

# The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



# Bengaluru Branch (SIRC) e-Newsletter

English Monthly

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## TAX AUDIT

### JNANA PRAVARTANAM

Navigating this Journey with Compass of Knowledge



#### CPE MEETINGS

- Webinar on **Growing Opportunities of Multi-disciplinary Professional Services by Chartered Accountants** 2<sup>nd</sup> September 2024
- **Informative Session** 4<sup>th</sup> September 2024
- Study Circle Meeting **Tax Audit - A Quick Refresher** 11<sup>th</sup> September 2024



**Dear Esteemed Members of the  
Bengaluru Branch,**

I hope this message finds you well. I am delighted to begin by sharing that the 56<sup>th</sup> Regional Conference, held on the 9<sup>th</sup> and 10<sup>th</sup> of August 2024 at Tripura Vasini, Palace Grounds, Bengaluru, was a grand success! The event, organized by the SIRC of ICAI and hosted by the Bengaluru Branch, witnessed an overwhelming turnout and featured remarkable knowledge-sharing sessions led by esteemed experts and experienced stalwarts. I extend my heartfelt gratitude to all the Members who attended and contributed to making it a truly enriching experience.

As we transition from these successful events, we also celebrated Independence Day with great enthusiasm, reflecting on the values and freedoms we cherish. Thank you to all who participated in

the celebrations, making it a memorable occasion for our community.

In addition, we recently conducted a One-day Seminar on Artificial Intelligence, which received an excellent response from our members. I would like to thank everyone who participated and contributed to the discussions, making it an informative and engaging event.

Looking ahead, it's time to gear up for the upcoming Statutory and Tax Audit season. This month will require our full attention and commitment to maintain the highest standards of professional excellence. I encourage all Members to prepare diligently, stay informed, and make the most of the resources available to us.

Additionally, I urge everyone to stay tuned to our branch website for updates on various upcoming Certification Programs scheduled for October and November. These programs are designed to enhance your skills and keep you at the forefront of the Profession.

Let us continue to move forward with the same energy and enthusiasm that made our recent events a success. Together, we can achieve great things!

With warm regards,

**CA. Pramod R Hegde**

Chairman

Bengaluru Branch (SIRC)



CALENDAR OF EVENTS  
CPE MEETINGS FOR THE MONTH OF SEPTEMBER 2024

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE CREDIT
02.09.2024 Monday	<p><b>Webinar on</b> <b>Growing Opportunities of Multi-disciplinary Professional Services by Chartered Accountants</b> <b>CA. Sanjay Jhanwar</b></p> <p>Delegate Fees: <b>Members – Rs. 100/-</b> Plus GST</p> <p><b>Note :</b> This Webinar can be viewed with pre-registration at the scheduled time by clicking the link and submitting your Name, Membership No., Mobile No. and Email id.</p> <p>After completion of the Webinar, Unstructured CPE Hours of the registered members who will attend this webinar will be uploaded by the Bengaluru Branch and the Members will not claim Unstructured CPE learning on their own at CPE Portal.</p> <p>The Members can login from their Computer/ Laptop/ IPAD/ Mobile for viewing this webinar.</p>	<p><b>Virtual</b> <b>6.00 pm to 8.00 pm</b></p>	<p><b>2 hrs</b> <b>Un-Structured CPE</b></p>
04.09.2024 Wednesday	<p><b>Informative Session</b></p> <p>Organized in association with CPA Australia</p> <p>Delegate Fees: <b>Members – Rs.100/-</b> Plus GST</p>	<p><b>S. Narayanan Auditorium</b> <b>Vasanthnagar</b> <b>6.00 pm to 8.00 pm</b></p>	<p><b>2 hrs</b></p>
11.09.2024 Wednesday	<p><b>Study Circle Meeting</b> <b>Tax Audit - A Quick Refresher</b> <b>CA. Krishna Upadhyay</b></p> <p>Delegate Fees: <b>Members – Rs.200/-</b> Plus GST</p>	<p><b>S. Narayanan Auditorium</b> <b>Vasanthnagar</b> <b>6.00 pm to 8.00 pm</b></p>	<p><b>2 hrs</b></p>
18.09.2024 Wednesday	<b>NO Study Circle</b>	---	---
25.09.2024 Wednesday	<b>NO Study Circle</b>	---	---



## Course on “Finance for Non-Finance Executives” (FNFE)

### A Management Development Programme

### XXIII Weekend Batch of the Course on Finance for Non Finance Executives at Bengaluru Branch (SIRC)

#### Kind Attention: Members

*Members are requested to pass on the information to their Clients.*

The course is **open for Non-Finance Executives** such as Engineers, Architects, Doctors, Human Resource Personnel, Department Heads / Administrators / Entrepreneurs and various other professionals, those who are not having adequate knowledge of Accounts / Finance.

The course does not call for any prior knowledge in Accountancy, Finance and Tax Laws. The course coverage will be basic in all subjects.

