



Bangalore Branch of SIRC e-Newsletter

Volume 07 | Issue 1 | August, 2018 | Pages : 36

English Monthly
For Private circulation only



HAPPY INDEPENDENCE DAY

- | | | | |
|---|---|--|---|
| <ul style="list-style-type: none">● One Day Seminar on Tax Audit & ICDS
11th August 2018 | <ul style="list-style-type: none">● One Day Workshop on Ten Most Important FEMA Master Directions
14th August 2018 | <ul style="list-style-type: none">● One Day Workshop on Concurrent Audit of Bank Branches
21st August 2018 | <ul style="list-style-type: none">● One Day Workshop on Insolvency Bankruptcy Code for CAs
28th August 2018 |
| <ul style="list-style-type: none">● One Day Workshop on Private Limited Companies and Related Companies Act Provisions for CAs
13th August 2018 | <ul style="list-style-type: none">● Four Days Workshop on Advanced GST for CAs
16th, 17th, 18th & 19th August 2018 | <ul style="list-style-type: none">● Three Days Workshop on Transfer Pricing – Advanced Level for CAs
23rd, 24th & 25th August 2018 | <ul style="list-style-type: none">● One Day Seminar on Charitable Trusts or Institutions
4th September 2018 |
| | <ul style="list-style-type: none">● One Day Seminar for Young Members CAs
8th September 2018 | <ul style="list-style-type: none">● One Day Workshop on Auditing Standards
11th September 2018 | |

Chairman's Communique . . .



Dear Professional Colleagues,

This year, India is celebrating its 72nd Independence Day to pay tribute and remember all the freedom fighters who led to the Independence of India. They had sacrificed their lives in attaining the freedom for their future generations without worrying about their comfort and rest. But along with freedom comes responsibility. We professionals should strive to empower people around us and become more responsible in our duties. Let us resolve to fulfil our role of Partners in Nation Building, thus uplifting our society and country through our actions & deeds. As an annual observance, we are celebrating the Independence Day on 15th August 2018 at 9 a.m. at our Branch premises and CA B P Rao, the Past President of ICAI has been invited to hoist our flag. I invite all Members of the Branch to kindly participate and rejoice the spirit of freedom.

On the occasion of the **158th Income Tax Day Celebrations**, Bangalore Branch of ICAI, as a representative of ICAI, was invited by Shri B R Balakrishnan, IRS, the Principal Chief Commissioner of Income Tax, Karnataka and Goa Region, on 24th July 2018 at Townhall, Bengaluru to appreciate the services of ICAI rendered towards taxpayer education and enabling compliance. I congratulate and thank all the members of Bangalore Branch for delivering their best of services in the interests of the nation. This appreciation by the department belongs to each and everyone of you!

The month that was – July 2018

Stepped into **70th year of ICAI – CA Day on 1st July 2018** where CA. K. Raghu, the Past President of ICAI, gave his informative address filled with rich experience which was an inspiration and motivation to all of us. The programme was followed by Blood Donation Camp, Swachh Bharat Abhiyan, Plantation of Saplings, Honouring Senior Members of the profession and Cultural Programmes. I thank all the members and students who participated in this event.

Three days Training Programme for Chief Financial Officers & Chartered Accountants on Ind AS from Banking perspective was organized on 2nd, 3rd & 4th July at Racecourse Road, Bengaluru was well appreciated by the officials of Canara Bank who participated in this programme. 41 were benefited from the above programme.

The one day Conference **"AADVIKA" - 5th Women CAs' Conference** was held on 7th July. Ms. Roopa, IPS, was the Chief Guest for the event and Ms. Vandana Sagar, Commissioner, Income Tax, Bengaluru, was the Guest of Honour. Their deliberations and address were very well received by the delegates. I thank all the Speakers and 140 Women CA Members who made this Conference a remarkable event in this month. I also thank CA Geetha AB, the past chairperson of the Branch for co-ordinating and planning the Conference.

Three Days Workshop on Transfer Pricing – Basic Level for Chartered Accountants was organized on 12th, 13th & 14th July 2018. Around 58 Members benefited from the Workshop.

The months ahead – August and September 2018

1. Fourth **Breakfast Meeting** is being held on **4th August 2018** at Branch Premises on "SA 701 Key Audit Matters" by CA. Vinay K.S & CA. D. Ramprasad. I request Members to participate and get benefitted.
2. As the tax audit season has already commenced, a one Day Seminar on **Tax Audit and ICDS** is being organised by Bangalore Branch of SIRC of ICAI on Saturday, 11th August 2018 between 9.30 am to 6.00 pm at Hotel Chancery Pavilion, Residency Road, Bengaluru. Expert and experienced Speakers will be addressing on the practical and critical issues at the said Seminar.
3. Bangalore Branch is commencing its **Tuesday-Series of One**

Day Workshops in the month of August 2018 on selected Tuesdays between 9.30 am to 5.30 pm at Vasanthnagar Branch Premises. The details and programme structures are presented elsewhere in this newsletter.

Sl.No.	Date	One Day Workshops'
1	14.8.2018	Ten Most Important FEMA Master Directions
2	21.8.2018	Concurrent Audit of Bank Branches
3	28.8.2018	Insolvency Bankruptcy Code for Chartered Accountants
4	04.9.2018	One day Seminar on Charitable Trusts
5	11.9.2018	Auditing Standards

4. One day Workshop on **Private Limited Companies and Related Companies Act Provisions** is being organized on Monday, 13th August 2018 at Vasanthnagar Branch Premises.
5. To empower the members by providing specialized knowledge in GST and also to address possible issues and analyse the legal interpretation of some of the puzzling provisions, a **Four Days Workshop on Advance GST** is being organized from 16th August to 19th August 2018 under the aegis of Indirect Taxes Committee of ICAI. Details are at page No. 12.
6. **Three days Workshop on Transfer Pricing – Advance Level** is being organized on 23rd, 24th & 25th August 2018 at Vasanthnagar Branch Premises. Details of the topics & experts Speakers are presented in this newsletter.
7. **One day Seminar for Young CAs** is being organized by Young Members Empowerment Committee of ICAI and hosted by Bangalore Branch of SIRC of ICAI on Saturday, 8th September 2018.

CPT/Foundation, Intermediate and Final Examination result:

We are happy to announce that the results of CPT/Foundation, Intermediate and Final Exams held in May 2018 are announced. Bangalore Branch wishes students our hearty congratulations! Mr. Abhishek Nagaraj from Bengaluru secured Second Rank in CA Final, we wish him all the very best in his future endeavours. Congratulations! I thank the faculty members who have put their efforts and ardent work in achieving this.

CPE Study Circle sessions for Members:

Bangalore Branch of ICAI is glad to inform all members that the CPE Committee, ICAI, upon requests and representation made by the Branch, has withdrawn its mandate to charge and collect fees for the Wednesday-Study Circle sessions held at Bangalore Branch. These sessions, commencing from 1st August 2018 shall be on a no-charge basis. We thank all members who helped in submitting the representation and thus enable this benefit for the cause of the profession.

Programmes for Students:

A free programme at branch premises for the benefit of students on **"Nine Sutras for Success"** is being organized on 4th August 2018.

One day Seminar on **"Tax Audit"** is being organized on 18th August 2018 at Institute of Agricultural Technologist, No.15, Queens Road, Bangalore – 560 052.

I wish you all a very successful audit season. Penning down with the quote of Winston Churchill "To improve is to change; to be perfect is to change often"

CA Shravan Guduthur
Chairman



Bangalore Branch of SIRC of The Institute of Chartered Accountants of India

ANNOUNCEMENT

Coaching Classes: IPCC/Intermediate & CA FINAL for May 2019
Examinations – New & Old Syllabus Students

Admissions open for Subject wise Coaching

In pursuance of our objective to provide quality teaching to our students, we are pleased to inform you the commencement of 'Morning Batches' for IPCC / Intermediate and CA FINAL coaching classes which will be commencing at the Bangalore Branch of SIRC of ICAI from: 6th September 2018. The classes will be concluded by February 2019.

Attention:
IPCC/Intermediate
&
FINAL New &
Old Syllabus
Students

Salient features

- Experienced, Expert and Dedicated faculty members
- Methodology – Conceptual teaching
- Affordable Coaching Fee
- The journey of CA with Bangalore Branch is that of progress with innumerable activities of knowledge supported and guided by our senior renowned faculty members- resource persons.
- During the course, amazing , inspiring and motivational sessions and Orientation classes will be conducted. Hence be proud to be a part of the Branch by enrolling as a student to become a prestigious member of this glorious profession.

