



Bengaluru Branch of SIRC e-Newsletter

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International Yoga Day

21st June, 2022



- Study Circle Meeting
Issues / Controversies of 139 (8A) & Law & Practice of furnishing statement of donations in form 10BD
1st June, 2022
- Awareness Programme
Practical aspects of MCA V3 and LLP Filing
3rd June, 2022
- Study Circle Meeting
How CA's have benefited from the ICAI – CPA Australia MRA
7th June, 2022
- Study Circle Meeting
Critical aspects of Presumptive Taxation Scheme – 44AD/AE/ADA
8th June, 2022
- Seminar on
Opportunities for CA's with Neo banking
9th June, 2022
- Study Circle Meeting
Code of Ethics
11th June, 2022

JNANA VIKASA

■ ENDEAVOR TO EVOLVE ■ ENGAGE TO EXCEL

CPE MEETINGS

- Study Circle Meeting
Discussion on 3rd Report of the Company Law Committee (2022) and Assessment of the Recent Notices and Cases
15th June, 2022
- Two Day's Conference on
Updates on Companies Act
17th & 18th June, 2022
- Study Circle Meeting
New CARO reporting requirements, Changes in Audit Report and compliance and Changes in Schedule III of Companies Act
18th June, 2022
- International Yoga Day
21st June, 2022
- Study Circle Meeting
Inbound & Outbound Investments Structuring FEMA & Tax Perspective
22nd June, 2022

60th

Annual Report 2022

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- Study Circle Meeting
Discussion on 115B/BA/BBA
29th June, 2022
- 74th Chartered Accountants Day Celebration
1st July, 2022
- Women CA's Conference
9th July, 2022
- Three Day's Residential Refresher Course on
International Taxation
15th to 17th July, 2022



Dear Esteemed Professional Colleagues

Greetings!!!

The family of Central Council/Southern India Regional Council & Branch Managing Committee extremely working for the growth and welfare of the fraternity. I have not seen so vibrant committees in the past, at least in last ten years like this time. The aggressiveness in their commitment in delivering to members and students is highly appreciable. Due to various development in and around the profession, there is going to a paradigm shift in the profession. Members better get ready and equipped yourself to accept the change with a positive mindset.

Generally, the syllabus for students were changed once in ten years earlier, now that trend has been changed to keep up to the pace of the fast growing needs of the society across the globe. I feel Implementation of CRET is a game changer of our profession, request all stake holders of our profession including students and their parents to take part and give your feedback within 30 days on the proposed implementation of the CRET, it benefits/effects each one of you in your professional journey in many ways.

Any member who identifies or acquires an opportunity of assignments in any new department/area try to involve your professional colleagues from the administration level like Central Council/Southern India Regional Council & Branch Managing Committee at the initial stage itself so that we can put systems in place at the time of entering to the departments/area itself. Like, implementation of

empanelment of members, scope of assignment, fees, engagement letter and all other basic requirements to set a standard, professional level tie up with those departments, so that we can maintain our standard, quality of service and opportunity to members at large. These initiatives will create a broader platforms sustainable for years by retaining respect towards professional and profession. Institute will back you always for your all good deeds. **Unity is the strength, think big, do big and grow big.**

The memorable events of May Month:

- To keep the members abreast with the professional updates, we had a full day seminar on Co-operative audit in the branch, the seminar is inaugurated by the Sri. Adarsh Kumar N. R, Director of Co-operative audit Department, Government of Karnataka. Joint Directors of Cooperative Audit Department like, Mr. Chikkadi, Joint Director, Ms. Sadana Gaonkar, Joint Director, Mr. Pradeep Wali, Joint Director, Mr. Sunil Kumar M P, Joint Director, were part of the inauguration and they had interactive session with members to take their opinion on the proposed Change in the audit report format. Expert & experienced Speakers CA. Shriram S.S, CA. B.V. Raveendranath, Sagar, CA. Prakash Hegde and CA. Anil Bharadwaj shared their expertise in this Workshop. There was a good deliberation on the subject and well received by the members.
- We conducted Badminton tournament for members jointly with Income Tax officials. Senior Officials like Mr. Sanjeev Singh, Mr Sanjay Kumar and Ms. Vandana Sagar were part of the tournament. Both members and Income Tax officials were participated with great zeal and sportsmen spirit, concluded the tournament with great satisfaction.
- To gain from experience of expert speaker's on Notices, Scrutiny and assessment procedure, we had Four Day's Workshop on Addressing Notices /Audits / Scrutiny / Other Litigation matter under GST Law. In this Workshop CA. Dayanand K, CA. N.R. Badrinath, Shri. K.S. Naveen Kumar, Advocate & CA. T.R. Rajesh Kumar and CA. Deepak Kumar Jain, CA. Yeshvanth, CA. Prateek Marlecha & CA. Hanish S who shared their knowledge chaired by Senior Members as a Session Chairman in each session. Also, importantly in the end