Date	: 16 <sup>th</sup> November 2024 to 28 <sup>th</sup> November 2024	Course Fees :	Rs. 20,000/- Plus GST
Venue	: ICAI Bhawan S. Narayanan Auditorium Vasanthnagar, Bengaluru	Mode of Payment:	DD/Cheque in favor of Bangalore Branch of SIRC of ICAI
Time	: 10.00 am to 6.30 pm		
Day	: Full Day only on Saturday	Contact :	080 43944876
No. of Weeks:	07 weekend Saturday's	For any Assistance	
Tea Break	: 15 mins.	e-mail:	blrprogrammes@icai.org
Lunch	: 2.00 pm to 2.30 pm	Register at	www.bangaloreicai.org

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

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# INFORMED DECISION MAKING (SHARES) : VARIOUS ANALYSIS BEFORE INVESTMENT IN SHARES



**CA. Rahul Sharma**

B.Com, FCA, MBA (Fin.), LI.b., CAIIB  
Senior Manager – UCO Bank, Jaipur

- I. **Analysis of anticipated risk and return from the point of customer:** The objective of investment must be clearly decided before an investment decision is taken. It is on the basis of the objectives that as investor decide upon the type of share to be purchased. The objectives of portfolio are normally expressed in terms of risk and return. As already mentioned, risk and return have direct relationship – higher the return that one wishes to have from the investment portfolio, higher could be the risk that one has to take. Small caps generally have high level of anticipated risk and high level of anticipated returns, mid cap stocks generally have mid size anticipated risk and medium returns and finally large caps have lower level of risk and comparatively moderate anticipated returns.
- II. **Economy Analysis:** Economic analysis is a study of the economy that's part of fundamental analysis, which is a method investors use to make long-term investment decisions. Economic analysis examines

whether economic conditions are favorable for a company's success. It involves looking at broad economic indicators, such as: GDP growth, Inflation rates, Unemployment rates, Interest rates, and Government fiscal policies.

Analysts also consider how economic activities affect corporate profits, investors, and share prices. They may make assumptions about future economic conditions, such as interest rates, inflation, and economic growth. However, these conditions are always changing and may not turn out as expected. **This analysis help us to decide as to in which country we should invest.**

- III. **Industry Analysis:** After deciding the objectives of investment portfolio in terms of risk and returns have been specified, one of the first decisions that an investor faces is to identify the industries which have a high growth potential. Approaches suggested in this regard are :

1. **Statistical analysis of past performance :** A statistical analysis of the immediately past

performance of the share price indices of the various industries and changes therein related to the general price index of shares of all industries should be made. The Reserve Bank of India publishes index number of security prices every month in it's bulletin which may be take to represent the behavior of share prices of the various industries in the last few years. The relative changes in the price index of each industry as compared with the changes with the average price index of the of the shares of all industries would show those industries which are having a higher growth potential in the past few years. **It may be noted that an industry may not remain a growth industry for all time.** The analysis of share price indices over a number of years will enable the investor to identify the industries which are rated high by the market at the time of analysis. **Thus one shall know how to make an assessment of the various characteristics of the industries to finalize a list of industries in which he can spread his investment.**



### Steps involved in industry analysis:

As it has been discussed an appraisal of the particular industry's prospects is essential, since the basic profitability of any company depends upon the economic prospects of the industry to which it belongs. The following factors may in particular be kept in mind while assessing the factors relating to an industry:

1. Demand /supply pattern for the industry's products and it's growth potential: The most important aspect is to see the likely demand of the products of the industry and the gap between demand and supply. Ideally future demand and supply of the industry can be known by deducing next 10 years demand / supply forecast made by various agencies – Niti Aayog, Chamber of Commerce and institutions like NCAER etc. Besides one should appreciate the fact of stages in product life cycle – introduction, development, rapid growth, maturity or saturation and decline.
2. Profitability: The cost structure of the industry as related to it's sale price is an important consideration. It is obvious that profitability in an industry is a vital consideration for the investor, since profit is both a measure of performance as well as a source of earning for him. He may analyze the profitability

ratios, specially ROI, GP and NP ratio of existing companies in the industry.

3. Particular characteristics of the industry: Each industry has it's own characteristics, which must be studied in depth in order to understand their impact on the working of the industry. Industries with a fast changing technology they may encounter technological obsolescence. Similarly, many other industries are characterized by high rate of profit and losses alternate year and facing seasonal fluctuation cycles.
4. Labour management relations in the industry: The state of labour –management relationship in the particular industry also has a great deal of influence on the future profitability of the industry. Whether the industry under analysis has been maintaining a cordial relationship between labour and management.

