandatory compliances for companies	CA. Ganesh Prabhu, Chennai	2	100
4 th Oct 21 (Mon)	5PM-7PM	Drafting before Appellate Authorities	CA. Kinjal Bhuta, Mumbai	2	100
6 th Oct 21 (Wed)	5PM-7PM	Improving Operating Efficiency through Excel(VLookup to XLookup)	CA. Vijay Agarwal, Delhi	2	100
8 th Oct 21 (Fri)	5PM-7PM	Opportunities for young members in Capital Markets	CA. Sailesh, Mumbai	2	100
9 th Oct 21 (Sat)	5PM-7PM	Art of Negotiation	CA. Balasubramanya. R, Bengaluru	2	100
11 th Oct 21 (Mon)	5PM-7PM	Various incentives offered for Startups - Practical aspects	CA. Jatin Jalal, Rajkot	2	100
12 th Oct 21 (Tue)	5PM-7PM	IT Asset Management Audit	CA. Vijay Srinivas, Hyderabad	2	100
21 st Oct 21 (Thu)	5PM-7PM	Gratuity Treatment - AS requirement and its Valuation requirement; Fund Manager Valuation is it acceptable	Adv. Benny Thomas, Ernakulam	2	100
22 nd Oct 21 (Fri)	5PM-7PM	14th V. Sankar Aiyar - Memorial Lecture- Resetting Centre-State Finances: Rethinking the Third- Tier	Shri N. K. Singh, Chairman, 15th Finance Commission	2	Nil
23 rd Oct 21 (Sat)	5PM-7PM	Recent Decisions in Income Tax	CA. V. K. Subramani, Erode	2	100
28 th Oct 21 (Thu)	5PM-7PM	Investors Awareness Programme	Eminent Speaker	2	Nil
19 th & 20 th Nov 21 (Fri & Sat)	 <p>53rd Regional Conference of SIRC of ICAI</p>			Details will be hosted in www.sirc-icai.org	

CPE Credit on attending full programme only.

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>

UPDATES

Scan QR Code & Read

Corporate Law



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

FEMA



Contributed by:
CA. G. Murali Krishna,
Hyderabad
murali.gottipati@gmail.com

Goods and Services Tax



Contributed by:
CA. G. Saravana Kumar,
Madurai
casaravana.82@gmail.com

GSTR- 4 Returns



Contributed by:
CA. R Viswanathan,
Kerala
nathanrajah2008@gmail.com

Income Tax



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

Information Technology



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

Karnataka VAT-GST



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

Phantom Stock Options



Contributed by:
CA. Neeraj Agarwal,
Bengaluru
agarwalneeraj22@gmail.com

Tamil Nadu VAT



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

Disclaimer

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

IMPORTANT ANNOUNCEMENTS

Exposure Draft of Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12, Income Taxes

As you are kindly aware that the Indian Accounting Standards (Ind AS) are based on the IFRS Standards issued by the International Accounting Standards Board (IASB). In this regard, it may be noted that IFRS Standards are being issued/revised by the IASB from time to time. As a part of convergence with IFRS Standards, Ind AS may be issued/revised corresponding to the IFRS Standards. Accordingly, whenever any amendments are made or new IFRS Standard/IFRIC by the IASB, the Accounting Standards Board (ASB) of the ICAI considers and issues amendments to Ind AS. While doing so, keeping in view the Indian conditions and circumstances, wherever considered appropriate, necessary changes are also proposed to the Ind AS.

In this regard, the Accounting Standards Board has issued Exposure Draft of amendments in Ind AS 12 corresponding to IASB's amendments in IAS 12 on Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The draft amendments aim at narrowing the scope of the recognition exemption in paragraphs 15 and 24 of IAS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The aim of the draft amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The downloadable version of the Exposure Draft is available at:

<https://resource.cdn.icai.org/66631asb53794.pdf>

Comments can be submitted using one of the following methods, so as to be received not later than October 25, 2021.

How to comment:

Comments on the abovementioned Exposure Draft may be submitted through any of the following modes:

1. **Electronically:** Click on <http://www.icai.org/comments/asb/> to submit comment online (Preferred method)
2. **Email:** Comments can be sent to: commentsasb@icai.in
3. **Postal:** Secretary, Accounting Standards Board,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Post Box No. 7100,

ALIGNING THE TIME LIMIT OF GENERATING UDIN FROM 15 DAYS TO 60 DAYS

Standard on Quality Control (SQC 1) on Retention Period for Engagement Documentation (Working Papers) requires firms to establish policies and procedures for the timely completion of the assembly of audit files. It further provides for an appropriate time limit within which the assembly of the final audit file is to be completed, ordinarily in not more than 60 days after the date of auditor's report. Due attention is also drawn to Standard on Auditing (SA)- 230 on Audit Documentation, paragraphs A21 to A24 on assembly of the audit file.

With an aim to align the time limit for generating UDIN with the Standards on Auditing and Standard on Quality Control, the Council at its 405th meeting held on 17th September 2021 has decided that the time limit of generating UDIN would be 60 days from the date of the signing of certificates/reports/document instead of 15 days henceforth.

Further, for the documents where the respective Regulator/(s) or other stakeholders require UDIN immediately on signing or within a specified period, the same shall be provided by the member.

Also, UDIN so generated has to be communicated to "Management" or "Those Charged with Governance" for disseminating it to the stakeholders from their end.



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

CPE Credit:
2 Hrs

cordially invites you to the



14th V. SANKAR AIYAR VIRTUAL MEMORIAL LECTURE

on Friday, 22nd October 2021,
from 5.30 P.M.



Shri N.K. SINGH

Chairman of the 15th Finance Commission

has kindly consented to deliver the
Memorial Lecture on

Resetting Centre-State Finances: Rethinking the Third-Tier

Link for the programme:

<https://bit.ly/sankaraiyarmemoriallecture>

CA. K. JALAPATHI
Chairman, SIRC of ICAI



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



5 DAYS Practical Workshop on INCOME TAX for Articled Assistants & Audit Staff

8th-12th October 2021 5.00 PM - 7.00 PM

8.10.2021 Friday

Practical aspects of
Computing Business Income



CA. VIJAY TOTAPALLY
Hyderabad

9.10.2021 Saturday

Basic understanding
on TDS



CA. D.R. VENKATESH
Bengaluru

10.10.2021 Sunday

How to conduct Tax Audit
Part I & Part II



CA. V. RAMNATH
Coimbatore

11.10.2021 Monday

12.10.2021 Tuesday

Dos and Donts on
filing returns practically



CA. R. SATHISH KUMAR
Chennai

Registration Link: https://www.sirc-icai.org/events_students.php

Fees: Rs.200

Request Members
to encourage Students
to attend this Program

Helpline: sircspe@icai.in
91768 26789

CA. Jalapathi, K
Chairman, SIRC of ICAI

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Setup by an Act of Parliament)
SOUTHERN INDIA REGIONAL COUNCIL
"ICAI Bhawan", No.122, Mahatma Gandhi Road, Nungambakkam, Chennai-600 034.



Online Coaching Classes for

CA Final Course

Commencement Date:
7th October 2021

Duration:
5.5 Months

All Days

Group 1 6.00 AM - 9.00 AM

Class Fee: Rs.12,000/-

Group 2 6.00 PM - 9.00 PM

Class Fee: Rs.9,000/-

Both
Groups
Rs.18,000/-

Some of the SIRC Faculty Members

Financial Reporting



CA. M.J. Jagan CA. C. Chinnayyan CA. S. S. Sathish Kumar CA. S. Sathish Kumar

Strategic Financial Management



CA. Sathish Suresh CA. S. Hari Sagar

Corporate and Economic Laws



CA. S. S. Sathish CA. R. Bharath Kumar CA. R. Rajesh

Direct Tax Laws and International Taxation



CA. S. Sathish CA. S. Sathish

Strategic Cost Management and Performance Evaluation



CA. Venkata Suresh CA. S. Sathish Prasad CA. K. Harish

Advanced Auditing and Professional Ethics



CA. Vikas Gupta CA. S. Sathish

Indirect Tax Laws



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

Avail this OPPORTUNITY
and get through your
May 2022 Examinations

For Registration, please visit
www.sirc-icai.org/view-batches.php

For further query,
please contact
SIRC Coaching Classes

HELPLINE

Phone: 044 - 30210370
Mobile: 73585 06400
E-mail: sirc.final@icai.in

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Setup by an Act of Parliament)
SOUTHERN INDIA REGIONAL COUNCIL
"ICAI Bhawan", No.122, Mahatma Gandhi Road, Nungambakkam, Chennai-600 034.



Online Coaching Classes for

CA Intermediate Course

Commencement Date:
7th October 2021

Duration:
5.5 Months

ALL DAYS

Group 1 6.00 AM - 9.00 AM

Class Fee: Rs.10,000/-

Group 2 6.00 PM - 9.00 PM

Class Fee: Rs.10,000/-

Both Groups
Rs.18,000/-

50% FEE
Concession
for SIRC Foundation
Coaching Class
students

Some of the SIRC Faculty Members

Accounting & Advanced Accounting



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

Corporate and Other Law



CA. R. Rajan

Cost and Management Accounting



CA. Venkata Suresh CA. S. Sathish Prasad CA. Sathish Suresh CA. Sathish Suresh

Indirect Tax



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

Auditing and Assurance



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

Financial Management



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

EISM



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

Economics for Finance



CA. S. Sathish CA. S. Sathish CA. S. Sathish CA. S. Sathish

SIRC of ICAI is the leader in grooming CAs
for the past 50 years
Expert and Experienced Faculty Team for
SIRC Coaching Classes
Be trained by the Leader... at very nominal cost
State of the Art Online Platform for Coaching

Avail this
OPPORTUNITY
and get through your
May 2022
Examinations

For Registration, please visit
www.sirc-icai.org/view-batches.php

For further query, please contact
SIRC Coaching Classes
Phone: 044 - 30210379
Mobile: 82205 22669
E-mail: sirc.intermediate@icai.in

ICITSS Courses by SIRC of ICAI (Physical Mode).

Commencing from 04.10.2021 to 23.10.2021

Information Technology Training (ICITSS- IT)

BATCH NO	TIMINGS
CHN-ICITSS-IT-10-21-152	07.30 A.M TO 01.30 P.M
CHN-ICITSS-IT-08-21-153	01.45 P.M TO 07.45 P.M

Orientation Course (ICITSS-OC)

BATCH NO	TIMINGS
ICITSS-OC-CHE-168	07.00 A.M TO 01.30 P.M
ICITSS-OC-CHE-169	01.45 P.M TO 08.15 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

AICITSS Courses by SIRC of ICAI (Physical Mode).

Commencing from 04.10.2021 to 23.10.2021

Advanced (ICITSS) MCS Course

BATCH NO	TIMINGS
ADVANCED-ICITSS-MCS 168	07.00 A.M TO 01.30 P.M
ADVANCED-ICITSS-MCS 169	01.45 P.M TO 08.15 P.M

Advanced Information Technology Training (AICITSS- AIT)

BATCH NO	TIMINGS
CHN-AICITSS-AIT-10-21-141	07.30 A.M TO 01.30 P.M
CHN-AICITSS-AIT-10-21-142	01.45 P.M TO 07.45 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

Exemption of CA Course fee for students who have lost their any parent during Covid-19 pandemic

The Competent Authority has decided that the registration fee of CA Course at all levels including ICITSS [consisting of Information Technology (IT) and Orientation Course (OC)] and AICITSS [consisting Advanced Information Technology (Advanced IT) and Management and Communication Skills (MCS) Course] would be exempted for such students who have lost their any parent during Covid-19 pandemic after submission of requisite documents while registering in the CA Course.

