



PRICE ₹5

SIRC Newsletter

March 2021 | Volume 46 • Part 9

Southern India Regional Council ▶ THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ▶ SET UP BY AN ACT OF PARLIAMENT

At the Helm of ICAI for the Year 2021-22



CA. NIHAR NIRANJAN JAMBUSARIA
President, ICAI



Dr. CA. DEBASHIS MITRA
Vice-President, ICAI

New Torch Bearers of SIRC of ICAI for the Year 2021-22



CA. JALAPATHI K
Chairman

SICASA



CA. CHINA MASTHAN TALAKAYALA
Vice-Chairman



CA. PANNA RAJ S
Secretary



CA. REVATHI S RAGHUNATHAN
Treasurer



CA. NARESH CHANDRA GELLI
Chairman

Group Photograph of the Regional Council Members and Central Council Members



Group photograph of Chairman & other Office-Bearers of SIRC of ICAI with Central Council Members of ICAI from Southern Region and Regional Council Members of SIRC of ICAI taken on 24th February 2021



Newly Elected Office Bearers of SIRC of ICAI 2021-22 are taking oath



Paying tributes to the First President of ICAI – CA. G. P. Kapadia



SIRC Members with ICAI's Best Regional Council Award for the year 2020



Best Regional Council Award trophy



Honoring Past President CA. G. Sitharaman by Chairman SIRC CA. Jalapathi K and Dr. T. Paramasivan, Joint Director (Tech.) as part of 'We Care' initiative



Best Regional Council Award Certificate



Chairman's Communique...



Beloved and Esteemed Colleagues -

Thanks Giving

One of the cherished moments in my life is when I have been bestowed upon with the opportunity as well as responsibility to serve our elite professional fraternity by electing me to the coveted position as Chairman of SIRC of ICAI for the year 2021-2022. With humility, a sense of commitment and passion I will ensure to follow the footsteps of my predecessors in SIRC to uphold the legacy and dignity of our profession with your support, encouragement and constructive contribution by way of suggestions to our team.

At the 234 Meeting of SIRC held on 24th February 2021 at Chennai the other office-bearers CA. China Masthan Talakayala - Vice Chairman, CA. S. Panna Raj - Secretary and CA. Revathi Raghunathan - Treasurer were elected to the respective positions with whom and with the other members of the Regional Council I will devote my full time and energy with the exclusive objective of serving our members and students in its entirety.

New President and Vice-President of ICAI and Committees of ICAI (2021-2022)

On 12th February 2021 CA. Nihar N. Jambusaria on assuming office as President of ICAI and CA. (Dr.) Debashis Mitra on assuming office as Vice President of ICAI for the year 2021-2022 who will be the guiding force for all of our professional fraternity to strengthen our profession to much greater level. Through this column and on behalf of each and every member of SIRC, we from SIRC offer our congratulations and unstinted support to both of them. I also join with you to congratulate the Central Council Members who have been nominated to the various committees of ICAI, the details of which are published elsewhere in this Newsletter (in the soft copy) with whom SIRC would closely interact and involve in conducting contemporary and newer programmes in this year.

Election of Office-bearers of Branches of SIRC of ICAI

February is the month when there will be change of guard at the helm of affairs at all the Branches. All the 45 Branches have elected their office-bearers for the year 2021-2022. I congratulate the newly-elected office-bearers of the Branches and wish them a purposeful and progressive year of activities in their respective Branches. SIRC will regularly interact with the Branches and the first meeting of Branch Chairmen for this year is being held on 05th March 2021 through virtual mode to orient them to provide best services to the members and students. I request the members to participate regularly in the programmes of Branches, offer your fullest support for all their activities and interact with the functionaries with your valued suggestions.

Awards presented by ICAI to SIRC, SICASA and Branches of SIRC and SICASA and Awards to Branches by SIRC of ICAI

It is with immense happiness that I share with you that SIRC has been adjudged as the Best Region along with Western Region by ICAI for its exemplary performance during the year 2020-2021 and the Southern India Chartered Accountants Students' Association was awarded Second Best Student Association Award for its commendable activities during the year 2020-2021. I deem it my bounden duty to record the yeomen services rendered with the ceaseless efforts by my predecessor CA. Dungar Chand U. Jain under whose leadership SIRC organized multifarious programmes throughout the Region, albeit, through virtual mode due to the circumstances beyond us and the Immediate Past Chairman of SICASA CA. B.E. Pampanna.

Besides, it is yet another achievement proudly to be recorded made by SIRC when 11 of its Branches were awarded Best Branches at All India Level. At SIRC level too, we have adjudged Best Performing Branches for the year 2020-2021, the complete details of which are published elsewhere in this Newsletter.

Appreciation and Commitment to Members

The entire credit for achieving the feat by SIRC and its Branches goes to our beloved members who have extended their co-operation by participating in all the programmes conducted by SIRC and the Branches even



under the unexpected and unprecedented situation due to COVID impact in the last one year. I am confident of receiving the continued support and food for thought by members for the activities of SIRC to scale newer heights.

My team and I will continue to surge ahead, with zeal and enthusiasm, with conviction and commitment, with passion coupled with precision and perfection in the direction of enlarging our horizon of activities for the betterment of the profession and in particular for the members and the students by gearing up our administrative mechanism to reach out to the 61,000 members in the nook and corner of the Southern Region.

Momentous occasion for SIRC and Branches (Milestones)

I am extremely delighted to convey and share with you that the year 2021-2022 for SIRC of ICAI is one of the prestigious and rememberable years in the annals of SIRC as it will be, on 01st of April 2021, entering into the 70th year of formation. It is also most gratifying to inform that many Branches of SIRC will be celebrating different milestones, the details of which SIRC will be sharing with you from time to time. The year therefore is the year of celebration but at the same time it is an opportunity to showcase our profession to the society. It is in this respect your contribution would be very vital for us to move towards new ideas and new initiatives.

Programmes of SIRC for the month of March 2021

As you are aware the month of March and April is hectic for the practicing Chartered Accountants as they would be engaged in Bank Audit and so also for the members in industry who would be fully occupied with their finalization of annual accounts. Let us once again exhibit our competence with our effective and efficient performance in these areas. At this juncture, I request the members to share your inputs based on the issues you may come across during the course of your performance that require attention of the Institute.

Chartered Accountants Benevolent Fund (CABF)

SIRC of ICAI requests its members and firms to contribute to Chartered Accountants Benevolent Fund (CABF) generously and anyone who contributes Rs.1 lakh and above finds a place in the CABF Contributors List installed at SIRC premises. More affordable contribution of Rs.10,000 towards life membership for CABF will go a long way in augmenting the much needed funds for this noble cause.

Action Plan of SIRC of ICAI for the year 2021-2022

SIRC has drawn up an achievable Action Plan with targets set for the year 2021-2022 encompassing the entire ambit of overall professional activities for the year with specific focus on –

- Members and Students Services
- Administration
- Brand Building
- Members Empowerment

I am highly optimistic that with the support and inputs from powerful 61,000 professional minds, SIRC would be able to deliver its best in every aspect of what has been underscored in the Action Plan.

Signing off this months' interaction through SIRC Newsletter

My first communiqué sent on 27th February 2021 to you have evoked phenomenal positive response. I thank the members for the appreciation which has given me and my team motivation and impetus to perform at the highest standards. Through this column, I would be sharing some of my thoughts and the steps taken by SIRC in varied areas of professional interest every month. I look forward to your input for taking SIRC further to greater heights of glory.

Let us all work together to make a really eventful and progressive year filled with professional activities.

In the service of members and students ever



FORTHCOMING VIRTUAL CPE MEETINGS – MARCH 2021

Regn: <http://bit.do/sirclogin>

Forthcoming VIRTUAL CPE

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

Date	Timings	Topic	Resource Person(s)	Structured CPE	Fees (Rs)
8th-Mar-2021 (Mon)	11am-2pm	“The New Norm - All” Women’s Day Celebrations Panel discussion on way forward (Physical* & Virtual)	Ms. Leena Anthonette Maria, IRS Asst Commissioner of Income Tax, Chennai Ms. Gowri Kailasam President, Steering and Linkage division, Rane Madras Limited, Chennai CA. Revathi Raghunathan, Chennai CA. Geetha B, Bengaluru CA. SriPriya Kumar, Chennai	3 hrs	Rs.100 +GST
9th Mar-2021 (Tue)	5pm-8pm	Central Statutory Audit of Banks Code of Ethics relating to Bank • Audit and Critical Issues in Advances and LFAR • Issues in Advances and Treasury • Recent RBI Circulars, IFC, LFAR	CA. Amarjit Chopra, Past President, ICAI, New Delhi CA. Dhananjay J Gokhale, Mumbai CA. Niranjn Joshi, Mumbai	3 hrs	Rs.300 +GST
12th & 13th- Mar-2021 (Fri & Sat)	5pm-8pm	Refresher Course on Bank Branch Audit • Bank Audit Planning and Documentation • IRAC Norms and Audit of Advances • Technology as an Audit tool in bank Audit • New LFAR and other Certificates	CA. V. Jawahar, Hyderabad CA. S. Ramesh, Chennai CA. Kuntal Shah, Ahmedabad CA. Mony Anandhasivan, Kozhikode	5 hrs	Rs.200 +GST
16th-Mar-2021 (Tue)	5pm-8pm	Bank Audit using Excel	CA. U Saran Kumar, Hyderabad	3 hrs	Rs.100 +GST
18th-Mar-2021 (Thu)	5pm-8pm	Issues in GST Input Tax Credit	CA. S Venkataramani, Bengaluru	3 hrs	Rs.200 +GST
20th-Mar-2021 (Sat)	6pm-8pm	Latest developments in the legal compliances of NPOs with special focus on FCRA 2020	Dr. CA. Kandasamy, Chennai	2 hrs	Rs.200 +GST
21st-Mar-2021 (Sun)	5pm-7pm	Public Meeting on Union Budget 21	CA. V.Ramnath, Coimbatore CA. Prasanna Krishnan V, Chennai	-	NIL
23rd-Mar-2021 (Tue)	6pm-8pm	Practical Issues of Accounting Standards relating to Financial Closure for 2021 (AS 2, AS 9, AS 10, AS 11, AS 15, and AS 16)	CA. K. Gururaj Acharya, Bengaluru	2 hrs	Rs.100 +GST
25th-Mar-2021 (Thu)	6pm-8pm	New Code of Ethics and Disciplinary Mechanism with Practical Case Laws	CA. Manoj Fadnis, Indore Past President, ICAI	2 hrs	Rs.100 +GST
27th-Mar-2021 (Sat)	6pm-8pm	Practical Issues of Accounting Standards relating to Financial Closure for 2021 (AS 18, AS 19, AS 20, AS 22, AS 26, AS 28 and AS 29)	CA. Chinsamy Ganesan, Chennai	2 hrs	Rs.100 +GST

* Bhamayya Hall, ICAI Bhavan, Chennai - 600 034.

