

The Institute of Chartered Accountants of India

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Bengaluru Branch of SIRC e-Newsletter

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On behalf of Bengaluru Branch of SIRC of ICAI, we thank Ms. Sudha Janardhan for generously donating 3952.50 sq. ft of property in Rajajinagar to our Institute, Bengaluru Branch of SIRC of ICAI for the professional cause and for the benefit of Members & Students.



Ms. Sudha Janardhan



Inauguration of "SAMARTHA"

Race for Relevant, Ready for Radical Change, and Unleash the Potential

16th Karnataka State Level CAs' Conference

Chairman's Communique . . .



My Dear Esteemed Members,

After all, what is the purpose of life? Indian Rishis have realized that, the purpose of life is to cleanup and purify our soul, through “ज्ञान” the knowledge, make it free from all emotional elements and elevate ourselves to be part and parcel of “परमात्मा”, where, once we reach, we go out of the vicious circle of birth and death

permanently, where once we reach, we never return back / यम् गत्वा न निवर्तते तदधामं परमं पदम्.

How to become immortal?

न कर्मणा न प्रजया धनेन त्यागेनैके अमृतत्वमानशुः

Indian Rishis have realized the utmost truth that, one cannot become immortal by his work, one cannot become immortal by the support of his people, one cannot become immortal by the wealth he possesses. But, the only one way he can become immortal is by “त्याग”, i.e. offering or donating for a righteous cause.

Today, we are fortunate to witness such a “त्याग” by way of donating a property to ICAI for the cause of the profession, to be used in furtherance of propagating knowledge for the mankind.

My Dear Friends, we are immensely pleased to inform to you that Ms. Sudha Janardhan, wife of Late CA S Janardhan has graciously donated 3952.50 Sq. Ft. property in Rajajinagar to our Institute for the cause of the profession. The property title deed also has been registered in the name of the Institute on 13th June 2019.

On behalf of Bengaluru Branch of SIRC of ICAI, from the bottom of my heart, I thank Ms. Sudha Janardhan, wife of Late CA S Janardhan for such a gracious donation. On behalf of all of us, we pray, the god to bless **Ms. Sudha Janardhan and her family** with good health, peace and happiness and wish her to enjoy her fulfilling life.

Infrastructure Committee of Central Council has assumed the responsibility of constructing the premise for our branch's activities and we expect that the facility will be available by early 2021.

My Dear Friends, as per the new guidelines from CPE Committee for free programs no CPE credit. Bengaluru Branch has been conducting few programs like Investor Awareness, Analysis of Union Budget as an awareness program and Wednesday Study circle programs over decades, without charging any fees, yet members were getting CPE credit. Now, the Branch is continuing to conduct these programs. However, in terms of the above instructions from CPE Committee, the CPE credit for those members who have attended such free programs are not credited. The criteria for giving CPE Credit should be purely based on the attendance of the Members for these sessions and not based on whether the Member has paid for these programs or not. The purpose of the very concept of CPE program and its purpose will be defeated if the credit is denied because the program is not charged. We are in discussion with the HO to get these credits regularized. We also requested the Central Council Members from South to help us to get exemption from this new requirement for our

Branch as a special case, so that, we can continue to hold programs as in the past.

Major programs in the month of June 2019

1. **“SAMARTHA”** – the 16th Karnataka State Level Conference held on June 7th and 8th was a grand success. More than 1000 CAs from all over Karnataka and other nearby states have witnessed and benefitted from the same. Hon'ble Minister for Animal husbandry and Fisheries Mr. Venkatrao Nadagowda had kindly inaugurated the program. Our eloquent and eminent speakers have deliberated on various topics of professional interest. All sessions were orienting towards Race for Relevance, Ready for Radical change and to Unleashing the potential.

Spiritual session by Professor K S Narayanacharya on ethical and moral values in profession was a new learning. It was well received by the Members.

On behalf of the Managing Committee of Bengaluru Branch of SIRC of ICAI, I thank all the Speakers, the Vendors and other Professionals and importantly the delegates and our able staff for making this program a memorable one.

2. **VIDWATH SABHA - One Day Seminar on Annual Returns & GST Audit** was held on Sunday, 23rd June 2019 between 9.30 am to 6.00 pm at Vasanthnagar Branch Premises. Expert & eminent Speakers shared their expertise in the above said Seminar and 187 Members benefitted from the same.
3. **TARKA SABHA** – One Day Seminar on International Taxation at Hotel Taj Vivanta was held on 28th June 2019. 84 Members were benefitted through the same.
4. **YOGA DAY** – A perfect harmony between mind & body, man & nature; a holistic approach to health & wellbeing, International Yoga Day was organized on 21st June 2019. The Yoga Teachers Mrs. Anuradha Arya & Ms. B.K. Prasana from Brahma Kumaris taught yoga for the benefit of Members & Students.
5. **First Breakfast Meeting** on 29th June was held at Branch Premises. CA. Vishnu Moorthi H addressed on Tax issues – ITR for Non Residents. 121 Members attended and enriched their knowledge from the above.

Major upcoming programs:

1. **CA Day** celebration is scheduled on 1st July 2019 in ICAI Bhavan, As part of it, flag hoisting, blood Donation Camp, Planting saplings, Marathon & Swachh Bharat Abhiyan are planned.
2. **AGM:** As informed in the earlier Newsletter, 57th Annual General Body Meeting is scheduled on 5th July 2019 in S Narayanan Auditorium, ICAI Bhavan, Bengaluru. Request Members to attend the same.
3. **VICHARA GOSHTI** : 26th Program of Union Budget Analysis 2019 is scheduled on 6th July 2019 in Christ University Auditorium. Eminent and committed Moderators CA T V Mohandas and CA S Krishnan along with other eminent Panelists have agreed to analyze and deliberate on the Union Budget 2019. We request members to get benefitted from the same.
4. **CHARCHA GOSHTI** - A detailed Clause by Clause Discussion on Union Budget 2019 over 2 days is scheduled on 19th and 20th June 2019 in R G Royale Hotel and Convention Center, Rajajinagar. I Request members to register online at the earliest
5. **SPORTS MEET:** To inspire & face challenges in life, Cricket Match is organized on 11th August 2019 at BEL Main Ground.

(Contd. on Next Page) ►

Chairman's Communique . . .

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Update on the New Initiatives of Bengaluru Branch

1. **Additional Computer Systems** for our computer lab is still pending for approval at HO. However, temporarily, we are able to conduct additional ITT classes in rented computer lab in VVN with 80 systems since last month and the same will continue till we get additional systems from HO. We have provided ITT **training to more than 800 students in the month of June.**
2. **Faculty Selection Drive:** As you are aware, we had opened up facility to accept online application in our website for faculty and received more than 80 applications. Under the able coordination of CA Allama Prabhu, the past Chairman of our Branch, and with the able support of eminent speakers, CA Gururaj Acharya, CA Jatin Christopher, CA Nanu Mallya, CA Mohan Lavi and others, the screening and selection process is completed. I, on behalf of Bengaluru Branch of SIRC of ICAI, thank all the Members who helped to complete this process in a methodical way and special thanks to CA Allama Prabhu for spearheading and driving the same to a conclusion.

Though the outcome is not quite impressive, we are happy that lot of new faculty resources are identified. Heartening to note that, interest showed to teach for CA final is very poor. We have a real challenge in identifying new faculty to strengthen the coaching classes for CA final. We encourage Members to take up teaching as a profession and passion. Teaching is the one where we get a real happiness and feel fulfilling life.
3. **Additional ITT lab** - We had applied to HO for additional computers to upgrade and expand the ITT facility. The recent update from HO is that, the same is approved and new computers are expected to reach us by July end or early august. Hope to make the new systems available to students in the month of August 2019.
4. **Career Counselling Program:** As informed in our earlier editions, we have taken the task of making career counselling program in minimum 100 colleges and requested members to volunteer and show interest to go to the college where you have studied and do career counselling program.