**IV. Company Analysis:** To select a company for investment purposes is the last one in the chain of decisions. Before selecting a company for investment a number of qualitative factors have to be seen. Relevant information must be collected and analyzed properly. It must be emphasized that past performance and information is relevant only to the extent it indicates the future trends. **Hence the investor has to**

**visualize the performance of the company in future by analyzing it's past performance.**

1. Size and Ranking: A rough idea regarding the size and ranking of the company within the economy, in general and the industry in particular would help the investor in assessing the risk associated with the company. For this purpose net capital employed, the net profit, ROI and the Sales figures of the company under consideration may be compared with similar data of other companies in the same industry group. It is also useful to assess position of technical know how, research and development activity and price leadership.
2. Growth Record: the growth in sales, net income, net capital employed and earning per share of the company in the past few years should be examined. **Most important growth indicators are (a). P/E Ratio, (b). % growth of earning per annum and (c). % growth rate of net block.**

The **P/E ratio** is again the most important indicator for the investor among all three. It shows the number of times the earning per share are covered by the market price of the share. By comparison of this ratio pertaining to different companies the investment manager can have an idea about the image of the company and can determine whether the share

is under-priced or over-priced. It is one of the most important factors on the basis of which the investor takes a decision to purchase the share. This is because it relates the market price of the shares and **the earning per share (EPS)**.

**Earning per share (EPS)** can not be sole basis to decide about growth prospects but still it is one of them

The **percentage growth rate of Net Block** shows how the company has been developing it's capacity level. Dynamic company keeps on investing and diversifying it's business.

3. **Management Analysis:** This is an intangible factor. Yet it has a very important bearing on the values of the shares. Quality of management, the confidence that investor has in a particular business house, it's policies vis-à-vis its relationship with the investors, dividend and financial performance record of other companies in the same group.

The management. They are responsible for the future of the company and have the power to make decisions and formulate policies that impact the business. Under good management, a company can do wonders. But under bad management, even a strong company can fall apart. So it makes sense to study the management; find out – how experienced they are, how their decisions have contributed to

the company's growth, and so on.

Attend or listen to recordings of earnings calls and shareholder meetings to understand how management communicates its vision and handles tough questions.

Research how the management team has handled past crises or significant challenges. Successful navigation through difficult times can be a positive indicator of strong leadership.

Look into the company's corporate governance policies. A transparent and accountable governance structure often reflects a well-managed company. This information is typically available in the annual report or corporate governance section of the company's website.

By understanding the management's experience and past decision-making, you may better assess the company's potential. Evaluating how they communicate, handle crises, and follow corporate governance practices can provide valuable insights into the company's leadership quality.

4. **Financial Analysis:** An analysis of company's financial statements for the past few years would help the investment manager in understanding the **financial solvency and liquidity, the efficiency with which the funds are used, the profitability,**

**the operating efficiency and financial & operating leverage.**

These are some of the important parameters to be considered before investment. Previous 10 years EPS, P/E, Yield, Book Value & intrinsic value of the share may be calculated. Other ratios to measure profitability, operating efficiency and turnover efficiency should be calculated. Calculation of Financial Solvency and Liquidity may also support in informed decision making.

Pattern of existing stock holding: An analysis of existing stock holding of the company would also be relevant. This would show the stake of various parties in the company. Shares of a company are held by not only retail investors but also promoters, domestic and foreign institutional investors, mutual funds, employees and so on. A change in the holdings of such stakeholders reveals their outlook on the company. For instance:

**Promoters:** As key personnel, promoters of a company have great control over its affairs, directly or indirectly. They have high stakes in the company. Therefore, a decreasing promoter holding trend may be a red flag as it can indicate that promoters themselves are not positive about the prospects of the company.

**Institutional and mutual fund holdings:** These stakeholders



transact stock in bulk. Therefore, a change in their holdings also indicates their outlook for the stock. If you see high buying activity in stock, the big investors are probably positive about the company's growth. The opposite is also true.

**Example of importance of Share holding pattern:** Life Insurance Corporation and other financial institutions had a substantial holding when the bank was nationalized. The residual company proposed a scheme whereby those shareholders, who wish to opt out, could receive a certain amount as compensation in cash. It was only at the instance and the bargaining strength of institutional investors that the compensation offered to the shareholders, who wishes to opt out of the company was raised considerably.

5. **Marketability of the Shares:** Another important consideration for an investor is the marketability of the shares of the company. Mere listing of a share on the stock exchange does not automatically mean that the share can be sold or purchased at will. There may be many shares which remain inactive for a long period with no transaction being effected.
6. **Latest Information of the company:** News and developments can significantly impact a company's stock price. Positive news, such as a

successful product launch or an increase in market share, might boost the stock price. Conversely, negative news, like a regulatory fine or a decline in sales, might cause the stock price to drop.

By keeping track of the latest news, you can better understand how these events might affect the companies you are interested in. This understanding can help you make more informed investment decisions.

7. You need to analyse how the stock you want to invest in has performed compared to its peers. It is crucial to compare similar stocks—meaning you should compare a small-cap stock with other small-cap stocks, not with large-cap stocks. Here are some questions you can answer to make an effective comparison:

#### **Return Analysis Over Specific Timeframes**

How much return has the stock generated over specific timelines, such as 1 year, 5 years, and 10 years? By looking at these time periods, you can see if the stock has consistently delivered strong returns or if it has been more volatile compared to its peers.

#### **Competitive Edge**

Does the company have a competitive edge over its peers? This could include unique products, innovative technology, strong brand loyalty, or significant market

share. A competitive edge may indicate the company's ability to maintain and grow its market position.