CPE Credit on attending full programme only

Prior Registraton Complursory : <http://bit.do/sirclogin>

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VIRTUAL CPE & OTHER PROGRAMMES CONDUCTED BY SIRC OF ICAI

Date	Topic	Speaker(s)	View Link	Materials Link
1-Feb-2021 (Mon)	Discussion on Union Budget 2021	CA. R. Bupathy, Past President, ICAI Chennai Adv. Raghuraman, Bengaluru	https://youtu.be/jhietywXj6U	N/A
3-Feb-2021 (Wed)	Union Budget 21- Analysis of Direct tax Proposals	CA. Ved Jain, Past President, ICAI Delhi	https://youtu.be/isDaxh05_TU	N/A
4-Feb- 2021 (Thu)	Metro Conference Day1 Input Tax Credit	CA. Venkataramani S Bengaluru	https://youtu.be/CL5d4egSjXs	https://bit.ly/MetroConference
5-Feb-2021 (Fri)	Metro Conference Day2 1. Unravelling Block Chain and Crptocurrency 2. AI for professionals	Shri Santhosh Palavesh, UK CA. Srinivasan S, Chennai	https://youtu.be/RG_LCxNicFw	
6-Feb-2021 (Sat)	Metro Conference Day3 1) Private Trust and Taxation 2) Exceptional transactions in Income tax	Dr. CA. Phalguna Kumar, Tirupati	https://youtu.be/46PyciiavpU	
6-Feb-2021 (Sat)	D. Rangaswamy Memorial Lecture	Hon'ble Justice Dr. Anita Sumanth, Judge, Madras High Court	https://youtu.be/zrg16uEX1SM	N/A
13-Feb-2021 (Sat)	S. Vaidyanath Aiyer Memorial Lecture on Professional Ethics	Hon'ble Justice V. Ramasubramanian Supreme Court	https://youtu.be/9qugVwc7yZM	N/A
16-Feb-2021 (Tue)	Sec. 68 and 69 of IT Act, 1961 at appellate stage	CA. Naveen Khariwal, Bengaluru	https://youtu.be/JgVO-1x7Sk0	N/A
17-Feb-2021 (Wed)	Valuation under Income tax Act	CA. Dr. Gopal Krishna Raju, Chennai	https://youtu.be/q5aJUbn9Ato	https://bit.ly/3uvoEfc
18-Feb-2021 (Thu)	Panel discussion on Importance of Intellectual Property Rights	Smt. Aishwarya Vijayraghavan, Chennai Shri. Prathik Mehta, Chennai	https://youtu.be/x6Ee-OoFuhk	https://bit.ly/37KXg3f
20-Feb-2021 (Sat)	How to Practically Use Audit Sampling and Practical Challenges	CA. Aniruddh Sankaran Chennai	https://youtu.be/TFbZiBotTCE	https://bit.ly/SA530-Sampling
27-Feb-2021 (Sat)	Investors Awareness Programme	CA. Dr. Gopal Krishna Raju, Chennai Shri. V. Nagappan, Chennai	https://youtu.be/9oxtXlHtHg3w	N/A



LEADER'S THOUGHT



Esteemed Colleagues,

While the profession is undergoing dynamic changes, the traditional forms of opportunities are withering, sufficient new forms are not budding causing tremendous impact to

practicing professionals. It is also observed that new ways of work styles are cropping while old styled professionals facing doom.

The role of working of Chartered Accountant profession has turned the into Compliance Accounting pattern leading to time-bound and system driven digital filings causing lot of stress to the practicing professional. Adding to this, the life of a professional is shifting to fire from the pan due to increasing litigation impacting their practice.

For quite some time, many members have neglected the assurance standards, guidance notes issued by the regulator in discharge of the work being taken to task by our own Institute in addition to other regulatory and enforcement agencies. Faceless is contactless and helps those who exhibit skills in presenting the matters better and clear.

Gone are those days of happiness in working for compliance, that the life is turning into a stage where one will have to specialise in exclusive areas of practice and network with other colleagues in sharing client and work.

Unless one specialises, network, maintain effective documentation, improve communication skills, presentation skills and few other capabilities including updating in the area of work, the profession cannot flower so as we, the Chartered Accountants.

With warm regards

CA. China Masthan T

Vice Chairman- SIRC of ICAI

ICAI's Best Regional Council Awards for 2020			
S.No	Category	Regional Council Name	Prize details
1	Regional Council	SIRC	1st Prize jointly with WIRC

ICAI's Best Branch of Regional Council Awards for 2020			
S.No	Category of the Branch	Branch Name	Prize details
1	Micro	SIVAKASI	1st Prize
2	Small	SALEM	1st Prize
3	Small	BELAGAVI	2nd Prize
4	Small	TIRUPUR	3rd Prize
5	Large	ERNAKULAM	1st Prize jointly with Vijayawada Br.
6	Large	VIJAYAWADA	1st Prize jointly with Ernakulam Br.
7	Mega	BENGALURU	1st Prize jointly with Indore Br.
8	Mega	HYDERABAD	3rd Prize jointly with Ahmedabad Br.

ICAI's Best Students' Association Awards for 2020			
S.No	Category	Branch Name	Prize details
1	Students' Association	SICASA	2nd Prize

ICAI's Best Branch of Student Association Awards for 2020			
S.No	Category of the Branch	Branch Name	Prize details
1	Micro	Sivakasi	1st Prize
2	Small	Salem	1st Prize
3	Large	Ernakulam	2nd Prize

SIRC's BEST BRANCH AWARDS for 2020					
S. No	Category of the Branch	No of Branches	Membership Strength	Best Branch	Second Best Branch
1	Micro	5 Branches	Members upto 200	Warangal	Kalaburgi (Gulbarga)
2	Small	26 Branches	Members between 201 - 500	Udupi	Palakkad
3	Medium	7 Branches	Members between 501 - 1000	Kozhikode	Thrissur
4	Large And Mega	5 Branches and 2 Branches	Members between 1001 – 2500 And Members above 2501	Coimbatore	Visakhapatnam
		45 Branches			

SIRC's BEST BRANCH OF SICASA AWARDS for 2020					
S. No	Category of the Branch	No of Branches	Membership Strength	Best Branch	Second Best Branch
1	Micro	5 Branches	Members upto 200	Tirunelveli	-
2	Small	26 Branches	Members between 201 - 500	Udupi	Belagavi
3	Medium	7 Branches	Members between 501 - 1000	Thrissur	Thiruvananthapuram
4	Large And Mega	5 Branches and 2 Branches	Members between 1001 – 2500 And Members above 2501	Vijayawada	Bengaluru
		45 Branches			



ICITSS Courses by SIRC of ICAI (Virtual Mode).

Commencing from 15.03.2021 to 31.03.2021

Information Technology Training (ICITSS- IT)

BATCH NO	TIMINGS
CHN-ICITSS-IT-03-21-129	07.30 A.M TO 01.30 P.M
CHN-ICITSS-IT-03-21-130	01.45 P.M TO 07.45 P.M

Orientation Course (ICITSS-OC)

BATCH NO	TIMINGS
ICITSS-OC-144	07.00 A.M TO 01.30 P.M
ICITSS-OC-145	01.45 P.M TO 08.15 P.M
ICITSS-OC-144-A	07.00 A.M TO 01.30 P.M
ICITSS-OC-145-A	01.45 P.M TO 08.15 P.M

Advanced (ICITSS) MCS Course

BATCH NO	TIMINGS
ADVANCED-ICITSS-MCS 145	07.00 A.M TO 01.30 P.M
ADVANCED-ICITSS-MCS 146	01.45 P.M TO 08.15 P.M

Advanced Information Technology Training (AICITSS- AIT)

BATCH NO	TIMINGS
CHN-AICITSS-AIT-03-21-120	07.30 A.M TO 01.30 P.M
CHN-AICITSS-AIT-03-21-121	01.45 P.M TO 07.45 P.M
CHN-AICITSS-AIT-03-21-122	07.30 A.M TO 01.30 P.M

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

Please register through the link:

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

STATEMENT ABOUT OWNERSHIP AND OTHER PARTICULARS ABOUT THE NEWSPAPER (SIRC NEWSLETTER) FORM IV (SEE RULE)

I, **S. Sivanesan, Deputy Secretary**, hereby declare that the particulars given are true to my knowledge and belief.

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- Editor's name and address : **CA. Dungar Chand U. Jain** Member, Southern India Regional Council of the Institute of Chartered Accountants of India, 'ICAI Bhawan', No. 122, Mahatma Gandhi Road, Nungambakkam, Chennai -600 034.
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I, **S. Sivanesan, Deputy Secretary**, hereby declare that the particulars given are true to my knowledge and belief.

Date: 1st March, 2021

sd/-

S. Sivanesan, Deputy Secretary

UPDATES

Scan QR Code & Read



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The online link for UPDATES:

<https://www.sirc-icai.org/professional-updates.php>

DISCLAIMER

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



Happy Retired Life Mrs.PADMA

Mrs. Padma, Peon joined the Institute w.e.f 11th July 2013 and after serving 7 years 7 Months, she got retired on Superannuation w.e.f 28th February 2021

SIRC wishes her a happy Retired Life.