However, though few Members showed interest and we have completed Career Counselling Program **in 6 colleges and we expect that more response from Members will come in due course.**

5. Career Counselling tie up with Government of Karnataka:

It is observed that, the awareness about CA course at the college level is very poor. With the able leadership of SIRC Member CA Pannaraj, ICAI has signed an MOU with Department of Education, Government of Karnataka to provide Career Counselling to all Government Colleges and Higher Secondary Schools. **I take this opportunity to thank Shri. Umashankar, the Principal Secretary, Education Department Govt of Karnataka and under Secretary, Shri Nadhan** for realizing the importance of commerce education and taking initiative in this regard. Also, I thank, CA Sambit Kumar Mishra and our DCO Staff, SIRC and MC members for their support to make this happen.

On the one hand, we have the big task of managing the Career Counselling Programs in **more than 2,000 schools and colleges** and on the other, expect that, we can, through a methodical approach, achieve the same and we expect that in future, more number of quality students will come to CA course.

Friends, regular audit season starts now and I wish you all the very best in discharge of your statutory responsibility as Auditor. It is a gentle reminder to all of us that, with the UDIN becoming mandatory and no backdated UDIN can be generated beyond 15 days, all the audits required to be completed on time.

Before signing off my message, I would like to solicit your continued friendly suggestions and co-operation as always in our efforts to serve for the cause of the profession and the students in our Race for relevance, Ready for radical change and Unleashing the potential.

Thanking you,

Yours faithfully,

Sd/-

CA Bhat Shivaram Shankar
Chairman



CALENDAR OF EVENTS - JULY & AUGUST 2019

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	CPE CREDIT												
01.07.2019 Monday	Chartered Accountants' Day Celebration 70 th Year of its formation on 1st July 2019 Flag Hoist by Chief Guest CA. H. Anil Kumar Past Chairman, Bengaluru Branch of SIRC of ICAI	Branch Premises 9.30 am onwards	—												
03.07.2019 Wednesday	Individual IT Returns including Foreign TP CA. Krishna Upadhya S	Branch Premises 6.00 pm to 8.00 pm	—												
06.07.2019 Saturday	An Awareness Programme on Analysis of Union Budget 2019 in association with Christ University <table><tr><th>Sl. No.</th><th>Moderators</th><th>Panelists</th></tr><tr><td>1</td><td>CA. T. V. Mohandas Pai <i>Chairman, Aarin Capital Chairman, Manipal Global Education</i></td><td>Mr. Sharad Sharma <i>Co-founder, iSPIRT Foundation</i></td></tr><tr><td>2</td><td>CA. S. Krishnan <i>International Tax Consultant</i></td><td>Mr. Narayan Ramachandran <i>Chairman and Co-founder, InKlude Labs</i></td></tr><tr><td>3</td><td></td><td>Mr. Udaya Holla <i>Senior Advocate & Advocate General, State of Karnataka</i></td></tr></table>	Sl. No.	Moderators	Panelists	1	CA. T. V. Mohandas Pai <i>Chairman, Aarin Capital Chairman, Manipal Global Education</i>	Mr. Sharad Sharma <i>Co-founder, iSPIRT Foundation</i>	2	CA. S. Krishnan <i>International Tax Consultant</i>	Mr. Narayan Ramachandran <i>Chairman and Co-founder, InKlude Labs</i>	3		Mr. Udaya Holla <i>Senior Advocate & Advocate General, State of Karnataka</i>	Christ University Auditorium Hosur Road Bengaluru 4.30 pm to 8.00 pm	—
Sl. No.	Moderators	Panelists													
1	CA. T. V. Mohandas Pai <i>Chairman, Aarin Capital Chairman, Manipal Global Education</i>	Mr. Sharad Sharma <i>Co-founder, iSPIRT Foundation</i>													
2	CA. S. Krishnan <i>International Tax Consultant</i>	Mr. Narayan Ramachandran <i>Chairman and Co-founder, InKlude Labs</i>													
3		Mr. Udaya Holla <i>Senior Advocate & Advocate General, State of Karnataka</i>													
10.07.2019 Wednesday	First Time Adoption of IND AS CA. Anjani Khetan	Branch Premises 6.00 pm to 8.00 pm	—												
13.07.2019 Saturday	VIDWATH SABHA One Day Seminar on Audit & Taxation of Charitable or Religious Trusts, NGOs, NPO's (Including proposed changes in Audit Report Form No.108) <i>Organized by Bengaluru Branch of SIRC of ICAI</i> <i>Delegate Fees: Rs.1,000/- (Inclusive of GST) Details at Pg. No. 6</i>	Branch Premises 9.30 am to 5.30 pm	6 hrs												
17.07.2019 Wednesday	One Day Seminar on Union Financial Budget and Audit under GST ACT CA. Naveen Khariwal G & CA. Annapurna D Kabra Delegate Fee : For Members Rs. 600/- (Inclusive of GST)	TDCAA Building, Near Sri Raj Theater, Srinagar, Tumkur 10.00 am to 6.30 pm	6 hrs												
17.07.2019 Wednesday	International Tax updates relating to withholding taxes CA. Priya Narayanan	Branch Premises 6.00 pm to 8.00 pm	—												
19.07.2019 Friday & 20.07.2019 Saturday	CHARCHA GOSHTI Clause by Clause Discussion on Union Budget 2019 – INDIRECT TAXES & DIRECT TAXES <i>Organized by Bengaluru Branch of SIRC of ICAI</i> <i>Delegate Fees: Rs.1,500/- (Inclusive of GST) Per Day</i> <i>Details at Pg. No. 7 & 8</i>	R.G. Royal Hotel & Convention Near Iskcon Temple Mahalakshmi Layout Bengaluru	12 hrs												

***Note: Kindly note there is no 2 Hrs. CPE on every Wednesdays Study Circle Meet.**

CALENDAR OF EVENTS - JULY & AUGUST 2019

DATE AND DAY	TOPIC / SPEAKER	VENUE/TIME	CPE CREDIT
24.07.2019 Wednesday	Best Practices in GSTR 9C Filing CA. Mahadev .R	Branch Premises 6.00 pm to 8.00 pm	—
31.07.2019 Wednesday	Customs - Critical Issues & Recent Rulings CA. C.R. Raghavendra	Branch Premises 6.00 pm to 8.00 pm	—
03.08.2019 Saturday	Breakfast Meeting Exports Incentives under EXIM Policy and Changes in 100% EOU Policy CA. Dayananda K	Branch Premises Breakfast : 7.15 am to 8.00 am Meeting : 8.00 am to 10.00 am	2 hrs
07.08.2019 Wednesday	Practical aspects of Insolvency & Bankruptcy Code Advocate Sridhar Gomatan	Branch Premises 6.00 pm to 8.00 pm	—
14.08.2019 Wednesday	Practical aspects of Internal Audit CA. Prashanth Vellanki	Branch Premises 6.00 pm to 8.00 pm	—
15.08.2019 Thursday	Independence Day Flag Hoisting & Celebration	Branch Premises 9.30 am to 11.30 am	—
17.08.2019 Saturday	VIDWATH SABHA One Day Seminar on Search / Seizure & Appellant <i>Organized by Bengaluru Branch of SIRC of ICAI</i> <i>Delegate Fees: Rs.1,000/- (Inclusive of GST)</i> <i>Details will be upload in the website</i>	Branch Premises 9.30 am to 6.00 pm	6 hrs
21.08.2019 Wednesday	Study Circle Meet	Branch Premises 6.00 pm to 8.00 pm	—
28.08.2019 Wednesday	Study Circle Meet	Branch Premises 6.00 pm to 8.00 pm	—
31.08.2019 Saturday	PRABHAT Half Day Workshop on IND AS - 32 Topic : Practical Issues & Approach on IND AS - 32 Speaker : CA. Anjani Khetan Delegate Fee : Members - Rs. 500/- (Inclusive of GST)	Branch Premises Breakfast : 7.30 am to 8.00 am Session at : 8.00 am to 11.00 am	—