Course	Fees	Duration (6 Months)	Timings
IPCC / Intermediate	Rs. 13,500/- for Both Groups Rs. 9,500/- for Single Group Rs. 3,500/- for Single Subject	6 th September 2018 to February 2019 (Tentative Dates)	06.30am to 09.30am & (Monday to Saturday) 08.00am to 05.30pm (Sunday)
CA FINAL	Rs. 15,000/- for Both Groups Rs. 10,000/- for Single Group Rs. 4,000/- for Single Subject	6 th September 2018 to February 2019 (Tentative Dates)	06.30am to 09.30am & (Monday to Saturday) 08.00am to 05.30pm (Sunday)

Only Morning
Classes

CA. Shravan Guduthur
Chairman

CA. Raveendra S. Kore
Secretary

CA. Srinivasa T
Chairman SICASA

Venue:

Sub Branch of Bangalore Branch of SIRC of ICAI

#29/1 Keonics Building, Race Course Road, Near Sugama Tourist & Voltas Office

Schedule for all the subjects will be announced in due course of time.
Registration Fees - Mode of payment: DD should be drawn in favour of
"Bangalore Branch of SIRC of ICAI" payable at Bangalore.
For further details please contact: Tel: 080-30563500 / 551 / 555

Email: blrstudentevents@icai.org

Website: www.bangaloreicai.org

CALENDAR OF EVENTS - AUGUST & SEPTEMBER 2018

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	CPE CREDIT
01.08.2018 Wednesday	Presumptive Taxation Scheme – 44ADA & 44AE CA. G.S. Prashanth	Branch Premises 6.00 pm to 8.00 pm	2 hrs
04.08.2018 Saturday	Breakfast Meeting SA - 701 Key Audit Matters CA. Vinay K.S & CA. D. Ramprasad Delegate Fee : Rs.200/- (Inclusive of GST)	Branch Premises Breakfast: 7.15 am to 8.00 am Meeting : 8.00 am to 10.00 am	2 hrs
08.08.2018 Wednesday	Taxation of Transactions in Securities CA. Arvind .S	Branch Premises 6.00 pm to 8.00 pm	2 hrs
11.08.2018 Saturday	One Day Seminar on Tax Audit & ICDS <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Rs.1,500/- Plus GST <i>Details at Pg. No. 9</i>	Chancery Pavilion #135, Residency Road, Bangalore – 560 025 9.30 am to 6.00 pm	6 hrs
13.08.2018 Monday	One Day Workshop on Private Limited Companies and Related Companies Act Provisions for CAs <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee: Members - Rs. 750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST <i>Details at Pg. No. 10</i>	Branch Premises 9.30 am to 5.30 pm	6 hrs
14.08.2018 Tuesday	One Day Workshop on Ten Most Important FEMA Master Directions <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Members - Rs. 750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST <i>Details at Pg. No. 11</i>	Branch Premises 9.30 am to 5.30 pm	6 hrs
15.08.2018 Wednesday	No Study Circle Meet Independence Day Holiday	—	—
16.08.2018 Thursday 17.08.2018 Friday 18.08.2018 Saturday & 19.08.2018 Sunday	Four Days Workshop on Advance GST Course for Chartered Accountants <i>Organized under the aegis of Indirect Taxes Committee of ICAI</i> <i>Hosted by: Bangalore Branch of SIRC of ICAI</i> Delegate Fee: Rs.3,500/- (Inclusive of GST) for Members Rs.10,000/- Plus GST for Non Members <i>Details at Pg. No. 12</i>	Branch Premises 10.00 am to 5.00 pm	24 hrs



CALENDAR OF EVENTS - AUGUST & SEPTEMBER 2018

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	CPE CREDIT
21.08.2018 Tuesday	One Day Workshop on Concurrent Audit of Bank Branches <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Members - Rs. 750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST Details at Pg. No. 15	Branch Premises 9.30 am to 5.30 pm	6 hrs
22.08.2018 Wednesday	Internal Audit Standards with Practical cases CA. Prashanth .M	Branch Premises 6.00 pm to 8.00 pm	2 hrs
23.8.2018 Thursday 24.08.2018 Friday & 25.08.2018 Saturday	Three Days Workshop on Transfer Pricing – Advanced Level for Chartered Accountants <i>Organized by: Bangalore Branch of SIRC of ICAI</i> Delegate Fee: Rs. 2,600/- Inclusive of GST Details at Pg. No. 16	Branch Premises 9.30 am to 5.30 pm	18 hrs
28.08.2018 Tuesday	One Day Workshop on Insolvency Bankruptcy Code for Chartered Accountants <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Members - Rs.750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST Details at Pg. No. 18	Branch Premises 9.30 am to 5.30 pm	6 hrs
29.08.2018 Wednesday	Recent Developments & Challenges - FEMA CA. Vivek Mallya	Branch Premises 6.00 pm to 8.00 pm	2 hrs
04.09.2018 Tuesday	One Day Seminar on Charitable Trusts or Institutions <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Members - Rs.750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST Details at Pg. No. 19	Branch Premises 10.00 am to 5.00 pm	6 hrs
05.09.2018 Wednesday	Issues in Re-assessment u/s. 147 CA. Naveen Khariwal G	Branch Premises 6.00 pm to 8.00 pm	2 hrs
08.09.2018 Saturday	One Day Seminar for Young Members Chartered Accountants <i>Organized by: Young Members Empowerment Committee of ICAI</i> <i>Hosted by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Young Members (Upto age of 30 years as on 01.01.2018 – Rs.500/- (Inclusive of GST) Senior Members : Rs.750/- (Inclusive of GST)	Branch Premises 9.30 am to 5.30 pm	6 hrs

CALENDAR OF EVENTS - AUGUST & SEPTEMBER 2018

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	CPE CREDIT
11.09.2018 Tuesday	One Day Workshop on Auditing Standards <i>Organized by : Bangalore Branch of SIRC of ICAI</i> Delegate Fee : Members - Rs. 750/- Inclusive of GST Non Members Fee : Rs.2,000/- Inclusive of GST Details at Pg. No. 20	Branch Premises 9.30 am to 5.30 pm	6 hrs
12.09.2018 Wednesday	Taxation of Co-operative Institution CA. D.R. Venkatesh	Branch Premises 6.00 pm to 8.00 pm	2 hrs
19.09.2018 Wednesday	Automation Solution for Paperless Office CA. Anand P. Jangid	Branch Premises 6.00 pm to 8.00 pm	2 hrs
26.09.2018 Wednesday	Presentation & Communication Skills CA. Manasa Jagadeesh	Branch Premises 6.00 pm to 8.00 pm	2 hrs

Top 3 candidates who have passed both the groups of CA Final (Old & New Syllabus) Examination held in May 2018 from Karnataka

CA Final Old Syllabus				
ROLL NO	REGN NO.	NAME	TOTAL MARKS	CITY
113197	SRO0488113	SHREEHARI U	536	KASARAGOD
113192	SRO0483037	NANDIKA SHIVAYOGI A	530	BENGALURU
109657	SRO0481670	SHEETHAL R HOLLA	520	BENGALURU
CA Final New Syllabus				
250346	SRO0485056	ABHISHEK NAGARAJ	539	BENGALURU
250351	SRO0494241	MEHUL MEHTA	480	BENGALURU
253361	SRO0493426	ASHWATH SHENOY Y	467	MANGALURU

Advertisement Tariff for the Branch e-Newsletter

COLOUR FULL PAGE

Outside back	₹ 40,000/-
Inside front	₹ 35,000/-
Inside back	₹ 30,000/-

INSIDE BLACK & WHITE

Full page	₹ 20,000/-
Half page	₹ 10,000/-
Quarter page	₹ 5,000/-

Advt. material should reach us before 22nd of previous month.

EDITOR :
CA. SHRAVAN GUDUTHUR

SUB EDITOR :
CA. RAVEENDRA S. KORE

Disclaimer: The Bangalore Branch of ICAI is not in anyway responsible for the result of any action taken on the basis of the articles and advertisements published in the e-Newsletter. The views and opinions expressed or implied in the Branch e-Newsletter are those of the authors/guest editors and do not necessarily reflect that of Bangalore Branch of ICAI.



CALENDAR OF EVENTS - AUGUST 2018 FOR CA STUDENTS

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	FEE
04.08.2018 Saturday	Programme - "Nine Sutras for Success" Chief Guest : CA. B.P. Rao , Past President, ICAI Speaker: CA. Nanu R Mallya	Branch Premises 6.00 pm to 8.00 pm	FREE Program
11.08.2018 Saturday	Programme - "Discussion on practical issues in GST Registration and GSTR filing" Chief Guest: CA Cotha S Srinivas , Past Chairman of SIRC Moderator: CA.Gella Praveen Kumar Speaker: Mr. Mahesh	Branch Premises 6.00 pm to 8.00 pm	FREE Program
18.08.2018 Saturday	One Day Seminar on "TAX AUDIT"	Institute of Agricultural Technologist , No.15, Queens Road, Bangalore – 560052 9.30 am to 6.00 pm	Fee: 250/-
24.08.2018 25.08.2018 26.08.2018 Fri, Sat & Sun	Three days Workshop on Interview Skills, Business Etiquette, Effective Client Interaction & Effective Business Communication	Race Course Road Center 9.30 am to 6.00 pm	Fee: 1000/-

CA. Shravan Guduthur, Chairman

CA. Srinivasa T, Chairman, SICASA

Registration on First come, first serve basis

Please Contact: **Mrs. Manjula - 080-30563547**

Payment Mode: cash / cheque / DD in favour of **"Bangalore Branch of SICASA"** payable at Bangalore

For online registration visit us: **www.bangaloreicai.org**

Congratulations



CA. Abhishek Nagaraj

from Bengaluru
secured 2nd Rank
in the Final examination
held in 2018.