CC Members of Southern Region in ICAI Committees

CA. Babu Abraham Kallivayalil

NON-STANDING COMMITTEES

Professional Development Committee	Chairman
Committee for Members in Entrepreneurship & Public Service	Chairman
Audit Committee	Vice Chairman
Accounting Standards Board	Member
Board of Studies (Academic)	Member
Committee for Development of International Trade, Services & WTO	Member
Committee for Members in Industry & Business	Member
Committee on Management Accounting	Member
Continuing Professional Education Committee	Member
Coordination Committee with Sister Institutes	Member
CSR Committee	Member
Direct Taxes Committee	Member
Ethical Standards Board	Member
Expert Advisory Committee	Member
Infrastructure Development Committee	Member
International Affairs Committee	Member
Research Committee	Member
Strategy, Perspective Planning & Monitoring Committee	Member
Students Skills Enrichment Board (Board of Studies – Operations)	Member
UDIN Directorate	Member
Women Members Empowerment Committee	Member
Working Committee on World Congress of Accountants	Member

CA. Dayaniwas Sharma

NON-STANDING COMMITTEES

Peer Review Board	Chairman
Digital Accounting and Assurance Board	Vice Chairman
Financial Reporting Review Board	Vice Chairman
Accounting Standards Board	Member
Banking, Financial Services and Insurance Committee	Member
Committee for Development of International Trade, Services & WTO	Member
Committee for Members in Entrepreneurship & Public Service	Member
Committee for Members in Practice	Member
Committee on Capital Markets and Investors' Protection	Member
Committee on Career Counselling	Member
Committee on Management Accounting	Member
Committee on MSME & Start-up	Member
Committee on Public and Government Financial Management	Member
Continuing Professional Education Committee	Member
Corporate Laws and Corporate Governance Committee	Member
Digital Re-Engineering & Learning Directorate	Member
Direct Taxes Committee	Member
Editorial Board	Member
GST & Indirect Taxes Committee	Member
Ind AS Implementation Committee	Member
Infrastructure Development Committee	Member
Internal Audit Standards Board	Member
Management Committee	Member
Members & Students Services (Grievances Handling and e-Sahaayataa) Directorate	Member
Public Relations Committee	Member
Publication & CDS Directorate	Member
Students Skills Enrichment Board (Board of Studies – Operations)	Member
Valuation Standards Board	Member
Women Members Empowerment Committee	Member

CA. Prasanna Kumar D

STANDING COMMITTEES

Executive Committee	Member
Examination Committee	Member
Finance Committee	Member
Disciplinary Committee (u/s 21 D)	Member
NON-STANDING COMMITTEES	
Committee for Members in Practice	Vice Chairman
Committee on Career Counselling	Vice Chairman
Accounting Standards Board	Member
Board of Studies (Academic)	Member
Students Skills Enrichment Board (Board of Studies – Operations)	Member
Committee on Capital Markets and Investors' Protection	Member
Direct Taxes Committee	Member
Corporate Laws and Corporate Governance Committee	Member
Editorial Board	Member
International Affairs Committee	Member
Committee on Management Accounting	Member
Committee for Members in Industry & Business	Member
Professional Development Committee	Member
Infrastructure Development Committee	Member
Management Committee	Member
Committee on Insolvency & Bankruptcy Code	Member
Working Committee on World Congress of Accountants	Member
Public Relations Committee	Member
CSR Committee	Member
Continuing Professional Education Committee	Member
Women Members Empowerment Committee	Member
Publication & CDS Directorate	Member
Members & Students Services (Grievances Handling and e-Sahaayataa) Directorate	Member

CA. Rajendra Kumar P

NON-STANDING COMMITTEES

GST & Indirect Taxes Committee	Chairman
UDIN Directorate	Deputy Convenor
Publication & CDS Directorate	Deputy Convenor
Auditing & Assurance Standards Board	Member
Committee for Members in Entrepreneurship & Public Service	Member
Committee for Members in Industry & Business	Member
Committee for Members in Practice	Member
Committee on Career Counselling	Member
Committee on International Taxation	Member
Continuing Professional Education Committee	Member
CSR Committee	Member
Digital Accounting and Assurance Board	Member
Digital Re-Engineering & Learning Directorate	Member
Direct Taxes Committee	Member
Editorial Board	Member
Ind AS Implementation Committee	Member
Infrastructure Development Committee	Member
International Affairs Committee	Member
Members & Students Services (Grievances Handling and e-Sahaayataa) Directorate	Member
Professional Development Committee	Member
Public Relations Committee	Member
Research Committee	Member
Strategy, Perspective Planning & Monitoring Committee	Member
Students Skills Enrichment Board (Board of Studies – Operations)	Member
Women Members Empowerment Committee	Member

CA. G. Sekar

NON-STANDING COMMITTEES

Auditing & Assurance Standards Board	Chairman
Ind AS Implementation Committee	Chairman
Expert Advisory Committee	Vice Chairman
Accounting Standards Board	Member
Board of Studies (Academic)	Member
Banking, Financial Services and Insurance Committee	Member
Committee for Members in Practice	Member
Committee on Economic, Commercial Laws & Economic Advisory	Member
Direct Taxes Committee	Member
Corporate Laws and Corporate Governance Committee	Member
Ethical Standards Board	Member
Committee on Public and Government Financial Management	Member
Coordination Committee with Sister Institutes	Member
GST & Indirect Taxes Committee	Member
Digital Accounting and Assurance Board	Member
Internal Audit Standards Board	Member
Committee on International Taxation	Member
Research Committee	Member
Committee for Development of International Trade, Services & WTO	Member
Committee on Insolvency & Bankruptcy Code	Member
Valuation Standards Board	Member
Committee on MSME & Start-up	Member
Strategy, Perspective Planning & Monitoring Committee	Member
Sustainability Reporting Standards (Group under ASB)	Member
Legal Directorate	Member
Publication & CDS Directorate	Member

CA. M P Vijay Kumar

NON-STANDING COMMITTEES

Accounting Standards Board	Chairman
Sustainability Reporting Standards (Group under ASB)	Convenor
Valuation Standards Board	Vice Chairman
Auditing & Assurance Standards Board	Member
Board of Studies (Academic)	Member
Students Skills Enrichment Board (Board of Studies – Operations)	Member
Banking, Financial Services and Insurance Committee	Member
Committee for Members in Practice	Member
Committee on Economic, Commercial Laws & Economic Advisory	Member
Direct Taxes Committee	Member
Corporate Laws and Corporate Governance Committee	Member
Ethical Standards Board	Member
Expert Advisory Committee	Member
Financial Reporting Review Board	Member
Committee on Public and Government Financial Management	Member
Coordination Committee with Sister Institutes	Member
GST & Indirect Taxes Committee	Member
Digital Accounting and Assurance Board	Member
Internal Audit Standards Board	Member
International Affairs Committee	Member
Professional Development Committee	Member
Committee for Development of International Trade, Services & WTO	Member
Committee on Insolvency & Bankruptcy Code	Member
Ind AS Implementation Committee	Member
Committee on MSME & Start-up	Member
Strategy, Perspective Planning & Monitoring Committee	Member



Inauguration of Half Day Seminar on Union Budget-2021 Challenges and Opportunities for CAs at Hubballi on 12.02.2021



Inaugurated by CA. Dungar Chand U Jain, Chairman, SIRC Chennai, CA. Subhas Patil, Chairman, Hubballi Branch of SIRC, CA. Amit Babaji, Secretary, Hubballi Branch of SIRC, CA. Santosh Magavi, Haveri, CA. Dr. Charantimath N.A. Hubballi, CA. H.N. Adinavar, Vice-Chairman, Hubballi Branch of SIRC, CA. K.V. Deshpande, Past Chairman, CA. Mallikarjun Pise, Treasurer,

Udyati 3 - One Day Conference - Visakhapatnam Branch of SIRC of ICAI - 6th Feb, 2021



CA. Atul Kumar Gupta, President, ICAI inaugurating the conference along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI, CCMs CA. Prasanna Kumar, CA. Dayaniwas Sharma, CA. Bharti Devi, Chairperson, Vishakhapatnam Branch, CA. China Masthan Talakayala, CA. Chengal Reddy, CA. Naresh Chandra Gelli V, Regional Council Members and other Members of Vishakhapatnam


Installation of New Office Bearers of Madurai Branch of SIRC of ICAI - 21st Feb, 2021




CA. Dungar Chand U Jain, Chairman, SIRC of ICAI at installation function of Madurai Branch on 21st Feb, 2021 along with Chief Guest Shri V. Visakan. Commissioner Madurai Corporation, CA. Mohanasundaran, Chairman, Madurai Branch of SIRC of ICAI and other committee members.



CA. Dungar Chand U Jain, Chairman SIRC of ICAI, receiving Best Regional Council Award from the Chief Guest Shri. (CA) Arun Singh, Hon'ble Member of Parliament (RS) on the occasion of 71st Annual Day Celebration of ICAI on Feb 9th, 2021 at New Delhi



A digital initiative by SIDBI and ISARC




Asset Restructuring Module for MSMEs (ARM-MSME)

DIY Portal
(Do-It-Yourself)

Hand holding
Support by Credit
Counsellors

Online
Submission to
Bank Branch

Free
of Cost




Objective

- I. To facilitate MSMEs for self-creation of restructuring proposals online
- ii. To take benefit of RBI's one-time restructuring scheme for MSMEs valid till March 31, 2021

Key Features

- A digital initiative for MSMEs by SIDBI and ISARC
- Do-It-Yourself (DIY) approach to guide MSMEs while preparing restructuring proposal.
- Quick registration.
- Hand holding Support from credit counsellors.
- Free of cost-Use of Portal & Handholding
- No need to visit bank branch.

Please visit www.arm-msme.in for further details



Discussion on Union Budget 2021 - February 1st Feb, 2021



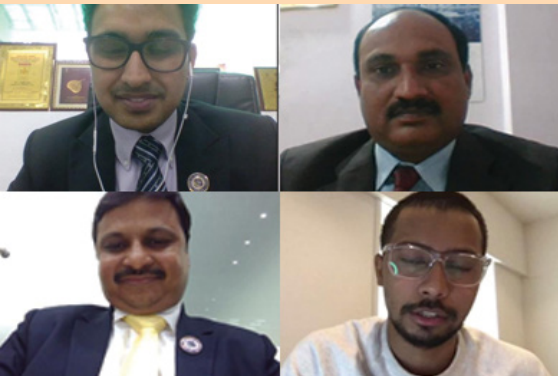
Resource Persons CA. R. Bupathy, Past President, ICAI and Adv. Raghuraman, Bangalore seen along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI.