This scheme is applicable for the period 1st April 2020 to 31st March 2023.

Students have to fill the Registration Form in SSP Portal at www.icaai.org of their respective course and upload the following documents:-

(a) Requisite documents as stated in the prospectus / Registration Form for registering in the particular course.

(b) In addition to above, Death Certificate and Identity Proof of Mother / Father, as the case may be, duly attested by any of the following authorized persons:

1. DCOs Heads/Regional Heads/Officer-in-charge of the Branch.
2. Principal under whom such student is registered for Articleship
3. Central Council Member / Regional Council Member / Managing Committee Member of the Branch.

No fees would be paid by such students at the time of provisional registration in the course in which they are applying. Further, while scrutinizing the application form, if it is found that student was not eligible for exemption of registration fee, the forms so submitted by the student will be rejected.

As regards waiving of the ICITSS and AICITSS fees, if falls under the period as specified above, the student has to separately submit the Death Certificate and Identity Proof of Mother / Father duly attested by any of the following while applying for registration in such courses.

1. DCOs Heads/Regional Heads/Officer-in-charge of the Branch.
2. Principal under whom such student is registered for Articleship.
3. Central Council Member / Regional Council Member / Managing Committee Member of the Branch.

For more details, FAQs hosted at <https://www.icaai.org/post/frequentlyasked-questions> may be referred. Director Board of Studies, ICAI.

ICAI Students converted from earlier scheme to revised scheme from July 21, 2021 to August 20, 2021 allowed to appear in Old/ New scheme in November, 2021 examination.

Students converted from earlier scheme to revised scheme from July 21, 2021 to August 20, 2021 allowed to appear in Old/ New scheme in November, 2021 examination.

The Examination Department vide its announcement dated June 21, 2021 had given an "Opt out option" for examinees in case examinee himself/ herself or his/ her grandparents, parents, spouse, children and siblings (residing in the same premises) were infected with COVID-19 (with carryover of fee paid and exemptions granted) to the November, 2021 examination cycle.

Thereafter, the last attempt to appear in CA Final and Intermediate Old Course examination was extended to November, 2021 examination irrespective of opting out of May, 2021 examination cycle, vide announcement dated August 20, 2021.

In view of the above announcements, the students who have converted from earlier scheme to revised scheme from July 21, 2021 to August 20, 2021 are hereby allowed to appear in Old/ New scheme (Intermediate (Integrated Professional Competence)/ Intermediate and Final (Old)/ Final (New)) in November, 2021 examination.

Accordingly, such students while filling the examination form for November, 2021 examination cycle, are required to specify the scheme they intend to appear.

Director Board of Studies, ICAI.



53rd REGIONAL CONFERENCE
of SIRC of ICAI



The Institute of Chartered Accountants of India (ICAI)

The Institute of Chartered Accountants of India (ICAI) is apex professional accounting body of India. It was established on 1st July 1949 as a statutory body under the Chartered Accountant Act, 1949 enacted by the Parliament to regulate the profession of Chartered Accountancy in India. ICAI is the Second largest professional Accounting & Auditing body in the world in terms of membership. ICAI is the only licensing cum regulating body of the financial audit and accountancy profession in India. SIRC of ICAI is one of the five regional councils constituted by ICAI to serve its members, students and stakeholders.

- SIRC was formed in 1952
- SIRC has 45 Branches
- 65000 Chartered Accountants
- More than 3 lakhs CA Students



SPONSORSHIP PRIVILEGES

Details	Event Sponsor 10 Lakhs	Event Co-Sponsor 7.5 Lakhs	Diamond Sponsor 5 Lakhs
Acknowledgement of Side Back Drop	Yes	Yes	Yes
Logo on Back Drops	Row 1	Row 2	Last Row
Full page Colour Advertisement in Souvenir	Yes	Yes	Yes
Complimentary Registration of Delegates	10	10	10
Free allotment of Virtual Exhibition Stall	Yes	Yes	Yes
Announcement through MC-Twice a day	Yes	Yes	Yes
Acknowledgements in Press Releases	Yes	Yes	Yes
Virtual Felicitation of Key Person	Yes	Yes	Yes
Stands Outside Conference Hall	3	2	1

Souvenir Advertising (Printed & Distributed)	
Back Cover	Rs. 1,50,000
Front Cover Page Inner	Rs. 1,00,000
Back Cover Page Inner	Rs. 1,00,000
Full Page Colour	Rs. 20,000
Half Page Colour	Rs. 10,000

Virtual / Physical Stall & Banner	
Virtual cum Physical Stall	Rs. 70,000
Physical Stall	Rs. 50,000
Virtual Stall	Rs. 30,000
Virtual / Physical Banner	Rs. 20,000

Referencer (Soft Copy)	
Coverage-One Full Page	Rs. 2,50,000

Flash Ad Slot (Tentative)	
20 Times	Rs. 1,00,000
10 Times	Rs. 50,000
5 Times	Rs. 25,000

BENEFITS TO SPONSORS

- ◆ Event will be attended by around 4000 Chartered Accountants (500 Physical and 3500 Online) from across India especially from Southern India (Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Karnataka & Puducherry)
- ◆ Nationwide telecast and media coverage for two days, due to the presences of Union Ministers and Dignitaries
- ◆ Wonderful opportunity to showcase your products and services to Chartered Accountants who influence decision of millions of clients.
- ◆ Extra visibility through 60000 conference brochures & 5000 souvenirs. Repeated mass mails with brochures will be sent to all the CAs in South India.

Southern India Regional Council of the Institute of Chartered Accountants of India



53rd REGIONAL CONFERENCE
of SIRC of ICAI

Le Meridien, Coimbatore. 19th & 20th November 2021



Sponsorship / Advertisement / Virtual Stall / Souvenir (Printed) Registration Form

The Chairman,
Southern India Regional Council of
The Institute of Chartered Account of India
'ICAI Bhawan', No.122, Mahatma Gandhi Road,
Nungambakkam, Chennai - 600 034.

Dear Sir,
We would like to participate in 53rd Regional Conference
of SIRC of ICAI on November 19 & 20, 2021
by Sponsoring / Advertisement / Virtual or Physical Stall /
Virtual or Physical Banner.

We enclose herewith a sum of Rs.

Multi City (CBS) Cheque/ RTGS No.

Dated Bank Name

Drawn in favour of '53rd Regional Conference of SIRC of ICAI'
towards: Sponsoring / Advertisement / Virtual or Physical Stall /
Virtual or Physical Banner.

Name of the Organization:

Address:

GST No.:

Contact Person:

Phone:

Mobile:

Email:

Thanking You,

Yours Faithfully,

(Signature) Date:

Name, Designation with Seal

EVENT SPONSOR
10 Lakhs

EVENT CO-SPONSOR
7.5 Lakhs

DIAMOND SPONSOR
5 Lakhs

Bank Account Details for the Conference

Account Name : 53rd Regional Conference of SIRC of ICAI
A/c No. : 2543000101411978
Account Type : Savings
Bank : Punjab National Bank
Branch : Nungambakkam, Chennai - 600034
IFSC Code : PUNB0254300
GST No. of SIRC of ICAI: 33AAAT7798M22P

For queries Contact:

SIRC of ICAI
Dr. T. Paramasivan
Joint Director (Tech.)
Ph: +91 44 3021 0321
Mob: +91 80560 11449
Email: tparamasivan@icai.in
Web: www.sirc-icai.org



<https://bit.ly/vitthakamsponsor>

RESULT ANALYSIS OF CHARTERED ACCOUNTANTS FINAL EXAMINATION HELD IN JULY -2021

The details of percentage of candidates passed in the above said examinations are given below.

The results of the Chartered Accountants Final (Old) Examination was declared recently.

(PRESS RELEASE)

	Candidates applied for	No. of candidates appeared	No. of candidates passed	% of pass
I	Group I	12556	1348	10.47
II	Group II	17044	2194	12.87
II	Both Groups	3949	62	1.57

The results of the Chartered Accountants Final (New) Examination was declared recently

	Candidates applied for	No. of candidates appeared	No. of candidates passed	% of pass
I	Group I	49358	9986	20.23
II	Group II	42203	7328	17.36
II	Both Groups	23981	2870	11.97

RESULT ANALYSIS OF CHARTERED ACCOUNTANTS INTERMEDIATE EXAMINATION HELD IN JULY -2021

The details of percentage of candidates passed in the above said examinations are given below.

	Candidates applied for	No. of candidates appeared	No. of candidates passed	% of pass
I	Group I	8873	385	4.34
II	Group II	26413	7957	30.13
II	Both Groups	3798	25	0.66

The details of percentage of candidates passed in Intermediate (New) the above said examinations are given below.

	Candidates applied for	No. of candidates appeared	No. of candidates passed	% of pass
I	Group I	60335	17563	29.11
II	Group II	45423	10082	22.2
II	Both Groups	20668	2169	10.49

The details of percentage of candidates passed in Foundation Examination the above said examinations are given below.

	Candidates applied for	No. of candidates appeared	No. of candidates passed	% of pass
I	Foundation	71967	19158	26.62

Toppers of Chartered Accountants Final (Old Scheme) Examination from Southern Region - July 2021 - All India Level

Ranking	Name of the Candidate	Place	Roll No.	Marks Secured	% of marks
Topper First Rank	Ms. Ruth Clare Dsilva	Mangaluru	327847	472/800	59
Second Rank	Ms. Malavika R. Krishnan	Palakkad	333542	446/800	55.75

Toppers of Chartered Accountants Final (New Scheme) Examination from Southern Region - July 2021 - All India Level

Ranking	Name of the Candidate	Place	Roll No.	Marks Secured	% of marks
Third Rank	Ms. Bagrecha Sakshi Rajendrakumar	Bengaluru	407118	605/800	75.63

Toppers of Chartered Accountants Intermediate (New) Examination from Southern Region - July 2021 - All India Level

Ranking	Name of the Candidate	Place	Roll No.	Marks Secured	% of marks
Third Rank	Ms. Sudepta Benya	Bengaluru	610464	624/800	78

SIRC of ICAI congratulates all the Rank Holders and all successful students wish them all the best in their career.

Networking - Entrepreneurship - Soft Skills - Technology
- 13th Sept 2021



Resource Person CA. Jawahar V, Hyderabad seen along with CA. M. Suresh Kumar.

Fundamentals of Cloud Architecture and SaaS ERP
- 15th Sept 2021



Resource Person CA. Saurabh Goenka, Bengaluru seen along with CA. M. Ramji.

Overview of CIRP - Unpacking the prepackaged Insolvency Resolution Process : A boon to MSMEs and an opportunity for CAs - 16th Sept 2021



Resource Person CA. Manish Gupta, Delhi seen along with CA. J. Murali.