Top Three Rank Holders on All India Basis Examination held in May, 2018

Foundation Examination held in May, 2018			
	All India Topper First Rank	All India Second Rank	All India Third Rank
Name	Swati	Ayush Agrawal	Swaleha Sajid
City	Delhi	Raipur	Haldwani
Roll No.	602442	605688	603104
Marks	332 / 400	331 / 400	327 / 400
Percentage %	83	82.75	81.75
Chartered Accountants Final Examination (Revised Scheme) held in May, 2018			
Name	Prit Pritesh Shah	Abhishek Nagaraj	Samiksha Subhash Agarwal
City	Surat	Bengaluru	Ulhasnagar (Maharashtra)
Roll No.	254697	250346	254809
Marks	542 / 800	539 / 800	524 / 800
Percentage %	67.75	67.38	65.50
Chartered Accountants Final Examination (Existing Scheme) held in May, 2018			
Name	Atul Agarwal	Aagam Sandipbhai Dalal	Anurag Bagaria
City	Jaipur	Ahmedabad	Surat
Roll No.	155707	103379	203125
Marks	618 / 800	615 / 800	597 / 800
Percentage %	77.25	76.88	74.63

One Day Seminar on Tax Audit & ICDS

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**

On **11th August 2018**

Venue: **Chancery Pavilion**, #135, Residency Road, Bangalore – 560 025

Time: **9.30 am to 6.00 pm**

6 hrs
CPE

Timings	Topics	Speakers
8.30 am – 9.00 am	Registration	
9.00 am – 9.30 am	Inauguration by the Chief Guest CA. Adusumilli Venkateswara Rao , Chairman, SIRC of ICAI	
9.30 am – 10.30 am	Practical Issues in Tax Audit	CA. Gururaj Acharya
10.30 am – 11.30 am	Issues in 269ST, 269SS, 269T & Interplay among them	CA. Chythanya K .K
11.30 am – 12.00 pm	Tea Break	
12.00 pm – 1.30 pm	Critical Issues in ICDS	CA. S Ramasubramanian
1.30 pm – 2.30 pm	LUNCH	
2.30 pm – 3.30 pm	Practical Issues in Section 40A (3), 40a(ia), etc.	CA. Prashanth G.S
3.30 pm – 4.00 pm	Tea Break	
4.00 pm – 6.00 pm	Practical Problems Encountered while filing up form 3CD, 3CB, 3CA (Live Demonstration)	CA. Naveen Khariwal. G CA. Deepak Chopra CA. Nitin Kumar. P

Note : Members are requested to send all your problems encountered while uploading and filing up Form 3CA, 3CD & 3CB before the Seminar.

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Naveen Khariwal G.
*Programme Co-ordinator
& Moderator*

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES : Rs.1,500/- PLUS GST

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : blrregistrations@icai.org | Website : www.bangaloreicai.org



One Day Workshop on Private Limited Companies and Related Companies Act Provisions for Chartered Accountants

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **13th August 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.30 am	Registration	
9.30 am – 11.00 am	Applicable legal Amendments for audit of Private Company (incl. Companies Amendment Act, 2017)	CA. Pradeep Suresh
11.00 am – 11.30 am	Tea Break	
11.30 am – 1.00 pm	Must know aspects in Standards on Auditing for practicing CAs (SA 200 to SA 600 Series)	
1.00 pm – 2.00 pm	LUNCH	
2.00 pm – 3.30 pm	Audit documentation and Key audit considerations (Best practices in design of checklist, Audit planning memorandum, etc)	CA. Sharad Rao
3.30 pm – 4.00 pm	Tea Break	
4.00 pm – 5.30 pm	Form and content of Audit reports including CARO, EOM, OM	CA. Abraham B Cherian

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES FOR MEMBERS: Rs.750/-
NON-MEMBERS: Rs.2,000/- (INCLUSIVE OF GST)

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : **blrregistrations@icai.org** | Website : **www.bangaloreicai.org**

One Day Workshop on Ten Most Important FEMA Master Directions

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **14th August 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.30 am	Registration	
9.30 am – 11.00 am	Foreign Investment in India	CA. Vivek Mallya
11.00 am – 11.30 am	Tea Break	
11.30 am – 1.00 pm	Imports of Goods and Services	
1.00 pm – 2.00 pm	LUNCH	
2.00 pm – 3.00 pm	Exports & Reporting	CA. Sailesh . K
3.00 pm – 3.30 pm	Tea Break	
3.30 pm – 4.30 pm	ECB, Trade Credit, etc Branch – Liaison – Project Office Compounding of contraventions	CA. Chidanand Urs
4.30 pm – 5.30 pm	Reporting under FEMA Other remittance facilities Liberalised Remittance Scheme	Mr. Gautham Gururaj <i>Advocate</i>

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES FOR MEMBERS: Rs.750/-
NON-MEMBERS: Rs.2,000/- (INCLUSIVE OF GST)

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : blrregistrations@icai.org | Website : www.bangaloreicai.org

Please Visit: www.jobportal.bangaloreicai.org



Four Days Workshop on Advance GST for Chartered Accountants

Organized under the aegis of **Indirect Taxes Committee of ICAI**

Hosted by **Bangalore Branch of SIRC of ICAI**

On **16th, 17th, 18th & 19th August 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **10.00 am to 5.00 pm**

24 hrs
CPE

Day 1 - 16th Aug. 2018, Thursday

10.00 am to 1.00 pm

Intrinsic Issues with Concepts of Supply, Business, Taxable

Person and Valuation

- Difference between various components of Supply
- Legal vs Illegal Supplies
- Business- Definition, Legal Jurisprudence, Comparison with definitions in other Laws
- Relevance of Mutuality under GST
- Schedule-III, difference between Immovable Property, Land and benefits arising out of Land
- Concept of Movable Works Contracts and its nature of Supply
- Negative Supply and its Taxability?
- Exemptions under Reverse Charge Mechanism
- Consideration vs. Value
- Interplay between Section 15 and Valuation Rules
- Facilities provided to receive a supply - Whether Consideration?
- Issues in Post Supply Discount and Linking with Credit Notes
- Concept of Pure Agent vs taxability of Reimbursements

CA. Jatin Christopher & CA. Deepak Kumar Jain

LUNCH: 1.00 pm to 2.00 pm

2.00 pm to 5.00 pm

Understanding General Rules of Classification and their specific Impact

- Importance of correct Tariff Classification and Impact of Incorrect Classification
- International Structure of the goods Classification
- Relevance of Customs Tariff Act & Classification Rules in GST [Ref. 1/2017 (CTR)].

- Rules of Classifications (along with landmark judicial precedents)
- Harmonized System – Explanatory Notes
- Classification of services and relevance of HSN
- Types of Supply (Composite and Mixed Supply) and Classification Methodology

CA. Rajesh Kumar. T.R

Day 2 - 17th Aug. 2018, Friday

10.00 am to 1.00 pm

Show Cause Notice, Adjudication and Introduction to Appeals

- Correspondence and provision prior to SCN
- Anatomy of SCN: What to look for, How to identify and spot deficiencies.
- Identification of charge(s) and aspects missed
- Reply to SCN: Preliminary Objections and admissions
- Scope of Writ
- Misapplication of facts or law – identify, bring out and substantiate
- Evidence: Contemporaneous Record, affidavit and new evidences
- Adjournment: Discipline, Right & Reasonable Opportunity
- Written Submission, Record of Verbal Submission
- Filing of Appeal
- Pre- Deposit, and effect of non payment on legality of appeal
- Limitation: effect and remedy
- Grounds of Appeal: Drafting & Prayer

CA. V. Raghuraman

LUNCH: 1.00 pm to 2.00 pm

<p>2.00 pm to 3.30 pm</p> <p>Movement of Goods and Inspection (E-Way Bill)</p> <ul style="list-style-type: none"> - Document to be carried with goods in movement (Rule 55A, 138A) - Requirement of EWB, Data Flow and Audit Trail - Requirement of EWB on other than traded goods (fixed assets, equipment for repair etc.) - Inspection of Goods in movement - Seizure/ Detention of Vehicle/ Goods - Penal consequences after completion of movement - Landmark Judicial Precedents for EWB <p>CA. Dayanand H</p>	<p>12.00 pm to 1.00 pm</p> <p>Cross Charge and ISD</p> <ul style="list-style-type: none"> - Concept of ISD in GST and its relevance - ISD Vs. Cross Charge - Cost Allocation and Taxability - Taxability of HO vs Marketing Office - Case Study on ISD vs Cross Charge - Identification of point of Supply within same company - Issues & Limitations of ISD registration <p>CA. N.R. Badrinath</p>
<p>3.30 pm to 5.00 pm</p> <p>Place of Supply</p> <ul style="list-style-type: none"> - Difference between POS and Address for Delivery - Difference between Section 10(1)(a) and 10(1)(c) of IGST Act - Specific Case Studies of POS for <ul style="list-style-type: none"> o Travel Industry o Transportation Industry o Real Estate and its allied Services (including Renting) o Training Services o IT Industry <p>CA. Dayanand H</p>	<p>LUNCH: 1.00pm to 2.00 pm</p> <p>2.00 pm to 3.30 pm</p> <p>Records to be maintained</p> <ul style="list-style-type: none"> - Section 35(1) read with Rule 56 to 58 of CGST Rules - Types of registers to be maintained - Judicial Precedents from earlier laws for record keeping - Method of Record Keeping and reconciliation with books of accounts - Case Study on accounting entry in records and its impact in GSTR <p>CA. Venugopal. G</p>
<p>Day 3 - 18th Aug. 2018, Saturday</p> <p>10.00 am to 12.00 pm</p> <p>Simplifying Input Tax Credit</p> <ul style="list-style-type: none"> - Transition Credit and Common Errors along with Reconciliation with Returns - Part receipt of Goods, Services received in part/ lots, - Relevance of receipt of goods under deemed service transaction - Payment of invoices within 180 days and business concept of Credit Period, - Effect of discount and settlement, SD & ED deductions - Computation of D2 (in Rule 42) whether mandatory? - Credit eligibility: Festival expenses, business gift items, Job Works - Works Contract, Construction, P&M, Telecom towers <p>CA. N.R. Badrinath</p>	<p>3.30 am to 5.00 pm</p> <p>Finalization of Accounts from GST perspective</p> <ul style="list-style-type: none"> - Disclosures in Audited Financial Statements on GST - Reporting under CARO for GST - Year End adjustment entries and impact on GST - Reconciliation of GSTR, Annual Return and Books of Accounts - Reconciliation Statement under GST - Reporting of no reconciliation and possible reasons <p>CA. Venugopal. G</p> <p>Day 4 - 19th Aug. 2018, Sunday</p> <p>10.00 am to 10.45 am</p> <p>Introduction to Annual Audit</p> <ul style="list-style-type: none"> - Legal Provisions for Annual Audit - Requirements and Formalities - GST Audit vis-à-vis Statutory Audit under other Acts - Common compliance checks done in relation to erstwhile laws in previous audits - Discussion on suggestive standard checklist for GST Audits - Standard on Auditing useful for GST Audits <p>CA. S. Venkatramani</p>