Virtual Metro Conference - Day 1, 4th Feb, 21 Input Tax Credit



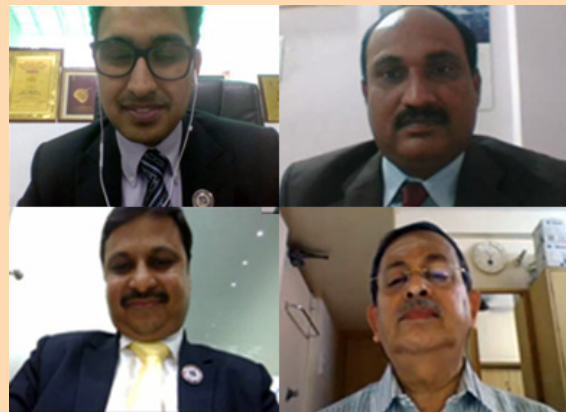
Chief Guest CA. B.P. Rao, Past President, ICAI seen along with Resource Person CA. Venkataramani S, CA. Dungar Chand U Jain, Chairman, SIRC of ICAI, Dr. CA. AbhishekMurali, Secretary, SIRC of ICAI and CA. Geetha A B, Regional Council Member.

Virtual Metro Conference - Day 2, 5th Feb, 21 Unravelling Block Chain and Crptocurrency



Resource Person Shri Santhosh Palavesh, U.K. along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI, Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI and CA. Chengal Reddy Ramireddygar, Regional Council Member.

Virtual Metro Conference - Day 2, 5th Feb, 21 AI for professionals



Resource Person, CA. Srinivasan S, Chennai seen along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI, Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI and CA. Chengal Reddy Ramireddygar, Regional Council Member.

Virtual CPE Programme on Union Budget 21- Analysis of Direct tax Proposals - February 3rd Feb, 2021



Resource Person CA. Ved Jain, Past President, ICAI along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI.

Virtual Metro Conference - Day 3, 6th Feb, 21 Private Trust and Taxation, Exceptional transactions in Income tax



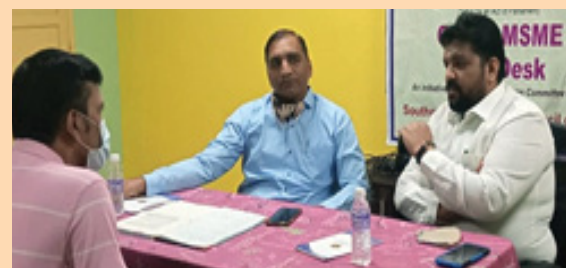
Resource Person Dr. CA. E. Phalguna Kumar, Tirupati along with Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI.

GST & MSME Help Desk at SIRC's Chennai Office - February 6th, 2021



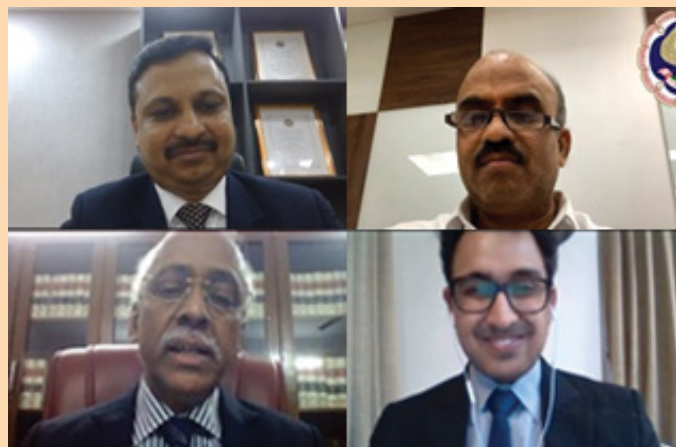
GST Experts CA. J. Murali & CA. V. Shankara Narayanan

GST & MSME Help Desk at SIRC'S Chennai Office - February 13th, 2021



GST Experts CA. Vinodh Kothari and CA. Ganesh Prabhu

**Virtual S. Vaidyanath Aiyar Memorial Lecture -
February 13th, 2021**



Resource Person Hon'ble Justice V. Ramasubramanian, Supreme Court of India seen along with CA. Rajendra Kumar P, Central Council Member, CA. Dungan Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI.

**Virtual CPE Programme on Valuation under Income tax Act -
17th Feb, 2021**



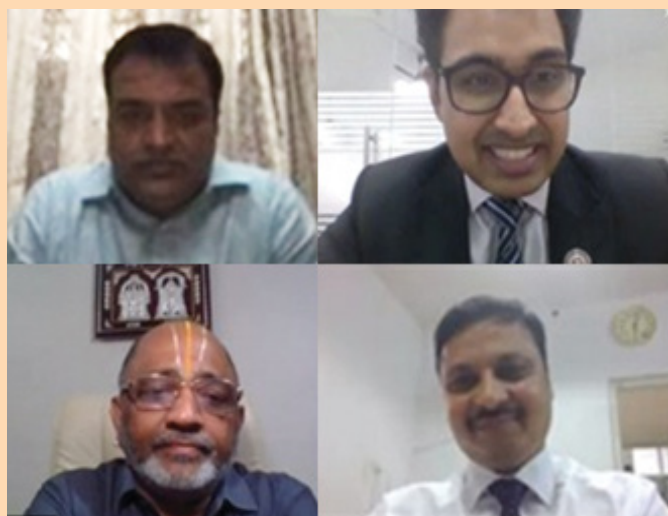
Resource Person CA. Dr. Gopal Krishna Raju, Chennai seen along with CA. Dungan Chand U Jain, Chairman, SIRC of ICAI, Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI

**Virtual Panel discussion on Importance of
Intellectual Property Rights - 18th Feb, 2021**



Panelists Shri. Prathik Mehta, and Smt. Aishwarya Vijayraghavan, seen along with Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI and CA. Geetha A.B. Treasurer, SIRC of ICAI

**Virtual CPE Programme on Sec. 68 and 69 of IT Act,
1961 at appellate stage - 16th Feb, 2021**



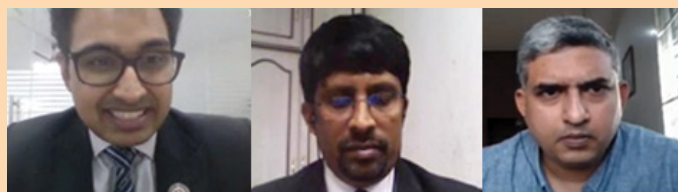
Resource Person CA. Naveen Khariwal, Bengaluru seen along with CA. Dungan Chand U Jain, Chairman, SIRC of ICAI, Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI and CA. Sundararajan R, Regional Council Member.

**GST & MSME Help Desk at SIRC'S Chennai Office
February 20th, 2021**



GST Experts CA. J. Purushothaman, CA. Bharath Kumar seen along with CA. Rajendra Kumar P, Central Council Member

**Virtual CPE Programme on How to Practically Use Audit Sampling
and Practical Challenges - 20th Feb, 2021**



Resource Person CA. Aniruddh Sankaran, Chennai seen along with Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI, CA. China Masthan Thalakyala Regional Council Member

**Investors Awareness Programme "Tax Planning for Investors -
FY 2021-22 &"Investment Regulations an eye opener, latest
regulations by SEBI in mutual funds" - 27th Feb, 2021**



Resource Persons CA. Gopala Krishna Raju & Shri. V. Nagappan, along with CA. Jalapathi K, Chairman, SIRC of ICAI and CA. Panna Raj S, Secretary, SIRC of ICAI.



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Series-5
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Educational Material
ICAI Valuation Standard 103-
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Handbook on
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Women Members Empowerment Division
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Frequently Asked Questions on Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Frequently Asked Questions on
Securities and Exchange Board of India
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Requirements) Regulations, 2015

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Impact of Digital Transformation
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Inching towards Tax Certainty: Neoteric Domestic Dispute Mechanism for Cross-Border Taxation

Inching towards Tax Certainty:
Neoteric Domestic Dispute
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and Selected Metropolitan Areas -
An Untold Story

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Educational Material on ICAI Valuation Standard 301- Business Valuation

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Business Valuation

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Roadmap to Income Tax Practice:
A Practitioner's Perspective

Committee for Members in Practice (CMP)
The Institute of Chartered Accountants of India
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New Delhi

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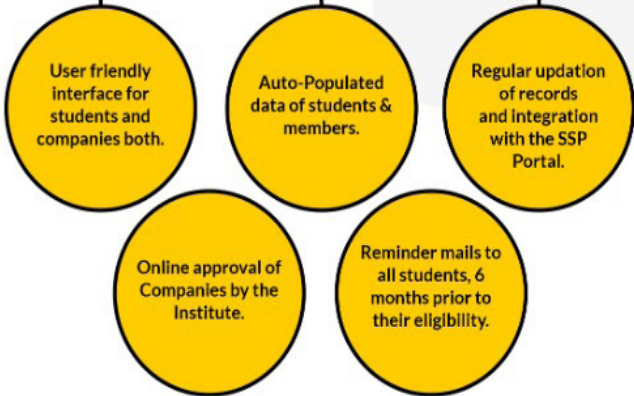
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HIGHLIGHTS OF INDUSTRIAL TRAINING PORTAL



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Eligibility

Members

An Associate who has been a member for a continuous period of at least three years is entitled to train one industrial trainee and fellow is entitled to train two industrial trainees at a time.

Students

An articled assistant who has passed the Intermediate Examination can do the training in the last year of Articleship.





CORPORATE LAW UPDATE

Contributed by CA. M. Asir Raja Selvan, Chennai

The following are few of the important updates in Companies Act 2013 & SEBI LODR Regulations 2015 during February 2021

I. Companies (Incorporation) Second Amendment Rules, 2021

G.S.R. 91(E) dated 1st February 2021 —In exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Incorporation) Rules, 2014.