CSR Applicability Reporting and Compliances
- 17th Sept 2021



Resource Person CA. Charmi Shah, Mumbai seen along with CA. S. A. Gopala Krishnan.

ITC Provisions Eligibility, 2A, 2B, legal Position & Practical Challenges - 18th Sept 2021



Resource Person CA. Annapurna Kabra, Bengaluru seen along with CA. S. A. Gopala Krishnan.

Bank Audits- Scope and Opportunities for young members
- 20th Sept 2021



Resource Person CA. Dhananjay Ghokale, Mumbai seen along with CA. M. Ramji.

Fundamentals of Databases and Big data, Structure Query Language - 22nd Sept 2021



Resource Person CA. (Dr) K. Paul Jayakar, Chennai seen along with CA. Survajith Krishnan.

Companies Act -Mandatory compliances for listed companies and not listed companies - 24th Sept 2021



Resource Person CA. A. Mohan Kumar, Past Chairman, ICSI SIRC seen along with CA. R. Maheswaran.

Resource Persons for CPE Programmes during the month of September 2021



CA. Abhishaek Chauhan



CA. Chinnsamy Ganesan



CA. Ganapathy Subramanian



CA. Hemantha Kumar C.N.



CA.K. Shanmuganathan



CA. Sumit Dhadda

Blood Donation Camp - 25th Sept 2021



Blood Donation Camp organized by SIRC of ICAI, CA. K. Jalapathi, Chairman, SIRC of ICAI seen along with Dr. Varadharajan and donors.

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.

Latest Jurisprudence under the Income Tax Act, 1961 on Tax Audit / Presumptive Taxation - 25th Sep 2021



Resource Person CA. T. Banusekar, Chennai seen along with CA. J. Murali.

Transformation of Internal Audit and Stakeholder Expectation for SMEs - 27th Sep 2021



Resource Person CA. Chetan Thakkar, Mumbai seen along with CA. R. Maheswaran.

Investors Awareness Programme - New Developments related to Demat Account - 28th Sept 2021



Resource Person Shri. Vikas Kumar Jain, Assistant Vice President, NSDL seen along with CA. K. Jalapathi, Chairman, SIRC of ICAI and CA. Survajith Krishnan.



The Institute of Chartered Accountants of India
Organised By
Committee for Members in Industry & Business (CMI&B)

For Members in Industry and Business
15th ICAI Awards & Leadership Summit 2022
15th January, 2022
Hotel Le Meridien
New Delhi




The Institute of Chartered Accountants of India

For Members in Industry and Business
15th ICAI Awards & Leadership Summit 2022

Message



CA. Nihar N. Jambusaria
President, ICAI

**If your actions inspire others to dream more,
learn more, do more and become more, you are a leader**
-John Quincy Adams

'Recognition' at the right level and at the right time is the key pillar to the long-lasting motivation for leaders. The ICAI understands the importance of recognition and values all its members because they are the true partners in nation building, they lead their organisations and their teams, and in one way or the other contribute to the growth story of industry & the nation. ICAI Awards is a mechanism devised to recognize best out of the best to showcase a leading path for the others to follow. To implement this exercise, the Committee for Members in Industry & Business (CMI&B) of ICAI organises the ICAI Awards every year, to celebrate the success and hard work of its members working in industry or in business.

The ICAI Awards are being recognised as one of the most prestigious awards amongst the CA fraternity which aims to acknowledge the accomplishments of Chartered Accountants and to recognise the members who have demonstrated excellence and portrayed an abiding commitment to achieve heights as CA professional. Chartered Accountants across diverse fields ranging from industry to entrepreneurship to public service to Government wait eagerly to get recognized at this prestigious forum.

The 15th ICAI Awards and Leadership Summit, 2022 will be organised on 15th January, 2022 at New Delhi at Hotel Le Meridien, New Delhi.

The awards would be presented under various categories based on the contribution and value additions made by member in a particular project. More details about the eligibility, categories and criteria are available at <https://awards.icai.org/>

The online nomination process would start from 15th September, 2021 at <https://nominationforms.icai.org/>

All the Members are invited to nominate themselves or any other member who can be considered as potential award recipient as per category specific criteria for the 15th ICAI Awards.

The awards ceremony would be complemented by the Leadership Summit, 2022 which is a one-day convention, exclusively for the professionals engaged in various industries. Since the industry across the globe is finding newer ways to do business and new normal, and to revive & thrive, the Summit shall focus on deliberating on the topics of contemporary relevance and providing useful insights on vital matters.

About ICAI Awards

The Institute of Chartered Accountants of India (ICAI) had instituted ICAI Awards way back in the year 2007 to recognize the members who have demonstrated excellence and portrayed an abiding commitment to achieve heights as CA professional. These awards seeks to honor an individual who possess excellent skills, dedication, enthusiasm, leadership, and the ability to deliver the best that we all strive to emulate.

ICAI continues its legacy to honour stellar individuals, by organizing 15th ICAI Awards on 15th January, 2022 at Hotel Le Meridien, New Delhi.

Why to submit nomination for ICAI Awards

Objective of Awards

The objectives of the ICAI Awards are to acknowledge Chartered Accountants who have / are -

Exemplary role models

Demonstrated excellence in their working

Created value to their company's stakeholders on a sustainable basis



Categories



- Nomination is open for the Members serving in Industry and business, who are not holding Certificate of Practice (COP).
- Any member, held COP during minimum eligibility experience requirement till the date of filling application is ineligible.
- Application for COP between the date of filling nomination till holding of Awards Ceremony will disqualify his/her candidature.
- A person, who has won award in the past, will not be eligible to nominate for the next three years in any category.
- Nomination in more than one category by the same person will not be permitted.
- Any employee of ICAI cannot apply for the awards.
- A member of nomination / selection committee, Jury and process auditors can neither be a nominee nor can they nominate any person for the current year and next 2 years.

Categories

S. No	Category	Sub-Categories	Experience Requirement	Designation	Documents requirement (to be uploaded)
1.	CA Business Leader	For Large Corporate (Turnover more than 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Mid-Corporates (Turnover between 1001 crores to 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Emerging Corporates (Turnover upto 1000 crores) - Manufacturing & Infrastructure - Services - BFSI	Total experience of atleast 15 years, And Experience in the current organisation should be atleast 3 years	Chairman, Managing Director, President, Vice-Chairman, Director-Board Level or other equivalent position	<ul style="list-style-type: none"> Financial Statement for turnover Appointment letter for experience PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.
2.	CA CFO	For Large Corporate (Turnover more than 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Mid-Corporates (Turnover between 1001 crores to 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Emerging Corporates (Turnover upto 1000 crores) - Manufacturing & Infrastructure - Services - BFSI	Total experience of atleast 7 years, And Experience in the current organisation should be atleast 3 years	Designated CFOs / Heads of Finance (Direct reporting should be to the MD or Group CFO or CEO)	<ul style="list-style-type: none"> PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.
3.	CA CXO	For Large Corporate (Turnover more than 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Mid-Corporates (Turnover between 1001 crores to 5000 crores) - Manufacturing & Infrastructure - Services - BFSI For Emerging Corporates (Turnover upto 1000 crores) - Manufacturing & Infrastructure - Services - BFSI	Total experience of atleast 10 years, And Experience in the current organisation should be atleast 3 years	COO, CEO, CXO or other equivalent position	<ul style="list-style-type: none"> Financial Statement for turnover Appointment letter for experience PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.

Categories

S. No	Category	Sub-Categories	Experience Requirement	Designation	Documents requirement (to be uploaded)
4.	CA Young Leader	- Male - Female	Total experience of atleast 3 years, And Experience in the current organisation should be atleast 1 years	Manager and above	<ul style="list-style-type: none"> Financial Statement for turnover Appointment letter for experience PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.
5.	CA Entrepreneur	- Influential Leader - Rising Star	An entity shall be considered as Startup up to 10 years from the date of its incorporation.	Member should be the Founder/Co-Founder/Owner or at other equivalent position	<ul style="list-style-type: none"> Registration/Incorporation Certificate PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.
6.	CA Global Achiever	-	Total experience of atleast 10 years, And Experience in the current organisation should be atleast 3 years	In-charge of functioning of organization in more than one country	<ul style="list-style-type: none"> Financial Statement for turnover Appointment letter for experience PPT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.

Categories

S. No	Category	Sub-Categories	Experience Requirement	Designation	Documents requirement (to be uploaded)
7.	CA Educator	-	Total experience of atleast 7 years, And Experience in the current organisation should be atleast 3 years	-	<ul style="list-style-type: none"> Appointment letter for experience PFT in the standard format containing the details regarding evaluation parameters Supporting documents for the information provided regarding evaluation parameters and other information required.
8.	CA Special Recognition (for specially abled members)	N.A.	N.A.	N.A.	<ul style="list-style-type: none"> Supporting documents for the information provided regarding evaluation parameters
9.	CA Hall of Fame	JURY AWARD ON THE RECOMMENDATION OF SEARCH COMMITTEE			



7

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Award Process

The applications received would be scrutinized by the Auditors and awardees will be finalised by Jury comprising of industry experts, business executives and eminent leaders from various industries.



Stage 1

Inviting Nominations
Applications can be made by:

- Member himself/herself
- Can be nominated any senior official from the same organization
- Can be nominated by the independent Search Committee

Stage 2

Verification of Documents by the Process Auditors

- As deemed fit, one or more CA Firm, shall be appointed to scrutinize, ensure and place the true and fair view before the Jury Panel.

Stage 3

Shortlisting of Nominees by Nomination Committee Meeting

- Nomination Committee will shortlist the top five applications received under different categories/sub-categories which would be placed before Jury panel.

Stage 4

Selection of Awardee by Jury Panel

- Jury panel will examine, review and evaluate the nominations shortlisted by Nomination Committee and finalize the winner thereon. The decision regarding selection of Awardee by the selection committee shall be final.

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Guidelines

- The information furnished in the nomination form and attached thereto must be complete, clear, correct and consistent.
- In case of furnishing any incorrect or incomplete information, nomination form is liable to be cancelled.
- The Jury may finalize multiple awardees in the same Category and the decision of the Jury will be binding.
- No correspondence/request from any nominee in the form of influencing others will be entertained.
- The CMI&B reserves the right to call for additional information.
- For nominating other members, the CMI&B will call further information from the nominee to ascertain accuracy of the facts stated in the form.
- Signature of the nominee and nominator, if any, must be uploaded and failure of which would cause cancellation of the form.
- Auditors/Nomination Committee/Jury reserves its right to merge/shift the nominations received in different categories and also to revoke nomination without providing any reasons thereof.
- The decision of the CMI&B in relation to any dispute about the Rules, conduct, results and all other matters relating to the Competition is final and no correspondence/request would be entertained.
- If at any time, any information provided by any Nominee/Nominator is found to be incorrect in any manner, then the Application will be disqualified. Also, if after the conclusion of the Awards ceremony, any information provided by any Awardee is found to be incorrect in any manner, then the Awardee will be liable to return the award.
- CMI&B will take utmost care to maintain confidentiality of the information furnished in the nomination form but should not be held responsible for any leakage or lapse due to technical fault/failure.
- The portal for acceptance of nominations will open on 15th September, 2021.
- The CMI&B reserves the right to modify the list of awards to be presented.