***Note: Kindly note there is no 2 Hrs. CPE on every Wednesdays Study Circle Meet.**

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

EDITORS :

CA. BHAT SHIVARAM SHANKAR
CA. BHOJARAJ T SHETTY

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"VIDWATH SABHA"

One Day Seminar on Audit & Taxation of Charitable or Religious Trusts, NGOs, NPO's (Including proposed changes in Audit Report Form No. 108)

Organised by **Bengaluru Branch of SIRC of ICAI**
On **Saturday, 13th July 2019**
Venue: **S. Narayan Auditorium, Vasanthnagar Branch Premises**
Time: **9.30 am to 5.30 pm**

6 hrs
CPE

Timings	Topics	Speakers
9.00am to 9.30am	Registration & Networking	
9.30 am to 10.00 am	Inauguration by the Chief Guest	
10.00am to 11.30am	Proposed changes in Audit Report Form No. 108 Detailed discussion on each items of Form No. 108	Dr. N. Suresh
11.30am to 12.00pm	Tea Break	
12.00pm to 1.30pm	Issues on Taxation, including recent amendments (a) Applicability of first proviso to section 2(15) vs. section 11(4A) (b) Effect of non-filing Audit Report and not filing the return of income (c) Effect of delay in filing Form No. 9A & 10 (d) Rectification or Amendment of Trust Deed – Its impacts – Recent changes (e) Set Off and Carry Forward of losses	Dr. N. Suresh
1.30pm to 2.30pm	Lunch Break	
2.30pm to 3.30pm	Applicability of GST on Charitable Trust	CA. Kalyan Kumar K
3.30pm to 3.45pm	Tea Break	
3.45pm to 5.00 pm	Corporate Social Responsibility – principles – practice - issues	CA. Pavan Jayaprakash
5.00 pm to 5.30 pm	Question hour discussion	

CA. Bhat Shivaram Shankar
Chairman, Bengaluru Branch of SIRC of ICAI

CA. B.T. Shetty
Secretary, Bengaluru Branch of SIRC of ICAI

Online Registration open

DELEGATE FEES:

FOR MEMBERS : RS.1,000/- INCLUSIVE OF GST

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

Mode of Payment: Online / Cash / Cheque 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**



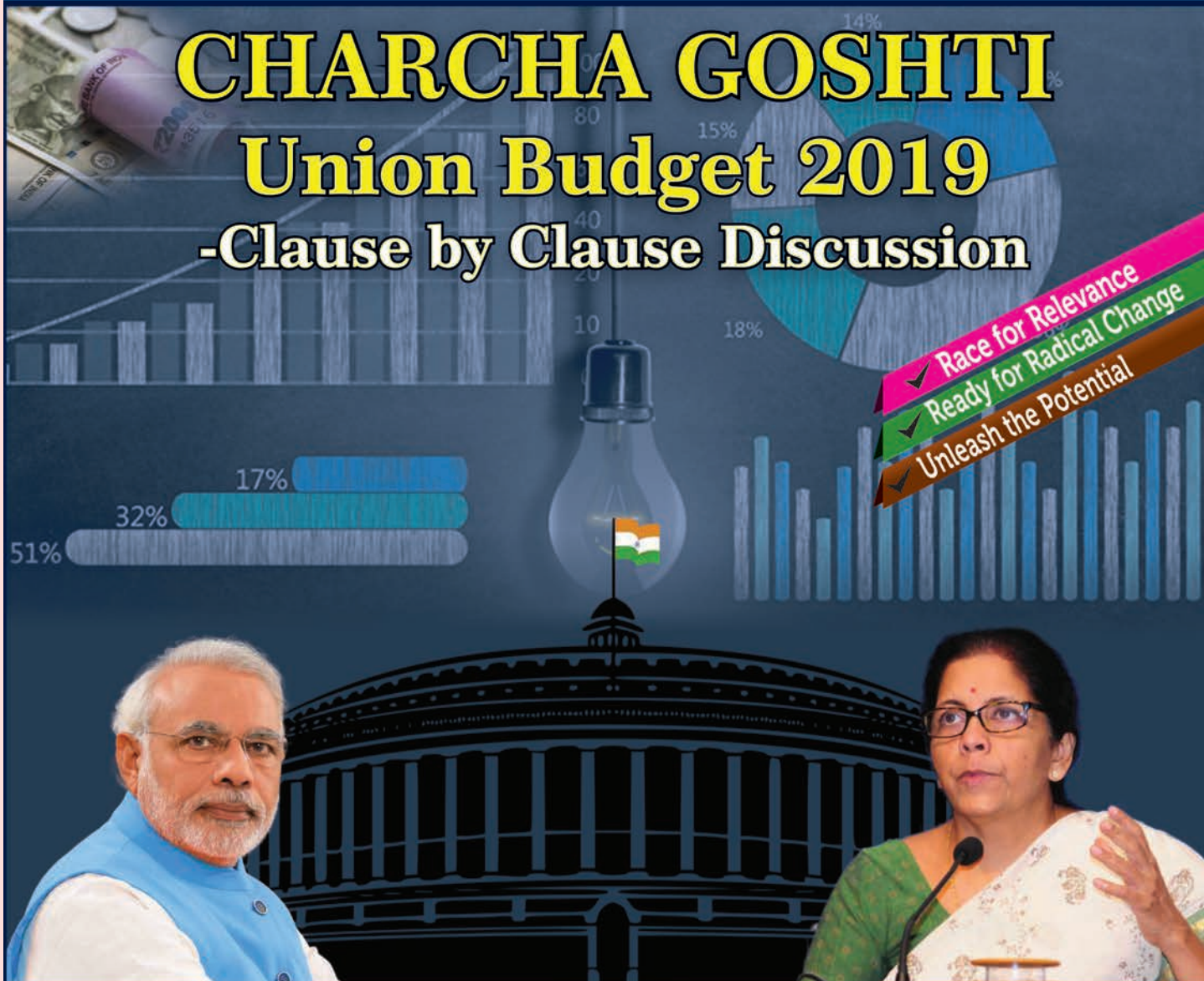
Bengaluru Branch of SIRC of
The Institute of Chartered Accountants of India



CHARCHA GOSHTI

Union Budget 2019

-Clause by Clause Discussion



on Friday & Saturday, 19th & 20th July- 2019

*Venue: R G Royal Hotel & Convention
Near Iskcon Temple, Mahalakshmi Layout, Bengaluru*

CPE : 12 hrs
(per day 6 hrs)



CHARCHA GOSHTI

Union Budget 2019

-Clause by Clause Discussion



Friday, 19th July 2019

10.00 am to 5.00 pm

**Clause by Clause Discussion on
Union Budget 2019 - INDIRECT TAXES**

Speakers :