The key changes in Companies (Incorporation) Rule 2021 are :

- (i) Compulsory conversion of OPC to Private Limited company based on paid up capital / turnover is omitted.
- (ii) One Person Company shall be formed by a natural person who is an Indian citizen whether resident in India or otherwise. Resident in India means stay of 120 days or more in India .
- (iii) The minimum period of 2 years in existence for voluntary conversion from OPC to Private limited company has been omitted.
- (iv) The OPC shall file an application in e-form INC 6 for its conversion into a Private or Public company other than section 8 company by attaching the documents like
 - a) Altered MOA / AOA
 - b) Copy of the resolution
 - c) List of proposed members and directors along with consent
 - d) List of creditors
 - e) Latest audited financials

This amended Rules shall come into force from 1st April 2021.

II. Companies (Specification of definitions details) Second Amendment Rules, 2021

G.S.R. 92(E) dated 1st February 2021 —In exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Specification of definitions details) Rules, 2014.

The key change in Companies (Specification of definitions details) Rule 2021 is the change in the definition of the Small Company which is given below :

“**Small Company**” means a company, other than a public company,—

- (i) paid-up share capital of which does not exceed Two Crores rupees or such higher amount as may be prescribed which shall not be more than ten crore rupees; **and**
- (ii) turnover of which as per profit and loss account for the immediately preceding financial year does not exceed twenty crore rupees or such higher amount as may be prescribed which shall not be more than one hundred crore rupees:

Provided that nothing in this clause shall apply to—

- (A) a holding company or a subsidiary company;
- (B) a company registered under section 8; or
- (C) a company or body corporate governed by any special Act;

This amended Rules shall come into force from 1st April 2021.

III. Companies (Compromises, Arrangements and Amalgamations) Rules, 2021

G.S.R. 93(E) dated 1st February 2021 —In exercise of the powers conferred by sub-sections (1) and (2) of section 469 read with section 230 to 233 and sections 235 to 240 of the Companies Act, 2013 (18



of 2013), the Central Government hereby makes the following rules further to amend the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The key change in Companies (Compromises, Arrangements and Amalgamations) Rule 2016 is in rule 25, after sub-rule (1) the following sub-rule shall be inserted, namely:-

“(1A) A scheme of merger or amalgamation under section 233 of the Act may be entered into between any of the following class of companies, namely:-

- (i) two or more start-up companies; or
- (ii) one or more start-up company with one or more small company.

Explanation.- For the purposes of this sub-rule, “start-up company” means a private company incorporated under the Companies Act, 2013 or Companies Act, 1956 and recognised as such in accordance with notification number G.S.R. 127 (E), dated the 19th February, 2019 issued by the Department for Promotion of Industry and Internal Trade.”

This amended Rules is effective from 1st February 2021.

IV. Companies (Specification of definitions details) Second Amendment Rules, 2021

G.S.R. 123(E) dated 19th February 2021 - In exercise of the powers conferred by the proviso to clause (52) of section 2 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Specification of definitions details) Rules, 2014.

The key changes in Companies (Specification of definitions details) Rule 2021 are

- (i) A new Rule 2A has been inserted – Companies not to be considered as Listed Companies.
 - a. Public Companies which have listed only their non-convertible debt securities and or non-convertible redeemable preference shares shall not be considered as Listed companies.
 - b. Private companies which have listed their non-convertible debt securities on private placement basis on a recognized stock exchange in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.
 - c. Public companies which have not listed their equity shares on a recognized stock exchange but whose equity shares are listed on a stock exchange in a jurisdiction as specified in sub-section (3) of section 23 of the Act (Listing in permissible foreign jurisdiction)

This amended Rules shall come into force from 1st April 2021.

V. Revised disclosure formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015

SEBI vide Circular No. SEBI/HO/ISD/ISD/CIR/P/2021/19 dated 9th February 2021 revised the disclosure formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015 based on the amendments to the PIT Regulations effecting the inclusion of member of the promoter group, and designated person in place of employee, in Regulation 7 of PIT Regulations and based on the feedback received from market participants and stock exchanges. The revised disclosure formats (Forms B to D) are given below :

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

Name of the company :

ISIN of the company :





Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/ DIN & Address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
1	2	3	4	5	6

Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date :

Place:

FORM C

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]

Name of the company :

ISIN of the company :

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).



Name, PAN, CIN/ DIN, & address with contact nos.	Category of Person (Promoter/member of the promoter group/designated person/Director/s/ immediate relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed			Securities held post acquisition/disposal		Date of allotment advice/acquisition of shares/disposal of shares, specify From To	Date of intimation to company	Mode of acquisition /disposal (on market/public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed		
		Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding,	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/sale Pledge / Revocation / Invocation/ Others- please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)					No. and % of share holding	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc.)				Exchange on which the trade was executed		
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:



FORM D (Indicative format)

SEBI (Prohibition of Insider Trading) Regulations, 2015 Regulation 7(3) – Transactions by Other connected persons as identified by the company
Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed			Securities held post acquisition/disposal		Date of allotment advice/acquisition of shares/disposal of shares of shares specify	Date of intimation to company	Mode of acquisition/disposal (on market/public rights/ Preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed		
		Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of shareholding	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/Sale/Pledge/Revocation / Invocation/ Others-please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)					No. and % of share holding	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the company by other connected persons as identified by the company

Trading in derivatives (Specify type of contract, Futures or Options etc.)				Exchange on which the trade was executed		
Type of Contract	Contract specifications		Buy		Sell	
	Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)		
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name:
Signature:
Date :
Place:



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Days	Class Timings
All Days	Group 1: Morning: 6.00 a.m. to 9.00 a.m.
	Group 2: Evening: 6.00 p.m. to 9.00 p.m.
Course Fee	Group I: Rs. 12,000/-
	Group II: Rs. 9,000/-
	Both Groups: Rs. 18,000/-

Some of the SIRC Faculty Members

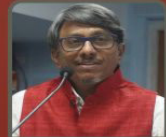
Financial Reporting



CA.M.F.Jaison



CA.K.Shanmughanathan



CA.G.P.Kasthuri Rangan

Strategic Financial Management



CA.Sanathi Ganapathy



CA.B.Hari Gopal



CA.Vikas Ostwal



CA.S.Ganapathy

Advanced Auditing and Professional Ethics

Corporate and Economic Laws



CS.S.S.Babu



CS.Bharath Kumar



CA.R.Magesh

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CA.Venkata Sivakumar



CA.B.Saravana Prasath



CA.K.Hariharan

Direct Tax Laws and International Taxation



CA.S.Sriram



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Indirect Tax Laws



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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 - 600034.



FEMA UPDATES

Contributed by CA. G. Murali Krishna, Hyderabad

I. Remittances to International Financial Services Centres (IFSCs) in India under the Liberalised Remittance Scheme (LRS):

With a view to deepen the financial markets in International Financial Services Centres (IFSCs) and provide an opportunity to resident individuals to diversify their portfolio, RBI vide A.P. (DIR Series) Circular No. 11 dated February 16, 2021 reviewed the extant guidelines on Liberalised Remittance Scheme (LRS) and decided to permit resident individuals to make remittances under LRS to IFSCs set up in India under the Special Economic Zone Act, 2005, as amended from time to time, subject to the following conditions:

- i. The remittance shall be made only for making investments in IFSCs in securities, other than those issued by entities/companies' resident (outside IFSC) in India.
- ii. Resident Individuals may also open a non-interest bearing Foreign Currency Account (FCA) in IFSCs, for making the above permissible investments under LRS. Any funds lying idle in the account for a period upto 15 days from the date of its receipt into the account shall be immediately repatriated to domestic INR account of the investor in India.
- iii. Resident Individuals shall not settle any domestic transactions with other residents through these FCAs held in IFSC.

For more details, please refer the notification.

II. Margin for Derivative Contracts:

RBI vide A.P. (DIR Series) Circular No. 10 dated February 15, 2021, issued directions to AD Category-I (AD Cat-I) Banks for posting and collection of margin in India, on their own account or on behalf of their customers, for a permitted derivative contract entered into with a person resident outside India in the form of:

- i. Indian currency
- ii. Freely convertible foreign currency
- iii. Debt securities issued by Indian Central Government and State Governments
- iv. Rupee bonds issued by persons resident in India which are
 - a. Listed on a recognized stock exchange in India; and
 - b. Assigned a credit rating of AAA issued by a rating agency registered with the Securities and Exchange Board of India. If different ratings are accorded by two or more credit rating agencies, then the lowest rating shall be reckoned.

AD Cat-I banks may post and collect such margin outside India in the form of:

- i. Freely convertible foreign currency and
- ii. Debt securities issued by foreign sovereigns with a credit rating of AA- and above issued by S&P Global Ratings / Fitch Ratings or Aa3 and above issued by Moody's Investors Service. If different ratings are accorded by two or more credit rating agencies, then the lowest rating shall be reckoned.

AD Cat-I banks shall maintain a separate account in the name of persons resident outside India and may also receive and pay interest on margin posted and collected on their own account or on behalf of their customers for a permitted derivative contract entered into with a person resident outside India.

For more details, please refer the notification.

III. Investment in NBFCs from FATF non-compliant jurisdictions:

RBI vide DOR.CO.LIC.CC No.119/03.10.001/2020-21 dated February 12, 2021 issued notification on Investment in NBFCs from FATF non-compliant jurisdictions. The Financial Action Task Force (FATF)



periodically identifies jurisdictions with weak measures to combat money laundering and terrorist financing (AML/CFT) in its following publications: i) High-Risk Jurisdictions subject to a Call for Action, and ii) Jurisdictions under Increased Monitoring. A jurisdiction, whose name does not appear in the two aforementioned lists, shall be referred to as a FATF compliant jurisdiction. Investments in NBFCs from FATF non-compliant jurisdictions shall not be treated at par with that from the compliant jurisdictions.

Investors in existing NBFCs holding their investments prior to the classification of the source or intermediate jurisdiction/s as FATF non-compliant, may continue with the investments or bring in additional investments as per extant regulations so as to support continuity of business in India.