#### **Upcoming Projects**

What are the company's upcoming projects, and how will these projects make the company better than its peers? Understanding the company's future initiatives can provide insights into its growth potential and strategic direction.

#### **Price-to-Earnings (PE) Ratio**

What is the PE ratio of the company compared to its peers? The PE ratio can help you determine if the stock is overvalued or undervalued relative to its peers, providing a sense of market expectations for future growth.

#### **Dividend Analysis**

What has been the company's dividend per share, dividend yield, and dividend growth rate compared to its peers? If dividends are important to you, comparing these metrics can show you which companies offer better returns in terms of dividends.

8. **Momentum Analysis.** Technical traders usually want to identify strong, up-trending stocks for potential buys and weak down-trending stocks for shorts. One way to find them is to use moving averages, which are trend-following indicators that smooth out day-to-day price



movements to show a stock's general direction over time. Moving averages can also act as support and resistance levels. **Support** is an area on the chart where downward trends seem to find a floor as buying pressure overcomes selling pressure. **Resistance** is often a price area where the upward trends start to fizzle as selling pressure overcomes buying pressure.

- A **simple moving average** is calculated by averaging a stock's closing prices over a defined period. Many traders use 20 days as a starting point, but you can use different periods according to your trading style.
  - A momentum trader going long might ask, is a stock trading above its 20-day moving average? Has its 20-day moving average broken above its 50-day moving average? A trader looking to short a stock might search for one trading below its 20-day moving average and has a 20-day moving average below its 50-day moving average. You might narrow the list further by looking for stocks that trade at least 200,000 shares per day.
9. Scanning charts: After compiling a list of candidates, it's time to look for those with good entry points. Two common entry

strategies are either to look for breakouts in the direction of the trend—for example, stocks experiencing a sharp upward movement in price—or to look for pullbacks, which are short-term moves in the opposite direction of the longer-term trend. For breakouts on longs, an entry point could be the first or second new high after the stock has traded sideways for a few days. For breakouts on shorts, an entry point could be the first or second new low after a few days of sideways movement. With the pullback strategy, you may want to see the stock correct for a few days in the direction opposite the trend. You might then consider buying into that short-term weakness on the longs or selling into that short-term strength on the shorts.

#### **Fundamental Analysis Vs. Technical Analysis:**

In trading, investing, and finance, two approaches help investors analyze markets and securities: fundamental and technical analysis. Each helps evaluate investment opportunities, and many traders blend both for a more comprehensive view. Fundamental analysis focuses on the quality of an asset, while technical analysis looks at

market trends as an indicator of value.

**Fundamental analysis** is used in finance to evaluate the **intrinsic value, the real worth, of a security** or whole sectors and markets. For a company stock, fundamental analysis is used to scrutinize income statements, balance sheets, and cash flow statements. Fundamental analysis is generally for those looking for long-term value. **Technical analysis** evaluates financial assets, such as stocks, currencies, or commodities, by reviewing the historical price and volume data. Unlike fundamental analysis, which focuses on the intrinsic value of an asset, technical analysis examines the volume and price of shares over time.

**Intrinsic Value for Share Brokers:** *It is the real value of share calculated by the investor and it may not be equal to the Book Value of share.* Intrinsic value, also known as real value, is the estimated or calculated value of a stock, company, currency, or product. It's a theoretical concept that's based on both qualitative and quantitative factors, and it may or may not be the same as the current market price.



# NAVIGATING THE GST LAW IN INDIA: WHAT TO EXPECT WHEN YOUR GOODS ARE DETAINED OR SEIZED WHILE IN TRANSIT



CA. Pradeep Reddy

Imagine this: you're a busy business owner, your goods are on their way smoothly, and suddenly, they're halted by GST officials. It's a twist you didn't expect, right?

Welcome to the world of GST - a law that was promised to be Good and Simple! While it is good as it consolidated fragmented multiple markets across States into one market, it has not lived up to its promise of being simple.

This law that can catch you off guard, especially when your goods are stopped or seized while in transit.

Despite its intention to streamline India's indirect tax system, the GST law has introduced a new layer of complexity for businesses. The process of detaining and seizing goods in transit often reveals the practical challenges in balancing strict compliance with the law and the day-to-day realities of running a business. This tension between law enforcement and business operations becomes even more pronounced when minor clerical errors result in significant penalties, suggesting that the "simple" part of GST still has a long way to go.

For every business owner, understanding GST isn't just

important - it's essential. If you're dealing with goods in transit, don't risk getting caught off guard by the complexities of the law.

**Dive in now to arm yourself with the knowledge you need to navigate GST with confidence!**

## A. INSPECTION OF GOODS AND VEHICLES IN TRANSIT

**Section 68 of the CGST Act, 2017** - It empowers the GST authorities to inspect the vehicles in transit and requires the person in charge of a vehicle carrying any consignment of goods of value exceeding INR 50,000 to produce the documents carried in connection with the said goods.