In case of any queries, please contact at 011-30110549/548 or 8448115475 / 8448115375 or email to icai.awards@icai.in

Committee for Members in Industry & Business (CMI&B)
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

ICAI Bhawan, Indraprastha Marg, New Delhi-110 002

Tel. No.: 011-30110548/549/450/555 | E-mail: icai.awards@icai.in | Website: <https://awards.icai.org/>

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10

Leadership Summit 2022

Recalibrating Businesses for Growth & Expansion

Overview

The Leadership Summit, 2022 will unfold insights into the critical issues, encourage interaction among leaders coming from diverse background and present international quality thought-platforms aimed at arriving at innovative solutions. The audience for the Leadership Summit will comprise of top professionals, eminent personalities, bureaucrats, diplomats, business executives, thinkers, commentators and analysts. This year, as the world settles with the new normal and the industries have found newer ways to survive, revive and thrive, the Leadership Summit 2022, aims to drive conversations that can help in "Recalibrating Businesses for Growth & Expansion", the theme of this year's Summit.

Key Benefits

- NETWORK** Meet the like-minded people, identify opportunities for partnerships, joint ventures, or new areas of business interest. Interact with influential people that you wouldn't otherwise be able to easily talk to or find.
- DISCOVER** Explore the latest evolving technologies in the industry. Leave with an insight from conference to increase the visibility to deliver value to the overall business.
- CONNECT** At the conference Meet CFOs from leading companies to discuss industry challenges and find pivotal solution.
- LEARN** Successful leaders have always admired what the wise can teach them. Person-to-person learning can never be supplanted. Engage yourself with intellects conceptualizing the future.

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CORPORATE LAW

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

The following is the important update in Companies Act 2013 from 26th August to 25th of September 2021

I. Extension for conducting Annual General Meeting – reg

The Ministry of Corporate Affairs (MCA) through its various Registrar of Companies issued an order with regard to the extension of AGM.

As per the General orders issued by each Registrar states that “hereby extend the time to hold the AGM other than the first AGM for the financial year ended on 31.3.2021 for companies within the jurisdiction of this office, which are unable to hold their AGM for such period within the due date of holding the AGM by a period of Two months from the due date by which the AGM ought to have been held in accordance with the provisions of sub section (1) to section 96 of the Companies Act,2013 without requiring the companies to file applications for seeking such extension by filing the prescribed form GNL – 1.”

Members to clearly note that it is not a blanket extension for all companies and can have their AGM till 30th November 2021. But the companies to take care that the gap between the previous AGM and the AGM for 31.3.2021 to be held in such a way that it is within 15 months.

I am placing few questions for our members to delve upon few provisions related to AGM. The share holding pattern of ABC Private Limited is given below.

Particulars	Name of the shareholders									
	A	B	C	D	E	F	G	H	I	J
Number of shares	20,100	15,500	3,500	100	50	50	100	300	100	200
% of shareholding	50.30%	38.80%	8.80%	0.30%	0.10%	0.10%	0.30%	0.80%	0.30%	0.50%

The company wants to conduct the AGM with a shorter notice on 10th October 2021. Kindly advise from which shareholders the consent to be received to comply the provisions of the Companies Act, 2013.

Whether the answer will change if the meeting is an EGM instead of AGM ?

FEMA

Contributed by: CA. G. Murali Krishna, Hyderabad

I. Second Amendment to Foreign Direct Investment (FDI) Rules

The Central Government vide Foreign Exchange Management (Nondebt Instruments) (Second Amendment) Rules, 2021 (Notification No. S.O. 3411(E), dated 19th August, 2021), in the case of an insurance company, has increased the sectoral limit from existing 49% to 74% in case of FDI and accordingly conveyed that applications for foreign direct investment in private banks having joint venture or subsidiary in insurance sector may be addressed to the Reserve Bank for consideration in consultation with the Insurance Regulatory and Development Authority of India, in order to ensure that the limit of foreign investment applicable for the insurance sector does not breach the said 74%.

The amendment comes into effect from the date of publishing it in the official gazette.

II. Amendment to FEM (Export of Goods and Services) Regulations, 2015:

Reserve Bank vide notification no. FEMA 23(R)/(5)/2021-RB amended Regulation 15 of FEM (Export of Goods and Services) Regulations, 2015, dated 8th September, 2021, wherein it substituted the below sub-clause in place of existing clause:

“ii) the rate of interest, if any, payable on the advance payment shall not exceed 100 basis points above the London Inter-Bank Offered Rate (LIBOR) or other applicable benchmark as may be directed by the Reserve Bank, as the case may be; and”

After this amendment, apart from LIBOR rate, other applicable benchmark, as per the direction of RBI, can be used for payment of interest on the advance received against export contracts. The maximum permissible interest payable, if any, shall not exceed LIBOR + 1% or other applicable benchmark + 1%, as the case may be.

The amendment comes into effect from the date of publishing it in the official gazette.

III. Linking of Fast Payment Systems by India and Singapore

Reserve Bank, vide Press Release 2021-2022/858, dated September 14, 2021 announced that India and Singapore are implementing a project wherein the fast payment systems of respective countries being, Unified Payments Interface (UPI) of India and PayNow of Singapore are going to be linked and that the linkage is targeted for operationalization by July 2022. The said initiative will foster cross-border interoperability of payments using cards and QR codes, between India and Singapore and will further anchor trade, travel and remittance of flows between the two countries.

IV. Master Direction – Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2021

RBI issued Master Direction No. RBI/FMRD/2021-22/84 (FMRD.FMD.07/02.03.247/2021-22), dated September 16, 2021, addressing to all eligible Market Participants, referring to Paragraph 11 of the Statement on Developmental and Regulatory Policies announced as a part of the Bi-monthly Monetary Policy Statement for 2020-21, dated December 04, 2020, regarding review of the Comprehensive Guidelines on Derivatives (CGD).

Earlier draft Reserve Bank of India (Market-makers in OTC Derivatives) Directions, 2020 were released for public comments on December 04, 2020. Based on the feedback received from the market participants, the draft Directions were reviewed and have since been finalised by RBI and issued in the form of the Master Directions referred above.

For further details please refer to the Master Direction at

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12163&Mode=0>

V. Service Exports from India Scheme for services rendered in FY 2019-20:

Vide notification no. 29/2015-20, dated September 23, 2021, the Central Government notified SEIS scheme for the services exported during FY 2019-20 wherein it announced the list of services eligible under the scheme and the rates applicable. Maximum cap of INR 5 Cr per IEC has been set under the scheme. It may be noted that the deadline for making application under the scheme is set as December 31, 2021 and late cut provisions are not applicable for the FY 2019-20.

VI. FEMA Case Law

IRAJ CHANDRAKANT GANDHI, RAJESH CHANDRAKANT GANDHI, DHANLAXMI CHANDRAKANT GANDHI, CHANDRAKANT ISWARLAL GANDHI Vs THE SPECIAL DIRECTOR, DIRECTORATE OF ENFORCEMENT, KOLKATA.

Facts of the case:

The Enforcement Directorate (ED) alleged that the four appellants in this case constituted a trust overseas and opened foreign currency accounts without prior permission of RBI. The said allegation was based on certain documents received from income tax department which were collected by said department from outside India as part of some other investigation. ED invoked section 39 of FEMA which allows certain presumptions regarding any document collected from outside India. ED raised a penalty of INR 5 Lacs each on the appellants. Up on appeal by appellants, Special Director (Appeals) suo motto increased the penalty to INR 16 Lacs each. Aggrieved by the order, appellants filed appeal with Appellate Tribunal under FEMA and raised below contentions:

1. That the appellants never opened any trust and do not have any bank account outside India. They are not aware how the documents relied by ED contained their names.
2. That the documents relied by ED (as received from income tax department) are not authenticated by any person outside India and are mere photocopies.
3. That ED asked the income tax department about the authenticity of documents provided by them but moved ahead with adjudication without any response from income tax department.
4. That Special Director (Appeals) affirmed the adjudication order of ED without application of mind and that he does not have power to enhance penalty suo motto without any cross-appeal from Revenue.

Held That:

- a. That Section 39 has been misread by the ED as the documents received from abroad in any proceedings need to be duly authenticated under FEMA (Authentication of documents) Rules, 2000 which require authentication of the documents received from abroad by way of seal and signature of any person who is authorised by the Diplomatic and Consular Officers (Oaths & Fees), Act, 1998.
- b. The Special Director has enhanced the penalty arbitrarily without any Appeal filed by the Department, as if the Special Director is himself the aggrieved party, which renders the order void ab initio. In the absence of appeal by aggrieved person the Special Director had no authority to enhance the penalty which renders the order void ab initio.

VII. Update on Compounding Orders issued under FEMA Regulations:

- a. Course5 Intelligence Pvt Ltd

Regulation	Regulation 8(2) of Notification No. FEMA 20/2000-RB dated May 3,2000
Contravention	Failure to submit a report on issue of shares under Employees Stock Options Scheme to persons resident outside India to RBI within the prescribed time limit
Date of Order	27-04-21
Compounding Fee	₹ 19,917/-

b. RICS India Pvt Ltd

Regulation	Section 10(6) of FEMA 1999
Contravention	Failure to utilize acquired foreign exchange for the purpose mentioned in the declaration made by him to an authorized dealer under Section 10(5) of FEMA 1999 or to use it for any other purpose for which acquisition of exchange is permissible under the said Act, or Rules or Regulations framed thereunder
Date of Order	05-02-21
Compounding Fee	₹ 6,89,838/-

Goods and Services Tax
Contributed by: CA. G. Saravana Kumar, Madurai

Clarification regarding extension of time limit to apply for revocation of cancellation of registration – Circular No 158/14/2021-GST dated 06th Sep, 2021

Government has extended the timelines for filing of application for revocation of cancellation of registration to 30th September, 2021, where the due date of filing of application for revocation of cancellation of registration falls between 1st March, 2020 to 31st August, 2021 vide Notification No 34/2021-CT dated 29th August, 2021. Vide above circular, CBIC has given following clarifications:

- i. The benefit of notification would be applicable in those cases also where the application for revocation of cancellation of registration is either pending with the proper officer or has already been rejected by the proper officer.
- ii. The benefit of notification would also be available in those cases which are pending with the appellate authority or which have been rejected by the appellate authority.
- iii. The notification would cover those instances where an appeal was filed against order of cancellation of registration and the appeal has been rejected.
- iv. Where the application has been filed and pending with the officers, the officer shall process the application for revocation considering the extended timelines as provided vide the said notification.
- v. The taxpayer may file a fresh application for revocation even though his application was already rejected by the officer and tax payer has not filed any appeal against the rejection. The officer shall process the application considering the extended timelines.
- vi. Where the appeal is pending before the appellate authority, the appellate authorities shall take the cognizance of the above notification for extension of timelines while deciding the appeals.
- vii. Where appeal for revocation of cancellation has been decided against the taxpayer, then tax payer may file a fresh application for revocation and the officer shall process the application for revocation considering the extended timelines as provided vide the said notification.
- viii. With effect from 01.01.2021, proviso to sub-section (1) of section 30 of the CGST Act has been inserted which provides for extension of time for filing application for revocation of cancellation of registration by 30 days by Additional/ Joint Commissioner and by another 30 days by the Commissioner. On this issue, following clarifications are made:
 - a. where the thirty days' time limit falls between 1st March, 2020 to 31st December, 2020, there is no provision available to extend the said time period of 30 days under section 30 of the CGST Act. For such cases, pursuant to the said notification, the time limit to apply for revocation of cancellation of registration stands extended up to 30th September, 2021 only; and
 - b. where the time period of thirty days since cancellation of registration has not lapsed as on 1st January, 2021 or where the registration has been cancelled on or after 1st January, 2021, the time limit for applying for revocation of cancellation of registration shall stand extended as follows:
 - i. Where the time period of 90 days (initial 30 days and extension of 30 + 30 days) since cancellation of registration has elapsed by 31.08.2021, the time limit to apply for revocation of cancellation of registration stands extended upto 30th September 2021, without any further extension of time by Joint Commissioner/ Additional Commissioner/ Commissioner.