of the Workshop panel discussion was by Moderator – CA. T.R. Rajesh Kumar, Panelists – CA. Venkataramani S, CA. Madhukar N Hiregange & CA. A. Jatin Kumar covered all the areas of Returns, Assessments, Notices and Departmental Audit & appeal.

- Apart from the above, we had Half Day Workshop on RERA by CA. Ramesh S. Prabhu, Mumbai & CA. Vinay T, touched upon on Latest updates on RERA including High Court & Supreme Court Judgements. Accounting & Auditing Considerations for Crypto (VDA) by CA. Asha M & CA. Shubham Bindal, to update on the Accounting and Audit aspects of Virtual Digital Assets.
- We had a regular Study Circle Meet on Wednesday's at Branch and Tumkur covering on Overview of US Tax regulations (FTC, 401k investments, K1s and PFICs Important Amendments applicable for FY 2021 – 22 to Trust and Assessment of Trust and Educational Institutions by CA. Amarnath Ambati and CA. K. Kaushik Raj.
- We had special session on Issues and Controversies in Supreme Court Judgement U/s 148 of IT Act, handled by CA Naveen Khariwal G.

Upcoming Programs for the month of June & July in Physical cum Virtual mode:

To have a decentralized study circle to assist members to participate in the programs and updates on the Professional interest, we have organized every **Wednesday's Study Circle Meet at Dr. C. Ashwath Kala Bhavana, NR Colony, Basavanagudi. Following are the programmes in Basavanagudi Branch for the month of June 2022.**

- **On 1st June:** Issues / Controversies of 139 (8A) (Updated Income Tax Return) & Impact of Supreme Court Judgement u/s 148rw board circular by **CA Naveen Khariwal**
- **On 8th June:** Critical aspects of Presumptive Taxation Scheme – 44AD/AE/ADA by **CA. K.L. Prashanth**
- **On 15th June:** Discussion on 3rd Report of the Company Law Committee (2022) and Assessment of the Recent Notices and cases by **CS. Sundharesan J**
- **On 22nd June:** Inbound & Outbound Investments Structuring FEMA & Tax Perspective by **CA. Rohit Kumar S**

- **On 29th June:** Discussion on 115B/BA/BBA by **CA. S. Ramasubramanian**

Half a day program at **Hampinagar** on **24th June 2022**, **Topic:** Taxation of Shares and Securities by **CA. Narendra J Jain** and Income Tax Issues of JDA **Mr. Bharath Lakshminarayana**

Two Day's Conference on Companies Act is being organized under the aegis of Corporate Laws & Corporate Governance Committee Hosted by Bengaluru Branch of SIRC of ICAI on Friday & Saturday, 17th & 18th June 2022 at S. Narayanan Auditorium, Vasanthnagar Branch.

To mark the **International Yoga day Celebration on 21st June** branch is planning to Conduct Yoga day other than the branch premises, members are requested to participate in larger number and make it grand success.

Celebration of **International MSME Day** Jointly in association with Peenya Industries Association is being organized under the aegis of Committee on MSME & Start-Up, of ICAI with the vision "CA Professionals & MSMEs: Self Reliant India" on Monday, **27th June 2022 at Peenya Industrial Auditorium.**

Awareness Programme is being organized under the aegis of Corporate Laws & Corporate Governance Committee of ICAI at Branch on 3rd June 2022 on Practical aspects of MCA V3 and LLP Filing by **CS. Thirupal Gorige**

Study Circle Meeting on 11th June topic: Code of Ethics by **CA. S. Sundaresan**

The First Residential Refresher Course is being organized under the aegis of Committee on International Taxation of ICAI, Hosted by Bengaluru Branch from 15th to 17th July 2022 at **Golden Palm Resorts, Bengaluru**

The detailed programs mentioned in our calendar of events are presented in this Newsletter for your reference.