CA. K.S. Ravi Shankar



CA. Venkatramani S



CA. V. Raghuraman



Saturday, 20th July 2019

10.00 am to 5.00 pm

**Clause by Clause Discussion on
Union Budget 2019 - DIRECT TAXES**

CA. S. Ramasubramanian



CA. H. Padamchand Khincha



CA. K. K Chythanya



**Online
Registration
Open**

Delegate Fees:

Per day Fee : Rs. 1,500/- (Inclusive of GST)

**Mode of payment : Online/Cash /Cheque in favour of
Bangalore Branch of SIRC of ICAI, payable at Bangalore.**

For registration please contact: Ms. Geethanjali D. Ph: 080-30563513/3500

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

CA. Bhat Shivaram Shankar
Chairman

CA. B.T. Shetty
Secretary





RESTAURANT SERVICES – FEW NUANCES

CA. Guruprasad Kasaravalli

In this brief article the author explores certain nuances of restaurant services, specially for small tax payers, who intend to opt for composition scheme without input tax credits

Composition scheme in GST is designed to help small tax payers. Tax payers eligible for composition scheme can avoid elaborate procedures and tedious formalities under GST law by paying lower percentage of tax on the value of outward supplies without the benefit of input tax credits. The tax payer intending to opt for composition has to satisfy certain prescribed conditions before he can register as a composition tax payer. One such class of composition tax payer is restaurant service providers which is the focus of this article.

The following explains the rate of tax on turnover applicable for composition dealers:

Manufacturers and Traders (Goods)	CGST 0.5% + SGST 0.5% = Total 1%
Restaurants not serving alcohol	CGST 2.5% + SGST 2.5% = Total 5%
Other service providers	CGST 3.0% + SGST 3.0% = Total 6%

Often question arises as to whether a preparer of food **without** having a restaurant in the conventional sense of the term gets covered under 1% as a manufacturer of food or under 5% as a restaurant service provider. Variety of situations with minor change in fact pattern, creates confusion in this regard. Few possible situations are tabulated below:

Food and/ Beverage prepared by the tax payer	Kitchen facility availability	Whether prepared food transported to another location?	Sitting facility availability	Serving whether carried out by Caterer/ Contractor
Yes	Yes, self-owned	No, served in the counter	No	No; customers take away
Yes	Yes, self-owned kitchen of the caterer	Yes	Yes, but such a facility provided by customer i.e. Company or a Factory etc.,	Yes
Yes	Yes, provided by customer	No	Yes, but such a facility provided by customer i.e. Company or a Factory etc.,	No, employees of customer buy at the designated counter
Yes	Yes, on a mobile vehicle	No	No	No, customers take away

Common thread that runs through all the above situations is that food and/or beverage is prepared by the tax payer, but there may not a restaurant or a similar premise owned by the preparer of food where the food or drink is served. In some cases, even the kitchen may not belong to the preparer of food or drink. In essence, the tax payer is contracted for and primarily responsible for preparation of food.

Recently, a question arose before the Authority of Advance Rulings (Uttar Pradesh) in **Re Ananya Goyal (2019) 87 ITPJ (SG) 480 AAR** where the petitioner sought to know whether manufacturing food as a take away only, with no sitting facility, is a



restaurant service or manufacturing of goods. Furthermore, it was sought whether the petitioner falls under 5% rate of tax under composition as restaurant service or as a manufacturer with 1% rate of tax.

The AAR referred to Second Schedule (II) to CGST Act 2017: Activities or Transactions to be treated as Supply of Goods or Services and held that the following composite supplies shall be treated as 'supply of services' namely –

6 (b) supply, by way of or as part of any service or in any other manner whatsoever, of goods, being food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption), where such supply or service is for cash, deferred payment or other valuable consideration.

This implies if there is a supply of food or drink for human consumption, whether or not accompanied with any service, such composite supply should always be regarded as 'Service' only. This means, in such cases, there can be no 'Manufacturing' and 1% composition rate prescribed for manufacturing/ trading cannot be applied.

Similar questions arose in a recent case before the Authority for Advance Rulings (AAR), Telangana in the case of **Prism Hospitality Services (P) Ltd. (2019) 87 ITPJ (SG) 206 AAR** where five different situations were listed by the petitioner. Such situations listed by the petitioner is comparable to various alternatives provided in the table above. Furthermore, the food was also served in places like educational institutions, hospitals, industrial unit, college, hostel etc. by the service provider on a regular basis. The central question was whether GST was applicable in such cases and if so at what rate.

Reference is made to amended notification 13/2018 dated 26.07.19 where the first entry provides –

"Supply, by way of or as part of any service, of goods, being food or any other article for human consumption or any drink, provided by a restaurant, eating joint including mess, canteen, whether for consumption on or away from the premises where such food or any other article for human consumption or drink is supplied, other than those located in the premises of hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of any unit of accommodation of seven thousand five hundred rupees and above per unit per day or equivalent.

Explanation 1.- This item includes such supply at a canteen, mess, cafeteria or dining space of an institution such as a school, college, hospital, industrial unit, office, by such institution or by any other person based on a contractual arrangement with such institution for such supply, provided that such supply is not event based or occasional."

The Telangana AAR held that in view of amended notification 13/2018 referred above, the rate of tax applicable in situations listed by the service provider is 5% without the benefit of input tax credits, where food is supplied on contractual basis excepting that the supply is not event based or on specific occasions.

As seen from the discussion, where there is a supply of food and drink and the supplier is eligible for composition, but the business model is not similar to that of a traditional restaurant style, the rate of tax should be applied carefully. One should not apply lower composition rate by inappropriately concluding that food or drink is only manufactured and restaurant service is not attracted.

Congratulations

We are happy to inform you that
CA. N. Nityananda has been co-opted on the
Corporate Laws & Corporate Governance Committee (CL&CGC)
of ICAI (Institute of Chartered Accountants of India)
for the year 2019-20.



TAXATION OF CLOUD COMPUTING SERVICES – AN ANALYSIS

CA Narendra J Jain, Advocate & CA Mohit Parmar



1.1 In today's technology world, businesses require access to high end technology equipment like servers in order to host various services online. Due to this, requirement for these kinds of servers have increased tremendously, especially for e-commerce businesses. Owning/maintaining such servers and upkeep requires skilled manpower, which is a costly affair. So many e-commerce start-up companies are availing cloud computing services from Amazon, Google, etc.

Understanding Cloud Computing¹

1.2 Cloud computing is the provision of standardised, configurable, on-demand, online computer services, which can include computing, storage, software, and data management, using shared physical and virtual resources (including networks, servers, and applications). Since the services are provided online using the provider's hardware, users can typically access the service using various types of devices wherever they are located, provided they have a suitable Internet connection.

1.3 There are three major models of delivering 'clouding computing'

services to businesses and they are as follows:

- A. Infrastructure as a Service (IaaS) Model - Under this model, typically utilized by large multinational businesses, IT infrastructure in the form of data centers, virtual servers, network infrastructure, equipment, etc. are sourced as a service from third party service providers.
- B. Platform as a Service (PaaS) Model - PaaS is a category of cloud computing services that provides a computing platform and programming tools as a service for customers.
- C. Software as a Service (SaaS) Model - Under this model the service provider hosts several software applications for consumers to use as and when required thereby eliminating the need to install and run the software application on the consumer's own infrastructure. It can be provided either to business customers (B2B) or to individual customers (B2C).