- ii. Where the time period of 60 days (and not 90 days) since cancellation of registration has elapsed by 31.08.2021, the time limit to apply for revocation of cancellation of registration stands extended upto 30th September 2021, with the extension of timelines by another 30 days beyond 30.09.2021 by the Commissioner, on being satisfied, as per proviso to sub-section (1) of section 30 of the CGST Act
- iii. Where the time period of 30 days (and not 60 days or 90 days) since cancellation of registration has elapsed by 31.08.2021, the time limit to apply for revocation of cancellation of registration stands extended upto 30th September 2021, with the extension of timelines by another 30 days beyond 30.09.2021 by the Joint/Additional Commissioner and another 30 days by the Commissioner, on being satisfied, as per proviso to sub-section (1) of section 30 of the CGST Act.

Important Recommendations of 45th GST Council – vide Press release dated 17th September, 2021 (Recommendations relating to changes in rate of tax in goods and services are not discussed below)

- i. GST rate changes in order to correct inverted duty structure, in footwear and textiles sector, as was discussed in earlier GST Council Meeting and was deferred for an appropriate time, will be implemented with effect from 01.01.2022.
- ii. The issue of whether specified petroleum products should be brought within the ambit of GST was placed for consideration before the Council. After due deliberation, the Council was of the view that it is not appropriate to do so at this stage.
- iii. Requirement of filing FORM GST ITC-04 under rule 45 (3) of the CGST Rules has been relaxed as under:
 - a. Taxpayers whose annual aggregate turnover in preceding financial year is above ₹ 5 crores shall furnish ITC-04 once in six months;
 - b. Taxpayers whose annual aggregate turnover in preceding financial year is upto ₹ 5 crores shall furnish ITC-04 annually.
- iv. In the spirit of earlier Council decision that interest is to be charged only in respect of net cash liability, section 50 (3) of the CGST Act to be amended retrospectively, w.e.f. 01.07.2017, to provide that interest is to be paid by a taxpayer on “ineligible ITC availed and utilized” and not on “ineligible ITC availed”. It has also been decided that interest in such cases should be charged on ineligible ITC availed and utilized at 18% w.e.f. 01.07.2017.
- v. Unutilized balance in CGST and IGST cash ledger may be allowed to be transferred between distinct persons (entities having same PAN but registered in different states), without going through the refund procedure, subject to certain safeguards.
- vi. A person incorporated in India under the Companies Act, 2013 and a person incorporated under the laws of any other country are to be treated as separate legal entities and would not be barred by the condition (v) of the sub-section (6) of the section 2 of the IGST Act 2017 for considering a supply of service as export of services;
- vii. Clarifications on certain important issues:
 - a. W.e.f. 01.01.2021, the date of issuance of debit note (and not the date of underlying invoice) shall determine the relevant financial year for the purpose of section 16(4) of CGST Act, 2017;
 - b. There is no need to carry the physical copy of tax invoice in cases where invoice has been generated by the supplier in the manner prescribed under rule 48(4) of the CGST Rules, 2017;
 - c. Only those goods which are actually subjected to export duty i.e., on which some export duty has to be paid at the time of export, will be covered under the restriction imposed under section 54(3) of CGST Act, 2017 from availment of refund of accumulated ITC.
- viii. Provision to be incorporated in in CGST Rules, 2017 for removing ambiguity regarding procedure and time limit for filing refund of tax wrongfully paid as specified in section 77(1) of the CGST/SGST Act and section 19(1) of the IGST Act.
- ix. Provision to be incorporated in in CGST Rules, 2017 for removing ambiguity regarding procedure and time limit for filing refund of tax wrongfully paid as specified in section 77(1) of the CGST/SGST Act and section 19(1) of the IGST Act.
- x. Aadhaar authentication of registration to be made mandatory for being eligible for filing refund claim and application for revocation of cancellation of registration.
- xi. Late fee for delayed filing of FORM GSTR-1 to be auto-populated and collected in next open return in FORM GSTR-3B.
- xii. Refund to be disbursed in the bank account, which is linked with same PAN on which registration has been obtained under GST.
- xiii. Rule 59(6) of the CGST Rules to be amended with effect from 01.01.2022 to provide that a registered person shall not be allowed to furnish FORM GSTR-1, if he has not furnished the return in FORM GSTR-3B for the preceding month.
- xiv. Rule 36(4) of CGST Rules, 2017 to be amended, once the proposed clause (aa) of section 16(2) of CGST Act, 2017 is notified, to restrict availment of ITC in respect of invoices/ debit notes, to the extent the details of such invoices/ debit notes are furnished by the supplier in FORM GSTR-1/ IFF and are communicated to the registered person in FORM GSTR-2B.

GSTR- 4 Returns

Contributed by: CA. R Viswanathan, Kerala

ANNUAL RETURN FOR COMPOSITION DEALERS:

IS RULE 62 AS AMENDED ON 23.04.2019 VALID?

Sub: Rule 62 of CGST Act as amended by Notification No. 20/2019 CT dt. 23.04.2019.

It appears that the above amendment is invalid and ultra vires on account of the following.

1. Section 39(2) which lays down provisions regarding filing returns by Composition Dealers was as follows till 09.11.2020.

“A registered person paying tax under the provisions of section 10 shall, for each quarter or part thereof, furnish, in such form and manner as may be prescribed, a return, electronically, of turnover in the State or Union territory, inward supplies of goods or services or both, tax payable and tax paid within eighteen days after the end of such quarter”.

This was amended w.e.f. 10.11.2020 substituting the Section with 39(2) with

“A registered person paying tax under the provisions of section 10, shall for each financial year or part thereof, furnish a return electronically, of turnover in the State or Union Territory, inward supplies of goods or services or both, tax payable, tax paid and such other particulars in such form and manner, and within such time, as may be prescribed”.

2. Rule 62 originally was stipulating submission of quarterly return in Form 4.

3. By Notification No. 20/2019 CT dated, 23.04.2019 Rule 62(1) was amended stipulating submission of CMP 08 quarterly and GSTR 4 for every financial year.

4. Some words omitted by notification 82/2020 Central Tax 10.11.2020 for excluding beneficiaries availing benefit of notification 02/2019(Central Tax Rate).

Observations:

When Rule 62 (1) was amended by including GSTR 4 return for financial year on 23.04.2019, the then valid section 39(2) was stipulating submission of quarterly return only.

Annual return was covered under Section 44 and Rule 80.

When the Section 39 did not authorize prescription of a form for an yearly Return as it stood till 10.11.2020, Rule 62 laying down that a return for every financial year is to be filed through an amendment of the Rule w.e.f. 23.04.2019 which date is prior to 10.11.2020 when Section 39 was amended appears invalid.

I believe a Rule without support from the section is not valid. Rule 62 cannot prescribe something the then existing Section did not authorize. Reference to Section 10 in Rule 62 is only for identifying the duty bound. Section 10 does not say anything about filing any return per se.

This view is fortified by section 44(1) which read earlier as follows

“Every registered person other than an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non resident taxable person shall furnish an annual return for every financial year electronically in such form and manner as may be prescribed on or before the thirty-first day of December following the end of such financial year”.

Section 44(2) was about audit requirements.

The section was substituted recently by Section 111 of Finance Act 2021. Also two Provisos added to provide for exemptions from filing for certain categories.

Rule 80(1) was reading originally as follows:

“Every registered person, other than an Input Service Distributor, a person paying tax under section 51 or section 52 a casual taxable person and a non resident taxable person, shall furnish an annual return as specified under sub-section (1) of section 44 electronically in FORM GSTR9 through the common portal either directly or through a Facilitation Centre notified by the Commissioner.

Provided that a person paying tax under section 10 shall furnish the annual return in Form GSTR-9A”.

Here also the composition dealer is to file Form 9A as Annual Return. The provision is supported by Section 44.

Rule 80(1) has been substituted by Notification No.30/2021-Central Tax dt.30.07.2021 as follows:

1. Every registered person, other than those referred to in the second proviso to section 44, an input Service distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, shall furnish an annual return for every financial year as specified under section 44 electronically in Form GSTR-9 on or before the thirty-first day of December following the end of such financial year through the common portal either directly or through a Facilitation centre notified by the Commissioner: Provided that a person paying tax under section 10 shall furnish the annual return in Form GSTR-9A.

2. Every electronic commerce operator required to collect tax at source under section 52 shall furnish annual statement referred to in sub-section (5) of the said section in FORM GSTR -9B.

3. Every registered person, other than those referred to in the second proviso to section 44, an Input Service Distributor, a person paying tax under section 51 or section 52, a casual taxable person and a non-resident taxable person, whose aggregate turnover during a financial year exceeds five crore rupees, shall also furnish a self-certified reconciliation statement as specified under section 44 in FORM GSTR-9C along with the annual return referred to in sub-rule (1), on or before the thirty-first day of December following the end of such financial year, electronically through the common portal either directly or through a Facilitation Centre notified by the Commissioner.”.

By another notification No.31/2021 Central Tax exemption has been granted for Registered Persons with aggregate turnover upto 2 crore forms filing annual return for financial year 2020-2021.

Conclusion

1. Amendment of Rule 62 is not supported by amendment of Section 39 (Before amendment of Rule)
2. Section 44 and Rule 80 continue to be valid in so far as Form 9A Annual Return is concerned.
3. By Notification 47/2019, 77/2020 and circular No. 124 exemption from filing 9 A is granted /extended up to 2019-20 (Turnover below 2 Crores) since 9A is treated as Annual Return by Rule 80.
4. Notification 31/2021 dated, 31.07.2021 exempts below 2 crore Turnover registered dealers from filing annual return for Y.E.31.03.2021 Since only Rule 80 appears valid, the exemption would cover the composition dealers also. The notification is drawing strength from first proviso to Section 44.
5. There can be a view that Form 4 is valid for year ending 31.03.2021 since the Section 39 (2) has been amended w.e.f. 10.11.2020. However, since Rule 62 amendment on 23.04.2019 stipulating submission of return for financial year appears invalid, possibly the rule cannot get life by a subsequent amendment of the Section i.e. 39(2) in this case.
6. Parallel requirements: Rule 62 requires composition dealer to file GSTR-4 Return for each financial year. Rule 80 asks this dealer to file GSTR 9A Annual return.