**Rule 138B and 138C of the CGST Rules, 2017**- They empower the GST authorities to intercept any vehicle to verify the e-way bill or other relevant documents.

## B. DETENTION, SEIZURE, AND RELEASE OF GOODS AND VEHICLES IN TRANSIT

**Section 129 of the CGST Act, 2017** -It deals with the detention, seizure, and release of goods and vehicles in transit. If goods are transported without proper documentation or in violation of the law, they can be detained or seized. Such goods shall be released only on payment of a

penalty or furnishing of a security deposit.

**Rule 138A of the CGST Rules, 2017** -It requires the person in charge of a vehicle carrying goods valued above INR 50,000<sup>1</sup> to carry the following documents

- Invoice or bill of supply or delivery challan
- E-way bill in physical or in electronic form or E-way bill mapped to radio frequency identification device
- A copy of the bill of entry in case of movement of imported goods from a port or airport or land customs station

**GST Circular number 41/15/2018 dated April 13, 2018**

It clarified the procedures concerning the interception of vehicles for inspection of goods in movement and the detention, release, and confiscation of such goods and vehicles. It provides guidelines

<sup>1</sup> A threshold value of goods below which E-way bill is not mandatory varies from State to State, by and large, such threshold for most of the States is INR 50,000. Moreover, it should be noted that each State has declared the list of goods for which an E-way bill is not mandatory.

related to the documentation required, the role of officers, and applicable penalties for any failure to comply with the provisions laid down in the CGST Act during the transit of goods.

### C. How to deal with detention or seizure while in Transit?

#### No penalty in case of clerical errors as clarified by CBIC Circular No. 64/38/2018-GST

CBIC has explicitly clarified that proceedings under section 129 of the CGST Act may not be initiated, inter alia, in the following situations:

1. Spelling mistakes in the name of the consignor or the consignee but the GSTIN, wherever applicable, is correct;
2. Error in the pin-code but the address of the consignor and the consignee mentioned is correct, subject to the condition that the error in the PIN code should not have the effect of increasing the validity period of the e-way bill;
3. Error in the address of the consignee to the extent that the locality and other details of the consignee are correct;
4. Error in one or two digits of the document number mentioned in the e-way bill;
5. Error in 4- or 6-digit level of HSN where the first 2 digits of HSN are correct and the rate of tax mentioned is correct;
6. Error in one or two digits/ characters of the vehicle number.

In case of the above situations, a penalty to the tune of Rs. 500/-

each under section 125 of the CGST Act and the respective State GST Act should be imposed (Rs.1000/- under the IGST Act) in FORM GST DRC-07 for every consignment

**The most common issues dealt with by the taxpayers; and judgments of the High Courts while dealing with such issues are discussed below:**

1. **Is a penalty justified for mere technical errors in an e-way bill if no intention to evade tax is established?** *No, penalties are not justified for mere technical errors in an e-way bill if no intention to evade tax is established.*
2. **What happens if a notice for penalty under Section 129 is issued after a period of 7 days from the date of detention?** *The order of detention is not valid and liable to be set aside if the notice for penalty under Section 129 is issued after the period of 7 days from detention*
3. **Does a minor discrepancy in vehicle details in an e-way bill attract proceedings for penalty** *No, a minor discrepancy in vehicle details in an e-way bill would not attract proceedings for a penalty*
4. **What if the respondent authorities fail to prove any mens rea (i.e. criminal intent) for tax evasion?** *If the respondent authorities fail to prove any mens rea for tax evasion, order imposing penalty liable to be set aside*
5. **Is merely not extending the e-way bill validity sufficient**

**for a penalty under Section 129(3)?** *No, merely not extending the e-way bill validity is insufficient for a penalty under Section 129(3) without the intent to evade tax.*

6. **What penalty is imposed if a vehicle breakdown prevents the update of an e-way bill and there is no intent to evade tax?** *The penalty order is to be set aside and a general penalty of INR 25,000 under Section 125 of the CGST Act, 2017, may be imposed on the assessee.*
7. **Are tax and penalty demands valid if neither the invoice nor the e-way bill were accompanying goods at the time of interception but were produced subsequently?** *Yes, the order of demand of tax and penalty is valid and just in law if the documents are produced subsequently*
8. **Can search and seizure of a godown result in penalty proceedings under Section 129?** *No, search and seizure of a godown cannot result in penalty proceedings under Section 129*
9. **Is a penalty justified under Section 129(3) for not filling up Part 'B' of an e-way bill if the error is technical and without intent to evade tax?** *No, a penalty under Section 129(3) is not justified if the error is technical and without intent to evade tax*
10. **What is the initial burden of proof for clerical or**



**typographical errors in e-way bills?** *The initial burden of proof lies on the GST authorities to demonstrate an intention to evade tax; penalties should only be imposed for intentional tax evasion, not inadvertent errors.*

**11. Is there a penalty to be refunded if the e-way bill expires but there was no intention to evade tax?** *Yes, the penalty deposited for the expiry of an e-way bill should be refunded if there was no intention to evade tax.*