**10.45 am to 11.30 am****Advance Ruling**

- Concept (Binding/ Persuasive Nature, eligible questions & Difference with previous regime)
- Strategy, limitations and Implications
- Appeal against Advance Ruling
- How to file a question under Advance Ruling Discussing various Advance Ruling Orders in past few months and its Impact

CA. S. Venkatramani**11.30 pm to 1.00 pm****Assorted Complex Issues**

- Approaches to calculate Exempt supply – For aggregate turnover and ITC Reversal,
- Identifying Fixed establishment for Supplier of Service
- Anti-profiteering-How to Calculate and How to comply,
- Specific Issues in refund of ITC- Capital Goods, Input Services
- Various Certificates to be issued by Chartered Accountants under GST- Precautions to be taken

CA. S. Venkatramani

LUNCH: 1.00pm to 2.00 pm

2.00 Pm to 4.00 pm**Introduction to Customs Law (Relevant to GST)**

- Brief Introduction of Customs
- Levy of Customs Duty
- Levy of IGST from Customs point of View
- Amendments in Customs Act due to IGST
- GST in High Seals
- Circular No 33/2017 and 46/2017 under Customs.
- Levy of IGST on Imports with specific reference to Samples, Non GST Items, Gifts
- Valuation under Customs and Difference from GST Valuation Rules
- Electronic Import of Goods, MEIS and SEIS Schemes

CA. Jatin Christopher**4.00 pm to 5.00 pm****Precautions to be taken to avoid disputes**

- Correspondence with Department (Suo-Motto)
- Tax Clauses in the Agreements
- Opinions under Indirect Tax and its relevance
- Disclosures in the Invoices and supporting documents
- Internal Control testing from GST perspective
- Data Analysis Case Study to under GST Health of an assessee.

CA. Madhukar N Hiregange**Online Registration open****DELEGATE FEES:****Rs.3,500/- (INCLUSIVE OF GST) for Members,****Rs.10,000/- PLUS GST for Non Members**

Mode of Payment: Online / Cash / Cheque / DD in favour of

"Bangalore Branch of SIRC of ICAI", payable at BengaluruFor Registration, Please contact: **Ms. Geetanjali D • 080 - 3056 3513 / 3500****• blrregistrations@icai.org • www.bangaloreicai.org****CA. Madhukar N Hiregange***Chairman,
Indirect Taxes Committee, ICAI***CA. Shravan Guduthur***Chairman,
Bangalore Branch of SIRC of ICAI***CA. Sharad Singhal***Secretary,
Indirect Taxes Committee, ICAI***CA. Raveendra S. Kore***Secretary,
Bangalore Branch of SIRC of ICAI*

One Day Workshop on Concurrent Audit of Bank Branches

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **21st August 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.30 am	Registration	
9.30 am – 11.00 am	RBI Circular on Concurrent Audit	CA. P. Lakshmana Rao <i>Vijayawada</i>
11.00 am – 11.30 am	Tea Break	
11.30 am – 1.00 pm	Getting started on Concurrent Audit	
1.00 pm – 2.00 pm	LUNCH	
2.00 pm – 3.30 pm	Clause by Clause understanding of the Live Concurrent Audit report of a Bank	Dr. P.S.R. Prasad <i>Hyderabad</i>
3.30 pm – 4.00 pm	Tea Break	
4.00 pm – 5.30 pm	80 Early Warning signals for Concurrent Auditors	

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES : RS.750/- INCLUSIVE OF GST FOR MEMBERS
RS. 2,000/- INCLUSIVE OF GST FOR NON MEMBERS

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : **blrregistrations@icai.org** | Website : **www.bangaloreicai.org**



Three days Workshop on Transfer Pricing – Advanced Level

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**

On **23rd, 24th & 25th August 2018**

Venue: **Vasanthnagar, Bangalore Branch Premises**

Time: **9.30 am to 5.30 pm**

18 hrs
CPE

Date & Day	Time	Topics	Speakers
Day -1 23rd August 2018 Thursday	9.00 am to 10.00 am	Registration	
	10.00 am to 11.30 am	Issues and Controversies <ul style="list-style-type: none"> Scope of the expression "International transaction" Associated enterprises 	CA. Chythanya K.K
	11.30 am to 11.45 am	TEA BREAK	
	11.45 am to 1.15 pm	Case study based TP – software sector / ITES	CA. P.V. Satya Prasad <i>Hyderabad</i>
	1.15 pm to 2.15 pm	LUNCH BREAK	
	2.15 pm to 3.45 pm	Case study based TP – Manufacturing sector	CA. Ganesh Krishnamurthy & CA. Subhobrata Sen
	3.45 pm to 4.00 pm	TEA BREAK	
	4.00 pm to 5.30 pm	Issues, controversies and difficulties MNC Safe harbour and APA	
Day – 2 24th August 2018 Friday	10.00 am to 11.30 am	Issues and controversies <ul style="list-style-type: none"> Identification / selection of comparables Identification of MAM 	CA. Krishna Upadhya. S
	11.30 am to 11.45 am	TEA BREAK	
	11.45 am to 1.45 pm	Case study based <ul style="list-style-type: none"> TP – Intangibles TP – Financial transactions 	CA. Lalit Attal
	1.45 pm to 2.15 pm	LUNCH BREAK	
	2.15 pm to 3.45 pm	Issues and controversies <ul style="list-style-type: none"> FAR Analysis 	CA. Narendra Jain
	3.45 pm to 4.00 pm	TEA BREAK	
	4.00 pm to 5.00 pm	<ul style="list-style-type: none"> Economic Adjustments 	

Date & Day	Time	Topics	Speakers
Day – 3 25th August 2018 Saturday	10.00 am to 11.30 am	Case study based • TP – Management fee and intra-group services	CA. S. Ramasubramanian
	11.30 am to 11.45 am	TEA BREAK	
	11.45 am to 1.15 pm	Case study based • Secondary adjustment and thin capitalisation	CA. Pradeep. A
	1.15 pm to 2.45 pm	LUNCH BREAK	
	2.45 pm to 3.45 pm	Interplay between GAAR and TP	CA. Anand Kumar Jaiswal & CA. Santosh Kumar Jaiswal
	3.45 pm to 4.00 pm	TEA BREAK	
	4.00 pm to 6.00 pm	BEPS Action Plan 13 and CBCR	

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES : **Rs.2,600/-** Inclusive of GST

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : **blrregistrations@icai.org** | Website : **www.bangaloreicai.org**

KIND ATTENTION

Students seeking Admission for the weekends Advance ICITSS MCS Course

We are delighted to inform you that the **4th batch of weekends Advance ICITSS MCS Course** will be held by Bangalore branch of SIRC of ICAI from **4th August 2018 to 22nd September 2018** enabling the employed newly qualified students to apply for membership and who are not able to avail 15 days leave from their firm where they are having the articulated training.

Interested students are requested to contact **Mr. Girish** at the branch on **080 3056 3555** or send Mail: **blrstudentevents@icai.org** for further detail & registration please visit
https://www.icaionlineregistration.org/Admin_Module/Login.aspx

CA. Shravan Guduthur
Chairman

CA. Raveendra S. Kore
Secretary



One Day Workshop on Insolvency Bankruptcy Code for Chartered Accountants

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **28th August 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.30 am	Registration	
9.30 am – 11.00 am	Introduction to the Code	CA. Sandeep Jhunjunwala
11.00 am – 11.30 am	Tea Break	
11.30 am – 1.00 pm	Corporate Insolvency Resolution Process Professional opportunities for Chartered Accountants'	CA. Subhajit Guha
1.00 pm – 2.00 pm	LUNCH	
2.00 pm – 3.30 pm	Approaching the Limited Insolvency Examinations	
3.30 pm – 4.00 pm	Tea Break	
4.00 pm – 5.30 pm	Entry to Insolvency Professional's under IBC code, 2016 is a Boon to CA's ?	CA. Thummala Gandhi