Observations in point No.5 gets more strength from the Rule 80 amendment w.e.f.30.07.21 considering the due date for submission of Annual return is 31st December next following only. Then the exemption under notification 31/2021 dt.30.07.2021 should apply.

Income Tax

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

1. Extension of timelines for filing ITRs and various reports for the Assessment Year 2021-22:

The CBDT vide Circular No.17 dated 9th September, 2021 has in exercise of its powers under section 119 has extended timelines for filing ITRs and various reports for the Assessment Year 2021-22 as under:

1. The “due date” of furnishing of Return of Income for the Assessment Year 2021-22, which was 31st July 2021 under section 139 (1) of section 139 of the Act, is extended to 31st December, 2021;
2. The “due date” of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21, which is 30th September 2021 is extended to 15th January, 2022;
3. The “due date” of furnishing Report from an Accountant by persons entering into international transaction or specified domestic transaction under section 92E of the Act for the Previous Year 2020-21, is extended to 31st January, 2022;
4. The “due date” of furnishing of Return of Income for the Assessment Year 2021-22 (in respect cases where report of audit is required to be filed), the due date for filing ITR is extended to 15th February, 2022;
5. The “due date” of furnishing of Return of Income for the Assessment Year 2021-22, which is 30th November 2021 under sub-section (1) of section 139 is extended to 28th February, 2022;
6. The “due date” of furnishing of belated/revised Return of Income for the Assessment Year 2021-22, which is 31st December 2021 under sub-section (5) of section 139 of the Act, is extended to 31st March, 2022;

Clarification 1: It is clarified that the extension of the dates as referred to in clauses (9), (12) and (13) of Circular No. 9/2021 dated 20-5-2021 and as referred to in clauses (1), (4) and (5) of this Circular shall not apply to Explanation 1 to section 234A of the Act, in cases where the amount of tax on the total income as reduced by the amount as specified in clauses (i) to (vi) of sub-section (1) of that section exceeds one lakh rupees.

Clarification 2: For the purpose of Clarification 1, in case of an individual resident in India referred to in sub-section (2) of section 207 of the Act, the tax paid by him under section 140A of the Act within the due date (without extension under Circular No. 9/2021 dated 20-5-2021 and this Circular) provided in the Act, shall be deemed to be the advance tax.

2. Extension of timelines for electronic filing of various forms under the Act:

The CBDT vide Circular No.16 dated 29th August, 2021 has in exercise of its powers under section 119 has extended timelines for electronic filing of forms under the Act:

- (a) The application for registration or intimation or approval under section 10(23C), 12A, 35(1)(ii)/(ia)/(iii) or 80G of the Act in Form No. 10A required to be filed on or before 30th June, 2021, as extended to 31st August, 2021 vide Circular No.12 of 2021 dated 25-6-2021, may be filed on or before 31st March, 2022;
- (b) The application for registration or approval under section 10(23C), 12A, or 80G of the Act in Form No.10AB, for which the last date for filing falls on or before 28th February, 2022 may be filed on or before 31st March, 2022;
- (c) The Equalization Levy Statement in Form No.1 for the Financial Year 2020-21, which was required to be filed on or before 30th June, 2021, as extended to 31st August, 2021 vide Circular No. 15 of 2021 dated 3-8-2021, may be filed on or before 31st December, 2021;
- (d) The Quarterly statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30th June, 2021, required to be furnished on or before 15th July, 2021 under Rule 37BB of the Rules, as extended to 31st August, 2021 vide Circular No.15 of 2021 dated 3-8-2021, may be furnished on or before 30th November, 2021;
- (e) The Quarterly statement in Form No. 15CC to be furnished by authorized dealer in respect of remittances made for the quarter ending on 30th September, 2021, required to be furnished on or before 15th October, 2021 under Rule 37BB of the Rules, may be furnished on or before 31st December, 2021;
- (f) Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th June, 2021, which was originally required to be uploaded on or before 15th July, 2021, and subsequently by 31st August, 2021, as per Circular No. 12 of 2021 dated 25-6-2021, may be uploaded on or before 30th November, 2021;
- (g) Uploading of the declarations received from recipients in Form No. 15G/15H during the quarter ending 30th September, 2021, which is required to be uploaded on or before 15th October, 2021, may be uploaded on or before 31st December, 2021;
- (h) Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in Form II SWF for the quarter ending on 30th June, 2021, required to be made on or before 31st July, 2021 as per Circular No. 15 of 2020 dated 22-7-2020, as extended to 30th September, 2021 vide Circular No. 15 of 2021 dated 3-8-2021, may be made on or before 30th November, 2021;
- (i) Intimation to be made by Sovereign Wealth Fund in respect of investments made by it in India in Form II SWF for the quarter ending on 30th September, 2021, required to be made on or before 31st October, 2021 as per Circular No. 15 of 2020 dated 22-7-2020, may be made on or before 31st December, 2021;
- (j) Intimation to be made by a Pension Fund in respect of each investment made by it in India in Form No. 10BBB for the quarter ending on 30th June, 2021, required to be made on or before 31st July, 2021 under Rule 2DB of the Rules, as extended to 30th September, 2021 vide Circular No. 15 of 2021 dated 3-8-2021, may be made on or before 30th November, 2021.
- (k) Intimation to be made by a Pension Fund in respect of each investment made by it in India in Form No. 10BBB for the quarter ending on 30th September, 2021, required to be made on or before 31st October, 2021 under Rule 2DB of the Rules, may be made on or before 31st December, 2021;
- (l) Intimation by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India, for the purposes of sub-section (1) of section 286 of the Act, in Form No. 3CEAC, required to be made on or before 30th November, 2021 under Rule 10DB of the Rules, may be made on or before 31st December, 2021;
- (m) Report by a parent entity or an alternate reporting entity or any other constituent entity, resident in India, for the purposes of sub-section (2) or sub-section (4) of section 286 of the Act, in Form No. 3CEAD, required to be furnished on or before 30th November, 2021 under Rule 10DB of the Rules, may be furnished on or before 31st December, 2021;
- (n) Intimation on behalf of an international group for the purposes of the proviso to sub-section (4) of section 286 of the Act in Form No. 3CEAE, required to be made on or before 30th November, 2021 under Rule 10DB of the Rules, may be made on or before 31st December, 2021.

3. CBDT amends Income-tax Rules, 1962 to ease authentication of electronic records submitted in faceless assessment proceedings:

CBDT has inserted rule 14C which prescribes the manner of authentication of electronic record under electronic verification code under section 144B (7)(i)(b) which reads as under: Where an assessee or any other person submits an electronic record by logging into his registered account in designated portal of the Income-tax Department, it shall be deemed that the electronic record has been authenticated under electronic verification code.

4. Procedure for handling of assessment by Jurisdictional Assessing Officers in respect of assessments / penalties transferred out of faceless assessment under section 144B(8) of the Income tax Act,1961 / Faceless penalty scheme 2021:

The CBDT vide Circular No/ F.No.225/97/2021 dated 6th September, 2021 has accorded approval for transfer of assessments/ penalties to Jurisdictional Assessing Officers, as found necessary, on case to case basis in terms of section 144(8) of the Income-tax Act, 1961 / clause 5(2) of Faceless Penalty Scheme, 2021. The Jurisdictional Assessing Officer (JAO) shall complete the assessments/penalties in such cases as per the following broad contours to the extent technically feasible:—

- (i). All processes in cases transferred under section 144B(8) of the Act/clause 5(2) of Faceless Penalty Scheme, 2021 may be conducted electronically to the extent technically feasible, except in those cases where the assessee does not have e-filing account/registered e-mail to communicate electronically with JAO. For cases without digital foot print, the JAO shall endeavor to get the e-filing account of the assessee registered and then conduct the proceedings in an electronic manner.
- (ii). The request for personal hearings shall generally be allowed to the assessee with the approval of Range Head, mainly after the assessee has filed written submission to the show cause notice. Personal hearing may be allowed to the assessee preferably through Video Conference. If Video Conference is not technically feasible, personal hearings may be conducted in a designated area in Income-tax Offices. The hearing proceedings may be recorded.
- (iii). Use of Faceless processes such as VU for online verification, TU for Technical inputs etc. may also be considered for non-faceless regime to the extent technically feasible.
- (iv) In order to have consistency with the unit concept in faceless regime, the Range Head may compulsorily be involved in the finalization of assessment of such cases transferred to JAO, for which the provisions of Section 144A of the Act may suitably be invoked. In penalties, the approval of Range Head is already embedded in Section 274(2) of the Act, over a specific monetary ceiling of 'penalty imposable'. Same may be adhered to.

It is also clarified that in respect of such cases transferred, the JAO shall take into account the proceedings conducted so far under the faceless regime and proceed further as per the provisions of the Act and broad contours of modalities as indicated above.

5. Declaration to be submitted by senior citizens to specified bank:

The CBDT vide Notification G.S.R. 612(E) dated 2nd September, 2021 has inserted rule 26D to Income-tax Rules, 1962 which reads as under: 26D. Furnishing of declaration and evidence of claims by specified senior citizen under section 194P.—(1) The declaration required to be furnished by the specified senior citizen to the specified bank under sub-clause (iii) of clause (b) of explanation to section 194P shall be in Form no. 12BBA to be furnished in paper form duly verified; (2) On furnishing of the declaration in Form No. 12BBA, the specified bank shall, after giving effect to the deduction allowable under Chapter VI-A and rebate allowable under section 87A, compute the total income of such specified senior citizen for the relevant assessment year and deduct income-tax on such total income on the basis of the rates in force; (3) The effect to the deduction allowable under Chapter VI-A shall be given based on the evidence furnished by the specified senior citizen during the previous year; (4) The declaration referred to in sub-rule (1) and evidence for claiming deduction under Chapter VI-A referred to in sub-rule (3) shall be properly maintained by the Specified Bank and shall be made available to the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax, as and when required; (5) The Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems), as the case may be, shall specify procedure for furnishing of particulars of Form No. 12BBA referred to in sub-rule (1) and evidence referred to in sub-rule (3) by the specified banks to the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax, as and when required."Specified bank" responsible for deduction of tax under section 194P shall furnish evidence produced by the specified senior citizen for claiming deduction under chapter VI-A to the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems) or to any other person authorised by the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems), as and when required.". verification code under section 144B (7)(i)(b) which reads as under: Where an assessee or any other person submits an electronic record by logging into his registered account in designated portal of the Income-tax Department, it shall be deemed that the electronic record has been authenticated under electronic verification code.

Risks in QR Codes

A QR (Quick Response) code is nothing more than a two-dimensional barcode. This type of code was designed to be read by robots that keep track of produced items in a factory. As a QR code takes up a lot less space than a legacy barcode, its usage soon spread.

Modern smartphones can easily read QR codes, using its camera and a small piece of software is all it takes. Some apps, like banking apps, have QR code-reading software incorporated to make it easier for users to make online payments. In other cases, QR codes are used as part of the login procedure for online banking.