**12. What happens if there is a vehicle number mismatch on the e-way bill due to a replacement truck after a breakdown?** *The tax and penalty demand under Section 129 should be set aside if the discrepancy is deemed a minor error per Circular No. 64/38/18, warranting a penalty of INR 25,000 under Section 125 of the GST Act*

**13. Adoption of an alternate route for delivery of goods-** *No penalty can be levied for choosing a circuitous route in preference to a linear one if the travel time and destination point remain intact*

**14. Can a penalty under Section 129(3) be imposed solely due to a mismatch in dispatch address, despite no other discrepancies between the E-way bill and invoice?** *Penalty*

*cannot be imposed solely due to mismatched dispatch address*

**15. Can be goods and vehicles of the purchaser be detained for default committed by the supplier ( not related to current shipment) in the supply chain?** *No, the goods/vehicles of the purchaser cannot be detained as long as there is no non-compliance with E-way bill rules.*

**16. Can goods be detained on the ground that the consignment of heavier goods or with a short distance was not offloaded first as against the lighter consignment or a longer distance?** *It is not mandatory that the consignment of heavier goods or short distances must be offloaded first.*

**On a reading of the above, the single important the High Courts have held is that no penalty under Section 129 (3) ( which is 200% of the GST involved) can be imposed for clerical errors or minor deviations, as long as there is no criminal intent to evade payment of GST.**

While taxpayers whose goods or vehicles are detained for clerical errors or minor deviations, can seek relief from the Court's law upon proving the absence of intention to evade, such an exercise is expensive and time-consuming. Therefore, the taxpayers should leave no stone

untuned to ensure compliance with the E-way bill regulations discussed above.

#### **Practical tips to avoid detention or seizure while in Transit**

1. Ensure E waybill is generated for every movement of goods irrespective of the threshold
2. Use software for generating E waybill (which integrates into the accounting software) as against using a government portal
3. Prepare an SOP containing the list of documents to be carried by the person in charge of vehicle for various scenarios like sales, sales returns, purchase returns, import of goods, stock transfer, etc
4. Conduct periodic training for the supply chain teams to ensure 100% compliance with E waybill rules, non-compliance of which will have a disastrous effect on the business
5. Wherever the transporter customer or supplier is responsible for generating E waybills, incorporate appropriate clauses in the contract, to offload liability of penalty, interest, fine, etc on account of non-compliance with E waybill rules onto them.

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## CA Coaching Classes For New Syllabus

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In pursuance of our objective to provide fruitful and quality teaching to our students, we are pleased to inform you that **PHYSICAL** coaching classes for **CA FOUNDATION & CA INTERMEDIATE** students & will commence as follows

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- Mock Tests, Revision Classes, Crash Course, Quiz Programme & Classroom presentations.
- The journey of CA student with bengaluru branch will be filled with Innumerable knowledge oriented activities coupled with motivational sessions & orientation classes, guided by our senior members, renowned faculty & resource persons to make student life productive and fruitful.
- It is a golden opportunity to be part of the bengaluru branch by enrolling as a student to become a prestigious member of this glorious profession.

**Online  
Registration  
Now open!**

Course	Fees	Starting Dates	Timings
<b>CA Foundation</b>	Rs. 14,000/- (Including Crash Course)	<b>Starting from in Month of Jan 2025 for May/June 2025 Exams</b>	04.30pm to 07.30pm (Monday to Saturday) 8.00am to 2.00pm (Sunday) (Evening batch)
<b>CA Intermediate</b>	Rs. 22,000/- for Both Groups Rs. 13,500/- for Single Group (Including Mock Test and Crash Course) Rs. 5000/- for Single Subject	<b>Starting from in Month 26<sup>th</sup> Sep, 2024 for May 2025 Exams</b>	07.00am to 10.00am (Monday to Saturday) 8.00am to 2.00pm (Sunday)

Schedule for all the subjects will be announced in due course.

Registration Fees - Mode of payment: Cash / Online [www.bangaloreicai.org](http://www.bangaloreicai.org)

Email: [blrstudentevents@icai.org](mailto:blrstudentevents@icai.org) | Website: [www.bangaloreicai.org](http://www.bangaloreicai.org)

Venue: ICAI Bhawan", 16/O, Miller's Tank, Bed Area, Vasanthanagar, Bengaluru -52

Note: Fees once paid will not be refunded.

**For further details /Queries  
Pls call 080 - 4394 4868 /4876  
Mob: 9880007904**

**CA. Pramod R Hegde  
Chairman**

**CA. Kavitha Paramesh  
Secretary**







# THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

BENGALURU BRANCH (SIRC)

IS ORGANISING COACHING CLASSES FOR

CA FOUNDATION STUDENTS FOR JAN. 2025 EXAMS – PHYSICALLY

Starting from: 01.07.2024 to 04.11.2024

Timings 04.30pm to 07.30pm (Monday to Saturday) 07.00am to 1.30pm (Sunday)



## REGISTRATION OPEN FOR FOUNDATION COACHING CLASSES FOR JAN. 2025 EXAMS - NEW SYLLABUS

Online  
Registration  
Now open!

