



SIRC Newsletter

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

Public Outreach Programme on Vivad Se Vishwas Scheme - 11-Mar-2020



CA. Dungar Chand U Jain, Chairman, SIRC of ICAI addressing the public. Seated on the dais (L to R) Shri Ajay Singh, Chief Commissioner of Income Tax, Chennai, Ms. Anu J Singh, Principal Chief Commissioner of Income Tax, Chennai and Dr. CA. Abhishek Murali, Secretary, SIRC of ICAI

Women's Day Programme - 11-Mar-2020



Hon'ble Justice Mrs. Anitha Sumanth, inaugurating the Women's Day programme. Seen from (L to R) CA. Sekar. G, CCM, ICAI, CA. Revathi Raghunathan, RCM, CA. Geetha Kumar, Chairperson, Kanchipuram District Branch of SIRC of ICAI CA. Pampanna B.E, SICASA Chairman, Dr. CA. Abhishek Murali, Secretary, SIRC and CA. Sundararajan R, RCM.

Webinar on CARO 2020 – A practical approach – 13-Mar-2020



CA. Chinnsamy Ganesan

Webinar on IRAC Norms – 03-Apr-2020



CA. S. Ramesh, Resource Person flanked by CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, ICAI

Webinar on 'How to remotely work from Home – 04-Apr-2020



CA. Narasimhan Elangovan, Resource Person flanked by CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, ICAI

Webinar on Companies Fresh Start Scheme, 2020 – 07-Apr-2020



CA. Gaurav Kumar K, Resource Person flanked by CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, ICAI



Chairman's Communique...



My Dear Professional Colleagues,

COVID 19: Being prepared does not mean you have to be scared. Being concerned doesn't mean you have to panic. And being both scared and panicked doesn't mean you can't seek an avenue to cope with the uncertainty that Covid-19 is undoubtedly causing.

The world has been hit by the coronavirus. It is a major threat that has not only infected lakhs of people around the world, but thousands of people have also died due to the virus around the globe.

With over 190 countries at risk, what lies beyond this is not the fight of these individual countries, but humanity against this deadly virus. Seeing the rising counts of people infected, health professionals, police personnel and sanitation workers are working tirelessly day and night and governments are also taking several measures and ways to protect all of us from this virus. We also notice how we, as one global society, have come together to lend our support to those in need, in such a pandemic. We are not fighting as a single nation but, as a global community who is in solidarity with each other. We are singing one anthem of unity beyond boundaries and nationality. Authorities and governments of various countries are helping those in need, irrespective of nationality.

Worries are mounting that prolonged quarantines, supply chain disruptions and a sharp reduction in tourism and business travel could weaken the global economy or even cause a recession but I am sure, the Chartered Accountants would raise up to the call and contribute their might to stabilize the economy in the coming days.

Video Conference with President and Vice President: We had a privilege of having a Video Conference with President and Vice President of ICAI on 7th April 2020. All the Regional Council Members, Central Council Members and all the Chairman of the Branches of SIRC participated in the meeting. This is in addition to the All Regional Councils Chairmen meeting with the President, Vice President and Central Council Members on 5th April 2020. Among various matters, the President echoed that all the Members of ICAI in unison should support the nation's cause in this hour of pandemic in all possible ways and by financial contribution to ICAI Covid19 Fund. He requested that the Members support the nation through ICAI forum. He also stressed that the students' interest should always be protected and promoted.

CA Examination: The Chartered Accountants Examination scheduled to have begun on May 2, 2020 have now been postponed to June 2020. For further details kindly visit the link <https://resource.cdn.icai.org/58830icai-47942exam270320.pdf>. The Members may kindly inform their Articled Assistants.

CPE Programmes: Considering the present situation, numerous CPE Programmes are conducted through Webinars for the benefit of the Members. The links are being uploaded in SIRC website (www.sircoficai.org) from time to time apart from sending SMSs and emails. I am pleased to inform that attendance in these webinars have been overwhelming. The details of forthcoming programmes also would be hosted on Website. Members may kindly visit the website. I would also like to thank the resource persons who have been kind enough to share their wisdom amongst our Members from home.

Coaching Classes: The lectures for the benefit of students are also conducted through Video Conferencing which would be helpful to the students who are going to appear for the ensuing examination.

CABF (Chartered Accountants Benevolent Fund): I have already, through my previous communique, requested the members to contribute to the CABF. I once again request you to contribute as this contribution is only used for the Chartered Accountants' Family at the time of distress. I also request all the Members, even whoever have contributed for Life Membership to CABF earlier, to contribute voluntarily to the fund once again.

AICITSS : The Council has given one-time relaxation to those students who are not able to complete Management and Communication Skills Course & Advanced Information Technology Training before appearing in May 2020 (to be held in June 2020) Final Examination be allowed to appear in May, 2020 Final Examination and complete the aforesaid training along with passing of AICITSS (Adv.IT exam) conducted by the Examination Department before the declaration of May, 2020 Final Examination result.

Orientation Course and ITT : The Council also exempted those students who were to take admission in Practical Training on or before 30th April, 2020 but are not able to admit in Practical Training due to non-completion of Orientation Course and IT Training be allowed to take admission in Practical Training on or before 30th April, 2020 and complete Orientation Course and IT Training on or before 31st August, 2020 and thereafter be allowed to appear in Final examination to be held in November, 2022.

It is my sincere hope that the present lock down will be lifted as soon as possible and our members and students would start actively involved in discharging their routine professional responsibilities and contribute to the revival of our Nation's economy.

I convey my best wishes and greetings to you for a focussed professional growth.

Stay at Home. Stay Safe !!!

Yours in professional service.

CA. Dungar Chand U Jain
Chairman, SIRC of ICAI

Chennai
15 - Apr - 2020



Committees of SIRC of ICAI - 2020-21

Standing Committees		
Executive Committee		
CA. Dungar Chand U Jain	Madurai	Chairman
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CA. Sundararajan R.	Chennai	Member
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CA. Nares Chandra Gelli	Hyderabad	Member
CA. Pannaraj S	Bengaluru	Member
CA. Prasanna Kumar D	Visakhapatnam	Member
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CA. Sumermal D Ostawal	Hubbali	Coopted Member
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CA. Sundararajan R.	Chennai	Member
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CA. Rajendra Kumar P	Chennai	Member
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CA. Nares Chandra Gelli	Hyderabad	Member
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CA. Pannaraj S	Bengaluru	Member
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CA. Geetha A.B.	Bengaluru	Member
CA. Jalapathi K	Coimbatore	Member
CA. Sekar G.	Chennai	Member
CA. Srinivasan N S	Chennai	Coopted Member
CA. Banusekar T	Chennai	Coopted Member
CA. Srinivas Godavari	Rajamahendravaram	Coopted Member
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CA. Pannaraj S	Bengaluru	Member
CA. Revathi S. Raghunathan	Chennai	Member
CA. Rajendra Kumar P	Chennai	Member
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Committees of SIRC of ICAI - 2020-21

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CA. Pampanna B.E.	Bengaluru	Member
CA. Sundararajan R.	Chennai	Member
CA. Babu Abraham Kallivayalil	Kochi	Member
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CA. Manjunatha R S	Bengaluru	Coopted Member
CA. Sathish Kumar P S	Madurai	Coopted Member
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CA. Geetha A.B.	Bengaluru	Member
CA. Jomon K. George	Kochi	Member
CA. Pampanna B.E.	Bengaluru	Member
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CA. Sundararajan R.	Chennai	Member
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CA. Naresh Chandra Gelli	Hyderabad	Member
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CA. Dayaniwas Sharma	Hyderabad	Member
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CA. Revathi S. Raghunathan	Chennai	Member
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CA. Vimala V	Madurai	Coopted Member
CA. Selva Siva Sankary D	Tuticorin	Coopted Member