Endeavour to Evolve

Engage to Excel

CA. Srinivasa. T

Chairman

Bengaluru Branch of SIRC of ICAI



Legendary's Corner

OUR PROFESSION IN THE PAST DECADE (2012-2022) - MIX OF HOPE AND DESPAIR



CA. B P RAO

PAST PRESIDENT ICAI 1994-95

Even though the journey of our Institute began in the year 1949, the most relevant and significant journey was during last decade which has seen numerous changes in the law, amendment in various acts, national and international regulations including accounting and auditing standards. While opportunity for members in employment has gone up substantially, for members in practice it has not been to the expected levels. Members in practice are very much burdened with compliance of various requirements under provisions of law. Risk in auditing has also increased. It seems the expectation gap has widened as regulators and public expect more from our members. For the benefit of the members, I would like to discuss the changes taken place during last decade and its impact on our profession.

COMPANIES ACT 2013

In the year 2013, new Companies Act, 2013 replaced the Companies Act, 1956 with significant changes affecting our profession in many ways. The introduction of penal action on Chartered Accountants, appointment of auditors for 5 years

and compulsory rotation of auditors for certain class companies are few of the major amendments in the Companies Act. There are frequent changes in the Companies Act, 2013 through 5 amendments and ordinances from 2014 to 2022. The major amendments were in the CARO, Schedule III, Accounting standards etc. The objective of the government for these changes is mainly for ease of doing business, to achieve 5 trillion economy, invite global investments, self governance and transparency and also to give more responsibility to Chartered Accountants.

National financial reporting Authority (NFRA) has been established under section 132 of the Companies Act, 2013 and initially deferred for 5 years and later implemented in the year 2018. This has far reaching consequences on our members and profession a whole. The major function of NFRA is to maintain details of particulars of auditors appointed in the companies and bodies corporate, to recommend accounting standards and auditing standards for approval by the Central Government and to monitor and enforce compliance with accounting

standards and auditing standards. NFRA has the power to investigate the professional misconduct or other misconduct against auditors of the company and has also has the power to penalise and remove such auditor.

Earlier in the year 2012 independent quality review board (QRB) was established under section 28A of the ICAI Act, 1949 which has brought more awareness to the firms in maintaining the quality of audit. Quality Review Board had initiated a robust system of independent review of statutory audit services of the audit firms auditing accounts of public interest entities in India in August 2012. Since then QRB has conducted more than 700 reviews.

In addition to the above, every regulator like RBI, IRDA, SEBI ROC have the power to call for the information from auditors and investigate them. Earlier only ICAI had the authority to conduct disciplinary proceedings in the case of professional misconduct. Today members can get enquiry notice from all these regulators and agencies. This would create an extra burden of responsibility on professionals due to strict actions by various regulators and involvement of government.

THE CHARTERED ACCOUNTANTS, THE COST AND WORKS ACCOUNTANTS AND THE COMPANY SECRETARIES (AMENDMENT) ACT, 2022

The amendment to the Act has curtailed the powers of the council to certain extent. The council has to maintain the panel for disciplinary committee and Board of Discipline and send the panel to Government which will nominate from this panel. Both disciplinary and Board of discipline will have non-members as majority and both will be headed by non members. However it will not have much impact on the function of the disciplinary proceedings. The chairman of the standing committee while approving report on amendment bill had mentioned about establishment of Indian Institute Accountants in line with IIM's. This has created a lot of discussion in social media and many were of the opinion that this will directly compete with ICAI and ICAI will lose its monopoly in accounting education. I feel this will not be a threat to our Institute and even it may not see the light of the day. It will not be easy to establish IIA which require huge infrastructure and facility and it may not be the priority of the Government to establish such institute.

INCOME TAX

Our members in practice used to spend majority of their time in filing income tax returns personally and representing client's case with Income tax department in assessments and

appeals. The CBDT has introduced e-filing and face less assessment including e-appeals. This has brought a great relief to our members in saving their valuable time which can be utilised in resourceful way. Technology revolution has helped our profession to great extent during the past decade.

The department introduced Income Computation and Disclosure Standards during September 2016 applicable from AY 2017-18

Tax Audit - Despair

The Finance Act 2020 had increased the tax audit limit for a person carrying on business from Rs1 crore to Rs 5 crore, subject to a condition that cash receipts and cash payments during the year do not exceed 5 per cent of the total receipts/payments.

The Finance Act 2021 further increased this limit to Rs 10 crore. Accordingly, any person carrying on business shall not be required to get his account audited by an accountant (and file tax audit report) if his total sales/turnover/gross receipts do not exceed Rs 10 crore and cash receipts/payments during the year do not exceed 5 per cent of total receipts/payments.