New investors from or through non-compliant FATF jurisdictions, whether in existing NBFCs or in companies seeking Certification of Registration (COR), should not be allowed to directly or indirectly acquires “significant influence” in the investee, as defined in the applicable accounting standards. In other words, fresh investors (directly or indirectly) from such jurisdictions in aggregate should be less than the threshold of 20 per cent of the voting power (including potential voting power) of the NBFC.

“Potential voting power could arise from instruments that are convertible into equity, other instruments with contingent voting rights, contractual arrangements, etc. that grant investors voting rights (including contingent voting rights) in the future. In such cases, it should be ensured that new investments from FATF non-compliant jurisdictions are less than both (i) 20 per cent of the existing voting powers and (ii) 20 per cent of existing and potential voting powers assuming those potential voting rights have materialised.”

IV. Update on Compounding Orders issued under FEMA Regulations:

a. Mrs. Dina Manoj Thacker

Regulation	Regulation 3 of Schedule 3 to Notification No. FEMA.5/2000-RB dated May 03, 2000, as amended from time to time and Regulation 3 of Schedule 3 to Notification No. FEMA 5(R)/2016-RB dated April 1, 2016, as amended from time to time
Contravention	Impermissible credits and debits to Non-Resident Ordinary Rupee(NRO) Account by a person resident outside India
Date of Order	November 23, 2020
Compounding Fee	INR 65,000

Mrs. Vidya Lakshmanan

Regulation	Regulation 10(i) of Notification No. FEMA 21(R)/2018-RB dated March 26, 2018, as amended from time to time
Contravention	Failure to obtain permission for transfer of immovable property in India by a person resident outside India
Date of Order	December 29, 2020
Compounding Fee	INR 7,36,317

AI Gurg Engineering and Support Services Pvt Ltd

Regulation	Para 2 (3) of Schedule I to Notification No. FEMA 20 (R) /2017-RB dated November 07, 2017 and Regulation 3.1(l) A (3) of Notification No. FEMA 395/2019-RB dated October 17, 2019
Contravention	Failure to issue capital instruments within sixty days from the date of receipt of the consideration and refunded to the person resident outside India by remittance through banking channels or by credit to his NRE/ FCNR(B) accounts, within fifteen days from the date of completion of sixty days
Date of Order	December 15, 2020
Compounding Fee	INR 50,771



GST UPDATES

Contributed by CA. G. Saravana Kumar, Madurai

1. Class of Persons exempted from Aadhar Authentication - NOTIFICATION NO. 03/2021-Central Tax dated 23.02.2021

Section 25(6D) of CGST Act, states that provisions of sub-sections 6A or 6B or 6C to section 25 shall not be applicable to such class of persons specified by a Notification. Accordingly, as per aforesaid notification, provisions of sub-sections 6B and 6C of section 25 shall not apply to following class of persons. Hence, these persons are exempted from aadhar authentication in order to be eligible for grant of registration.

Provisions of sub-section 6B or Sub-section 6C of section 25 shall not apply to a person who is –

- (a) not a citizen of India; or
- (b) a Department or establishment of the Central Government or State Government; or
- (c) a local authority; or
- (d) a statutory body; or
- (e) a Public Sector Undertaking; or
- (f) a person applying for registration under the provisions of sub-section (9) of section 25 of the said Act.

2. Procedures to be adopted by the department during Search Operations : F. No. GST/INV/DGOV Reference/20-21-Instructions No. 01/2020-21 [GST-Investigation] dated 02.02.2021

As per section 67 of the CGST Act, 2017, searches are to be carried out in accordance with the provisions of Code of Criminal Procedure, 1973. Thus, following guidelines must be adhered to while carrying out search proceedings:

- i) The officer issuing authorization for search should have valid and justifiable reasons for authorizing a search, which shall be duly recorded in the file Search should be carried out only with a proper search authorization issued by the Competent Authority.
- ii) The instructions related to generation of DIN for each search authorization shall be scrupulously followed by the officer authorising search.
- iii) The premises of a person cannot be searched on the authority of a search warrant issued for the premises of some other person. Where a search warrant, through oversight, has been issued in the name of a person who is already dead, the authorised officer should report to the Competent Authority and get a fresh warrant issued in the names of the legal heirs.
- iv) In case of search of a residence, a lady officer shall necessarily be part of the search team.
- v) The search shall be made in the presence of two or more independent witnesses who would preferably be respectable inhabitants of the locality, and if no such inhabitants are available or willing, the inhabitants of any other locality should be asked to be witness to the search. PSU employees, Bank employees etc., may, be included as witnesses during sensitive search operations to maintain transparency and credibility. The witnesses should be informed about the purpose of the search and their duties.
- vi) The officers conducting the search shall first identify themselves by showing their identity cards to the person in-charge of the premises. Also, before the start of the search, the officers as well as the independent witnesses shall offer their personal search. After the conclusion of the search all the officers and the witnesses should again offer themselves for their personal search.
- vii) The search authorization shall be executed before the start of the search and the same shall be shown to the person in charge of the premises to be searched and his/her signature with date and time shall be obtained on the body of the search authorization. The signatures of the witnesses with date and time should also be obtained on the body of the search authorization.



- viii) A Panchnama containing truthful account of the proceedings of the search shall necessarily be made and a list of documents/goods/ things recovered should be prepared. It should be ensured that time and date of start of search and conclusion of search must be mentioned in the Panchnama. The fact of offering personal search of the officers and witnesses before initiation and after conclusion of search must be recorded in the Panchama.
- ix) In the sensitive premises videography of the search proceedings may also be considered and the same may be recorded in Panchnama.
- x) While conducting search, the officers must be sensitive towards the assessee /party. Social and religious sentiments of the person(s) under search and of all the person(s) present, shall be respected at all times. Special care/ attention should be given to elderly, women and children present in the premises under search. Children should be allowed to go to school, after examining of their bags. A woman Occupying any premises, to be searched, has the right to withdraw before the search party enters, if according to the customs she does not appear in public. If any Person in the premises is not well, a medical practitioner may be called.
- xi) The person from whose custody any documents are seized may be allowed to make copies thereof or take extracts therefrom for which he/she may be provided a suitable time and place to take such copies or extract therefrom. However, if it is felt that providing such copies or extracts therefrom pre-judicially affect the investigation, the officer may not provide such copies, If such request for taking copies is made during the course of search, the same may be incorporated in Panchnama, intimating place and time to take such copies.
- xii) The officer authorized to search the premises must sign each page of the Panchnama and annexures. A copy of the Panchnama along with all its annexures should be given to the person in-charge of the premises being searched and acknowledgement in this regard may be taken. If the person in-charge refuses to sign the Panchnama the same may be pasted in a conspicuous place of the premises, in presence of the witnesses. Photograph of the Panchnama pasted on the premises may be kept on record.



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Phone : 044 30210380, Mobile: 8220522669,
Email: sirc.intermediate@icai.in



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Phone : 044 30210380, Mobile: 7358506400,
Email: sirc.final@icai.in



- xiii) In case any statement is recorded during the search each page of the statement must be signed by the person whose statement is being recorded. Each page of the statement must also be signed by the officer recording the statement as 'before me'.
- xiv) After the search is over, the search authorization duly executed should be returned to the officer who had issued the said search authorization with a report regarding the outcome of the search. The names of the officers who had participated in the search should be written on the reverse of the search' authorization. If search authorization could not be executed due to any reason, the same should be mentioned in the reverse of the search authorization and a copy of the same may be kept in the case file before returning the same to the officer who had issued the said search authorization.
- xv) The officers should leave the premises immediately after completion of Panchnama proceedings.
- xvi) During the prevalent COVID-19 pandemic situation, it is imperative to take precautionary measures such as maintaining proper social distancing norms, use of masks and hand sanitizers etc. The search team should take all measures as contained in the guidelines of Ministry of Home Affairs, and Ministry of Health & Family Welfare, and also the guidelines issued by the State Government from time to time

INCOME TAX UPDATES

Contributed by CA. V.K. Subramani, Erode

1. **Clarification regarding approval for attaching for recover of tax:** In the Office Memorandum F.No.275/29/2020-IT(B) dated 19.02.2021 it is clarified that in the Board's order [F.No. 275/29/2020-\(IT\(B\) dated 19th October, 2020](#) para 2 the provision of approval for attachment of movable or immovable property by Assessing Officer (AO) or Tax Recovery Officers (TRO) is mentioned. It was clarified that the prior approval of Pr. CIT/Pr. DIT/CIT/DIT concerned shall be required for requisition under section 226(2) and issuance of notice under section 226(3) of the Income-tax Act, 1961.
2. **Working partner salary could not be offered to tax under section 44AD:** In Anandkumar v. Asstt. CIT (2020) 122 taxmann.com 252 (Mad) it was held that the benefits of section 44AD is available to an assessee engaged in eligible business. A partner of a firm does not carry on business independently and therefore, working partner salary received by him could not be treated as business income under section 28(v) so as to allow the benefit of presumptive income determination under section 44AD of the Act. The working partner salary / remuneration is chargeable to tax as profits and gains of business or profession of the partner concerned and on which no presumptive income could be determined.
3. **Primary agricultural credit societies are entitled to benefits of section 80P(2)(a)(i):** A Supreme Court Mavilayi Service Co-operative Bank Ltd v. CIT (2021) 123 taxmann.com 161 (SC) has held that the objective of section 80P(4) was to exclude co-operative banks which function like any other commercial bank by way of lending money to the members of the public. It was held that the benefit of deduction contained in section 80P(2)(a)(i) is eligible to primary agricultural credit societies who give loan to their members who are not related to agriculture.
4. **Amendments made to Faceless Assessment vide Notification No.S0741 dated 17.02.2021:** The Central Government in exercise of the powers conferred by sub-section (3A) of section 143 made the following amendments in the Faceless Assessment Scheme, 2019:

For paragraph 5(1), the following sub-paragraph shall be substituted:

“(1) The assessment under this Scheme shall be made as per the following procedure:

- i. the National e-Assessment Centre shall serve a notice on the assessee under sub-section (2) of section 143 of the Act;
- ii. the assessee may, within fifteen days from the date of receipt of notice referred to in clause (i), file his response to the National e-Assessment Centre;