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CA. China Masthan Talakayala	Hyderabad	Member
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CA. Kasi Sankara Namasiyayam	Tirunelveli	Coopted Member
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CA. Naresh Chandra Gelli	Hyderabad	Member
CA. Revathi S. Raghunathan	Chennai	Member
CA. Babu Abraham Kallivayalil	Kochi	Member
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CA. Jalapathi K	Coimbatore	Member
CA. Jomon K. George	Kochi	Member
CA. Naresh Chandra Gelli	Hyderabad	Member
CA. Vijay Kumar M.P.	Chennai	Member
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CA. Jomon K. George	Kochi	Member
CA. Sundararajan R.	Chennai	Member
CA. Babu Abraham Kallivayalil	Kochi	Member
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CA. Rajan R G	Chennai	Coopted Member
CA. Anil Kumar Bhandari	Bengaluru	Coopted Member
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CA. Naresh Chandra Gelli	Hyderabad	Member
CA. Pannaraj S	Bengaluru	Member
CA. Revathi S. Raghunathan	Chennai	Member
CA. Sundararajan R.	Chennai	Member
CA. Vijay Kumar M.P.	Chennai	Member
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CA. Sekar G.	Chennai	Member
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CA. Sivakumar P	Tirupur	Coopted Member
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CA. China Masthan Talakayala	Hyderabad	Member
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CA. Jomon K. George	Kochi	Member
CA. Pannaraj S	Bengaluru	Member
CA. Dayaniwas Sharma	Hyderabad	Member
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CA. Sathyamoorthy N	Chennai	Coopted Member
SICASA		
CA. Pampanna B.E.	Bengaluru	Chairman
CA. Revathi S. Raghunathan	Chennai	Member
CA. Vijay Kumar M.P.	Chennai	Member



INVITATION FOR COMMENTS ON EXPOSURE DRAFTS

1. ICAI has released the following exposure Draft

S. No	Document Type	Document Link (Click on the title to download the exposure Draft)	Last Date for Comments
1.	Exposure draft on Accounting Standards (AS)34 "Interim Financial Reporting"	https://resource.cdn.icai.org/54865asb44042.pdf	May 12, 2020
2.	Exposure draft on Accounting Standards (AS) 17 – "Leases"	https://resource.cdn.icai.org/54798asb43930.pdf	May 15, 2020
3.	Exposure Draft on "Interest Rate Benchmark"	https://www.icai.org/new_post.html?post_id=16455&c_id=219	May 25, 2020

2. The International Public Sector Accounting Standards Board (IPSASB) Exposure Draft open for Public Comments

S. No	Draft Framework	Link of the ED to host comments	Last Date for Comments
1.	ED 71, Revenue without Performance Obligations	http://www.icai.org/comments/caslb/	Nov 1, 2020
2.	ED 72, Transfer Expenses	http://www.icai.org/comments/caslb/	Nov 1, 2020
3.	ED 70 Revenue with Performance evaluation	http://www.icai.org/comments/caslb/	Nov 1, 2020

Members are invited to send their comments well before the last date to yamuna@icai.in

UPDATES

Scan QR Code & Read

FEMA

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



Karnataka VAT - GST updates

Contributed by:
CA. Annapurna D. Kabra, Bengaluru
annapurna@hskaadvisors.com

Tamil Nadu VAT

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



Income Tax updates

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

SEBI

Contributed by:
CA. VMV. Subba Rao, Nellore
vmvsr@rediffmail.com



The online link for UPDATES:
<https://www.sircoficai.org/members/professional-updates>

DISCLAIMER

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

ADVISORY FOR BANK BRANCH AUDITORS- 2019-20

It is to inform that Professional Development Committee, ICAI has issued an advisory for the Bank Branch Auditors for initiating the process of Statutory bank branch audit remotely to ensure timely and effective Bank Audit.

The said advisory has been emailed to all the Applicants whose names were appearing in the RBI Bank Branch Audit Panel. Members / CA Firms who have been allotted the Branch Audit of PSBs for the year 2019-2020, may please check their emails.

Professional Development Committee



USE OF ELECTRONIC SIGNATURE FOR SIGNING AUDIT REPORTS AND CERTIFICATES

Attention of the members is invited to paragraph 46 (Signature of the Auditor) of SA 700(Revised), "Forming an Opinion and Reporting on Financial Statements". The corresponding application guidance to this paragraph (paragraph A57) of SA 700(Revised) states as under:

"In some cases, law or regulation may allow for the use of electronic signatures in the auditor's report."

It may be noted that the Information Technology Act, 2000 ("IT Act 2000") contains provisions regarding the use of electronic signature for the authentication of electronic records. Relevant provisions of the IT Act 2000 are reproduced below:

"Section 2(ta): Definition of electronic signature

Electronic signature means authentication of any electronic record by a subscriber by means of the electronic technique specified in the Second Schedule and includes digital signature.

Section 3A: Electronic signature

(1) Notwithstanding anything contained in section 3, but subject to the provisions of sub-section (2), a subscriber may authenticate any electronic record by such electronic signature or electronic authentication technique which

- (a) is considered reliable; and
- (b) may be specified in the Second Schedule.

(2) For the purposes of this section any electronic signature or electronic authentication technique shall be considered reliable if

- (a) the signature creation data or the authentication data are, within the context in which they are used, linked to the signatory or, as the case may be, the authenticator and to no other person;
- (b) the signature creation data or the authentication data were, at the time of signing, under the control of the signatory or, as the case may be, the authenticator and of no other person;
- (c) any alteration to the electronic signature made after affixing such signature is detectable;
- (d) any alteration to the information made after its authentication by electronic signature is detectable; and
- (e) it fulfils such other conditions which may be prescribed.

(3) The Central Government may prescribe the procedure for the purpose of ascertaining whether electronic signature is that of the person by whom it is purported to have been affixed or authenticated.

(4) The Central Government may, by notification in the Official Gazette, add to or omit any electronic signature or electronic authentication technique and the procedure for affixing such signature from the Second Schedule: Provided that no electronic signature or authentication technique shall be specified in the Second Schedule unless such signature or technique is reliable.

(5) Every notification issued under sub-section (4) shall be laid before each House of Parliament.

Section 4: Legal recognition of electronic records

Where any law provides that information or any other matter shall be in writing or in the typewritten or printed form, then, notwithstanding anything contained in such law, such requirement shall be deemed to have been satisfied if such

information or matter is

- (a) rendered or made available in an electronic form; and
- (b) accessible so as to be usable for a subsequent reference.

Section 5: Legal recognition of electronic signatures

Where any law provides that information or any other matter shall be authenticated by affixing the signature or any document shall be signed or bear the signature of any person, then, notwithstanding anything contained in such law, such requirement shall be deemed to have been satisfied, if such information or matter is authenticated by means of electronic signature affixed in such manner as may be prescribed by the Central Government.

Explanation.- For the purposes of this section, "signed", with its grammatical variations and cognate expressions, shall, with reference to a person, mean affixing of his hand written signature or any mark on any document and the expression "signature" shall be construed accordingly."