The importance of tax audit, therefore, undermined as a mere compliance which is viewed as burdensome, without appreciating its contribution to the revenue collection to government. On the contrary ICAI has received many complaints against chartered accountants by the Income

Tax department. This may be one reason to enhance Tax Audit limit from 40 lakhs to 10 crore in the recent years. The limit of 40 lakhs was set in the year 1984 when tax audit was introduced.

COVID-19

The eruption of COVID 19 has disrupted our office work and many of our members have even lost their life. The pandemic has taught us a lesson how to face the challenges and adapt ourselves for difficult situation. The work from home concept has come to our profession too. With closed businesses and organisations and restriction on access to the people and information auditors across the country faced unprecedented practical challenges in performing audits during pandemic. One must recognise the important role the auditors have played in maintaining the high quality financial reporting.

BANKING SECTOR REFORMS

During last 10 years many of the nationalised banks have merged with stronger banks as part of banking sector reforms by the Government of India. Earlier there were 20 nationalised banks and 6 State Bank group banks. At present there are 11 Nationalised banks and SBI. In these process number of branches for audit have come down heavily while numbers of members is increasing every year. Now many members are getting disappointment when they do not get appointment letter in the first week of April. For the



year 2021-22, RBI has changed the policy in selection of branches for audit. Till 2020-21 statutory audit should cover 90% of funded and non funded credit exposure of the banks and for year 2021-22 the same has been reduced to 80%. As a result number of branches to be covered by statutory audit is much less compared to earlier years.

UNIQUE DOCUMENTATION

IDENTIFICATION NUMBER (UDIN)

In order to prevent businesses/ clients from the fraudulent acts of non-CAs, Nonpracticing CAs - certifying as Practicing CAs, the ICAI has come up with the concept of UDIN with effective from 1st February 2019. Primarily, UDIN secures certificates, reports, documents, etc. certified by the practicing CAs. Additionally, it enables regulators, banks as well as third parties to check the genuineness of the issued certificates, reports, documents, etc.

ADVANCEMENT OF NEW – AGE TECHNOLOGIES

The World is focussed on automation and therefore we need to combine digital skills with professional intelligence.

Technology is changing everyday and it is impacting the practice of accounting and assurance. Knowledge of existing and emerging digital technologies such as Artificial Intelligence, Cloud Accounting, Blockchain, Robotics, Automation is extremely essential for the new age accountants. Hence in digital era Professionals are expected to focus more on analytical and advisory role by using technology as a tool.

CAs are expected to go beyond their conventional role and deliver as a complete business solution provider and hence need to continuously upgrade their skill sets.

CONCLUSION

The changes in the laws and

regulations in last 10 years has increased the responsibility of the profession to great extent which requires continuous updating of knowledge and skill to meet those additional responsibilities.

The development since last few years in corporate world and government raises a question in our mind whether our profession has lost the trust of the society. It may not be so. However introspection is very much necessary. Our members should maintain the independent and integrity which are the hallmark of our profession.

Let us all ensure that the respect and nobility of the profession and Chartered Accountants as a whole should not only be restored but also enhanced to a level where no one even doubt our integrity/independence. There should not be single instance of pointing fingers at CA profession. We must give to the profession first before we expect anything from it. ■

Career Counselling Programme

Bengaluru Branch of SIRC of ICAI is inviting applications for Career Counsellors to promote CA course in Schools and Colleges.

Honorarium of Rs. 2000/- will be paid to Counsellors by Branch for per Career Counselling Session.

For Outstation Career Counselling Programme Conveyance also will be arranged by the Branch.