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

**DELEGATE FEES : RS.750/- INCLUSIVE OF GST FOR MEMBERS
RS. 2,000/- INCLUSIVE OF GST FOR NON MEMBERS**

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: 080 - 3056 3513 / 3500

Email : blrregistrations@icai.org | Website : www.bangaloreicai.org

One Day Seminar on Charitable Trusts or Institutions

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **4th September 2018**

Venue: **Vasanthnagar Branch Premises**

Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.00 am	Registration	
9.00 am – 9.30 am	Inauguration	
9.30 am – 11.30 am	1. Basics on Formation of Charitable Trust or Society or section 8 company registration and documentation 2. Issues on taxation (including registration) of Charitable trusts, including recent amendments 3. Accreted Income Tax – Legal and Procedural requirement	Dr. N. Suresh
11.30 am – 12.00 pm	Tea Break	
12.00 pm – 1.30 pm	Applicability of GST to charitable trust or institution	CA. Annapurna Kabra
1.30 pm - 2.30 pm	LUNCH	
2.30 pm – 3.30 pm	1. Income of Education Institution and Hospital and other institutions Sec 10(23C) 2. Accounts & Audit – Requirement of form 10B and 10BB	Dr. N. Suresh
3.30 pm – 4.30 pm	CSR Provisions under the companies act and Income Tax Act	CA. Pavan Jayaprakash
4.30 pm – 5.30 pm	Questions hour discussion	Dr. N. Suresh

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES : RS.750/- INCLUSIVE OF GST FOR MEMBERS
RS. 2,000/- INCLUSIVE OF GST FOR NON MEMBERS

Mode of Payment: Online/Cash/Cheque/DD in favour of
“**Bangalore Branch of SIRC of ICAI**”, payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : **blrregistrations@icai.org** | Website : **www.bangaloreicai.org**



One Day Workshop on Auditing Standards

Organised by **Bangalore Branch of SIRC of
The Institute of Chartered Accountants of India**



On **11th September 2018**
Venue: **Vasanthnagar Branch Premises**
Time: **9.30 am to 5.30 pm**

Timings	Topics	Speakers
8.30 am – 9.30 am	Registration	
9.30 am – 11.00 am	Overview of Auditing Standards	CA. Srinivas K.P
11.00 am – 11.30 am	Tea Break	
11.30 am – 1.00 pm	Case Studies on Auditing Standards	CA. S. Sundaresan
1.00 pm – 2.00 pm	LUNCH	
2.00 pm – 3.30 pm	Audit Documentation	CA. Mohan R Lavi
3.30 pm – 4.00 pm	Tea Break	
4.00 pm – 5.30 pm	Guidance Note on Reports or Certificates for Special purposes	

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Raveendra S. Kore
Secretary
Bangalore Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES : RS.750/- INCLUSIVE OF GST FOR MEMBERS
RS. 2,000/- INCLUSIVE OF GST FOR NON MEMBERS

Mode of Payment: Online/Cash/Cheque/DD in favour of
"Bangalore Branch of SIRC of ICAI", payable at Bengaluru

For Registration, Please contact:

Ms. Geetanjali D., Tel: **080 - 3056 3513 / 3500**

Email : **blrregistrations@icai.org** | Website : **www.bangaloreicai.org**



Interview Skills

This Segment includes topics that are focused on helping one crack an interview and grow in their respective career path.

Group discussion, personal interview, attitude conditioning, self esteem, creativity, self confidence, resume building and personal branding

Business Etiquette

This segment includes topics that are focused on enhancing one's business and corporate etiquettes.

Introduction, table manners, attention to details, body language, mobile phone etiquette, organize meetings, behavior with peers, punctuality, grooming and attire, handshake & eye contact, hygiene, email writing, schedule meetings, behavior with senior execs, business writing & essentials of listening.

Life Skills

This segment includes topics that are focussed on one's personal attributes and strengths.

Business communication, emotional intelligence, time management, accurate thinking, influence & sales, public speaking, stress management, tact & diplomacy.

Duration

- Standard - 20Hrs (3 Days Workshop)
- 50 Participants per batch

Methodology

- Mind Muscle Training
- Group Activities / Role Plays
- Experiential Learning in a simulation environment
- Training sessions

Bonus

- Self Help Workbooks
- Resume Templates

Registration on First Come First Served Basis
Fee: Rs. 1000/- (Restricted for 50 students only)
please Contact: Mrs. Manjula - 080-30563547
Payment – cash/ cheque / DD in favor of
"Bangalore Branch of SICASA" Payable at Bangalore

CA. Shravan Guduthur
Chairman
Bangalore Branch of SIRC of ICAI

CA. Srinivasa.T
Chairman, SICASA
Bangalore Branch of SIRC of ICAI



The Institute of Chartered Accountants of India



The Chartered Accountants Benevolent Fund (CABF) at a glance

Published By: **Committee for Capacity Building of Members in Practice (CCBMP), ICAI**

Appeal to the Members for Contributing to The Chartered Accountants Benevolent Fund (CABF) from the Committee for Capacity Building of Members in Practice (CCBMP)

In order to strengthen the financial position of the fund, The **Committee for Capacity Building of Members in Practice (CCBMP)** requests that all the members of the Institute should join CABF extending their helping hands to support their Professional colleagues and dependents. It is an earnest appeal of the fund that all the members must become life member of the fund, if not, and to contribute voluntarily any amount for the noble and pious cause of CABF. The CABF thankfully issues receipts for the contributions made by the members which is eligible for tax exemption under Section 80-G of Income Tax Act.



Objective

The objective for which the fund is established is to provide financial assistance for maintenance, education or any other similar purpose to necessitous persons being:-

- (a) persons who are or have been members of the Institute, whether subscribers to the fund or not; or (b) wives and children of persons who are or have been members of the Institute, whether subscribers to the fund or not.
- (c) widows and children of deceased persons who have been members of the Institute whether subscribers to the fund or not. (d) Relatives or others who were dependent for support on a person who has been a member of the Institute, whether subscriber to the fund or not; and who has died without leaving a widow or child.



Procedure for becoming a member of the CABF

There are two categories of members :-

- (a) **Life Member:** A single payment of Rs. 5000/- shall make a person eligible to be admitted as a life member of the fund. Thereafter he shall not be liable to pay any amount on account of subscription and shall be styled as a 'Life Member'.
- (b) **Ordinary members:** All other members shall be described as 'Ordinary Members' and shall have to pay an annual subscription of Rs. 1000/- Apart from this any member can subscribe for 'Voluntary Contribution'.



Procedure for making payment.

Membership subscription to the Chartered Accountants Benevolent Fund can be paid along with annual membership fee. Alternatively it can be paid separately by local cheque/DD to the respective Decentralised offices or Regional offices or Head office.



Extent of assistance available

Monthly Assistance

Maximum monthly assistance available to a member or persons eligible to receive the assistance upto Rs.7500/- per month according to the circumstances of the case renewable after one year. This is for maintenance of family of members/widow/relatives of deceased members.

Financial assistance is given only to the members/widows/relatives whose monthly family income is not more than Rs. 15000/- pm.

Ex-gratia financial assistance of upto Rs.150000/- is provided to the legal heir of deceased member in case of accidental death/ unnatural death within the age of 55 years against claim.



Procedure for availing assistance

Application for financial assistance should be made in prescribed format along with all relevant supporting documents mentioned therein. The application must be recommended by any Central Council Member or Chairman/ Vice Chairman /Secretary of any Regional Council or Branch /Ex-President /Chairman /Vice-Chairman and Member Secretary /Member of Managing Committee of CABF /Member of Managing Committee of Regional Council.



Web Links for Application Forms

- ▶▶ Application Form-Life Member of CABF available at: https://resource.cdn.icai.org/18069life_Membership_form_CABF.pdf
- ▶▶ ApplicationForm-OrdinaryMemberofCABFavailableat:<https://resource.cdn.icai.org/36712mss26122-ordinary-cabf.pdf>
- ▶▶ Application Form-Voluntary Contribution of CABF available at: https://www.icai.org/post.html?post_id=745
- ▶▶ Application Form for Ex- Gratia Financial Assistance from CABF available at: <https://resource.cdn.icai.org/31809mss21912-exgratia-cabf.pdf>
- ▶▶ Application Form for Financial Assistance from CABF for Medical Treatment available at: <https://resource.cdn.icai.org/31810mss21912-medical-cabf.pdf>
- ▶▶ Application Form for grant of Monthly Financial Assistance From CABF available at: <https://resource.cdn.icai.org/31811mss21912-financial-cabf.pdf>

Vice Chairman

CCBMP, ICAI

Chairperson

CCBMP, ICAI

For CABF related queries:

For availing the benefits please contact: Joint Secretary (M&C MSS Section), The Institute of Chartered Accountants of India, ICAI BHAWAN, A-29, Sector – 62, NOIDA – 201309, Tel. No - 0120-3045997, Email: cabf@icai.in

For promotional related queries:

Secretary, Committee for Capacity Building of Members in Practice (CCBMP), The Institute of Chartered Accountants of India(ICAI), ICAI Bhawan, First Floor, Administrative Block, A-29, Sector-62, Noida, Distt:-Gautam Budh Nagar(U.P.), P.C., 201309 Email: sambit.mishra@icai.in; , Mobile: 09312085025



POEM – EFFECTIVELY IN INDIA!

Vineet Jhawar



A. **Insight into PoEM** – “Introduction of the concept under the Indian tax legislation”

In India, incomes are taxed based on the residential status of the taxpayer. Erstwhile provisions of the Income-tax Act¹, 1961 (‘Act’) provided that, a company is resident of India if, it is an Indian company or the control and management of its affairs was situated wholly in India, for the entire year.

Subsequently, the concept of ‘Place of Effective Management’ (‘PoEM’), an internationally recognized concept, already in vogue in countries like China, Netherlands, Russia, South Africa, Germany, United Kingdom, Australia and Singapore, was sought to be introduced in India as well, to determine the residential status of the company vide the Finance Act 2016. The concept of PoEM also finds a special place in the Organization for Economic Co-operation and Development’s (‘OECD’) Model Convention, which deems a company as resident only of the state in which its PoEM is situated, notably known as the ‘tie-breaker’ rule.