Attention of the members is also invited to relevant provisions of the Indian Evidence Act, 1872 which are reproduced below:

"Section 3: Interpretation clause Evidence

"Evidence" means and includes

- (1) all statements which the Court permits or requires to be made before it by witnesses, in relation to matters of fact under inquiry; such statements are called oral evidence;
- (2) all documents including electronic records produced for the inspection of the Court; such documents are called documentary evidence.

Section 47A: Opinion as to digital signature where relevant

When the Court has to form an opinion as to the electronic signature of any person, the opinion of the Certifying Authority which has issued the electronic Signature Certificate is a relevant fact.

Section 67A: Proof as to electronic signature

Except in the case of a secure electronic signature, if the electronic signature of any subscriber is alleged to have been affixed to an electronic record the fact that such electronic signature is the electronic signature of the subscriber must be proved." From the aforesaid provisions of the IT Act 2000 and the Indian Evidence Act, 1872, it may be concluded that these Acts allow use of electronic signature for authentication of various documents. The IT Act 2000 also prescribes certain conditions to be fulfilled for an electronic signature to be considered as reliable. Accordingly, the members of ICAI may use electronic signature for signing audit reports, all reports issued pursuant to any attestation engagement and certificates. However, the members need to ensure compliance with all the requirements relating to signature prescribed in the relevant law or regulation, Standards on Auditing and relevant announcements/ clarifications issued by ICAI on the matter including the requirement to mention UDIN.

Please note that the requirement to mention UDIN is applicable both for manually and digitally signed reports/certificates including certificates uploaded online.

This Announcement will come into force from immediate effect.

Chairman
Auditing and Assurance
Standards Board

Vice-Chairman
Auditing and Assurance
Standards Board



IMPORTANT ANNOUNCEMENT

27th March, 2020

POSTPONEMENT OF CHARTERED ACCOUNTANT EXAMINATIONS, MAY 2020

In continuation to the Important Announcement dated 1st January 2020, it is hereby notified for general information that in view of the ongoing spurt of the COVID-19 pandemic and in the interest of the well-being of students, the Chartered Accountant Examinations initially scheduled from 2nd May 2020 to 18th May 2020 stand rescheduled and the said examinations shall now be held from 19th June 2020 to 4th July, 2020 as per details given below.

FOUNDATION COURSE EXAMINATION – Under NEW SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 25 F (3) of the Chartered Accountants Regulations, 1988.]

27th, 29th June 2020, 1st & 3rd July 2020

INTERMEDIATE (IPC) COURSE EXAMINATION – Under OLD SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 28 E (3) of the Chartered Accountants Regulations, 1988.]

Group-I: 20th, 22nd, 24th & 26th June 2020

Group-II: 28th, 30th June 2020 & 2nd July 2020

INTERMEDIATE COURSE EXAMINATION – Under NEW SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 28 G (4) of the Chartered Accountants Regulations, 1988.]

Group-I: 20th, 22nd, 24th & 26th June 2020

Group-II: 28th, 30th June 2020, 2nd & 4th July 2020

FINAL COURSE EXAMINATION - Under OLD SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 31 (ii) of the Chartered Accountants Regulations, 1988.]

Group-I: 19th, 21st, 23rd & 25th June 2020

Group-II: 27th, 29th June 2020, 1st & 3rd July 2020

FINAL COURSE EXAMINATION - Under OLD SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 31 (ii) of the Chartered Accountants Regulations, 1988.]

Group-I: 19th, 21st, 23rd & 25th June 2020

Group-II: 27th, 29th June 2020, 1st & 3rd July 2020

FINAL COURSE EXAMINATION - Under NEW SCHEME

[As per syllabus contained in the scheme notified by the Council under Regulation 31 (iv) of the Chartered Accountants Regulations, 1988.]

Group-I: 19th, 21st, 23rd & 25th June 2020

Group-II: 27th, 29th June 2020, 1st & 3rd July 2020

INTERNATIONAL TRADE LAWS AND WORLD TRADE ORGANISATION (ITL & WTO), Part I EXAMINATION

Group A 20th & 22nd June 2020

Group B 24th & 26th June 2020

INTERNATIONAL TAXATION – ASSESSMENT TEST (INTT – AT)

27th & 29th June 2020

It may be emphasized that there would be no change in the examination schedule in the event of any day of the examination schedule being declared a Public Holiday by the Central Government or any State Government / Local Holiday.

Candidates may note that two of the papers viz. Paper(s) 3 & 4 of Foundation Examination are of 2 hours duration. Similarly, Elective Paper - 6 of Final Examination (under New Scheme) is of 4 hours. However, all other examinations are of 3 hours duration, and the examination wise timing(s) are given below:

Examination	Paper(s)	Exam. Timings (IST)	Duration
Foundation	Paper 1 & 2	2 PM to 5 PM	3 Hours
	Paper 3 & 4*	2 PM to 4 PM	2 Hours
Intermediate (IPC)	All Papers	2 PM to 5 PM	3 Hours
Intermediate (New Scheme)	All Papers	2 PM to 5 PM	3 Hours
Final (Old Scheme)	All Papers	2 PM to 5 PM	3 Hours
Final (New Scheme)	Paper 1 to 5 & Paper 7 & 8.	2 PM to 5 PM	3 Hours
	Paper 6 (Elective)	2 PM to 6 PM	4 Hours
Post Qualification Course Examinations i.e. (ITL & WTO), Part I and (INTT – AT)	ALL	2 PM to 5 PM	3 Hours

* In Paper 3 and 4 of Foundation Examination and all papers of Post Qualification Course Examinations there will not be any advance reading time, whereas in all other papers / exams mentioned above, an advance reading time of 15 minutes will be given from 1.45 PM (IST) to 2 PM (IST).

Foundation Course Examination is to be held along with Final Group –II Examinations on 27th, 29th June 2020, 1st & 3rd July 2020 and the Post Qualification Course Examination i.e. INTT - AT is to be held along with Final Group – II Examination on 27th & 29th June 2020, whereas ITL & WTO examination is to be held along with 4 papers, Group – I of Intermediate (IPC) / Intermediate Examinations.

(S. K. Garg)
Additional Secretary (Examinations)



APPEAL TO CONTRIBUTE IN ICAI COVID 19 RELIEF FUND

(https://www.icai.org/new_post.html?post_id=16403&c_id=240)

The COVID-19 pandemic marks an unprecedented time in modern history that will require the best of humanity to overcome. Little would have we realised the unfolding of epidemic like this, which situation is yet unfolding, and have brought the economic momentum to a much lower trajectory. Situation like this would need support to collaborate with the government initiatives to scale up governmental efforts to help those in distress. At this moment, the affected people in India will need help to tide over the viral disease, and in this scenario, ICAI has decided to stand with our distressed fellow countrymen, and actively participate in the national effort to support them at this difficult time. Due to the ongoing lockdown, much needed on the ground of social distancing and therefore 'stay home' advisory from the government; some of our fellow countrymen will need extensive support from the government. Further, we need to contribute to the government initiatives to bolster necessary infrastructure and human ware to fight this epidemic.