- iii. where the assessee -
 - a. has furnished his return of income under section 139 of the Act in response to a notice issued under sub-section (1) of section 142 of the Act, and a notice under sub-section (2) of section 143 of the Act has been issued by the Assessing Officer or the prescribed income-tax authority, as the case may be; or
 - b. has not furnished his return of income in response to a notice issued under sub-section (1) of section 142 of the Act by the Assessing Officer; or
 - c. has not furnished his return of income under sub-section (1) of section 148 of the Act and a notice under sub-section (1) of section 142 of the Act has been issued by the Assessing Officer, The National e-Assessment Centre shall intimate the assessee that assessment in his case shall be completed under this Scheme.
- iv. the National e-Assessment Centre shall assign the case selected for the purposes of e-assessment under this Scheme to a specific assessment unit in any one Regional e-Assessment Centre through an automated allocation system;
- v. where a case is assigned to the assessment unit, it may make a request to the National e-Assessment Centre for -
 - a. obtaining such further information, documents or evidence from the assessee or any other person, as it may specify;
 - b. conducting of certain enquiry or verification by verification unit; and
 - c. seeking technical assistance from the technical unit;
- vi. where a request for obtaining further information, document or evidence from the assessee or any other person has been made by the assessment unit, the National e-Assessment Centre shall issue appropriate notice or requisition to such assessee or person, specifying a time therein, for submitting such information, documents or evidence;
- vii. the assessee or any other person, as the case may be, shall file his response to the notice referred to in clause (vi), within the time specified therein or such extended time as may be allowed on the basis of an application in this regard, to the National e-Assessment Centre;
- viii. where a request for conducting of certain enquiry or verification by the verification unit has been made by the assessment unit, the request shall be assigned by the National e-Assessment Centre to a verification unit in any one Regional e-Assessment Centre through an automated allocation system;
- ix. where a request for seeking technical assistance from the technical unit has been made by the assessment unit, the request shall be assigned by the National e-Assessment Centre to a technical unit in any one Regional e-Assessment Centre through an automated allocation system;
- x. the National e-Assessment Centre shall send the report received from the verification unit or the technical unit, based on the request referred to in clause (viii) or (ix) to the concerned assessment unit;
- xi. where the assessee fails to comply with the notice referred to in clause (vi) or notice issued under sub-section (1), or with a direction issued under sub-section (2A), of section 142 of the Act, the National e-Assessment Centre shall serve upon such assessee a notice under section 144 of the Act giving him an opportunity to show-cause, on a date and time to be specified in the notice, why the assessment in his case should not be completed to the best of its judgment;
- xii. the assessee shall, within the time specified in the notice referred to in clause (xi) or such time as may be extended on the basis of an application in this behalf, file his response to the National e-Assessment Centre;
- xiii. where the assessee fails to file response to the notice referred to in clause (xi) within the time specified therein or within the extended time, if any, the National e-Assessment Centre shall intimate such failure to the assessment unit;
- xiv. the assessment unit shall, after taking into account all the relevant material available on the record



- make in writing, a draft assessment order or, in a case where intimation referred to in clause (xiii) is received from the National e-Assessment Centre, make in writing, a draft assessment order to the best of its judgment, either accepting the income or sum payable by, or sum refundable to, the assessee as per his return or making variation to such income or sum, and send a copy of such order to the National e-Assessment Centre;
- xv. the assessment unit shall, while making draft assessment order, provide details of the penalty proceedings to be initiated therein, if any;
- xvi. the National e-Assessment Centre shall examine the draft assessment order in accordance with the risk management strategy specified by the Board, including by way of an automated examination tool, whereupon it may decide to -
- finalise the assessment, in case no variation prejudicial to the interest of assessee is proposed, as per the draft assessment order and serve a copy of such order and notice for initiating penalty proceedings, if any, to the assessee, alongwith the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment; or
 - provide an opportunity to the assessee, in case any variation prejudicial to the interest of assessee is proposed, by serving a notice calling upon him to show cause as to why the proposed variation should not be made; or
 - assign the draft assessment order to a review unit in any one Regional e-Assessment Centre, through an automated allocation system, for conducting review of such order;
- xvii. the review unit shall conduct review of the draft assessment order, referred to it by the National e-Assessment Centre, whereupon it may decide to-
- concur with the draft assessment order and intimate the National e-Assessment Centre about such concurrence; or
 - suggest such variation, as it may deem fit, in the draft assessment order and send its suggestions to the National e-Assessment Centre;
- xviii. the National e-Assessment Centre shall, upon receiving concurrence of the review unit, follow the procedure laid down in sub-clause (a) or sub-clause (b) of clause (xvi), as the case may be;
- xix. the National e-Assessment Centre shall, upon receiving suggestions for variation from the review unit, assign the case to an assessment unit, other than the assessment unit which has prepared the draft assessment order, through an automated allocation system;
- xx. the assessment unit shall, after considering the variations suggested by the review unit, send the final draft assessment order to the National e-Assessment Centre;
- xxi. the National e-Assessment Centre shall, upon receiving final draft assessment order follow the procedure laid down in sub-clause (a) or sub-clause (b) of clause (xvi), as the case may be;
- xxii. the assessee may, in a case where show-cause notice has been served upon him as per the procedure laid down in sub-clause (b) of clause (xvi), furnish his response to the National e-Assessment Centre on or before the date and time specified in the notice or within such time as may be extended on the basis of an application in this behalf;
- xxiii. the National e-Assessment Centre shall, -
- where no response to the show-cause notice as per clause (xxii) is received,—
 - in a case where the draft assessment order or the final draft assessment order is in respect of an eligible assessee and proposes to make any variation which is prejudicial to the interest of such assessee, forward the draft assessment order or final draft assessment order to such assessee; or
 - in any other case, finalise the assessment as per the draft assessment order or the final draft assessment order and serve a copy of such order and notice for initiating penalty proceedings, if any, upon the assessee, alongwith the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment;



- b. in any other case, send the response furnished by the assessee to the assessment unit;
- xxiv. the assessment unit shall, after taking into account the response furnished by the assessee, as referred to in sub-clause (b) of clause (xxiii), make a revised draft assessment order and send it to the National e-Assessment Centre;
- xxv. The National e-Assessment Centre shall, upon receiving the revised draft assessment order, -
- a. in case the variations proposed in the revised draft assessment order are not prejudicial to the interest of the assessee in comparison to the draft assessment order or the final draft assessment order, and -
- A. in case the revised draft assessment order is in respect of an eligible assessee and there is any variation prejudicial to the interest of such assessee proposed in draft assessment order or the final draft assessment order, forward such revised draft assessment order to such assessee;
- B. in any other case, finalise the assessment as per the revised draft assessment order and serve a copy of such order and notice for initiating penalty proceedings, if any, upon the assessee, alongwith the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment;
- b. in case the variations proposed in the revised draft assessment order are prejudicial to the interest of the assessee in comparison to the draft assessment order or the final draft assessment order, provide an opportunity to the assessee, by serving a notice calling upon him to show-cause as to why the proposed variation should not be made;
- xxvi. The procedure laid down in clauses (xxiii), (xxiv) and (xxv) shall apply *mutatis mutandis* to the notice referred to in sub-clause (b) of clause (xxv);
- xxvii. where the draft assessment order or final draft assessment order or revised draft assessment order is forwarded to the eligible assessee as per item A of sub-clause (a) of clause (xxiii) or item A of sub-clause (a) of clause (xxv), such assessee shall, within the period specified in sub-section (2) of section 144C of the Act, file his acceptance of the variations to the National e-Assessment Centre;
- xxviii. the National e-Assessment Centre shall, -
- a. upon receipt of acceptance as per clause (xxvii); or
- b. if no objections are received from the eligible assessee within the period specified in sub-section (2) of section 144C of the Act, finalise the assessment within the time allowed under sub-section (4) of section 144C of the Act and serve a copy of such order and notice for initiating penalty proceedings, if any, to the assessee, alongwith the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment;
- xxix. where the eligible assessee files his objections with the Dispute Resolution Panel, the National e-Assessment Centre shall upon receipt of the directions issued by the Dispute Resolution Panel under sub-section (5) of section 144C of the Act, forward such directions to the concerned assessment unit;
- xxx. the assessment unit shall in conformity of the directions issued by the Dispute Resolution panel under sub-section (5) of section 144C of the Act prepare a draft assessment order in accordance with sub-section (13) of section 144C of the Act and send a copy of such order to the National e-Assessment Centre;
- xxxi. the National e-Assessment Centre shall, upon receipt of draft assessment order referred to in clause (xxx), finalise the assessment within the time allowed under sub-section (13) of section 144C of the Act and serve a copy of such order and notice for initiating penalty proceedings, if any, upon the assessee, alongwith the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment;
- xxxii. The National e-Assessment Centre shall, after completion of assessment, transfer all the electronic records of the case to the Assessing Officer having jurisdiction over the said case for such action as may be required under the Act.”



INDIRECT TAX UPDATES

Contributed by CA. Annapurna D Kabra, Bengaluru

Under section 64 of the KVAT Act, the Additional Commissioner is empowered to suo moto call for and examine the record of any order passed or proceeding recorded and if he considers that any order passed therein by any officer is erroneous in so far as it is prejudicial to the interest of the revenue, he can stay the operation of such order for such period as he deems fit. (Section 64(1) of the KVAT Act).

In the recent case of *M/s Satya Sai Constructions Vs Additional Commissioner of Commercial Taxes Bangalore 2021- VIL- 147-KAR dated 18.2.2021* the powers under section 64(1) of the KVAT Act are examined as follows.

Facts of the case

- The appellant is engaged in development of residential projects based on JDA with landowner.
- The appellant formed the residential layout by laying roads, sewage lines, water lines etc.
- The appellant entered into construction agreement with buyer for constructing villas/residential units.
- The entire construction activity was undertaken by engaging a sub-contractor who charged VAT to the appellant.
- The appellant filed its return under the provisions of the Act after adjusting turnover pertaining to sub-contractor.