India has borrowed the definition of the term PoEM from the OECD Model Convention and other countries where the concept is

already prevalent and has made suitable modifications to suit its requirement - a place where key management and commercial decisions, necessary for the conduct of the business are, in substance made irrespective of the physical presence, incorporation etc. of the entity.

B. **Path to finalization** – “A step towards global standard”

Guiding principles for determination of PoEM were issued in 2017 for the better understanding of the practical application of PoEM. Further, pursuant to the powers conferred in the Act², a draft notification was released for public comments, to address the open points and to provide more clarity to the stakeholders on this concept. Recently, on 22 June 2018, after a lot of representations from various fora like corporates and professionals, the Central Board of Direct Taxes (‘CBDT’) has issued final notification, which primarily deals with the computation mechanism in case of foreign companies construed to be residents of India by way of PoEM for the first time. The final notification issued is on same lines as the draft notification released earlier.

C. **Exploring the final notification** – “Let’s give it a thought, to a

thoughtful thought”

- This notification will not be applicable in the following cases:
 - Foreign companies, whose residence was determined in India, under the erstwhile concept of place of management i.e. foreign companies whose residence was determined to be in India on or before the date of introduction of the concept of PoEM in India; and
 - Incomes that are chargeable to tax in India even in the absence of PoEM such as profits that were attributable to a permanent establishment in India or royalty / fee for technical services.
- Provisions of the said notification are applicable only to those foreign companies which are construed to be residents of India on account of PoEM for the first time. The said provisions shall not be applicable in the subsequent years if the foreign companies continue to be residents on account of PoEM. Instead, the normal provisions applicable to all other companies shall be applicable.
- Any transaction entered into by the foreign company with any other person or entity under the Act shall not be altered merely on the ground that the foreign company has become an Indian resident.

1 Section 6

2 Section 115JH

Example – Applications filed before authority for advanced ruling by the foreign company or by an Indian company entering into a transaction with a foreign company may not be considered invalid merely due to the change in residential status.

- A lot of ambiguity surrounding the applicability of certain provisions to foreign companies who are residents by virtue of PoEM has now been put to rest by inserting a clause stating that, in case of conflict between the provisions applicable to the foreign company as resident and the provisions applicable as a foreign company, the latter shall generally prevail.

Examples –

- Profits of foreign company resident on account of PoEM shall be subject to tax at the rate of 40%; and
- Exemption from applicability of minimum alternate tax will continue to apply to the resident foreign companies even though its profits are chargeable to tax in India.
- Income earned by foreign companies, chargeable to tax in India, shall be computed in the same way as is computed for domestic companies, subject to the following:
 - If foreign companies are subject to tax in the foreign jurisdiction, then, the written down value ('WDV'), brought forward business loss ('BL') and unabsorbed depreciation ('UD') as on March 2016, as per such tax laws will be the opening WDV and brought forward

losses for India tax purposes. On the other hand, if the foreign company is not subject to tax in the foreign jurisdiction, WDV and losses as per the books of account would be adopted.

- If the accounting year adopted by the foreign company is different than what is followed in India, then BL and UD shall be pro-rated and calculated up to March 2016. Revision of BL and UD in the foreign jurisdiction, if any, shall also be pro-rated up to March 2016. However, the same is not applicable for computation of WDV.
- Foreign companies considered as residents of India on account of PoEM are eligible to carry forward BL and UD for a period of 8 years from the year in which such losses were first incurred in the foreign jurisdiction.
- BL and UD can be set-off only against incomes which are chargeable to tax in India on account of the foreign company becoming resident due to the provisions of PoEM, and not against any other income such as profits which were attributable to a PE in India or royalty / fee for technical services.

This provision has been incorporated to ensure that, income brought to tax in India otherwise than by way of PoEM, will not get diluted.

- A resident payer is required to deduct taxes at the time of credit / payment to foreign companies resident by virtue

of PoEM as per the specific provisions of the Act³ applicable to non-residents.

- If the foreign company's income has already been taxed in foreign jurisdiction due to its source, relief will be available on such doubly taxed income in India subject to the production of tax residency certificate from Indian tax authorities. However, refund of taxes paid abroad will not be available.
- Provisions specifically applicable to a foreign company and a resident shall continue to apply to foreign companies construed to be residents of India on account of PoEM. However, provisions specifically applicable to non-residents shall no longer apply.
- This notification would not adversely affect the foreign companies whose ROIs have already been filed on account of PoEM except for those entities who have applied different income-tax rates other than those specifically applicable to foreign companies.

Example – If ROI has already been filed for the AY 2017-18 and the foreign company has incurred losses, revised ROI may be filed to carry forward such losses.

D. **Done and dusted?** - "Ready to launch?"

The concept of PoEM in itself is not naïve, since it was already there in several countries before India embraced it. However, certain issues are not resolved till date.

Few concerns of the taxpayers, unresolved even in the final notification by the CBDT are summarized below:

³ Section 195



- Additional time may not be available for filing return of income ('ROI') if, the residential status of foreign companies is determined during assessment proceedings and provisions of PoEM are made applicable.
- There is no mention on any relaxation available to companies whose PoEM is determined during assessment proceedings, from the provisions of advance tax.
- Foreign companies may not be treated on par with Indian companies since they do not have access to beneficial provisions available to domestic companies like income-linked incentive, concessional corporate tax rate, reduction of tax on dividend already taxed, concessional tax rate on

foreign dividends from subsidiary, investment-linked incentives, start-up benefits, etc.

- No guidance is provided to determine if the foreign company has active business outside India in case of losses; provisions only speak of income. However, reliance may be placed on judicial precedents, which state that, losses are nothing but negative profits.

This notification clears certain ambiguities that the taxpayer had. However, there are certain questions unanswered yet.

E. **Standing of PoEM in India** –
"Pitch is ready, but not ground"

In this dynamic world, India has indeed witnessed deep-seated changes in the tax reforms in the form of rationalization of TP provisions with the BEPS initiatives,

General Anti Avoidance Rules ('GAAR'), Multi-lateral instruments, Income computation and disclosure standards, etc.

However, implementation of these initiatives is rather hazy for a simple fact that, ample time for preparation and notice is often not given to the stakeholders to equip them to comply with these fast-paced changes.

In nutshell, PoEM is in fact an effective tool to curb abusive and aggressive tax planning. However, Government should be aware of the fact that, it cannot have the best of both worlds. Accordingly, cautious moves to provide level playing field to the foreign companies despite the trigger of PoEM, has the potential to make PoEM, aimed at increasing the tax base, one of the successful moves of the Government. ■

CNK & Associates LLP, Mumbai based CA firm having offices in major cities in India and an overseas office in Dubai is looking for growth prospects in Bangalore through association/merger with Bangalore based CA firms with the following criteria.

- Appx staff strength of 20-25 with a right mix of qualified and semi-qualified staff.
- Firm to be in practice for appx 8 -10 years
- Experience in Statutory audit, Internal audit and taxation (direct/indirect)

The firms' presence in other cities of South India will be preferred

Interested CA firms may contact

CA S Lakshminarayanan

at email – **slnarayan@cnkindia.com**

and mobile no **+91 98457 42436 /**

CA Nehal Shah at mail **nehal@cnkindia.com**

and mobile no: **+91 98214 83101.**

Our website: **www.cnkindia.com.**

Advt.

A well established CA firm
in Bangalore requires:-

Young Chartered Accountant
- for Audit Manager
a flair for practice will be
an added advantage

Attractive package for suitable candidates

Nature of work includes Statutory Audits,
Internal Audits, Income-tax Audits,
Due Diligence Audits, etc.

Applicants with good academic record,
good audit experience may apply

With Passport size photograph

Please send resume by e-mail-
phillipos18@gmail.com

OR contact

M/s. Phillipos & Co., Chartered Accountants,
47, Wheeler Road, P.B. No.534, COX TOWN,
BANGALORE-560 005

Tel:080-25467223 / 4 AND 080-41251474

Advt.



OVERVIEW OF MLI

CA. Guruprasad

'Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting' (MLI for short) is the official title of the multilateral treaty framework that aims to prevent BEPS.

Base erosion and profit shifting (BEPS) refers to artificially shifting profits to low or no-tax locations where there is little or no economic activity, resulting in little or no overall corporate tax being paid. This is achieved by employing tax planning strategies that exploit gaps and mismatches in tax rules. Per OECD, Conservative estimates indicate annual losses of anywhere from 4 to 10% of global corporate income tax revenues, i.e. USD 100 - 240 billion annually.

Working together in the OECD/G20 BEPS Project, over 60 countries jointly developed 15 actions to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment. The Multilateral Instrument (MLI) responds to this call for swift action by implementing the BEPS measures which require changes to tax treaties. In the words of OECD Secretary-General, Angel Gurría, "The entry into force of this multilateral convention marks a turning point in the implementation of OECD/G20 efforts to adapt international tax rules to the 21st Century."

There are about 2,600 double tax treaties in the world, some 500 among

industrialized economies, approximately 800 among developing economies and about 1,300 between industrialized and developing economies. It will be a never-ending exercise if countries want to re-negotiate each tax treaty with the other country partner, to bring in intended changes within the existing bi-lateral treaty framework. Such measure will be inefficient and lacks uniformity, besides being a slow and everlasting process. MLI acts as a master template (sort of a layer above the existing tax treaties) to bring in changes alongside existing bilateral treaties, at one go. MLI will also result in more certainty and predictability for businesses, and a better functioning international tax system for the benefit of society at large.

What is MLI?