To provide much-needed relief for the people affected by the viral disease and those who are in distress; ICAI appeals to all its Members and Students to donate generously for this noble cause through the link <https://www.icai.org/covid19/>

Donations can be made through Demand Draft, Cheque, RTGS and online mode; offline collections in form of cheques/demand draft should be given in the name of "ICAI COVID 19 Relief Fund". All such offline contributions can be made in the ICAI Bank Account having the following details:

Bank: HDFC Bank
Account No.: 50100098409265
IFSC No: HDFC0000590

The collected amount will be given to PRIME MINISTER'S NATIONAL RELIEF FUND/PM CARES FUND. All contributions towards this Fund are eligible for deduction from Income Tax under Section 80G. Further, the date for claiming deduction u/s 80G under IT Act has been extended by the government and now the donation made up to 30.06.2020 shall also be eligible for deduction from income of FY 2019-20. The donors are requested to give their name, membership number /Student /Firm registration number, address, amount and date of contribution, PAN details (if any) so that receipts could be obtained from Prime Minister's National Relief Fund/Pm CARES Fund for onward transmission to the donors. The letter/email can be sent to:

The Additional Secretary
M&C-MSS
The Institute of Chartered Accountants of India
ICAI Bhawan
A-29, Sector-62
Noida-201309
Email: msshhead@icai.in

Looking forward for your generous contribution in these special circumstances in the interest of mankind.

(CA. Atul Kumar Gupta)
President ICAI

MCA HAS INTRODUCED LLP SETTLEMENT SCHEME, 2020 AND COMPANY FRESH SETTLEMENT SCHEME 2020 TO GIVE ONETIME RELAXATION IN ADDITIONAL FEES TO THE DEFAULTING COMPANIES/ LLPS - (03-04-2020)

The Ministry of Corporate Affairs in pursuance of the Government of India's efforts to provide relief to law abiding companies and Limited Liability Partnerships (LLPs) in the wake of COVID 19, has introduced the "Companies Fresh Start Scheme, 2020" and revised the "LLP Settlement Scheme, 2020" which is already in vogue to provide a first of its kind opportunity to both companies and LLPs to make good any filing related defaults, irrespective of duration of default, and make a fresh start as a fully compliant entity. The Fresh Start scheme and modified LLP Settlement Scheme incentivize compliance and reduce compliance burden during the unprecedented public health situation caused by COVID-19. The USP of both the schemes is a one-time waiver of additional filing fees for delayed filings by the companies or LLPs with the Registrar of Companies during the currency of the Schemes, i.e. during the period starting from 1st April, 2020 and ending on 30th September, 2020.

ICAI is happy to note that the Schemes, apart from giving longer timelines for corporates to comply with various filing requirements under the Companies Act 2013 and LLP Act, 2008, significantly reduce the related financial burden on them, especially for those with long standing defaults, thereby giving them an opportunity to make a "fresh start".

Further, the scheme gives an opportunity to inactive companies to get their companies declared as 'dormant company' under section 455 of the Act by filing a simple application at a normal fee. The said provision enables inactive companies to remain on the register of the companies with minimal compliance requirements.

It may kindly be noted that the immunity is only against delayed filings in MCA 21 and not against any substantive violation of law.

In this regard, the Ministry of Corporate Affairs, Government of India, has issued the Circular on their website and the link for the same is as below:

For Companies Fresh Start Scheme,
2020 http://www.mca.gov.in/Ministry/pdf/Circular12_30032020.pdf

For LLP Settlement Scheme,
2020 http://www.mca.gov.in/Ministry/pdf/Circular13_30032020.pdf

ICAI has also prepared and issued FAQs on the Companies Fresh Start Scheme and LLP Settlement Scheme, 2020 (Original and Modified) for the benefit of its members and other stakeholder that are uploaded on ICAI website.

FAQs on the Companies Fresh Start Scheme are available at the link <https://resource.cdn.icai.org/58908clcg48020.pdf>

FAQs on the LLP Settlement Scheme, 2020 (Original and Modified) are available at the link <https://resource.cdn.icai.org/58902clcg48009llpfaq.pdf>

Members concerned are earnestly requested to kindly plan their filing accordingly.

With Kind Regards,

Chairman

Vice Chairman

Corporate Laws & Corporate Governance Committee



IMPORTANT ANNOUNCEMENTS

Exemption from Completion of Orientation Course (OC) and Information Technology Training (ITT) before admission in Practical Training on or before 30th April, 2020. - (20-03-2020)

The Council at its meeting held on 20th March, 2020 invoked the powers under Regulation 205 of The Chartered Accountants Regulations, 1988 and decided to pass the resolution to grant one-time relaxation to the following category of students:

- who were to take admission in Practical Training on or before 30th April, 2020 but are not able to admit in Practical Training due to non-completion of Orientation Course and IT Training.

be allowed to take admission in Practical Training on or before 30th April, 2020 and complete Orientation Course and IT Training on or before 31st August, 2020 and thereafter be allowed to appear in Final examination to be held in November, 2022.

Acting Secretary, ICAI

Exemption from Completion of Management and Communication Skills Course (MCS Course) & Advanced Information Technology Training (Adv.ITT) to appear in Final May 2020 Examination - (20-03-2020)

The Council at its meeting held on 20th March, 2020 invoked the powers under Regulation 205 of The Chartered Accountants Regulations, 1988 and decided to pass the resolution to grant one-time relaxation to the such category of students who are not able to complete MCS Course and Adv.IT Training before appearing in May, 2020 Final Examination :

be allowed to appear in May, 2020 Final Examination and complete the aforesaid training along with passing of AICITSS (Adv.IT exam) conducted by the Examination Department before the declaration of May, 2020 Final Examination result.

Acting Secretary, ICAI

Extension of time period for commencement of Practical Training on or before 30th April 2020 to 31st May, 2020 for appearing in Final examination to be held in November, 2022. - (05-04-2020)

In order to remove hardship caused to students who are required to commence their Practical Training on or before 30th April, 2020 to appear in November, 2022 Final examinations, but are not able to commence their Practical Training within the stipulated date on account of COVID-19, the Competent Authority has decided to relax the afore-stated requirement as a one-time measure as under:-

Students who are required to commence their Practical Training on or before **30th April, 2020** but are not able to commence due to lockdown in the country on account of COVID-19, as a one-time measure are hereby allowed to commence their Practical Training on or before **31st May, 2020** and then are allowed to appear in their Final examination to be held in **November, 2022**.

**Director
Board of Studies, ICAI**

Allowing provisional registration in the Foundation Course of Institute of Chartered Accountants of India (ICAI) for students who have been allotted either admit card and/or appeared in one or more papers of Class XII examinations. - (05-04-2020)

Due to the outbreak of the COVID -19 pandemic, the CBSE/ICSE/State Boards have postponed Class 12th Board examinations that were to be held from 19th March 2020 and onwards.

In view of above, such candidates who are not able to register themselves in the Foundation due to non-appearance in all papers of class 12th Examination, the Competent Authority has decided to relax the eligibility criteria for registering in Foundation Course, as a one-time measure, which is as under:-

- Candidate may provisionally **register in the Foundation Course on or before 30th June 2020 if he has been either allotted the admit card and/or appeared in one or more papers in the months of February/March 2020 in the Senior Secondary (10+2) Examination conducted by an examining body constituted by law in India or an examination** recognised by the Central Government or the State Government as equivalent thereto for the purpose of admission to graduation course and;
- **appear in November 2020 Foundation examination after passing the Senior Secondary (10+2) examination** conducted by an examining body as mentioned above.

Candidates desiring to register in Foundation Course, may visit ICAI website i.e. <https://www.icai.org> and register online <https://eservices.icai.org/>

**Director
Board of Studies, ICAI**

26th March 2020

STUDENT ANNOUNCEMENT ON ARTICLESHIP - PERIOD OF ABSENCE ARISING OUT OF COVID-19 LOCKDOWN COVID -19: Important Announcement

The ICAI (Institute) has been closely watching the situation arising out of spread of Novel Coronavirus COVID-19 and the current stage is where the lockout has resulted in closure of offices and bare minimum articleship training work being made feasible through online means. We are all aware that until further orders, such restrictions are going to continue till 14th April 2020.