1.4 Under the Cloud Computing arrangement, it is found that the customers are only allowed to store their data and process

the same, with no control over the location where the same will be stored. Service Provider will have control over the data and right to transfer the same to any country. Customer is merely using a standard storage and processing facility provided by the service provider and consideration paid is only to use such facility and does not extend to any right or property or information.

1.5 Customer is only allowed to use services to store, retrieve, query, serve, and execute content which is owned, licensed or lawfully obtained by it. The customer will have no control over any other data stored in the server. Service provider also allows use of certain software as part of the services. Such software can neither be sold nor distributed by the customer and can only be used as part of service offerings. The recipient of services is only allowed to store or run a query on the content or data, which are owned by them. Customer is merely allowed to use the standard facility offered with certain sophisticated software embedded in it.

Taxability under the Income Tax Act

2.1 Income would be chargeable to tax in India if the same falls within the scope of section 4 read with section 5 of the Act. Section 4 is the

¹ BEPS Action Plan 1 - Addressing the Tax Challenges of the Digital Economy



charging provision under the Act. The charge is in respect of the total income for any year. The scope of total income chargeable to tax in India is outlined by Section 5. This scope of total income depends upon whether the assessee concerned is a resident or non-resident in India. Place of accrual assumes importance especially for non-resident taxation, since a non-resident is liable to pay tax only on income, which accrues or arises in India.

- 2.2 If the service provider do not carry out any business activity in India, then there will be no 'business connection' in terms section 9(1)(i) of the Act (*CIT V R.D. Aggarwal & Co. (1956) 56 ITR 20*). Generally, cloud service providers do not have offices, IT infrastructures and servers in India and all their services are provided from outside India. In such circumstances, it cannot be said that the income of non-resident accrues or arises in India or is from business connection in India.

Payment for Cloud Services whether Royalty:

- 2.3 Section 9(1)(vi) of the Act deals with taxation of Royalty. Section 9(1)(vi)(b) of the Act provides that any royalty payable by a person resident in India would deem to accrue or arise in India, except where the royalty is payable in respect of any right, property or information used or utilised for the purpose of business or profession carried on by such person outside India or for the purposes of making or earning any income from any source outside India. If the payment made for Cloud

Computing Services is regarded as in the nature of "Royalty" then it would be covered under section 9(1)(vi) of the Act and hence would be taxable in India.

- 2.4 The term 'royalty' is defined in Explanation 2 to section 9(1)(vi). The scope of definition is further expanded by Explanations 4, 5 and 6 to section 9 (1) (vi). The same are extracted below:

Explanation 2.—For the purposes of this clause, "royalty" means consideration (including any lump sum consideration but excluding any consideration which would be the income of the recipient chargeable under the head "Capital gains") for—

- (i) *the transfer of all or any rights (including the granting of a licence) in respect of a patent, invention, model, design, secret formula or process or trade mark or similar property;*
- (ii) *the imparting of any information concerning the working of, or the use of, a patent, invention, model, design, secret formula or process or trade mark or similar property ;*
- (iii) *the use of any patent, invention, model, design, secret formula or process or trade mark or similar property;*
- (iv) *the imparting of any information concerning technical, industrial, commercial or scientific knowledge, experience or skill;*
- (iva) *the use or right to use any industrial, commercial or scientific equipment but*

not including the amounts referred to in section 44BB;

- (v) *the transfer of all or any rights (including the granting of a licence) in respect of any copyright, literary, artistic or scientific work including films or video tapes for use in connection with television or tapes for use in connection with radio broadcasting, but not including consideration for the sale, distribution or exhibition of cinematographic films; or*
- (vi) *the rendering of any services in connection with the activities referred to in sub-clauses (i) to (iv), (iva) and (v).*

Explanation 4.—For the removal of doubts, it is hereby clarified that the transfer of all or any rights in respect of any right, property or information includes and has always included transfer of all or any right for use or right to use a computer software (including granting of a licence) irrespective of the medium through which such right is transferred.

Explanation 5.—For the removal of doubts, it is hereby clarified that the royalty includes and has always included consideration in respect of any right, property or information, whether or not—

- (a) *the possession or control of such right, property or information is with the payer;*
- (b) *such right, property or information is used directly by the payer;*
- (c) *the location of such right, property or information is in India.*

Explanation 6.—For the removal of doubts, it is hereby clarified that the expression "process" includes and shall be deemed to have always included transmission by satellite (including up-linking, amplification, conversion for down-linking of any signal), cable, optic fibre or by any other similar technology, whether or not such process is secret;

- 2.5 The term Royalty is defined in Article 12(3) of India – USA tax treaty as follows:

12(3) The term "royalties" as used in this Article means

- (a) *payments of any kind received as a consideration for the use of, or the right to use, any copyright of a literary, artistic, or scientific work, including cinematograph films or work on film, tape or other means of reproduction for use in connection with radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for information concerning industrial, commercial or scientific experience, including gains derived from the alienation of any such right or property which are contingent on the productivity, use, or disposition thereof*
- (b) *payments of any kind received as consideration for the use of, or the right to use, any industrial, commercial, or scientific equipment, other than payments derived by an enterprise described*

in paragraph 1 of Article 8 (Shipping and Air Transport) from activities described in paragraph 2(c) or 3 of Article 8.

Whether access to server constitutes Royalty for use of Software

2.6 Copyright is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of any work. Copyright ensures certain safeguards of the rights of authors over their creations. A comprehensive legislation is enacted to monitor the Copyright laws in India. It is the Copyright Act, 1957 ("CRA"). The various rights in a Copyright are transferred individually or in the aggregate or in combination thereof.

2.7 Royalties means consideration for 'transfer' of any of these rights. Unless any of these rights move from the recipient to the payer for consideration, the consideration would not constitute royalties. In other words, there has to be a transfer of a copyright right. If what is secured is only a product which is an embodiment of the rights, the same would be regarded as a transfer of a copyrighted article. Payments for copyrighted article do not constitute 'royalties'. It is only payments for copyright right that constitute royalties. With respect to characterisation of software license, as to whether it constitutes royalty or business profits under DTAA, the High Court of various states in India having taken conflicting views.

2.8 The Delhi High Court in the case

of **DIT v Ericsson AB [2012] 246 CTR 422** held that payment towards copyrighted software does not partake the character of 'royalty' under the Act and the Treaty. Similar view is taken in Bombay High Court in the case of **Mahyco Monsanto Biotech (India) (P) Ltd vs UOI (2016 74 taxmann.com 92(Bom)** and by Madras High Court in the case of **Vinzas Solutions India Pvt. Ltd. (392ITR155)**.

2.9 However, the Karnataka High Court in the case of **CIT vs. Samsung Electronics Co Ltd 345 ITR 494** has taken a contrary view, wherein it was held that the amount paid to foreign supplier for supply of the "shrink-wrapped" software is not the price of the CD alone nor software alone nor the price of license granted. It is a combination of all. In substance unless a license was granted permitting the end user to copy and download the software, the CD would not be helpful to the end user. Further, Explanation 4 to section 9(1)(vi) clarifies that the transfer of all or any rights in respect of any right, property or information includes and has always included transfer of all or any right for use or right to use a computer software (including granting of a license) irrespective of the medium through which such right is transferred.

2.10 While availing the cloud services, the e-commerce companies are provided with limited access to the server and software functionality available on Service Provider's IT infrastructure and not allowed to download any software. These



companies do not download the software license and install on their systems. The payment is for bundle of services – storage space, software, 24/7 access etc. In this scenario, one can therefore take a view that decision of **Samsung (supra)** is not applicable for the reason that the Karnataka High Court proceeded on the basis that the end users gets a copy of the software and license granted is installed on the computer of the customer. In the context of cloud services, E-commerce companies do not get any 'copyright right' in the software instead only get the right to use the software installed on the servers of the Service Providers. It can be said that Service Providers are merely providing a 'Standard Facility' to store user data or content on the cloud server or IT infrastructure with software functionality available for all its users and the test of transfer of copyright right as envisaged in the tax treaties is not satisfied.