Subject and dates	Faculty name
<b>Accounting</b> Date: 01.07.2024 to 04.08.2024	<b>CA. NARENDRA KUMAR B</b> <b>CA MOHAMMED ZAIN S</b>
<b>Business Mathematics</b> <b>Logical Reasoning and Statistics</b> Date: 05.08.2024 to 11.09.2024	<b>Mr. G. T. RAJASEKHARAIH</b> <b>CA. PUNITH KUMAR N.</b>
<b>Business Economics</b> Date: 12.09.2024 to 28.09.2024 Date: 21.10.2024 to 04.11.2024	<b>Mr. SHASHI KIRAN M.</b>
<b>Business Laws</b> Date: 29.09.2024 to 20.10.2024	<b>CS. RAJESH M</b>

Tentative scheduled faculty may change due to non availability at that point of time

Fee  
Rs. 14,000/- for all  
Subjects

Registration Fees - Mode of payment: Cash / Online [www.bangaloreicai.org](http://www.bangaloreicai.org)

Email: [blrstudentevents@icai.org](mailto:blrstudentevents@icai.org)

Note: Fees once paid will not be refunded.

For further details/Queries Pls call 080 - 4394 4868 /4876 Mob: 9880007904

Venue: : 'ICAI BHAWAN' #, 16/O, Millers Tank Bed Area, Vasanth Nagar, Bangalore - 52.

CA. Pramod R Hegde  
Chairman

CA. Kavitha Paramesh  
Secretary













THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
(Set up by an Act of Parliament)  
**BENGALURU BRANCH (SIRC)**  
BENGALURU BRANCH ICAI IS ORGANISING CA INTERMEDIATE COACHING  
CLASSES FOR JAN. 2025 EXAMS – PHYSICALLY  
Schedule from: 05.08.2024 to 08.12.2024  
Timings: 7.00am to 1.30pm  
Tentative scheduled faculty may change due to non availability at that point of time

## REGISTRATION OPEN FOR CA INTERMEDIATE COACHING CLASSES FOR JAN. 2025 EXAMS - NEW SYLLABUS






### GROUP – I

Online  
Registration  
Now open!

Subject and dates	Faculty name
<b>Paper - 1 : Advanced Accounting</b> <b>Dates: 05.08.2024 to 31.08.2024</b>	<b>CA. MURALI NAGARAJ</b> All-India Rank Holder 
	<b>CA. ASHWINI K</b> 
<b>Paper -2 : Corporate and Other Laws</b> <b>Dates: 02.09.2024 to 15.09.2024</b>	<b>CS. BHARATH K L</b> 
	<b>CS RAJESHA. M.</b> 
<b>Paper-3: Taxation</b> <b>Section B: Goods and Services Tax</b> <b>Dates: 16.09.2024 to 25.09.2024</b>	<b>CA. VENKATA KRISHNA KOTHARI</b> 
<b>Paper-3: Taxation</b> <b>Section A: Income Tax Law</b> <b>Dates: 26.09.2024 to 10.10.2024</b>	<b>CA. PRASHANTH BHARADWAJ</b> 



## GROUP – II

Subject and dates	Faculty name
<b>Paper-4: Cost and Management Accounting</b> <b>Dates: 13.10.2024 to 05.011.2024</b>	<b>CA. PUNITH KUMAR N</b> 
	<b>CA. NARENDRA KUMAR B</b> 
<b>Paper-5: Auditing and Ethics</b> <b>Dates: 06.11.2024 to 24.11.2024</b>	<b>CA. VIKAS OSWAL</b> 
<b>Paper-6B: Strategic Management</b> <b>Dates: 25.11.2024 to 30.11.2024</b>	<b>Mr. SHASHI KIRAN M.</b> 
<b>Paper-6A: Financial Management</b> <b>Dates: 01.12.2024 to 08.12.2024</b>	<b>CA. CHINMAYA HEGDE</b> <b>All-India Rank Holder</b> 

Course	Fees	Timings
CA Intermediate	Rs. 20,000/- for Both Groups Rs. 12,000/- for Single Group Rs. 5,000/- for Single Subject	07.00am to 10.00am (Monday to Saturday) 8.00am to 2.00pm (Sunday)

Registration Fees - Mode of payment: Cash / Online [www.bangaloreicai.org](http://www.bangaloreicai.org)

Email: [icai.studentevents@icai.org](mailto:icai.studentevents@icai.org)

**Note: 1) Fees once paid will not be refunded.**

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Mob: 9880007904

Venue: Bengaluru Branch of SIRC of ICAI  
'ICAI BHAWAN' #, 16/O, Millers Tank Bed Area,  
Vasanth Nagar, Bangalore - 52.