Those who are already registered and undergoing articulated training, are hereby informed that the period of absence arising out of said lockdown due to COVID -19 pandemic shall not be counted for the purposes of deduction of any leaves, meaning thereby that such period shall be counted as being on articleship training for the period aforesaid. Accordingly, the students who are already undergoing articulated training and are appearing for May 2020 and subsequent examinations need not worry on this count for loss of any period not served during the above lockdown.

Further, to ease out situation at both the ends, matters related to timing and manner of payment of stipend in the intervening period arising out of the lockdown, may be mutually decided between the principal and the article assistant.

**(Rakesh Sehgal)
Acting Secretary, ICAI**

Webinar on Bank Audit using Excel- 08-Apr-2020 and 09-Apr-2020



CA. U. Saran Kumar, Resouce Person, CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, ICAI

Webinar on Bank Audit under CBS Environment Part 1 - 10-Apr-2020



CA. Kuntal P Shah, Resource Person flanked by CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr. CA. Abhishek Murali, Secretary, ICAI

Webinar on Bank Audit under CBS Environment Part 2 - 11-Apr-2020



CA. Kuntal P Shah and CA. Dhananjay Gokhale, Resource persons seen with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr.CA. Abhishek Murali, Secretary, SIRC of ICAI

Webinar on Latest GST Amendments & COVID-19 Relief Measures - 14-Apr-2020



CA. Selva Kumar M Resource Person flanked by CA. Dungar Chand U Jain, Chairman, SIRC of ICAI and Dr.CA. Abhishek Murali, Secretary, SIRC of ICAI

Public Outreach Programme on Vivad-se-Vishwas Scheme - 11-Apr-2020



Section of the Audience during the Programme organized by Income Tax Department and hosted by SIRC of ICAI

CPE Meeting on VIVAD SE VISHWAS SCHEME - 05-Mar-2020



CA. T. Banusekar, Resource person of the CPE Meeting on VIVAD SE VISHWAS SCHEME along with CA. Dungar Chand U Jain, Chairman, SIRC of ICAI

MEETING WITH CHAIRMAN - GST & INDIRECT TAXES COMMITTEE - ICAI - 05-Mar-2020



CA. Rajendra Kumar P, Central Council Member and Chairman of GST & Indirect Taxes Committee, ICAI addressing the gathering. CA. Dungar Chand U Jain, Chairman, SIRC and Dr. CA. Abhishek Murali, Secretary are also seen

CPE MEETING RESOURCE PERSONS - MARCH 2020



CA. S. Ramakrishnan



CA. Rajendra Kumar P



CA. Biju Chandran



CA. Jeba Singh Jothi



CA. Teresa

**CIRCULAR**

SEBI/HO/CFD/CMD1/CIR/P/2020/48

March 26, 2020

To,

All listed entities that have listed their specified securities
All Recognized Stock Exchanges
All Depositories

Madam / Sir,

Sub: Further relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the SEBI circular dated January 22, 2020 relating to Standard Operating Procedure due to the CoVID -19 virus pandemic

1. SEBI, vide circular no SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020 had provided relaxation from compliance with certain provisions of the LODR. It has been decided to grant the following further relaxations from the LODR:

A. Filings:

Sl no.	Regulation and associated filing	Filing		Relaxation w.r.t. the quarter / half year / year ending March 31, 2020		
		Frequency	Due within	Due date	Extended date	Period of relaxation
a.	Regulation 40(9) relating to Certificate from Practicing Company Secretary on timely issue of share certificates	Half Yearly	1 month of the end of each half of the financial year	April 30, 2020	May 31, 2020	1 month
b.	Regulation 44(5) relating to holding of AGM by top 100 listed entities by market capitalization for FY 19-20	Annual	Within a period of 5 months from the date of closing of the financial year	August 31, 2020	September 30, 2020	1 month

B. Conduct of Committee meetings – Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee

Sl no.	Regulation	Requirement	Frequency	Due date	Extended date	Period of relaxation
a.	Regulation 19(3A)	The nomination and remuneration committee shall meet at least once in a year	Yearly	March 31, 2020	June 30, 2020	3 months
b.	Regulation 20(3A)	The Stakeholders Relationship committee shall meet at least once in a year.				
c.	Regulation 21(3A)	The Risk Management Committee shall meet at least once in a year.				

C. Relaxation of the operation of the SEBI circular on Standard Operating Procedure dated January 22, 2020

SEBI vide circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/12 dated January 22, 2020 issued the Standard Operating Procedure (SoP) on imposition of fines and other enforcement actions for non-compliances with provisions of the LODR, the effective date of operation of which is for compliance periods ending on or after March 31, 2020. The said circular dated January 22, 2020 shall now come into force with effect from compliance periods ending on or after June 30, 2020. It may be noted that the SoP circular dated May 03, 2018 would be applicable till such date.

D. Publication of advertisements in the newspapers:

Regulation 47 of the LODR requires publishing, in the newspapers, information such as notice of the board meeting, financial results etc. It has been brought to the notice of SEBI that some newspapers are not bringing their print versions for a limited period; some newspapers that are still printing are not accepting a 'e-copy' of the information to be published which acts as a challenge in ensuring compliance with this regulation. Hence it has been decided to exempt publication of advertisements in newspapers as required under regulation 47 for all events scheduled till May 15, 2020.

- This Circular shall come into force with immediate effect. The Stock Exchanges are advised to bring the provisions of this circular to the notice of all listed entities that have issued specified securities and their material subsidiaries and also disseminate on their websites.
- The 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 regulations 101 and 102 of the LODR and the relaxations contained herein are subject to the provisions of the Companies Act, 2013 and rules made thereunder.
- The circular is available on SEBI website at www.sebi.gov.in under the category - 'Legal -Circulars'.

Pradeep Ramakrishnan

General Manager, Compliance and Monitoring Division-1, Corporation Finance Department, +91-22-26449246



FEMA Updates for the month of April 2020
Contributed by CA. G. Murali Krishna | gmk@grandhiandassociates.in

I. Foreign Exchange Management (Manner of Receipt and Payment) Second Amendment Regulations, 2020:

Vide notification number FEMA 14(R)/(2)/2020-RB, dated March 4, 2020 Reserve Bank made amendment to principal regulations of 2016 (Notification N. FEMA 14(R)/2016-RB) on manner of receipt and payment of foreign exchange in India.

As per Regulation 3 (1)(A) of said regulations, before amendment, receipt for export of eligible goods and services can be made from member countries of Asian Clearing Union (ACU) being Bangladesh, Myanmar, Pakistan, Sri Lanka and Republic of Maldives by debit to the ACU Dollar Account and / or ACU Euro Account in India of a bank of the member country in which the other party to the transaction is resident, or by credit to the ACU Dollar Account and / or ACU Euro Account of the authorized dealer maintained with the correspondent bank in that member country. Now ACU Japanese Yen account is made eligible for such receipts.

On similar lines, Regulation 5 (1)(A) of said regulations is amended making ACU Japanese Yen account eligible for making payments to ACU member countries towards import of eligible goods and services.

The above amendment was brought to execution through AP (DIR Series) Circular no. 22, dated March 17, 2020.

For more details, please refer the original notifications/ circulars referred above.