QR codes are easy to generate and hard to tell apart from one another. To most human eyes, they all look the same. More or less like this:



Online Transactions have become a necessity during Covid-19 pandemic times. However, one must be extremely cautious while carrying out the transactions online. Technology has not only made our life easier but also for the cyber fraudsters. QR codes have become an increasingly popular modus operandi for them to cheat people. With more and more people moving to online transactions, fraud related to the same too is on the rise.

How does this scam work?

Basically, it does the same as in the regular online banking when you would enter your login credentials on a banking phish site. The scammers used social engineering to con victims to scan the QR code on their own phone. By doing so, the victims provided the scammers with the login credentials of their banking environment. With those in hand, it's easy for the threat actors to make some payments on your behalf- into accounts under their control, obviously. It is likely that they used money mules to convert those payments into cash they could then spend freely without raising suspicion.

Another modus operandi to QR code fraud is when someone is putting an item on an online sale website. That's when the fraudsters pose as sellers and share the QR code to pay an advance or token amount. They then create a QR code and share it with the intended victim through WhatsApp or email. They will ask the victim to scan the QR code sent by them so that they will receive the money directly into their bank accounts. Believing them, the victims scan QR codes sent by the fraudsters presuming that they will receive the money in their account, but they end up losing money.

Other QR scams

Besides the fake banking environment scam, there have been reports of QR codes that were rigged to download malware onto the victim's device. Also, criminals have been known to replace public and unguarded QR codes with their own so that payments would flow into their pockets.

For example, in China where bike-sharing is immensely popular and you pay in advance to unlock the bike, it can be profitable for criminals to replace the QR codes on a large number of bikes with some of their own. This could bring in a lot of (small) payments into the threat actor's account, and many potential bike renters would shrug it off when the bike fails to unlock and move on to the next one to try their luck.

Day in and day out there are cases from businesses experiencing some or other form of a cyber-attack. The vast majority of these attacks are mainly themed around exploiting the ignorance of the users, though new technologies warrant ease of access we should be able to understand the risks surrounding it and use it with adequate safety measures.

Reasons to Believe – GST

- The term 'Reasons to believe' is not defined under the GST law. It may be understood by the interpretation of legal meaning pronounced by various court under different tax laws. As per Section 26 of the IPC, 1860, "A person is said to have 'reason to believe' a thing if he has sufficient cause to believe that thing but not otherwise.
- Reason to believe consist of two words i.e., 'reasons' mean cause or justification and the word 'believe' means to accept as true or to have faith in it. Therefore, there must be justification for it and belief is the result of the mental exercise based on information received.
- The Courts in the case of Sheth Brothers v JCIT reported in 251 ITR 270 (Guj), wherein settled legal position has been summarized what the "reasons to believe" includes as under:
 - There must be material for the belief.
 - The circumstances must exist and cannot be deemed to exist for arriving at an opinion.
 - The Reason to believe must be honest and not based on the suspicion, gossip, rumor, or conjecture.
 - The Reasons referred to must disclose the process of reasoning by which he holds the "reasons to believe" and change of opinion does not confer the jurisdiction to reassess.
 - There must be nexus between the material and the belief and
 - The reasons referred to must show application of mind by the officer.
 - There are specific provisions under the GST law which prerequisite 'Reasons to believe' to make it operative and functional. If the proper officer has reason to believe that a composition dealer has wrongly availed the benefit under the composition scheme, then after taking recourse to show cause notice and adjudication, he can direct such person to pay all the taxes which he would have paid under the normal scheme along with interest and penalty as applicable.
 - Where the proper officer has reasons to believe that the registration of a person is liable to be cancelled, he shall issue a notice to such person in FORM GST REG-17, requiring him to show cause, within a period of 7 working days from the date of the service of such notice, as to why his registration shall not be cancelled.
 - The Proper officer can restrict the utilization of credit which is already availed if there are Reasons to believe that such input tax credit has been fraudulently availed or is ineligible. The circumstances under which the restrictions can be imposed are:
 - o If the Input tax credit has been availed based on valid documents issued by non-existent supplier or by person not conducting any business from the registered place of business or if credit is availed without receipt of goods/services or the tax in relation to credit availed by recipient is not paid to the Government
 - o The Registered person availing the Input tax credit has been found non-existent or not conducting any business from the registered place of business and is not in possession of valid documents.
 - If the supplier has availed the credit fraudulently then proper officer cannot have the reason to believe that the recipient of the goods or services has also indulged in the fraudulent activity. The reasons to believe shall not be arbitrary but should be exercised in judicial manner to avoid litigations and hardship to taxpayers.
 - If there is difference in GSTR 1 and GSTR 3B or GSTR-2A and GSTR-3B, then it cannot be the reason to believe for blocking the electronic credit ledger. Though the formation of opinion may be subjective, but it must be based on material on record. It cannot be arbitrary, unreliable, or whimsical.
 - Rule 86A provides that Reasons for blocking of credit should be recorded in writing by the commissioner or officer authorized but it does not mandate such officer to intimate such reasons to the taxpayer whose credit ledger has been blocked. Several registered persons have noticed that their electronic credit ledgers are blocked without any intimation. This issue was challenged in Gujarat High Court in case of M/s Mili Enterprises v. Union of India 2021 -VIL-476-GUJ on the contention that notice was not served and the reason for blocking the credit is not stated. The officer should have valid reason to believe to invoke Rule 86 A for blocking the input tax credit.
 - If the Proper officer has Reasons to believe that a place of business or any other place is to be visited for the purposes of inspection or search or seizure, then he shall issue an authorisation in FORM GST INS-01...The words "where the proper officer has reasons to believe" in section 67 of the Act suggest that the belief must be that of an honest and reasonable person based upon the relevant reasonable grounds and the officer may act on direct or circumstantial evidence but not on mere suspicion, gossip, or rumour. It has been held by the Supreme Court in Sheonath Singh's (Income Tax) case, that the Court can examine the materials to find out whether an honest and reasonable person can base his reasonable belief upon such materials although the sufficiency of the reasons for the belief cannot be investigated by the Court.
 - To ensure that these provisions are used properly, effectively and the rights of taxpayers are also protected, it is stipulated that inspection, search or seizure can only be carried out when an officer, of the rank of Joint Commissioner or above, has reason to believe the existence of such exceptional circumstances. The Inspection can be carried out only if he has reasons to believe that the person concerned has done one of the following actions:

- o Suppression of any transaction relating to supply of goods or services or stock in hand.
 - o Claimed excess input tax credit.
 - o Contravention of any provisions of the Act or the Rules to evade tax.
 - o Transporting or keeping goods which escaped payment of tax or manipulating accounts or stocks which may cause evasion of tax.
 - o Goods liable to confiscation or any documents/books/record/things, which may be useful for or relevant to any proceedings, are secreted in any place then all such places can be searched.....
- The search and seizure provisions cannot be invoked unless there are strong reasons for taking such drastic action. The belief of the concerned authority should be based on some actionable material that he has had an opportunity to peruse. The High Court in case of RJ Trading Company Vs Commissioner of CGST 2021-TIOL-1552-HC-DEL-GST state that the officers concerned should bear in mind that the search and seizure power conferred upon them is an intrusive power which needs to be wielded with utmost care and caution. The legislature has consciously stipulated this power by inserting the controlling provision, i.e., "reasons to believe".
 - The "Reason to believe" is a higher level of state of mind. It controls the exercise of powers under the said provisions. It is purely subjective satisfaction of the proper officer who initiates proceedings against the taxpayers. In many instances, the proper officers are issuing notices without citing the reasons, so moreover the reasons to believe shall be recorded for issuing notice and for establishing the opinion of the proper officer, though it may not be expressly provided under the GST law.
 - The reasons to believe should be recorded and in many instances the proper officer must record reason to believe though it is not necessary to communicate to the taxpayers. The principles shall be applicable for all the provisions where the legislatures have been granted 'reasons to believe' powers to the officers.
 - Basically, the officer must have tangible reason and cannot initiate the proceedings without any tangible and valid reasons. Therefore, the Author believe that in many instances the notices are issued without any tangible reasons, and it can be argued or challenged if the belief is not based on material evidence/documents.

Phantom Stock Options

Contributed by: CA. Neeraj Agarwal, Bangalore

Introduction

Fairly new concepts in the Indian stock options universe are Phantom Stock Options or Shadow Stock Options (PSO).

PSO is a contractual agreement between the organization and the recipient that bestows the recipient with the right to receive payout on the basis of stock prices of the organization at a future date or on fulfilment of certain conditions. The said option helps the organization to reward its people or third party vendors and maintain the control of the existing shareholders at the same time.

Meaning

The literal meaning of the word "Phantom" can be derived as "a ghost or a figment of imagination". Thus in terms of PSO it can be construed that while stock options are being given to the recipient these options won't result in the allotment of stocks, rather some other rewards shall be given.

Legal Status

Since it is a legal contract between the organisation and the recipient, the discharging of the contract upon fulfilment of criteria of the contract is the obligation of the contracting parties.

Parties to PSO

The first party to the PSO is always the organisation issuing the Options while the recipient or the Second Party are generally employees but can be directors, third party vendors or others.

Objectives

The very purpose of the option being the desire to reward without dilution of equity and linking the rewarding system with the changes in the stock value of the organization.

Purpose

In case the recipient are employees, then the primary purpose is to retain the employees, give them a sense of ownership of the organization while not saddling them with the equity of company which may not be of much use to them. Most of the time, the issuing organisation are unlisted companies/ pvt ltd companies, securities of which are not easily tradable in the market, hence they don't have any liquid benefits to the employees until and unless the company goes for buy back or liquidation. PSO on the other hand provides the employees generally with liquid cash which is beneficial to them, especially, to middle level and lower level employees.

Basis of Payout:

Phantom stock options are divided into two types on the basis of payout. One being the appreciation plan and the other being the full value plan. In appreciation plan, the amount of cash payout is equivalent to the appreciation in the stock from the date of grant of option to the date of vesting of right to receive payout. In full value plan, the amount is equivalent to the value of the stock on the date of vesting.

How the options are exercised:

PSO links the value of payout with the stock value. Thus, the recipient is supposed to receive the appreciated value of stock or the full value of stock after the completion of certain fulfilment criteria or some specific period. A simple example is given below :

On 1st April 2019, Mr Prakash a Senior Employee in BCD Pvt. Ltd. has been granted 10,000 PSO (Appreciation Plan) if he continues his employment in the organisation till 31st March, 2021. The value of these stock as on date is Rs 1,000 per share as per the valuation derived by a Registered Valuer. Mr Prakash fulfils the criteria. As on 31st March 2021, the value of the company is derived at Rs 1,500 per share. Thus as on 31st March 2021, Mr Prakash is supposed to receive Rs $(1,500-1,000)*10000=Rs\ 50\ Lakhs$.

Types of Organisation which can issue PSO

Generally companies issue such options but the organizations which are taxed as partnership firms can also provide a plan similar to that of phantom plan where the amount of payout is tied to the partnership equity value.