Whether access to server constitutes an Equipment Royalty

2.11 The first issue that to be addressed is whether 'server' can be treated as equipment. The Hon'ble Madras High Court in **Poompuhar Shipping Corporation Ltd.v ITO [2013] 38 taxmann.com 150 (Madras)** highlighted the need for construing 'equipment' widely, so as to embrace every article employed by the employer for the purposes of his business. 'Equipment', in whatever name called either as an apparatus or as plant or machinery, so long as they are employed for the purposes of

one's income, the same shall stand covered by Clause (iva). Drawing inference from the above, one can state that 'server' is equipment. The next aspect that needs to be addressed is whether e-commerce companies have 'right to use' the server. The meaning of the term 'right to use' is therefore of significance. In this regard, following judicial precedents may be referred.

2.12 The Hon'ble Delhi High Court in the case of **Asia Satellite Telecommunications Co. Ltd v DIT [2011] 197 Taxman 263 (Delhi)** has held the transponder and the process therein are actually utilized for the satellite owner for rendering the services to the customer and further that it cannot be said that the transponder or process employed therein are used by the customer.

2.13 The Mumbai Tribunal in the case of **DDIT v Savvis Communication Corporation [2016] 69 taxmann.com 106 (Mumbai - Trib.)** has held that payment received for providing web hosting services though involving use of certain scientific equipment cannot be treated as 'consideration for use of, or right to use of, scientific equipment' which is a sine qua non for taxability under section 9(1)(vi), read with Explanation 2 (iva) thereto as also article 12 of Indo-US DTAA.

2.14 The Chennai Tribunal in the case of **ACIT v Vishwak Solutions Pvt. Ltd ITA No. 1935 & 1936/ Mds/2010 dated 30.01.2015** has observed and held that the assessee was only using the storage space provided by non-resident in

US namely INETU, in the machines owned by INETU situated outside India. The assessee had no right over the equipment in which data was stored. The charges were based on the volume of data stored in the machines. The charges paid to them were not for the payment of or right to use any industrial, commercial or scientific equipment and hence payment is not royalty under Article 12 of Indo-USA DTAA. It is a service rendered by the non-resident promoting connectivity to the assessee for hosting of website and not for usage of any machines. It is only for the use of server outside India and is not taxable in India and hence tax need not be deducted at source.

2.15 Recently, the Pune Tribunal in the case of **EPRSS Prepaid Recharge Services India P. Ltd v ITO [TS-623-ITAT-2018(PUN)]** evaluated the taxability on cloud computing services provided by Amazon and held that payment made towards web hosting charges for hiring servers from Amazon in its cloud units did not amount to Royalty under the Act and India - USA Treaty. It was observed by the Tribunal that the assessee did not use or acquire any right to use any industrial, commercial or scientific equipment while using the technology services provided by Amazon. The assessee did not possess or have any control over the server space deployed by Amazon while providing e-services and no rights in technology / IPRs were obtained from Amazon under the agreement. The Tribunal also held that retrospective

amendment to 'royalty' definition under the Income-tax Act vide Finance Act, 2012 will not override Treaty provisions.

- 2.16 The cloud services may include use of certain SaaS products, server storage space, and standard web services. These services are availed from foreign vendors such as Google Inc, Amazon and other players. The services availed are a mere standard facility provided by the foreign vendors, which is open for all. The Indian companies are only allowed to access the cloud storage services and the entire right to use of server or equipment remains with the Service Provider. These companies will have no right over the equipment in which data is stored. The charges are generally based on the volume of data stored in the server. Therefore, it could be argued that charges paid to them are not for the payment of or right to use any industrial, commercial or scientific equipment.
- 2.17 In this context, it is important to refer to Explanation 5 to section 9(1)(vi) of the Act. Explanation 5 specifically provides that for determination as to what constitutes Royalty, the possession or control of right/property/information or direct use of such right/property/information by the payer or location of such right/property/information in India are not relevant consideration. Therefore, it appears that the Legislature has made its view very clear that even a remote use of right/property/information would also constitute royalty for the purpose of the Income tax

Act. Viewed in this context, the companies in India availing cloud services would be remotely using the right/property/information and the possession or location of the server is not relevant consideration for determination as to whether payment for cloud services constitutes royalty.

- 2.18 However, the interpretation of Explanation 5 to section 9(1)(vi) will not be applicable in the context of tax treaties. As held by various judicial pronouncements, the 2012 amendment to the Income tax Act will not be applicable in the context of tax treaty. With these conflicting positions, it would be interesting to see the future development in this space. Without amendment to tax treaties, the full effect of Explanation 5 to section 9(1)(vi) cannot be achieved.

Fees for Technical Services

- 3.1 Section 9(1)(vii) of the Act deals with taxability of Fee for Technical Services ("FTS" for brevity). This provision is in line with section 9(1)(vi) dealing with taxation of Royalty and provides that payment made by Indian resident to non-resident would be taxable in India if the services are in nature of technical, managerial or consultancy services and services are utilised for the purpose of business in India. The definition of FTS in the USA tax treaty is narrower wherein "make available" test is prescribed.
- 3.2 The question that needs to be answered is whether the Cloud Service Provider are rendering any technical services or making available standard facility to their

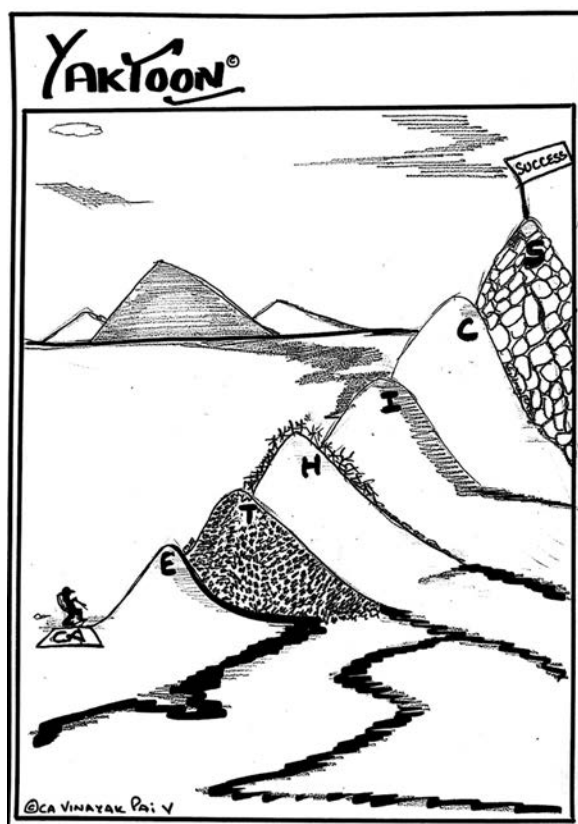
customers. If the payment is towards standard facility, then the same would not be classified as FTS under section 9(1)(vii). The judicial precedents in this context are discussed below.