II. RBI extension of date for obtaining LEI

RBI vide its notification No. FMRD.FMID.No.24/11.01.007/2019-20, dated 27/03/2020, based on the feedback and requests received from market participants, in the context of the difficulties arising from the outbreak of novel coronavirus disease (COVID-19), and with a view to enabling smoother implementation of the LEI system in non-derivative markets, the timeline for implementation (Phase III) is extended as under:

Phase	Net Worth of Entities	Current Deadline	Extended Deadline
Phase III	Up to ₹ 200 crore	March 31, 2020	September 30, 2020

These directions are issued under section 45W, read with section 45U, of the Reserve Bank of India Act, 1934.

For more details, please refer the original notification referred above.

III. Update on Compounding Orders issued under FEMA Regulations

a.M/s Kilaru Naturals Pvt Ltd

Regulation	Paragraph 9(1)(A), Paragraph 9(1)(B), Paragraph 8, Paragraph 9(2) of Schedule 1 to Notification No. 20/2000-RB dated May 3, 2000 and Regulation 13.1(3) to Notification No. FEMA 20(R)/2017-RB dated November 07, 2017
Contravention	1. Delay in filing Form ARF towards receipt of subscription monies from non-resident 2. Delay in filing Form FC-GPR towards allotment of shares 3. Delay in refund of unallotted share application money and delay in receipt of shortfall amount of consideration after allotment of shares 4. Delay in filing of FLA Return
Date of Order	14-02-2020
Amount of Contravention	INR 1.59 Cr
Compounding Fee	INR 99,033

b.M/s CS Laser LLP

Regulation	Paragraph 7(i) of Schedule 9 to Notification No. FEMA 20/2000- RB dated May 3, 2000, Paragraph 7(iv) of Schedule 9 to Notification No. FEMA 20/ 2000-RB read with A.P. (Dir Series) Circular No. 22 dated October 21, 2015 and Regulation 13.1(3) of Notification No.20R/2017-RB dated November 07, 2017
Contravention	1. Delay in filing of Form FDI-LLP(I) towards capital contribution and profit shares of LLP 2. Delay in filing of annual FLA Return
Date of Order	12-02-2020
Amount of Contravention	INR 1.33 Cr
Compounding Fee	INR 1.61 Lakh

c.M/s K-Source Pvt Ltd

Regulation	Paragraph 9(1)(B), Paragraph 8 and Paragraph 9(2) respectively of Schedule 1 to Notification No. FEMA 20/2000- RB dated May 3, 2000 and Regulation 13.1(3) of Notification No.20R/2017-RB dated November 07, 2017
Contravention	1. Delay in receipt of consideration after allotment of shares against memorandum of association 2. Delay in filing of Annual FLA Return
Date of Order	19-02-2020
Amount of Contravention	INR 99,990
Compounding Fee	INR 77,375



Recent Amendments under the GST law By CA. Annapurna D Kabra

The global economic shut down due to Covid-19 has raised the concerns among the trade and industry. During this phase, there may possibly be reduction in tax revenues for both center and states. In the phase of country lockdown, the Government has made certain amendments under the GST law including the relaxations for extension of dates, waiving of interest, late fee and penalty in certain instances, etc. The following are the procedural and technical amendments under the GST law.

1. **Aadhar Authentication:** The applicant while applying for new registration should undergo the Aadhar Authentication for grant of registration. If the applicant fails to undergo Aadhar Authentication as specified, then the registration certificate will be issued after physical verification of premises in the presence of the said persons within sixty days from the date of application. The verification report to be uploaded on common portal within 15 days of verification. Therefore, the regular procedure of issuance of acknowledgment electronically to the applicant in Form REG-02 shall not be applicable if there is physical verification. In case of failure to go for Authentication then registration deemed to be invalid. In case the new registered person is individual then Aadhar Authentication is pre-condition for Registration. In case the New Registered Person is other than Individual - like Karta, of HUF, Managing and Authorized Partners, Authorized Signatories, then Aadhar Authentication for Authorized Representatives is pre-condition for Registration. The Aadhar Authentication is not required for a person who is not a citizen of India or to class of persons other than above persons as specified. The above amendment is effective from 1st day of April 2020.
2. **Extension for filing Annual Return Form 9:** GSTR 9 is mandated if the aggregate turnover exceeds 2 crores for the financial year 2018-2019. It is optional if the aggregate turnover is less than 2 crores. The due date of filing GSTR 9 for Financial year 2018-2019 is extended till June 30, 2020.
3. **Extension for filing Form 9C:** GSTR 9C is mandated only if the aggregate turnover exceeds 5 crores for the Financial year 2018-2019. The due date of filing GSTR 9C for Financial year 2018-2019 is extended till June 30, 2020.
4. **Appellate Tribunal:** The GST Appellate Tribunal has not yet been constituted nor notified by the Government u/s 109(1) of the Act. In the absence of Appellate Tribunal, the appellant is unable to file any appeal against the order of Joint Commissioner of Commercial Taxes (Appeal) at this point in time. The constitution of Appellate Tribunal is not yet constituted due to order of Madras High Court in case of *Revenue Bar Assn. v. Union of India*. The time limit of three months for appellant or six months for department should be calculated from the date of receipt of order or date on which president or vice president enters the office whichever is later.
5. **Composition Scheme:**
 - a. The registered persons who could not opt for special composition scheme based on Notification 2/2019 (CT-Rate) need not furnish **GSTR-1** or **CMP 8**, if Form GSTR 3B has been furnished for the tax periods in Financial year 2019-2020 respectively.
 - b. **Eligibility for Composition scheme:** There is change in conditions for eligibility for composition scheme wherein the transactions was restricted to goods and with the amendment in Finance Act 2020, now the transactions are extended to services also. Therefore, such registered person who is opting for the scheme should
 - Not be engaged in making any supply of goods **or services** which are not leviable to tax,
 - Not be engaged in making any interstate outward supplies of goods **or services**
 - Not be engaged in making any supply of goods **or services** through an electronic commerce operator who is required to collect tax at source under section 52.

6. Amendments in Refund Procedure

a. Refund of Excess tax/Wrongly tax paid: There is an insertion of Rule 86 wherein the excess tax paid or wrong taxes paid shall instead of cash refund should be credited to the electronic credit ledger and accordingly Form GST PMT-03 to be issued accordingly. (Rule 86(4A)).

b. Turnover of Zero-Rated supply of goods: There is change in the terminology of turnover of zero-rated supply of goods. It means the value of zero-rated supply of goods without payment of tax under bond/ LUT or value which is 1.5% times the value of like goods domestically supplied or similarly placed supplier as identified and declared by the supplier whichever is less. (Rule 89(4) (c))

c. Additional undertaking along with Form GST RFD -01: *The undertaking should state that "I hereby undertake to deposit to the Government the amount of refund sanctioned along with interest in case of non-receipt of foreign exchange remittances as per the proviso to section 16 of the IGST Act, 2017 read with rule 96B of the CGST Rules 2017". (declaration under Rule 89(2)(g)*

d. Proportionate Refunds: In case if the Refund is other than tax paid on Zero rated supplies and Deemed Export, then the proportionate refund has to be computed for the amount to be paid in cash and the amount to be paid in credit. The cases can be like refund of excess payment of tax, refund of tax paid on intra state supply which is subsequently held to be interstate supply and vice versa, Refund on account of assessment/provisional assessment/appeal/any other order or any other reasons.