The multilateral instrument is a treaty/standard template, which is one element of the OECD BEPS project, designed to help implement the recommended measures to avoid tax treaty abuse. Countries will be able to use MLI framework to implement some of the BEPS action plans relating to double tax treaties.

Why MLI?

Abuse of tax treaties is an important source of BEPS. The MLI helps the fight against BEPS by implementing the tax treaty-related measures developed through the BEPS Project alongside existing bilateral tax treaties in a synchronised and efficient manner.

These measures help combat (a) treaty abuse, (b) improve dispute resolution, (c) prevent the artificial avoidance of permanent establishment status and (d) neutralise the effects of hybrid mismatch arrangements.

When a country signs MLI, whether all existing bilateral treaties would automatically stand to be modified/superseded?

No. Upon coming into effect, the MLI will not replace the existing treaties completely. Instead it will apply alongside existing treaties and either modify, supersede, supplement, or complement their application so as to bring them in line with the measures to address base erosion. The MLI changes apply to "Covered Tax Agreements" (CTA) only. A Covered Tax Agreement is Tax treaty in force between the Parties (countries) to the MLI and for which both Parties have made a notification that they wish to modify the agreement using the MLI framework. In other words, if one party notifies a tax treaty and the other party to the treaty does not, it will cease to be a CTA and will be kept outside the purview. Parties remain free to make subsequent amendments through bilateral negotiations and the entire process is flexible and dynamic. Under Art 2 of MLI, at the time of signature, India notified its existing DTAA with 93 countries as Covered Tax Agreements (CTAs).



How many Jurisdictions are involved?

MLI is developed by an Ad hoc Group of 100+ jurisdictions. This instrument is signed by developed and developing economies around the world and it is open for signature by any country. On 7 June 2017, a high-level signing ceremony took place in Paris. India also participated in this ceremony and became a signatory to MLI. This convention was signed by Arun Jaitley, Union Finance Minister for India, along with representatives of 65 countries.

Highlights of positions/ reservations adopted by India at the time of signature of MLI

Together with the list of CTAs, India also submitted a provisional list of reservations and notifications (MLI positions) in respect of the various provisions of the MLI. Reservations submitted by India at the time of signature is accessible on OECD official website. The definitive MLI positions will be provided upon the deposit of its instrument of ratification of the MLI, later.

- India has opted for a wider scope of dependent agency Permanent Establishment (DAPE) to include activities of an agent playing a principal role in concluding contracts even though such contracts are formalized abroad or such activities of an agent who claims to be independent even though he is working exclusively or almost exclusively for closely-related enterprises (CREs).
- India adopts that the specific activity exemption from creating a PE is available, subject to fulfilment of preparatory or auxiliary conditions.

- India has also adopted the minimum standards prescribed under dispute resolution through mutual agreement procedure (MAP) to permit correlative adjustment arising on account of primary adjustment, to adopt a minimum time limit of three years for providing MAP access and to confer an obligation on competent authorities to resolve treaty interpretation and double taxation issues.

- Consistent with its earlier stand, India has not elected mandatory binding arbitration.

- India has chosen to additionally apply the simplified limitation of benefits (LOB) rule which provides an objective determination to deny treaty benefits, along with the man-

- datory minimum standard of the principal purpose test (PPT) to counter treaty shopping.

- While opting for substitution of the place of effective management (POEM) rule by the competent authority for resolving the issue of dual residency of non-individuals, India has not opted to implement changes related to the

granting of treaty benefits to fiscally transparent entities.

The MLI and its implications are not theoretical or academic anymore. The MLI convention has already entered into force 1 July 2018 for five jurisdictions who deposited their instruments with the OECD (note: India has not yet deposited the signed MLI instrument). Accordingly, MLI has become the cutting-edge of the international tax practice in reality.

Interested readers may visit the OECD website, MLI section for a Q&A webinar session with OECD experts that has a discussion on the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS that took place on Friday 9 June 2017.



CBDT EXPANDS SCOPE OF TAX AUDIT - DECODING KEY CHANGES

CA. Sandeep Jhunjunwala



Every assessee who is liable to audit under Section 44AD of the Income Tax Act, 1961 is required to electronically furnish Form 3CD to the Income tax authorities. Business entities having a turnover of more than INR 10 million (or INR 20 million if they have opted for presumptive taxation) and non-salaried professionals having gross receipts of more than INR 5 million have to comply with the IT audit requirements. The due date for its filing is September 30 and if the taxpayer is covered by transfer pricing provisions, the due date is November 30. The Central Board of Direct Taxes (CBDT) vide Notification No 33/ 2018 dated July 20, 2018 has brought about major overhaul in the Form (as contained in the Appendix II of the Income Tax Rules 1962), which would be effective from August 20, 2018. In summary, there are 6 amendments in the existing clauses of Form 3CD and 9 different new insertions (additional clauses) for disclosure purposes.

The first question that arises on the perusal of the notification is the date of its applicability. As the notification [Income-tax (8th Amendment) Rules, 1962] is effective from August 20, 2018, would it mean that the revised format of tax audit report doesn't apply in a case where the tax audit is completed and e-filing of the tax audit report is done on or before August 19, 2018. A position is possible that if the tax audit

is completed and e-filing of the report is done before August 20, 2018, reporting in the old format should be considered valid. However, practical challenges do exist in the form of technical glitches such as utility mismatch, failure to generate xml form with the old report etc.

A summary of the key changes introduced (in a sequential manner) have been discussed in the subsequent paragraphs:

Clause 4: Goods and Services Tax registration number (GSTIN)

As Goods and Services Tax has come into force from July 1, 2017, the GST registration is also added to the list of indirect tax registrations to be disclosed in the tax audit report. GSTIN needs to be mentioned in this field now.

Clause 19: Allowance under Section 32AD

Section 32AD of the Income tax Act provides allowance at the rate of 15 percent of the cost of any new assets acquired and installed in an undertaking or enterprise for manufacture or production of any article or thing, on or after April 1, 2015 and before April 1, 2020 in any notified backward area (such as states of Andhra Pradesh, Bihar, Telangana or West Bengal).

Clause 24: Deemed gains under Section 32AD

Deemed gains arising out of sale of asset on which allowance have been claimed

under Section 32AD of the Income tax Act has to be reported in Clause 24 of the Form. If the asset acquired as per the provisions mentioned under Section 32AD is sold or transferred within 5 years from the date of installation, then the deduction claimed earlier is deemed to be the income of the assessee and is chargeable to tax as income under the head 'Profits and Gains of Business or Profession'.

Clause 26: Sum payable to Indian railways for use of assets

As per Section 43B of the Income tax Act, certain deductions could be claimed only on actual payment by the assessee before the date of filing returns. Now, clause (g) of Section 43B which states that any sum payable by the assessee to the Indian Railways for the use of railway assets can be claimed only on payment of the same before the date of filing returns also needs to be reported in the tax audit report.

Clause 29A: Advance received on capital asset forfeited

As per Section 56(2)(ix) of the Income tax Act, if any sum of money is received as an advance or otherwise in the course of negotiations for transfer of a capital asset and if such sum is forfeited or the negotiations do not result in transfer of such capital asset, then such sum of money is taxable as income under the head 'Income from



other sources'. Under the new clause 29A, the tax auditor is required to report the nature of such income and the amount involved. It would therefore be important for the tax auditor to obtain balance confirmations from third parties against whose names advances for transfer of capital assets have been appearing in the financial statements of the assessee.

Clause 29B: Income of taxable gifts exceeding INR 50,000

As per Section 56(2)(x) of the Income tax Act, any person receiving any gift exceeding INR 50,000 needs to declare such amount as income subject to certain exemptions. The exemptions include gifts from relatives, gift received at the time of marriage, gifts under a will or by way of inheritance etc. The new clause 29B requires the nature of income and the amount involved to be reported.

Clause 30A: Details about "Primary Adjustments" in transfer pricing to be reported as per Section 92CE

If any primary adjustment to the transfer price has been made as per Section 92CE(1) of the Income tax Act, then the following details need to be given in Clause 30A of the Form.

- Under which clause of sub-section (1) of Section 92CE, primary adjustment has been made?
- Amount of primary adjustment
- Whether the excess money available with the associated enterprise is required to be repatriated to India as per the provisions of sub-section (2) of Section 92CE?
- If yes, whether the excess money has been repatriated within the prescribed time

- If no, the amount of imputed interest income on such excess money which has not been repatriated within the prescribed time

This clause has been necessitated on account of Section 92CE of the Income Tax Act, which was inserted into the Statute by the Finance Act 2017. In view that the recent Karnataka High Court ruling in case of Softbrands India Pvt Ltd (ITA No 536 & 537/2015) which clarified that only if the findings by the Tribunal are ex-facie perverse & unsustainable and exhibit non-application of mind by the Tribunal, can an appeal be entertained under Section 260A of the Income Tax Act, tax provisioning and the sustainability of the primary adjustment may need to be reviewed before the closure of accounts now.