Difference between traditional Employees Stock Option Plan (ESOP) and PSO

While both ESOP and PSO are incentive schemes, there are certain differences between the two:

Serial No	ESOP	PSO
1	As the name suggests it covers only Employees	Generally it is given to employees but can be given to third parties and director also
2	Employees are generally issued Equity after exercising the options	Cash Payout is generally the preferred payout
3	Specific rules exist under Cos Act, SEBI guidelines and other statutes	No specific guidelines under Cos Act or other statutes.
4	Taxability in the hands of Employees at the time of Exercise and at the time of sale of shares	Taxable at the time of fulfilment of criteria and subsequent payout in the hand of Employee
5	Mandatory vesting period of 1 year	Nothing mandatory
6	Employees have the right to not exercise the options	Even though theoretically, PSO payout can be refused also but most of the time recipient shall not refuse the payout

Taxability

While there is no taxability in the hands of the entity issuing the PSO, the employees receiving the same are taxed under the head of "Salary" as perquisites at the time of exercising the option i.e., at the time of actual payout and not at the time of granting. Standard rules of tax deduction (TDS) are to be applied while the payout is being done. The entity issuing the PSO can claim this as expenses in their books just like normal salary (perquisites) expenses.

Accounting Treatment

Ind AS 102 "Share based Payments" deals with accounting for such types of options. In such types of cash settled options, the liability of the entity has to be recognised at the grant date itself with valuation to be done for the same at the end of each reporting period. The calculation of the said liability will be done by the following formula:

Fair Value of the Equity Instrument * No of Instrument Options issued to each employee * Cumulative Proportionate Period of vesting expired * No. of employees to whom option granted.

Example: M/s Ekta Ltd. grants 1,000 PSO each to 10 employees with a vesting period of 1 year as on 1st April 2021. Fair value of equity as on date of grant is Rs 500 per share. What will be the liability to be recognised in the books of the company? Now as on 31st March 2021 the fair value is recalculated as Rs 600 per share, then what shall be the accounting treatment?

Answer: As on date of grant, liability to be recognised:

Fair Value of the Equity Instrument * No of Instrument Options issued to each employee * Cumulative Proportionate Period of vesting expired * No. of employees to whom option granted.

Or

$500*1000*1*10=Rs\ 50\ lacs$

As on date of exercise, liability to be recognised

Total liability to be paid = $600*1000*10=Rs\ 60\ lacs$

Accounting treatment
As on Grant Date,
Reserve & Surplus 50 lacs
To Prov for PSO 50 lacs
(Being liability created for PSO payment out of reserve)
As on exercise date,
By Reserve & Surplus 10 lacs
To Prov for PSO 10 lacs
(Differential between fair value of grant date and exercise date)
As on Payment date,
Salary A/c (P/L) 60 lacs
To Bank 54 lacs
To TDS 6 lacs
(Assuming TDS @10 percent straight)

Concluding Thoughts

Concepts like PSO are here to stay. Non presence of inherent requirements or restrictions by different statues makes it even more favourable as the organization can design the plan as it desires. So, in an era where monetary as well non monetary compensations are important and high employee turnover is present, phantom stock option serves as a viable option.

Declaration

I, Neeraj Agarwal, Bangalore hereby declare that the article, "Phantom Stock Options " has been written by me on the basis of legal facts and contents have not been copied from anywhere except legal provisions under various enactments. I further declare that this is my 'original work'. Any resemblance to any other work/article/book/blog is purely coincidental. Although, I have made every effort to ensure that the information in this article was correct at press time, I do not assume and hereby disclaim any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident, or any other cause.

Tamil Nadu VAT
Contributed by: CA. V.V. Sampath Kumar, Chennai

MADRAS HIGH COURT Judgments in VAT CST GST

Limitation:

The provisions of Section 27 of the Act provide for a period of 6 years from the date of original assessment for revision of assessment. Thus, limitation would expire on 30.06.2018 for the periods 2009-10 and 2010-11 and, on 31.10.2018 for the period 2011-12. However, and admittedly, notices have been issued only on 26.11.2018 for all three years beyond the period of limitation stipulated. The impugned orders are held to be barred by limitation and are set aside and the Writ Petitions are allowed. Tvl. Finolex Cables Limited Vs 1.DC (ST)-III, Chennai-8. 2. The Commissioner of State Tax, Chennai 5. W.P. Nos.71, 75 & 78 of 2021 DATED: 03.08.2021

Lifting of Bank account attachment:

Section 107 of the SGST Act provides that upon filing of a valid appeal along with the statutory pre-deposit, there shall be an automatic stay of all further recovery proceedings. Thus, according to the petitioner, the attachment of bank account should be lifted forthwith. In fact, the petitioner has sought the very same relief under representation dated 16.07.2021 that has been filed on the same date before the AO. Since the same request is pending before the AO, it would be appropriate that the petitioner pursue the request before the authority and there is a direction to the AO to hear the petitioner and dispose the representation dated 16.07.2021 within a period of 4 weeks from today. M/s. N.Sakthivel and Company Vs AC (ST) (FAC) Brough Road Circle, Erode. W.P. No.16043 of 2021 DATED: 03.08.2021.

Purchase Omissions:

Notice dated 14.12.2020 issued for 2012-13 and 2013-14 is challenged. For the similar such notice for 2014-15, the respondent was directed to furnish all material available with him based upon which he had come to a conclusion in that assessment that there had been import purchase omissions. Thereafter, the petitioner was to be granted opportunity and an order of assessment was to be passed denovo. No order of assessment appears to have been passed till date, for the said year 2014-15 despite the order of this Court dated 14.09.2017. In view of this, the court ruled that the petitioner should appear before the authorities in compliance with notice dated 14.12.2020 impugned now and after hearing the petitioner in full, the proceedings should be completed within a period of 8 weeks from today. M/s.Chamundi Steel Casting (I) Ltd Vs AC (ST),Hosur (South) W.P. No.1843 of 2021 DATED: 16.08.2021.

ITC reversal for inherent process loss:

The issue relating to reversal of Input Tax Credit (ITC) on invisible loss, in terms of Section 19(9)(iii) of the TNVAT Act, 2006 occasioned during the process of manufacture of Ghee, is covered by earlier decisions of this Court in the case of Rupa and Co. Ltd. Vs. CESTAT, Chennai (324 ELT 295) applied in the context of Commercial Taxes in A.R.S. Steels and Alloy International Pvt. Ltd. Vs. The STO, Chennai (W.P.Nos.2885 of 2020 and batch) dated 24.06.2021 and Saradhambika Paper and Board Mills Pvt. Ltd. Vs. The STO, Gobichettypalayam and Another (W.P.Nos.590 of 2021 and batch) dated 30.06.2021. No ITC reversal for such inherent process losses. The impugned order has been passed in the context of TNVAT and would be applicable to the facts and legal position in this case as well. M/s.R.K.Ganapathy Chettiar Vs AC (ST), Kangeyam Assessment Circle, Kangeyam. W.P. Nos.14166 of 2021 DATED: 11.08.2021

Rejection of Input Tax Credit claim:

The impugned order dated 22.06.2021 rejects the claim for ITC simply stating that the tax payer has claimed ITC using fake invoices. Hence, the corresponding ITC is disallowed. The claim of ITC is one that would have to be decided based on documents that are supplied by an assessee as well as material collated/available with the AO and not by way of a cursory order, as has been done in the present case. The representation of the petitioner dated 18.02.2021 encloses several documents that must be taken into account in coming to a decision as to whether the petitioner is entitled to succeed or not, and this has to be done by way of a reasoned, speaking order. The impugned order hardly meets the standards to be followed in the framing of a assessment and is hence set aside by the Court with directions M/s.Sree Rajendra Steels, Vs The AC (CT) Moore Market W.P. No.16170 of 2021 DATED: 04.08.2021.

Natural Justice:

The conclusion in the assessment order, in fact, mentions the statement recorded by the third-party dealer and in the light of the fact that this statement forms the basis of assessment, the petitioner ought to have been granted opportunity to peruse the statement and put forth its objections to the same. This has not been done which, constitutes principles of violation of natural justice. The impugned order is thus set aside. MP Steels Vs. AC (ST), Singanallur North Circle, W.P. No.11450 of 2021 DATED: 05.08.2021.

Reversals of ITC :

Reversal of ITC in terms of Section 19(2)(v) is covered by a decision in the case of Everest Industries V. State of Tamil Nadu (100 VST 158). This decision is subject to Writ Appeal in W.A.No.1260 of 2017, wherein the operation of the said decision is stayed. Thus, it would be appropriate that this matter be remanded to the file of the AO, who will await the decision of the Division Bench and pass orders. As far as reversal of ITC in terms of Section 19(5)(c) is concerned, a view in favour of the assessee has been taken in the case of Bharath Traders V. Commissioner, Commercial Tax Officer and another (W.P.(MD)No.15103 of 2014 and batch dated 30.08.2019). The court inclined to reiterate the view taken in the aforesaid matter in favour of the petitioner. Accordingly, the reversal of ITC in terms of Section 19(5)(c) of the Act is set aside and the Writ Petition is partly allowed. M/s.Bharath Reddy Mix Concrete Vs.The AC (ST) (FAC), Cuddalore Taluk Assessment Circle, W.P. No.1066 of 2021 DATED: 05.08.2021.

Bank account attachment:

In a batch of matters, W.P.Nos.9996 of 2012 and batch, dated 03.10.2019, held that the amendment to Section 3(4) of TNVAT Act, inserted vide Amendment Act 2011, should be taken to be retrospective. This decision has not been challenged till date. Hence, It is reiterated that the view taken by this court in the above matter, quash the impugned order and allowed this Writ Petition. There is also hence, a direction to R3 to lift the attachment of the bank account of the petitioner in Karur Vysya Bank, Cuddalore, forthwith. M/s.Agathiyan Traders Vs. ADC (CT) and others W.P. No.7080 of 2020 DATED: 05.08.2021.

Personal hearing :

The AO has proceeded to levy penalty, though there is no proposal for the levy of penalty in the pre-assessment proposals. No personal hearing offered to the petitioner prior to finalising the impugned assessment. A personal hearing should be afforded after receipt of objections and an order of assessment passed thereafter. Since the proper procedure has, admittedly, not been followed in the present matter, the impugned order of assessment is set aside. M/s.Swamy Engineering Company, Vs. AC (ST) (FAC), Mettur Assessment Circle, W.P. No.16469 of 2021 DATED: 06.08.2021.

Period of Limitation:

Though the period for filing of statutory appeal is only 3 months from the date on which the order is received, in this case December, 2020, the Supreme Court in Re: Cognizance for Extension of Limitation dated 23.03.2020 etc., and 27.04.2021 has extended the limitation, which is current. The request for withdrawal of this WP is accepted and dismissed as withdrawn with liberty is granted to the petitioner to file appeals within a period of 2 weeks from today along with pre-deposit of 10%. City Mobiles Vs STO, Dharmapuri. W.P.No.17261 of 2021 DATED: 18.08.2021.

Write petition :

All the issues that are raised in the impugned notices are covered in favour of the petitioner by orders of this Court as well as the Honourable Supreme Court. The Assessing Authority has extended an opportunity of personal hearing to the petitioner, without any date fixed for the personal hearing and further stated that a hearing notice be issued by the AO specifying the date and time for the appearance of the petitioner, the petitioner heard, its submissions including written submissions considered and speaking orders of assessment passed thereafter. India Pistons Ltd. Vs AC, Sembium W.P.No.17201 of 2021 DATED: 17.08.2021