The amount to be paid in cash will be Refund sanctioned * amount debited to electronic cash ledger/total liability for the Refund period and the balance amount shall be refundable. The Refund Amount to be paid in credit = Refund sanctioned x Amount debited to electronic credit ledger / Total liability for the refund period). The amount debited to electronic cash ledger/electronic credit ledger means the liability paid in cash or credit for the Refund Period (Rule 92(1A)). The refund to be paid in cash and credit shall be calculated in the same proportion in which the cash and credit ledger has been debited for discharging the total tax liability for the relevant period for which the refund application is filed.

e. Exports of goods: The Registered person can apply for refund of IGST paid on export of goods with payment of IGST wherein IGST and cess are paid but basic custom duty is claimed as exemption. (Rule 96(10)(b))

f. Recovery of Refund where Exports Proceeds are not Realised: Where the refund has been paid to the applicant but if the sale proceeds of export goods is not realised within the time limit including extended time limit under FEMA then the applicant should deposit such proportionate refund along with interest within 30 days of realisation. If not done within the specified period, then it will be recovered by officer under section 73 or 74 along with interest under section 50. The recovery of refund is not required to be done if the Reserve bank of India writes off the requirement of realisation of sale proceeds on merits. Where the sale proceeds are realised after the recovery of refund and if the applicant produces the evidence within three months of realisation (within extended time permitted by RBI) then the amount so recovered will be refunded accordingly.

g. Clubbing of Tax periods: The restrictions on clubbing of tax periods across the financial year has been removed which has been specified in earlier master circular. There is no bar in section 16(3) and section 54(3) to claim refund by clubbing different months across successive financial years. Therefore, the applicant can file the refund application by clubbing different months across successive financial years. (**Cir No. 135/05/2020-GST 31/3/2020**)



The global economic shut down due to Covid-19 has raised the concerns among the trade and industry. During this phase, there may possibly be reduction in tax revenues for both center and states. In the phase of country lockdown, the Government has made certain amendments under the GST law including the relaxations for extension of dates, waiving of interest, late fee and penalty in certain instances, etc. The following are the procedural and technical amendments under the GST law.

1. Aadhar Authentication: The applicant while applying for new registration should undergo the Aadhar Authentication for grant of registration. If the applicant fails to undergo Aadhar Authentication as specified, then the registration certificate will be issued after physical verification of premises in the presence of the said persons within sixty days from the date of application. The verification report to be uploaded on common portal within 15 days of verification. Therefore, the regular procedure of issuance of acknowledgment electronically to the applicant in Form REG-02 shall not be applicable if there is physical verification. In case of failure to go for Authentication then registration deemed to be invalid. In case the new registered person is individual then Aadhar Authentication is pre-condition for Registration. In case the New Registered Person is other than Individual - like Karta, of HUF, Managing and Authorized Partners, Authorized Signatories, then Aadhar Authentication for Authorized Representatives is pre-condition for Registration. The Aadhar Authentication is not required for a person who is not a citizen of India or to class of persons other than above persons as specified. The above amendment is effective from 1st day of April 2020.

2. Extension for filing Annual Return Form 9: GSTR 9 is mandated if the aggregate turnover exceeds 2 crores for the financial year 2018-2019. It is optional if the aggregate turnover is less than 2 crores. The due date of filing GSTR 9 for Financial year 2018-2019 is extended till June 30, 2020.

3. Extension for filing Form 9C: GSTR 9C is mandated only if the aggregate turnover exceeds 5 crores for the Financial year 2018-2019. The due date of filing GSTR 9C for Financial year 2018-2019 is extended till June 30, 2020.

4. Appellate Tribunal: The GST Appellate Tribunal has not yet been constituted nor notified by the Government u/s 109(1) of the Act. In the absence of Appellate Tribunal, the appellant is unable to file any appeal against the order of Joint Commissioner of Commercial Taxes (Appeal) at this point in time. The constitution of Appellate Tribunal is not yet constituted due to order of Madras High Court in case of *Revenue Bar Assn. v. Union of India*. The time limit of three months for appellant or six months for department should be calculated from the date of receipt of order or date on which president or vice president enters the office whichever is later.

5. Composition Scheme:

a. The registered persons who could not opt for special composition scheme based on Notification 2/2019 (CT-Rate) need not furnish **GSTR-1** or **CMP 8**, if Form GSTR 3B has been furnished for the tax periods in Financial year 2019-2020 respectively.

b. **Eligibility for Composition scheme:** There is change in conditions for eligibility for composition scheme wherein the transactions was restricted to goods and with the amendment in Finance Act 2020, now the transactions are extended to services also. Therefore, such registered person who is opting for the scheme should

- Not be engaged in making any supply of goods **or services** which are not leviable to tax,
- Not be engaged in making any interstate outward supplies of goods **or services**
- Not be engaged in making any supply of goods **or services** through an electronic commerce operator who is required to collect tax at source under section 52.

6. Amendments in Refund Procedure

a. Refund of Excess tax/Wrongly tax paid: There is an insertion of Rule 86 wherein the excess tax paid or wrong taxes paid shall instead of cash refund should be credited to the electronic credit ledger and accordingly Form GST PMT-03 to be issued accordingly. (Rule 86(4A)).

b. Turnover of Zero-Rated supply of goods: There is change in the terminology of turnover of zero-rated supply of goods. It means the value of zero-rated supply of goods without payment of tax under bond/ LUT or value which is 1.5% times the value of like goods domestically supplied or similarly placed supplier as identified and declared by the supplier whichever is less. (Rule 89(4) (c))

c. Additional undertaking along with Form GST RFD -01: *The undertaking should state that "I hereby undertake to deposit to the Government the amount of refund sanctioned along with interest in case of non-receipt of foreign exchange remittances as per the proviso to section 16 of the IGST Act, 2017 read with rule 96B of the CGST Rules 2017". (declaration under Rule 89(2)(g))*

d. Proportionate Refunds: In case if the Refund is other than tax paid on Zero rated supplies and Deemed Export, then the proportionate refund has to be computed for the amount to be paid in cash and the amount to be paid in credit. The cases can be like refund of excess payment of tax, refund of tax paid on intra state supply which is subsequently held to be interstate supply and vice versa, Refund on account of assessment/provisional assessment/appeal/any other order or any other reasons.

The amount to be paid in cash will be Refund sanctioned * amount debited to electronic cash ledger/total liability for the Refund period and the balance amount shall be refundable. The Refund Amount to be paid in credit = Refund sanctioned x Amount debited to electronic credit ledger / Total liability for the refund period). The amount debited to electronic cash ledger/electronic credit

Form type	Period	Due date
CMP-08	Quarter ended 31/03/2020	07-07-2020
GSTR-4	FY 19-20	15-07-2020
CMP-02	FY 20-21	30-06-2020
TTC-03		31-07-2020
(GSTR 7- TDS Return)		30-06-2020
(GSTR 8- TCS Return) (Non- Resident- GSTR 5) (ISD Distributor - GSTR 6)	Return due date falling between: 20-03-2020 and 29-06-2020	30-06-2020

Return type	Class of taxpayer	Interest Rate	February 2020	March 2020	April 2020	May 2020
GSTR-3B	< 1.5 Cr.	without interest and late fee	30-06-2020	03-07-2020	06-07-2020	12-07-2020
	> 1.5 Cr. but < 5 Cr.	without interest and late fee	29-06-2020	29-06-2020	30-06-2020	Or 14-07-2020
	> 5 Cr.	without interest and late fee	04-04-2020	05-05-2020	04-06-2020	27-06-2020
		with 9% interest and late fee	24-06-2020	24-06-2020	24-06-2020	-
GSTR-1 (Monthly and Qly)	-	without late fee	-	30-06-2020	30-06-2020	30-06-2020