Submissions by the Respondent

- The department held that VAT paid on the purchase of material for formation of the road, laying sewerage lines, pipelines etc is not eligible for input tax credit.
- They also disallowed the deduction of payment made by the appellant to the sub-contractor from the total turnover on the ground that the appellant has not produced any documentary evidence.
- It also stated that appellant has not deducted Tax at Source on purchase of sand, stone, timber, plywood etc.
- It is submitted that the order passed is just and legal and they have rightly invoked Section 64(1) of the Act as the appellant failed to file the revised return as provided under Section 35(4) of the Act.

Submissions by the Appellant

- The order passed by the Additional Commissioner is not sustainable in law and the second Revisional Authority erred in law in revising the order passed by the first Appellate Authority.
- The order passed by the first Appellate Authority is neither erroneous nor prejudicial to the interest of the revenue.
- The power under Section 64(1) of the Act has wrongly been invoked only the ground of non-filing of revised returns and the second appellate authority failed to appreciate that once tax is levied by the authority prescribed, there is no discovery of any omission or error by the appellant and the question of filing the revised return does not arise.

Conclusions

- The condition precedent for invocation of power under Section 64 (1) of the Act having not been satisfied, the impugned order cannot be sustained in the eye of law.
- The Revisional Authority has reversed the order of the first Appellate Authority on the ground that the appellant has not filed the revised return under the KVAT law. Section 64 of the KVAT Act deals with the Revisional powers of Additional Commissioner and Commissioner. It can be invoked only if the order is erroneous and it is prejudicial to the interest of the revenue.
- The condition precedent for invocation of power under Section 64 (1) of the Act was not satisfied and accordingly the impugned order was quashed.



II) M/s Midcon Polymers Pvt limited No KAR.ADRG 48/2020 dated 16/09/2020

- Under the GST regime, there are no specific deductions from Rental Income as specified under law. In the above case, it is held that the notional interest on security deposits is excludible from the value of taxable supply for computation of GST subject to the condition that the consideration received by way of rental is not influenced by the security deposits given by the lessee.
- Under the earlier regime, the property taxes like municipal taxes can be deducted from gross rent that is collected by the landlord. Under the GST Regime, it is held in Advance Ruling that the property tax is not deductible from Rental Income, as the Ruling refers to section 15(2) of the GST Act which state that except CGST, SGST, IGST and compensation cess, no other statutory levy can be deducted from the value of supply. Therefore, the Ruling holds that property tax cannot be deducted from the monthly rental income for arriving the value of supply.

The Notification under service tax law specifically provides for abatement of property tax paid to local bodies from value of taxable service of renting of Immovable Property. Such notification would have been introduced in GST law also so that the taxes on statutory levies will not be imposed. It is also held in one of the Advance Ruling that the statutory charges received by real estate developer forms part of taxable value which are recovered by the applicant from the buyers and paid to respective Government Authorities. Therefore, there should be an amendment in the GST law holding that the statutory levies should be excluded from the levy of the GST which are regulated and controlled under the respective law.

SEBI

Contributed by CA. VMV. Subba Rao, Nellore

Securities and Exchange Board of India

CIRCULAR

SEBI/HO/DDHS/DDHS/CIR/P/2021/21

February 26, 2021

To,

All Real Estate Investment Trusts (“REITs”)

All Infrastructure Investment Trusts (InvITs)

All Parties to REITs and InvITs

All Recognized Stock Exchanges

Madam/ Sir,

Subject: Extension of facility for conducting meeting(s) of unitholders of REITs and InvITs through Video Conferencing (VC) or through other audio-visual means (OAVM)

1. SEBI vide circular no. **SEBI/HO/DDHS/DDHS/CIR/P/2020/102 dated June 22, 2020** read with circular no. **SEBI/HO/DDHS/DDHS/CIR/P/2020/201 dated October 08, 2020** permitted REITs/InvITs to conduct annual meetings and other meetings of unitholders through VC or OAVM up to December 31, 2020.
2. Representations have been received to further extend the aforesaid facility to conduct meetings of unitholders which become due in the year 2021 through VC or OAVM for some more time. It is observed that MCA, vide circulars dated December 31, 2020 and January 13, 2021, permitted companies to conduct their Extraordinary General meetings upto June 30, 2021 and Annual General meetings due in the year 2021 through VC or OAVM.



3. Accordingly, it has been decided to extend the facility to conduct meetings of unitholders, through VC or OAVM for REITs/InvITs, as under:
 - a. Annual meetings of unitholders in terms of Regulation 22(3) of **SEBI (Real Estate Investment Trusts) Regulations, 2014** and Regulation 22(3)(a) of **SEBI (Infrastructure Investment Trusts) Regulations, 2014**, (which becomes due in the calendar year 2021) to be conducted till December 31, 2021.
 - b. For meetings other than annual meeting of unitholders till June 30, 2021.
4. REITs/ InvITs shall comply with the procedure prescribed in Annexure-I of SEBI **circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/102 dated June 22, 2020**.
5. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 33 of InvIT Regulations and Regulation 33 of REIT Regulations.
6. This circular is available on SEBI website at www.sebi.gov.in under the categories “Legal Framework” and under the drop down “Circulars”.

Yours faithfully

Sabir Vasant Sawant
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MADRAS HIGH COURT JUDGEMENTS IN VAT CST & GST

Contributed by CA. V.V. Sampath Kumar, Chennai

Writ petition: Petitioner prays for a mandamus directing the respondent to correct GSTR statements for the periods August 2017, November 2017, December 2017 and January 2018. The Court held that this request ought to have been made first before the respondent and observed that this WP is pre-mature and stated that the petitioner is permitted to file a representation seeking the same relief as sought here and pursue the same. **Akshaya Building Solution Vs Commissioner of CGST, Coimbatore, WP No.935 of 2021 DT: 19.01.2021**

GST Refund: Petitioner challenges orders rejecting applications for GST refund of Input Tax Credit on account of the inverted tax structure. Petitioner submit that no opportunity was granted prior to passing of the impugned orders. In counter dated 11.12.2020, the respondent states as follows: 'para 11. I submit that even though the petitioner is eligible for refund, no cash refund can be given as per the Notification No.16/2020-CT dt.23.03.2020 by the Government of India and Notification issued by CT Secretariat, Puducherry in G.O.Ms. No.11, dt.01.04.2020. However, after the clarificatory Circular No.135/ 05 / 2020-GST dated 31.3.2020 issued by the CBIC, the petitioner is eligible for refund and the same will be granted, if he has filed fresh refund application.' Thus, the Court held that the petitioner may file a fresh claim for refund and the same, as stated in counter, be considered and refund granted as expeditiously as possible, after hearing the petitioner. **M/s. Accent Pharma Vs CTO WP Nos.11675, etc of 2020 DT: 20.01.2021**

Alternative remedy: The petitioner has challenged order dt 13.03.2020 for the period 2015-16. Though certain errors have been pointed out in the notices and the impugned order of assessment, these constitutes only questions of fact which this Court is unable to appreciate in the light of there being no reply or objection filed by the petitioner before the AO. The Court has relegated the petitioner to statutory appellate remedy. **M/s. Venus Traders Erode Vs. AC, (ST)(FAC) Brough Road Circle. W.P. No.1447 of 2021 DT: 25.01.2021**



C declaration forms: These Writ Petitions are filed seeking a mandamus for issuance of 'C' Forms for the interstate purchases of High-Speed Diesel Oil. However, this request has to be addressed to the AO and instead of doing so, the petitioner has directly approached this Court by way of WPs. These Writ Petitions are thus dismissed as premature. **Argunt Aggregates P Ltd Vs AC(CT), Kodumudi Assessment Circle, Karur. W.P. Nos.1378 etc of 2021 DT: 25.01.2021**

Attachment: In respect of disputed demand of Rs.1,87,927/-, the Ld Govt Advocate, confirms that there is no order of assessment giving rise to the aforesaid demand. The attachment of bank account on this score is contrary to law. As the amount appears to have been appropriated from the petitioner's bank account, the same is directed to be refunded to the petitioner within one week from today. **Sunlit Future Vs. STO, Tindivanam, W.P. No.19562 of 2020 DT: 22.01.2021**

Natural Justice: Admittedly, the details sought for by the dealer have not been furnished. That Assessing Authority raises an additional ground in the impugned order which matter has not been put to the petitioner in the show cause notices. The impugned order will thus be directed to be treated as a show cause notice and the petitioner will file a reply within a period of four (4) weeks from date of uploading of this order. **Lancor Holdings Limited Vs AC (CT), T.Nagar Assessment Circle, WP Nos.10568 etc of 2020 DATED: 08.01.2021**

WP filed prematurely: Petitioner sought a mandamus seeking a direction to the respondents to unblock and make available the credit in the electronic credit register for the purposes of GST and no representation has been made to the appropriate authorities seeking relief and this ought to have been done prior to approaching this Court. This WP is thus closed, granting liberty to the petitioner to approach the appropriate authority seeking relief that would be considered in accordance with law as and when the request is made. **Sree Rajendra Steel vs AC (CT), Moore Market, WP No.280 of 2021 DT: 08.01.2021**

Reply Not considered: Though the impugned order in the reference column mentions replies of the petitioner dt 22.05.2014 and 18.03.2020, the order makes a reference only to the first objection and the second appears to have been missed out. In the light of the aforesaid, the impugned order is set aside with directions. **B.S.P. Refineries, Vs AC (ST), Arisipalayam Assessment Circle W.P. No.16601 of 2020 DT: 04.01.2021**

Delay in filing appeal during Covid 19 period: Orders of assessment dated 09.03.2020, passed in terms of TNVAT Act, 2006. It is prayed that petitioners may be permitted to file a statutory appeal challenging the impugned order. Limitation stands extended by series of judgments of the Supreme Court, such as, order dated 23.03.2020 in SMW(C) No.3 of 2020, titled as "In Re: Cognizance for Extension of Limitation". Hence, the petitioner is permitted to file an appeal/application for rectification, within two weeks from today, subject to all other statutory compliances including payment of statutory redeposit. **Tvl.Sun Shine Solutions, Vs. STO, O/o The AC (ST) (Investigation), Erode. W.P. Nos.1574 etc of 2021 DT: 29.01.2021**



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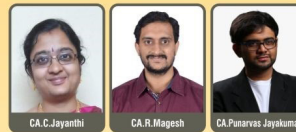
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