Clause 30B: Limitation of interest deductions for borrowings from an Associated Enterprise up to 30 percent of EBITDA

As per Section 94B(1) of the Income Tax Act, if an Indian Company or a Permanent establishment of a foreign company in India incurs any expenditure by way of interest or of similar nature exceeding INR 10 million, deductible in computing income chargeable under the head 'Profits and Gains of Business or Profession' in respect of any debt issued by a non-resident, being an associated enterprise of such borrower, interest shall not be deductible in computation of income under the said head to the extent that it exceeds 30 percent of EBITDA. The Form gives additional clauses to disclose the following:

- Amount of expenditure by way of interest or of similar nature incurred

- Earnings before interest, tax, depreciation and amortization (EBITDA) during the previous year
- Amount of expenditure by way of interest or of similar nature as per (i) above which exceeds 30 percent of EBITDA
- Details of interest expenditure brought forward as per sub-section (4) of Section 94B
- Details of interest expenditure carried forward as per sub-section (4) of Section 94B

This clause, too, has been necessitated on account of Section 94B of the Income Tax Act, which was inserted into the Statute by the Finance Act 2017. Section 94B was introduced to limit the interest deduction in certain cases and to bring in the concept of 'Thin Capitalisation' in the Indian income tax laws. In order to curb structuring by the multinational group companies having their presence through subsidiaries/ associate companies or permanent establishments in India, the Finance Act 2017 had introduced Section 94B in line with the recommendations of OECD BEPS Action Plan 4 to provide that interest expenses claimed by an entity to its associated enterprises shall be restricted to 30 percent of its earnings before interest, taxes, depreciation and amortization (EBITDA) or interest paid or payable to associated enterprise, whichever is less.

Clause 30C: Details of Impermissible Avoidance Arrangement to be furnished as referred to in Section 96

If an assessee has entered into an Impermissible Avoidance Arrangement, as defined under Section 96 of the

Income Tax Act, then the following details need to be furnished in Clause 30C of the Form:

- Nature of the impermissible avoidance arrangement
- Amount of tax benefit in the previous year arising, in aggregate, to all the parties to the arrangement

This additional reporting on applicability of GAAR is quite complex and require thorough investigation before sign-off. Tax auditors may find it difficult to opine whether a particular transaction lacks commercial substance and entered mainly for the purpose of obtaining tax benefit. Comprehensive audit procedures may have to be formulated to comment on this aspect. This also makes the role of a tax auditor more intensive, given that additional verifications need to be performed to arrive at conclusion on applicability of GAAR and it goes beyond the realm of reporting on facts. The determination of tax benefit to all parties to the arrangement may be a tough exercise, given that not all such parties may be the clients to the tax auditor. This will surely place additional onus on the Auditor, especially in an area devoid of precedence and largely characterised by interpretation issues.

Clause 31: Cash receipts of INR 200,000 or more covered by Section 269ST

Under Section 269ST of the Income Tax Act, an assessee is not allowed to receive an amount of INR 200,000 and above in aggregate from any person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person where such receipt is otherwise than by a cheque or bank draft or use of electronic

clearing system through a bank account. After the existing sub clause (b) in clause 31, several new sub clauses have been inserted and few additional details are required to be disclosed:

- Name, address, Permanent Account Number of the payer
- Nature of transaction
- Amount of receipt
- Date of receipt

Clause 34: Details of e-TDS returns

Earlier, the clause in tax audit report required reporting of the fact as to whether e-TDS statements submitted contains all details/ transactions. With the current amendment to the form, reporting of such details/ transactions which have not been included in e-TDS returns is required. This will be a huge exercise for the assessee with high volumes of transactions. An ideal approach would be that the assessee reports all transactions in e-TDS returns and any differences should be documented with proper reconciliations.

Clause 36A: Dividend received under Section 2(22)(e)

Under the provisions of Section 2(22) (e) of the Income tax Act, where any company, in which public are not substantially interested, makes any payment by way of loan or advance, to any person who holds not less than 10 percent voting power or to any other person in which such shareholder has substantial interest, then such payment to the extent of accumulated profits, is considered as deemed dividend. If any such dividend is received then the amount of dividend and the date of receipt need to be disclosed in the Form now.

Earlier, there was no specific provision in the Audit Report Form for reporting of 'Deemed Dividend' paid by a Company. However, Clause 27 required the Auditor to disclose whether the assessee has complied with the provisions of Chapter XVII-B relating to Deduction of Tax at Source. As tax is required to be deducted under Section 194 on deemed dividends, the Auditor was earlier required to report instances of non-deduction of tax on deemed dividends. This has now been extended to report all cases of receipt of deemed dividends. Similar to certification on GAAR under Clause 30C, this would become an onerous exercise for the Auditor and long-drawn-out procedures may need to be implemented in order to comment on this clause.

Clause 42: Details with respect to Form 61, Form 61A and Form 61B

The following details of Form 61 (Statement containing particulars of declaration received in Form 60), Form 61A (Statement of Specified Financial transactions) and Form 61B (Statement of Reportable Account under sub-section (1) Section 285BA of the Act), if submitted, are to be disclosed:

- Income-tax Department Reporting Entity Identification Number
- Type of Form
- Due date for furnishing
- Date of furnishing, if furnished
- Whether the Form contains information about all details/ transactions that are required to be reported. If not, furnish list of the details/transactions which are not reported

There has been a continuous debate on this aspect whether these forms were



required to be filed, even if there was nothing to report. With the insertion of Clause 42 in the form, the tax auditor would now need to ascertain if there was any requirement to report and if there has been a failure to report these transactions. The due date for furnishing these statements is, in every calendar year, the 31st day of May following that year.

Clause 43: Details with respect to Country-by-Country Reporting as referred to in Section 286

Any company liable to reporting under sub-section (2) of Section 286 of the Act, needs to disclose the following information in Form 3CD:

- Whether report has been furnished by the assessee or its parent entity or an alternate reporting entity?
- Name of parent entity
- Name of alternate reporting entity (if applicable)
- Date of furnishing of report

Every parent entity or the alternate reporting entity, resident in India, for every reporting accounting year, in respect of the international group of which it is a constituent, is required to furnish a report, to the prescribed authority within a period of 12 months from the end of the said reporting accounting year, in the form and manner as may be prescribed.

The OECD report on Action Plan 13 of BEPS Action plan provides for

re-examination of transfer pricing documentation. It also provides for a template for country-by-country reporting of income, earnings, taxes paid and certain measure of economic activity. It is recommended in the BEPS report that the countries should adopt a standardized approach to transfer pricing documentation. India, being an active member of OECD, had made amendments under Section 92D of the Income tax Act in order to enhance the transfer pricing documentation. Further, Section 286 was inserted under the Income Tax Act in order to make CbC Reporting mandatory for certain category of MNEs.

Clause 44: Break up of total expenditure in respect of GST registered and unregistered entities

A new clause has been inserted which would impact the reporting for all entities, irrespective of whether they are registered under GST or not. The following information needs to be disclosed in the tax audit report:

- Total amount of expenditure incurred during the year
- Expenditure in respect of entities registered under GST - (a) Relating to goods or services exempt from GST (b) Relating to entities falling under composition scheme (c) Relating to other registered entities, and (d) Total payment to registered entities

- Expenditure relating to entities not registered under GST

With this clause on GST related disclosures and mapping to total expenditure, the Government seems to have cleared its intention on usage of data analytics to track tax evaders. The IT department wants to mine GST payments data to see if there is any evasion of direct taxes. Businesses have in the past been known to provide different turnover data for Sales tax/VAT returns and income tax returns. The Finance Minister had recently said the GST process would contribute to more direct tax collections: as more businesses get 'formalised' due to GST, income tax collections, too, will increase.

These additional and modified disclosure requirements clearly indicate that the CBDT has shifted majority onus relating to verification of tax compliances and income computation from the tax officer to the tax auditor (another way to look at this is tax department leveraging the professional capabilities of auditing firms for tax audits). To deal with this challenge of extended reporting, it is imperative that optimised tax internal control systems are implemented by the taxpayer and scrutinised comprehensively by the tax auditor. The availability of all relevant information in the revised tax audit report now should enable the tax authorities to focus on their enquiries during the course of tax assessments. ■



Core Committee members of Sports meet



Cricket Winners Team

Winners of Kabaddi Team





Marudhar Arts®

India's Leading Numismatic Auction House

ANTIQUE
LICENSE
NO.01

Invest in the Field of Numismatics & Antiquities

Coins | Stamps | Bank Notes | Paintings | Jewellery | Artifacts



Marudhar Arts is a trusted name in Numismatics for over 50 years.
We Actively Buy and Sell Rarities of Numismatics and Philately.

World's 1st

Numismatic & Philatelic Auction House to offer

In House Realtime Audio-Visual Live Internet Bidding.



Take part in our Auctions or Buy online at our web portal
Its a library of over 10,000 items, with new rarities added everyday.


www.MarudharArts.com

Visit Asia's Largest Numismatic & Philatelic Gallery
#85 M.G. Road, Bangalore 560 001

+91- 88670-29800

✉ info@MarudharArts.com

+91-99800-20666



**₹20 crore in less than
a fortnight? Simple.**

Apply now

Grow your business with our hassle-free loans.

With simple documentation and attractive offerings, our hassle-free loans have been growing businesses for over 150 years.

Key Features:

- Secured loans up to ₹20 crore and for 20 years
- Loans against residential and commercial property
- Loans like home saver, Lease rental discounting and commercial property purchase
- Attractive top ups up to ₹7.5 crore

Get a Loan Against Property (LAP), up to ₹20 crore*, in less than a fortnight**. Take advantage of 50% waiver in processing fee and rate of interest starting at 8.85% p.a.

To apply, SMS '**BBLAP**' to **9987123123** or visit us at the nearest branch.

Apply now

sc.com/in

Here for good

*Credit will be at the sole discretion of the Bank.

**The time period required for processing of the application shall depend on the customer providing the relevant documents to the satisfaction of the Bank.

Do not share your internet banking details, such as user ID/password or your credit/debit card number/CVV/OTP with anyone - either over phone or through email. To know more, [click here](#)