**CA. Pramod R Hegde**  
Chairman

**CA. Kavitha Paramesh**  
Secretary



# 56<sup>th</sup> Regional Conference of SIRC of ICAI

## Inaugural Session



Inauguration of Conference by lighting the lamp



CA. Geetha A B  
Chairperson, SIRC of ICAI



CA. Ranjeet Kumar Agarwal  
President, ICAI



CA. Pramod R Hegde  
Chairman  
Bengaluru Branch (SIRC)



Guest of Honour  
Dr. Binoy Kumar Das  
Distinguished Scientist  
Director General Electronics &  
Communication Systems, DRDO



Guest of Honour  
Shri. Shelly Jindal  
Pr. Chief Commissioner of  
Income Tax Karnataka &  
Goa Region Bengaluru



CA. Subba Rao Muppala  
Secretary, SIRC OF ICAI



Release of Souvenir



Felicitation to CA. Ranjeet Kumar Agarwal, President, ICAI



Felicitation to Guest of Honour, Dr. Binoy Kumar Das

### Awards



Felicitation to CA. S. R. Raghunath



Branch Award



SICASA Award





# 56<sup>th</sup> Regional Conference of SIRC of ICAI

## Entertainment Programme



Special Guest  
Mr. Rishab Shetty, Actor



## Health Session



Dr. C N Manjunath  
Member of Parliament



Felicitation to Dr. C. N. Manjunath

## Conference Press Meeting



## Technical Session -1



CA. Sudhir Bheda  
Moderator



CA. Nilesh Shah  
Panelist



CA. Vikram Kothari  
Panelist



Mr. Ishan Bansal  
Panelist



CA R Balakrishnan  
Past President, ICAI



CA. B.P. Rao  
Past President, ICAI



CA. Cotha S Srinivas  
Central Council Member  
ICAI

## Technical Session -2



CA. Devaraja Reddy  
Past President, ICAI



CA. G. Ramaswamy  
Past President, ICAI



CA. K. Raghu  
Past President, ICAI



CA. R. Bhupathy  
Past President, ICAI



## Technical Session -2

## Technical Session -3



CA Jatin Christopher  
Moderator



CA. Ganesh Prabhu  
Panelist



CA. Sunil Gabhawalla  
Panelist



CA. Surya Prakash B.S.  
Panelist

## Technical Session -4



CA. Aniket Talati  
Past President, ICAI



CA. Chetan Venugopal



CA. Raj Mullick



# 56<sup>th</sup> Regional Conference of SIRC of ICAI

## Technical Session -5



CA. Shiva Prasada



Mr. Dibyendu Barhan  
OBS Bank India



Mr. Munjal  
Bobcard Ltd.



Ms. Sarala R.  
Tally Solutions Pvt. Ltd.



CA. K Gururaj Acharya



CA. M P Vijay Kumar  
Past Central Council Member  
ICAI

## Technical Session -7



CA. Naveen Khariwal G.  
Moderator



CA. A Shankar  
Panelist



CA. Abhishek Goenka  
Panelist



CA. H. Padamchand Khincha  
Panelist



Participants

## Technical Session -8



CA. Mohan R Lavi  
Moderator



CA. Archana Bhutani  
Panelist



CA. Ravi Anantharamiah  
Panelist



CA. Namrata Shah  
Speaker



CA. Harpreet Singh  
Speaker

## Technical Session -9 & 10

## Study Circle Meetings



Moderator  
CA. Prabhudev Aradhya  
Past Chairman  
Bengaluru Branch (SIRC)



CA. Manoj Bansal



Mr. Himanshu Srivastava  
National Stock Exchange



# 78<sup>th</sup> Independence Day Celebrations



Flag Hoisting



CA. Pramod R Hegde, Chairman Bengaluru Branch (SIRC)



## Clause by Clause Discussion on Union Budget 2024 – Direct Taxes



Inauguration of the Program by lighting the lamp



CA. K.K. Chythanya



CA. H. Padamchand Khincha



Participants

## Clause by Clause Discussion on Union Budget 2024 – Indirect Taxes

## Outreach Program on TDS Provisions and ITS Compliance Jointly Organized with the office of the Commissioner of Income Tax (TDS), Bengaluru



CA. A. Saiprasad



CA. Annapurna D Kabra



Shri. Amrit Raj Singh  
Addl. Commissioner of  
Income Tax (TDS). Range-1, Bengaluru



Shri. H. S. Manjunath  
Deputy Commissioner of Income Tax  
CIT (TDS). Circle-1, Bengaluru



Smt. Deepa P.  
Income tax officer (TDS)  
Ward-1(3), Bengaluru

## National Conference on AI



Inauguration of the Seminar by lighting the lamp



CA. Pramod R Hegde  
Chairman  
Bengaluru Branch (SIRC)



CA. Cotha S Srinivas  
Central Council Member  
ICAI



CA. Dayaniwas Sharma  
Committee Chairman  
- AI in ICAI, Central  
Council Member-ICAI



CA. Manu Agrawal  
Past Central Council  
Member of ICAI &  
Co-opted Member-AI in ICAI



CA. Kavitha Parameash  
Secretary  
Bengaluru Branch (SIRC)



Ms. Nithya Subramanian



CA. Nitin Sachdeva



CA. Ganesh Kumar BN



CA. Rajashekara V Maiya



CA. Amit Shenoy



Participants

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