Kindly send your details to blrstudentevents@icai.org

CALENDAR OF EVENTS

CPE MEETINGS FOR THE MONTH OF JUNE 2022

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE HOURS
01.06.2022 Wednesday	Study Circle Meeting Meeting Issues / Controversies of 139 (8A) & Law & Practice of furnishing statement of donations in form 10BD CA. Naveen Khariwal G Delegate Fees : Members – Rs.200/- Plus GST Virtual – Rs.100/- Plus GST	Physical & Virtual Dr. C. Ashwath Kala Bhavana, NR Colony, Basavangudi, Bengaluru – 560 004 6.00 pm to 8.00 pm	 2 hrs
03.06.2022 Friday	Awareness Programme <i>Organized under the aegis of</i> Corporate Laws & Corporate Governance Committee of ICAI <i>Hosted by :</i> Bengaluru Branch of SIRC of ICAI Practical aspects of MCA V3 and LLP Filing CS. Thirupal Gorige NO DELEGATE FEES	Physical & Virtual Vasanthnagar Branch Premises 6.00 pm to 8.00 pm	 2 hrs
07.06.2022 Tuesday	Study Circle Meeting <i>Jointly in association with CPA Australia, ICAI</i> Meet and hear from the representatives of CPA Australia How CA's have benefited from the ICAI – CPA Australia MRA Ms. Preeti Dang <i>Business Head, CPA Australia India Liaison Office</i> Delegate Fees : Members – Rs.100/- Plus GST	Physical & Virtual Vasanthnagar Branch Premises 6.00 pm to 8.00 pm	 2 hrs
08.06.2022 Wednesday	Study Circle Meeting Critical aspects of Presumptive Taxation Scheme – 44AD/AE/ADA CA. K.L. Prashanth Delegate Fees : Members – Rs.200/- Plus GST Virtual – Rs.100/- Plus GST	Physical & Virtual Dr. C. Ashwath Kala Bhavana, NR Colony, Basavangudi, Bengaluru – 560 004 6.00 pm to 8.00 pm	 2 hrs
09.06.2022 Thursday	Seminar on Opportunities for CA's with Neo banking CA. Varun Nirmal Delegate Fees : Members – Rs.100/- Plus GST	Physical The Chancery Hotel, Lavelle Road, Bengaluru 6.00 pm to 8.00 pm	 2 hrs
11.06.2022 Saturday	Study Circle Meeting Code of Ethics CA. S. Sundaresan Delegate Fees : Members – Rs.100/- Plus GST	Physical & Virtual Vasanthnagar Branch Premises 6.00 pm to 8.00 pm	 2 hrs



CALENDAR OF EVENTS CPE MEETINGS FOR THE MONTH OF JUNE 2022

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE HOURS
15.06.2022 Wednesday	Study Circle Meeting Discussion on 3rd Report of the Company Law Committee (2022) and Assessment of the Recent Notices and Cases CS. Sundharesan J Delegate Fees : Members – Rs.200/- Plus GST Virtual – Rs.100/- Plus GST	Physical & Virtual Dr. C. Ashwath Kala Bhavana, NR Colony, Basavangudi, Bengaluru – 560 004 6.00 pm to 8.00 pm	2 hrs
17.06.2022 Friday & 18.06.2022 Saturday	Two Day's Conference on Updates on Companies Act <i>Organized under the aegis of</i> Corporate Laws & Corporate Governance Committee <i>Hosted by :</i> Bengaluru Branch of SIRC of ICAI Delegate Fees : Members – Rs.850/- Plus GST Virtual – Rs.400/- Plus GST <i>Details at Pg. No.78</i>	Physical & Virtual Vasanthnagar Branch Premises 9.30 am to 6.00 pm	12 hrs
18.06.2022 Saturday	Study Circle Meeting New CARO reporting requirements, Changes in Audit Report and compliance and Changes in Schedule III of Companies Act CA. Sandeep Kumar Roddam Delegate Fees : Members – Rs.250/- Inclusive of GST	TDCAA Premises, Near Sree Raj Theater, Sri Nagar, Tumkur 3.00 pm to 5.00 pm	2 hrs
21.06.2022 Tuesday	International Yoga Day	In front of Vidhana Soudha	—
22.06.2022 Wednesday	Study Circle Meeting Inbound & Outbound Investments Structuring FEMA & Tax Perspective CA. Rohit Kumar S Delegate Fees : Members – Rs.200/- Plus GST Virtual – Rs.100/- Plus GST	Physical & Virtual Dr. C. Ashwath Kala Bhavana, NR Colony, Basavangudi, Bengaluru – 560 004 6.00 pm to 8.00 pm	2 hrs