DIRECT TAXES – UPDATE (April, 2020) by CA. V.K. Subramani, Erode

1. Measures announced by the FM on 24.03.2020 : The Finance Minister in the Press Release on 24th March, 2020 has listed following measures relating to statutory and procedural compliances in the realm of Income-tax: (i) The last date for filing of income tax return for the financial year 2018-19 is extended up to 30th June, 2020 as against the original date of 31st March, 2020; (ii) Aadhaar PAN linking date is extended to 30th June, 2020 as against the original date of 31st March, 2020; (iii) For Vivad se Vishwas Scheme, no additional amount of 10% is payable if the payment is made by 30th June, 2020; (iv) Due date for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT Law, CTT Law, Equalization Levy Law, Vivad se Vishwas Law where the time limit is expiring between 20th March, 2020 and 29th June, 2020 shall be extended to 30th June, 2020; (v) For delayed payment of advance tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March, 2020 to 30th June, 2020 reduced interest rate at 9% instead of 12%/18% per annum (i.e. 0.75% per month instead of 1/1.5 percent per month) will be charged for this period. No late fee / penalty shall be charged for delay relating to this period.

2. Non-resident being eligible foreign investor is deemed FII for the purposes of section 115AD: The Central Government in Notification S.O.1057(E) dated 13.3.2020 has in exercise of the powers conferred by clause (a) of the Explanation to section 115 AD of the Income-tax Act, 1961 (43 of 1961), has specified that a non-resident being an Eligible Foreign Investor which operates in accordance with the Securities and Exchange Board of India, circular IMD/HO/FPIC/CIR/P/2017/003 dated 04th January, 2017, shall be deemed as Foreign Institutional Investor (FII) for the purposes of transactions in securities made on a recognised stock exchange located in any International Financial Services Centre (IFSC), where the consideration for such transaction is paid or payable in foreign currency. Explanation for the purpose of this notification, -

- "International Financial Services Centre" shall have the same meaning as assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005 (28 of 2005);
- "recognised stock exchange" shall have the same meaning as assigned to it in clause (ii) of Explanation 1 to clause (5) of section 43 of the Income-tax Act, 1961;
- the expression "securities" shall have the same meaning as assigned to it in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956)

MADRAS HIGH COURT Judgments in VAT CST GST by CA. Sampathkumar V V

Purchase tax: Planting subsidy, transport subsidy and transport charges paid to third party lorry owners are to be included to the purchase price of sugarcane and purchase tax is due on the entire gross amount **Tvl.Sakthi Sugars Limited, Vs. DC (CT) T CNo.5 of 2020 DATED: 29.01.2020**

Purchasetax: Purchase tax payable under Section 12(1) of the Act has to be paid in cash only and available input tax credit cannot be used **Tvl TCS Textiles P Ltd, Vs AC (CT), North Circle, W.P.No.31767 of 2014 Dated 06.01.2020.**

Stockvariation: Both the appellate authorities below have concurrently held in favour of the Assessee that on account of the minor stock variations found during the course of survey, the Assessing Authority could not have assessed separate turnover at the hands of the Assessee. The Court held that the findings arrived at by the authorities below are justified and based on relevant and cogent materials and stating so, the tax case is devoid of merits and the same is dismissed. **DC(CT), Chennai (Fast) Division, Chennai 6 vs. Tvl. Whirlpool of India Ltd., T C No.4 of 2020 DATED: 29.01.2020**

Stock transfer: Relying on the ratio of rulings in W.P.No.14193 of 2001, dated 9.12.2019) and in the case of The DC (Court) Chennai (North) Division vs. Tvl.P.M.P. Iron and Steel India Ltd., reported in (18) TNCTJ 76) the court held that the turnover in question to be Stock Transfer/Branch Transfer made by the Assessee and the same does not amount to inter-State Sales. **DC(CT) Chennai (East) Division, Vs Tvl. Aby Engineers and Consultants (P) Ltd., WP:36978/2002 Dated 21/01/20**

Penalty u/s 10A CST: Following the ratio of rulings in 109 STC 392(Mad), 148 STC 256 (Mad) and (2007) 3 SCC 124(SC) this Court held that the learned Appellate Tribunal was justified in holding that the Assessee was entitled to purchase the said fuel viz., diesel, for its generator set and even though the same was not separately included in the Registration Certificate **DC(CT) Vs Tvl. Chola Textiles Ltd, WP:46181/2002 Dated: 27/01/20**

Classification, Industrial Cables: In the case of Anchor Electrical (P) Ltd. Vs. Commissioner, Sales Tax [2014] 71 VST 427,(Del) after taking into consideration of the definition of "cable" as defined under Section 2(g) of the Industrial Electricity Rules: "Voltage" in Section 2(av) of the Indian Industrial Electricity Rules, it was held that 1100 volts cable as high voltage cables, which are industrial cables and taxable at 5% **M/s. Classic Associates, Vs. CTO, Purasawakkam Assessment Circle, W.P.Nos.35025 to 35027 of 2015 DATED: 06.01.2020**

Writ Petition: In view of the litigation policy, since the Revenue's stake is less than the prescribed limit mentioned in G.O. (Ms) No.105, CT and R (D1) Department, dated 25.07.2019. the Writ Petition is dismissed in view of the aforesaid submission. **DC(CT), Chennai (North) Division, Vs. Tvl.Jain Impex, W.P.1053/2005 Dated: 28/01/20 DATED: 28.01.2020**

TradeDiscount: Petitioner is a dealer in motor cars and received trade discount from the manufacturer. The trade discount is an incentive given by the manufacturer based on the performance of the Petitioner. There are two independent transactions. One transaction is between the manufacturer who is also a dealer who had passed on incentives to the Petitioner and the second transaction between the Petitioner and its buyers of its retail show room to whom the Petitioner has sold the cars. As these two are independent transactions there is no basis on which the trade discount passed to it by the manufacturer (dealer) to the Petitioner can be added in to the taxable turnover of the Petitioner for the purpose of assessment under the TNVAT Act, 2006. Stating so, the writ petition stands allowed even though the Petitioner has an alternate remedy by way of appeal. **KUN Motor Company Pvt. Ltd., Vs AC CT), Nandambakkam Assessment Circle, Chennai W.P.No.37775 of 2015 DATED: 20.01.2020**

Objections filed: As the impugned orders have been passed without considering these objections of the petitioner though they were filed by the petitioner, this Court quashed the impugned proceedings and remitted back the cases **M/s. Alfab Products, vs. AC (CT), Vadapalani Assessment Circle, W.P.Nos.16428 to 16431 of 2014 DATED: 09.01.2020**

Input Tax Credit Capital goods at 12.5%: The dealer who sold the capital goods to the petitioner charged VAT at 12.5% can claim input tax credit of the full 12.5%, if paid, even though the rate of VAT for Capital goods is 4% **Visteon Automotive Systems Pvt. Ltd., vs DC (CT) IV(FAC), LTU, Chennai W.P.No.32655 of 2015 DATED: 13.01.2020**

Non-speaking order: The impugned order has not discussed as to how the penalty in the form of interest has been levied. It appears that no notice was also issued to the petitioner before the impugned order was passed. Further, the impugned order is also non-speaking. Hence, the impugned order is set aside and the case is remitted back to the respondent **Fisherman's Cove, vs AC (CT) Chengalpattu Assessment Circle, W.P.No.25768 of 2012 DATED: 13.01.2020**