- 3.3 The Delhi Tribunal in the case of **Bharti Airtel Ltd v ITO [2016] 67 taxmann.com 223 (Delhi - Trib.)** has held that inter-connect usage charges to foreign telecom operators in connection with its International Long Distance telecom service business, was neither FTS nor royalty as there was no manual or human intervention during the process of transportation of calls between two networks. The Hon'ble Karnataka High Court in the case of **CIT v Vodafone South Ltd** has held that payment to another mobile service provider for utilization of roaming mobile data and connectivity could not be termed as technical service as roaming process between participating entities was fully automatic and did not require any human intervention.
- 3.4 The Hon'ble Supreme Court in the case of **CIT v Kotak Securities Ltd [2016] 67 taxmann.com 356 (SC)** has held that payments made for facilities provided by the Stock Exchange does not attract TDS. It also distinguishes between service provided and facility offered. The Hon'ble Madras High Court in the case of **Skycell Communication Ltd. v. Dy. CIT [2001] 19 Taxman 496/ 251 ITR 53** had examined the scope of term 'technical services' and held that installation and operation of sophisticated equipments with a view to earn



income by allowing customers to avail of the benefits of the user of such equipments does not result in the provision for technical service to the customer for a fee.

- 3.5 As detailed above, the services availed by e-commerce companies are standard facility provided by the cloud service providers, which are open for all. Accordingly, providing of space on the servers by the service providers for the purpose of storage of data or processing of data or hosting of the website would not result in the provision for technical service liable to be taxed in India.
- 3.6 Since the nature of services provided by Service Provider are in the nature of standard facility, they do not fall within the meaning of the term Royalty and Fees for Technical Services as defined in the tax treaties. The income therefore would be classified as business income, which would be taxable in India if the non-resident Service Providers have Permanent Establishment ("PE") in India. The cloud service providers render services from outside India and their servers and IT infrastructure are located outside India. In absence of PE, the income of cloud service providers would not be chargeable to tax in India.



ICAI - Bengaluru: Announcing 'Certificate Course on Forex and Treasury Management' - 6th July, 2019

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This is to inform your good-self that we have started accepting registrations for the

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that is going to be held in Bengaluru from **6th July, 2019**.

Kindly share this information with your peers as well. The details are as under:-

- No. of days : **8**
- Batch Days : **Weekends only**
- Dates : **July, 2019: 6th, 7th, 13th, 14th, 20th, 21st, 27th & 28th.**
- Timings : **9:30 am to 5:30 pm**
- Venue : **Race Course Road premises of ICAI**
- Amount : **Rs. 17500 + 18% GST**

For more information on the course, visit - https://www.icai.org/post.html?post_id=3552

Payment to be made online by visiting: <http://ccm.icai.org/ccm.html?progid=2310>

Contact : **C. R. Kulashekhar**, Section Officer (SU), Bengaluru DCO

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REPRESENTATION BEFORE GST VIGILANCE

CA. Sanjay Dhariwal & CA. G.B. Srikanth Acharya



As we all know, the Goods and Services Tax Act, 2017 was implemented from 1st July 2017 which is supposed to be the biggest reform in indirect taxation in the country. The earlier indirect tax laws such as VAT, Excise duty, Service tax, entertainment tax, lottery tax etc are now subsumed into this single indirect tax law known as GST. There are various advantages of GST when compared to earlier indirect tax laws as it eliminates cascading effect of taxes which is beneficial to the businessmen and it is also expected to generate more revenue to the Governments of state, union territory and at the Centre.

General meaning of vigilance:

The general meaning of vigilance is the action or state of keeping careful watch for possible danger or difficulties. In the context of GST, vigilance means keeping a check on the activities undertaken by businessmen to ensure that the provisions of GST are not violated and are being complied with in the manner as stipulated under GST laws and rules so that the tax evasion is reduced to a greater extent, if not eliminate the evasion.

Some of the modes of Vigilance:

The following are some of the situations where usually the vigilance is kept by the Department:

1) **Transportation of goods from one place to another:**

Like E-sugam under old law, under

the GST the person who causes the movement of goods either by road, railways or by air or vessels requires to carry necessary document such as-

- a) the invoice or bill of supply or delivery challan, as the case may be; and
- b) a copy of the e-way bill in physical form or the e-way bill number in electronic form or mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner. (Except for the cases where movement of goods takes place by rail or by air or by vessel)

This is done to keep a check on whether the tax invoices are being issued by the supplier in relation to the goods which are under transit so as to reduce possibility of tax evasions on such goods under transit and also to monitor the transportation of goods in a fraudulent/illegal way.

As per Section 129(1) of the CGST Act, 2019, *"If any person transports any goods or stores any goods while they are in transit in contravention of the provisions of this Act or the rules made thereunder, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating*

to such goods and conveyance shall be liable to detention or seizure".

2) **Activities undertaken by registered persons:**

There are diversified activities undertaken by various registered persons such as supply of goods/services, supply of transportation services, construction services etc for which the GST returns have to be filed by the registered persons either monthly or quarterly by giving the details of outward supplies and inward supplies made by them. The GST portal is designed in such a way that it provides for reconciliation between various datas which helps the GST officials sitting in the backend to analyze various things which are generated with the help of returns filed by the registered persons. The analysis can be of various things such as the lower output tax liability by registered person in the current Financial Year when compared to the previous Financial Year, refunds claimed in different quarters of financial years etc. These are some of the ways to keep vigilance on the activities undertaken by registered persons for protection of revenue to Government.

3) **Claim of input tax credits:**

To ensure that the registered person is claiming only eligible input tax credits on the inward supplies made,



GSTR-2A is specially designed to reconcile the amount of input tax credits eligible to be claimed by registered persons as the data in GSTR-2A return is auto-populated from the GSTR-1 return filed by the supplier. This is done to keep track of any dummy purchases invoice generated in order to claim excess input tax credit and reduction of tax payable.

4) Visit by GST officials to registered person's place of business:

Since, GST officials are now focusing more on GST Enforcements where GST officials visit the place of business of registered persons and ask them to explain the nature of business and to produce their books of accounts along with various documents and records such as tax invoices, purchases and sales registers etc., required for their inspection. This is done to keep a check on the maintenance of proper books of accounts by registered persons as required by law and the dischargeability of legitimate taxes to reduce tax evasion.

5) Goods held as stock in trade:

The physical inventory lying in the registered person's place of business or godowns and the closing inventory as shown in books of accounts should match with each other. If there are any differences, then those arise due to non accountability of sales or purchases which in turn will affect dischargeability of taxes or the claim of input tax credits. The vigilance on goods held as stock in trade is required in order to ensure proper accountability of sales and purchases and not to effect sales

without issuing tax invoice.

We can thus say that the activities of vigilance is to ensure the following:

- 1) To ensure compliance with provisions of GST laws and rules
- 2) To ensure full discharge of taxes collected from customers
- 3) To keep track of movement of goods within state or interstate
- 4) To have a check on illegal or fraudulent activities undertaken by registered persons
- 5) To maintain books of accounts properly as prescribed under the law
- 6) To reduce the evasion of taxes by registered persons
- 7) To ensure that there is no wrong claim or utilization of input tax credits
- 8) To reduce corruption
- 9) To make sure that there are no fake/dummy transactions taking place

Authorized representative:

It is necessary to know who are all the persons authorized to appear on behalf of taxable persons.

As per Sec 116(1) of the CGST Act, 2017, an Authorized representative can appear before an officer appointed under this act, or the Appellate Authority or the Appellate Tribunal in connection with any proceedings under this Act except for the cases when any person is required or entitled under this Act to appear personally for examination on oath or affirmation.