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

EDITOR :
CA. SRINIVASA.T

SUB EDITOR :
CA. PRAMOD R. HEGDE

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CALENDAR OF EVENTS

CPE MEETINGS FOR THE MONTH OF JUNE & JULY 2022

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE HOURS
24.06.2022 Friday	Awareness Programme Taxation of Shares and Securities CA. Narendra J Jain Income Tax Issues of JDA Mr. Bharath Lakshminarayana Delegate Fees : Members – Rs.300/- Plus GST	Physical City Central Library West Zone Hampinagar Branch, Near RPC Layout Bus Stand Bengaluru – 560 104 5.00 pm to 8.00 pm	3 hrs
27.06.2022 Monday	Celebrations of International MSME day <i>Jointly in association with Peenya Industries Association</i> <i>Organized under the aegis of Committee on MSME & Start-Up</i> MSME Policy Regulatory & Legal framework CA. Sanjay M Dhariwal MSME Taxation & Financing CA. Ramalinga Boregowda NO DELEGATE FEES	Physical Peenya Industrial Auditorium, Peenya, Bengaluru 5.00 pm to 7.00 pm	2 hrs
29.06.2022 Wednesday	Study Circle Meeting Discussion on 115B/BA/BBA CA. S. Ramasubramanian Delegate Fees : Members – Rs.200/- Plus GST Virtual – Rs.100/- Plus GST	Physical & Virtual Dr. C. Ashwath Kala Bhavana, NR Colony, Basavangudi, Bengaluru – 560 004 6.00 pm to 8.00 pm	2 hrs
01.07.2022 Friday	74th Chartered Accountants Day Celebration	Flag Hoist Branch Premises 9.30 am	—
09.07.2022 Saturday	Women CA's Conference <i>Details will be uploaded on the website</i>		6 hrs
15.07.2022 Friday To 17.07.2022 Saturday	Three Day's Residential Refresher Course on International Taxation <i>Organized under the aegis of</i> Committee on International Taxation, ICAI <i>Hosted by : Bengaluru Branch of SIRC of ICAI</i> <i>Details at Pg. No.79</i>	Golden Palms Avenue, Nagarur Village Dasanpura Hobli, Tumkur Road Bengaluru – 562 123	18 hrs



DIRECT TAX IMPLICATIONS OF GENERATING CARBON CREDITS IN INDIA

CA. B.P. Sachin Kumar



Introduction

Environment protection is the need of the hour. Every organization of repute is contributing to environment protection in its own way. For instance, the energy saved can be traded (internationally) with another entity which is likely to consume more energy. This energy is popularly known as 'Carbon Credits' or Certified Emission Reductions (CER). Like coal, diamonds, stocks and bonds, carbon credits are an internationally recognized commodity. It has an established international market, exchanges and involves high voluminous transactions.

The exchange of carbon credits, though intended for protecting the global environment, is not a charitable activity alone. It is, perhaps, a combination of good intent combined with executing profitable projects. Quite naturally, Governments of all countries propose to tax carbon credits in their respective jurisdictions.

With this background, let's proceed to understand the taxability of carbon credits in India.

What are carbon credits?

The necessity of reducing carbon emissions was first recognized at the Kyoto Protocol of the United Nations Framework on Climate Change

signed in 1997 wherein the member countries, including India, committed to limit and reduce the greenhouse gas emissions. The Kyoto Protocol provides for trading of Carbon Credits, i.e., emission reduction units through Clean Development Mechanism (CDM).

Under CDM, specified parties engaged in project activities resulting in Certified Emission Reductions (CERs) may trade in such CERs. The purchasers of CERs may use such CERs to comply with part of their quantified emission limitation and reduction commitments. The unit associated with CDM is the CER; where one CER is equal to one metric tonne of carbon dioxide equivalent.

Developed countries with emission reduction targets can simply trade in the international carbon credit market. This implies that entities of developed countries exceeding their emission limits can buy carbon credits from those whose actual emissions are below their set limits. Carbon credits can be exchanged between businesses/entities or can be bought and sold in the international market at the prevailing market price.

Whether carbon credits are considered as capital receipt or revenue receipt?

Taxation under the Income tax Act,

1961 (the ITA) depends on whether the income is a revenue receipt or a capital receipt. As a general rule, revenue receipts are chargeable to tax unless specifically exempted and capital receipts are exempted from tax unless specifically held to be chargeable.

Prior to FY 2017-18, there was a lot of uncertainty on whether 'carbon credits' are revenue receipts or capital receipts. The Revenue treated income from carbon credits as revenue receipt¹ and sought to tax the same as business income. The taxpayers, on the other hand, succeeded in establishing that income from carbon credits are capital receipts². Consequently, the Revenue has not been able to tax the income from carbon credits till date.

Taxation of carbon credits under section 115BBG

To address the litigation on the taxation of carbon credits in India, the Finance

1 Apollo Tyres Ltd. [2014] 47 taxmann.com 416 (Cochin - Trib.)

2 Tamil Nadu Newsprint & Papers Ltd. 2021 130 taxmann.com 213 (Madras); Ambika Cotton Mills Ltd. [2021] 125 taxmann.com 206 (Madras); Subhash Kabini Power Corporation Ltd. [2016] 69 taxmann.com 394 (Karnataka); L.H. Sugar Factory (P.) Ltd. [2017] 88 taxmann.com 647 (Allahabad); Aditya Birla Nuvo Ltd. [2016] 67 taxmann.com 380 (Mumbai - Trib.); Kalpataru Power Transmission Ltd. [2017] 88 taxmann.com 588 (Gujarat); My Home Power Ltd. [2012] 27 taxmann.com 27 (Hyd.)

Act, 2017 introduced section 115BBG under the ITA *"in order to bring clarity on the issue of taxation of income from transfer of carbon credits and to encourage measures to protect the environment."*

On a plain reading of section 115BBG, the following points emerge:

- This is a specific provision applicable to the taxation of income from the transfer of carbon credits. Consequently, such income from carbon credits shall not be taxed under the general provisions of the ITA.
- The said income shall be taxed at 10%.
- Though the section uses the term income, which generally means revenue less expenditure, clause 2 specifically prohibits deduction of any expenditure / allowance in calculating the tax base under this section. This implies that the rate of 10% shall be applicable on the gross receipts on the transfer of carbon credits.
- The section does not specify whether it is applicable to a resident assessee or a non-resident assessee. Consequently, it is applicable to non-resident taxpayers as well. However, in the case of non-residents, taxability arises only to the extent it is attributable to the business connection/permanent establishment in India. Tax treaty benefits would also be available.

In the case of non-resident taxpayers, the OECD Publication on Tax Treaty

Issues Related to Emissions Permits/ Credits³ provides that:

- o Income from carbon credits may be taxed as business profits or as capital gains.
- o Business profits are taxed in the source country if the non-resident taxpayer has a permanent establishment in the source country (otherwise, in the country of residence). Further, business income must be determined as per the domestic law of the source country.

Section 115BBG was introduced to mitigate the tax litigation on taxability of income from carbon credits. Whether it has achieved the desired objective or not, is something only time will tell. As of date, all jurisprudence in the matter pertains to the years prior to the introduction of section 115BBG. Taxability under section 115BBG may be challenged on the following grounds:

- The section does not specifically categorize income from carbon credits as a capital receipt or a revenue receipt. In the absence of a clear categorization, the existing judgments in the matter, which have clearly established that income from carbon credits is a capital receipt, may still hold true.
- There is no amendment to the definition of 'income' under section 2(24) of the ITA. For instance, where the Revenue intended to

³ https://read.oecd-ilibrary.org/taxation/model-tax-convention-on-income-and-on-capital-2017-full-version_510415f2-en#page10

tax the receipt of property for an inadequate consideration as income, a specific amendment was made to the definition of income. Alternatively, there is no amendment to section 28 of the ITA defining 'Profits and gains of business or profession'. In other words, the computation mechanism under section 115BBG may fail in the absence of a charging mechanism under sections 2(24) or 28 of the ITA.

Recent judgements

Taxability of the carbon credits is still a contagious issue in India. In a well-reasoned Tribunal judgement of Shri Pramod Kumar in the case of Kalpataru Power Transmission Ltd.⁴, it was held that *"the gains on sale of CERs, though taxable in nature, could only have been taxed at the point of time when these CERs were actually transferred to the foreign entity. Accordingly, the value of CERs, even though quantifiable, cannot be brought to tax by the reason of accrual simplicitor"*. The decision has been approved by the Gujarat High Court⁵.

A similar matter in the case of Lanco Tanjore Power Corporation Ltd.⁶ is pending for adjudication before the Apex Court. The Apex Court is pondering over the issue of taxability of the carbon credit in India as it would have a far-reaching impact on the future industries.

⁴ [2016] 68 taxmann.com 237 (Ahmedabad - Trib.)

⁵ [2017] 88 taxmann.com 588 (Gujarat)

⁶ [2021] 131 taxmann.com 31 (Madras)

(Contd. on page 14) ►



A BITTER TRANSITION TO THE NEW REASSESSMENT PROVISIONS

CA. Urvi Asher



Introduction

Reassessment provisions under the Income tax Act, 1961 (the ITA) allow the Assessing Officers (AOs) to reopen past assessments within a specified time. Hence, the date of issue of the notice of reassessment is of crucial importance.