Authorized representative shall mean a person authorized by the person referred to in section 116(1) of the CGST Act, 2017 to appear on his behalf, being –

- a) his relative or regular employee; or
- b) an advocate who is entitled to practice in any court in India, and who has not been debarred from practicing before any court in India; or
- c) any chartered accountant, a cost accountant or a company secretary, who holds a certificate of practice and who has not been debarred from practice; or
- d) a retired officer of the Commercial Tax Department of any State Government or Union territory or of the Board who, during his service under the Government, had worked in a post not below the rank than that of a Group-B Gazetted officer for a period of not less than two years;
Provided that such officer shall not be entitled to appear before any proceedings under this Act for a period of one year from the date of his retirement or resignation; or
- e) any person who has been authorized to act as a goods and services tax practitioner on behalf of the concerned registered person.

A person

- a) who has been dismissed or removed from Government service; or
- b) who is convicted of an offence connected with any proceedings under the Central Goods and Services Act, the State Goods and Services Tax Act, the Integrated Goods and

Services Tax Act or the Union Territory Goods and Services Tax Act, or under the existing law or under any of the Acts passed by a State Legislature dealing with the imposition of taxes on sale of goods or supply of goods or services or both; or

- c) who is found guilty of misconduct by the prescribed authority;
- d) who has been adjudged as an insolvent

shall be disqualified to represent any person referred to in section 116(1) of the CGST Act, 2017.

In first 3 cases i.e., in case of a person referred to in a) or b) or c) above, a person remains disqualified for all the times. However, in case a person is disqualified for the reason of insolvency, then he shall remain disqualified for the period during which the insolvency continues.

The essential tasks of authorized representatives:

A person who acts as an authorized representative protects and safeguards the interests of registered person on whose behalf he is representing before

officials as prescribed under the law to counter allegations raised by the GST officials. However, the authorized representative shall check few points before representing before officials such as-

- a) It is very essential to ensure that the persons conducting vigilance are genuine. In this regard, it is necessary to ascertain the credentials of the said persons and also to see that they are having legal jurisdiction. For this purpose, one should insist on production of Identity card issued by the Competent authority of the Government (State, central, Union territory) and also about the authorization in this regard.
- b) In case of search conducted by the Department, it is important to check that search of premises is carried out with a valid search warrant issued by the proper officer and the search warrant is executed before the start of the search by showing the same to the person in-charge of premises and his signature is taken on the body of the search

warrant in token of having seen the same. Such officers before starting the search should disclose their identity by showing their Identity cards to the person in-charge of premises.

- c) In case of seizure of goods, a person from whom the documents/books/things are seized shall be entitled to take copies/extracts of seized records. One has to ensure that the seized documents/books/things shall be retained only till the time same are required for examination/enquiry/proceedings and if these are not relied on for the case then the same shall be returned within 30 days from the issuance of show cause notice.

However, it can be very well said that there are no set of rules to be followed in the cases of checking of goods vehicles, search/seizure of goods/vehicles, inspection of places of business or godowns since they may be different on each occasion. Thus, it is left to the ingenuity of the representative to deal with such situation.



OBITUARY

We deeply regret to inform sad demise of
CA. Ramesha .B, Membership No. 0239978
passed away on 3rd May 2019.

May his soul rest in peace.



Bengaluru Branch of SIRC of ICAI

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Cricket

TENNIS BALL **Tournament**

for CHARTERED ACCOUNTANTS

on the occasion of

73rd

Independence day
celebrations



Sunday, 11.08.2019

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Registration closes on 05.08.2019

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For Registration, Please contact:

Ms. Geetanjali D.

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Email : blrregistrations@icai.org

Website : www.bangaloreicai.org

CA. Bhat Shivaram Shankar
Chairman

CA. Raveendra S. Kore
Vice Chairman & Co-ordinator

CA. B T Shetty
Secretary

70th Year Platinum Jubilee CA Day Celebration



Flag Hoisting by Chief Guest CA. H. Anil Kumar,
Past Chairman, Bengaluru Branch of SIRC of ICAI



Chief Guest CA. H. Anil Kumar



Welcome Address by CA. Raveendra S. Kore,
Vice Chairman, Bengaluru Br.



Vote of thanks by CA. B.T. Shetty,
Secretary, Bengaluru Br.



Felicitation to Chief Guest



Marathon



Swachh Bharat Abhiyan



Blood Donation Camp



VIDWATH SABHA One Day Seminar on Annual Returns & GST Audit



Inauguration of Seminar by
lighting the lamp



CA. S. Prakashchand, Past Chairman,
Bengaluru Branch of SIRC of ICAI



CA. N.R. Badrinath



CA. Annapurna
D Kabra



CA. Jatin
Christopher



CA. Deepak Kumar
Jain. B



CA. T.R. Rajesh
Kumar



CA. Spudarjunan S

Study Circle Meetings



CA. V. Raghuraman



CA. B.P. Sachin Kumar



CA. Narendra J Jain



CA. Vishnu Moorthi .H

International Yoga Day



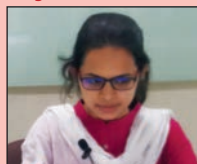
International Yoga Day



Ms. Prasanna



SICASA- Study Circle Meetings



SICASA-One Day Seminar on Statutory Audit, Documentation, Role & Responsibility of Auditors for CA Students



Inauguration



Chief Guest
CA. K Gururaj Acharya



CA. Heena Kauser A P



CA. Ananth Prasad B R



CA. Asha M



CA. Sujatha Raghuraman



CA. Shankar Keshav
Sanketh

"SAMARTHA" - 16th Karnataka State Level CAs' Conference



Invocation
CA. Srividhya Jois



Welcome Address by
CA. Bhat Shivaram Shankar,
Chairman, Bengaluru Branch of SIRC of ICAI



Chief Guest Shri. Venkatarao Nadagouda, Hon'ble Minister for
Animal Husbandry and Fisheries, Government of Karnataka



Guest of Honour
CA. Dayaniwas Sharma,
Central Council Member, ICAI



Guest of Honour
CA. Jomon K. George,
Chairman SIRC of ICAI



Vote of thanks by
CA. B.T. Shetty, Secretary,
Bengaluru Br. of SIRC of ICAI



Overview of the Conference by
CA. Raveendra S. Kore,
Vice Chairman, Bengaluru Br.



CA. Srinivasa T.,
Treasurer,
Bengaluru Br.



Release of Souvenir of the Conference



Felicitation & Presentation of Mementoes to Chief Guest



Felicitation & Presentation of Mementoes to
CA. Dayaniwas Sharma



Felicitation & Presentation of Mementoes to Guest of Honour
CA. Jomon K. George



CA. Abdul Majeed . J.,
Partner Price Waterhouse PWC, India



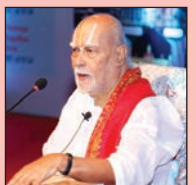
CA. V. Raghuraman



CA. Amar Dutia,
Melbourne, Australia



Cultural Programme



Inauguration of Conference by lighting the lamp - Day-2 Prof. K.S. Narayanacharya



Felicitation & Presentation of Mementoes to Prof. K.S. Narayanacharya



CA. A Shankar



CA. Guru Prasad M



CA. K. Gururaj Acharya



Managing Committee Members alongwith the Staff of
Bengaluru Branch of SIRC of ICAI

TARKA SABHA One Day Seminar on International Taxation



Inauguration of the Seminar by lighting the lamp



CA. K. K. Chythanya



CA. Narendra J Jain



CA. H. Padamchand Khincha



CA. P.V. Srinivasan



CA. Vishnu Bagri



CA. Rishi Harlalka

VISHARADA Two Days' Workshop on Co-operative Societies



Inauguration of the Workshop by lighting the lamp



CA. Umesh Bolmal,
Belgaum



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