The Finance Act, 2021 revamped the reassessment provisions significantly. The new reassessment provisions came into effect from 1st April 2021 (New Provisions) while the original reassessment provisions prevailed up to 31st March 2021 (Old Provisions). Due to the pandemic, the Revenue extended various deadlines under the ITA by enacting the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (the TOLA). Notifications issued under TOLA from time to time extended the time limit for issue of reassessment notice up to 30th June 2021.

The Controversy

Many reassessments were becoming time barred under the Old Provisions up to 31st March 2021. Taking benefit of the relaxations given under TOLA, the AOs issued reassessment notices between 1st April 2021 and 30th June 2021 (under the Old Provisions without complying with the pre-conditions under the New Provisions). These notices were, *inter alia*, contested on the ground that they were issued under the TOLA, a sub-ordinated legislation. Since the ITA overrides the TOLA, the reassessment notices ought to have been issued under the New Provisions. Accordingly, the notices were quashed by various High Courts (HCs) citing that they were bad in law.

On an appeal made by the Revenue, the matter was decided by the Hon'ble Supreme Court which laid its verdict on 4th May 2022 in the case of Union of India vs. Ashish Agarwal [2022 SCC Online SC 543]. Soon thereafter, the Central

Board of Direct Taxes (CBDT) issued Instruction No. 1/2022 laying down the detailed procedure for implementing the Hon'ble Supreme Court's judgement.

In this article, the author analyses the judgement of the Hon'ble Supreme Court, Instruction no 1/2022 and the unintentional issued created by them.

Reassessment provisions

The table below provides a brief comparison of the Old Provisions and the New Provisions of reassessment to the extent relevant here:

Particulars	Old Provisions	New Provisions
Time limit for issue of notice of reassessment	Within 4 – 6 years (16 years in certain cases) from the end of the relevant assessment year (AY)	Within 3 years (10 years if escaped amount exceeds Rs. 50 lakhs) from the end of the relevant AY
Conditions to be met before issue of the reassessment notice include	AO must have reasons to believe that income has escaped assessment.	AO must serve a show cause notice to the assessee with approval of the specified authority and consider the submission of the assessee. Thereafter, AO can issue a notice if the case is fit for reopening after taking approval of the specified authority.

Decision of the Hon'ble Supreme Court

The key observations of the decision of the Hon'ble Supreme Court are as follows:

1. The HCs have rightly held that the benefit of the New Provisions shall be available even in respect of the proceedings relating to past AYs, provided the reassessment notice under section 148 has been issued on or after 1st April, 2021.
2. The Revenue issued notices under the Old Provisions instead of the New Provisions due to a bonafide mistake or a under a bonafide belief. Hence, some leeway must be shown. Hence, the HCs ought to have passed an order construing the notices issued under Old Provisions as those deemed to have been issued under section 148A of the New Provisions.
3. The Revenue cannot be made remediless and the object and purpose of reassessment proceedings cannot be frustrated.
4. The order strikes a balance between the rights of the Revenue and the assesseees.

Based on the above observations, and by invoking the powers under Article 142 of the Constitution, the Hon'ble Supreme Court held that:

1. On the issue of validity of notices:
 - a. The notices issued under the Old Provisions shall be deemed to have been issued under the New Provisions and shall be treated to be show-cause notices in terms of section 148A(b).
 - b. The requirement of conducting any enquiry with the prior approval of the specified authority under section 148A(a) shall be dispensed as a one-time measure in respect of these notices.
2. In connection with the next steps to be followed:
 - a. The AOs shall provide to the assesseees the information and material relied upon by them for issue of the notices within 30 days of the date of the order¹.

- b. Assesseees can reply to the notices within two weeks thereafter.
 - c. The AOs shall thereafter pass an order under section 148A(d) of the New Provisions.
 - d. All rights and defenses available to the assessee under the New Provisions and in law shall continue.
3. The HC judgements and orders shall be substituted / modified by this order of the Hon'ble Supreme Court, irrespective of whether they have been assailed before this Court or not. The decision shall have a PAN India application.

CBDT Instruction 1/2022

Closely on the heels of the Hon'ble Supreme Court's decision, the CBDT issued the Instruction No. 1. The instruction reiterates the pronouncements of the aforesaid judgement. However, the Instruction goes a step further in interpreting the said decision. Some of the significant provisions are:

1. The Hon'ble Supreme Court's decision read with the TOLA, allows the reassessment notices to travel back in time to their original date when the notices were to be issued and the new section 149 should be applied must be applied at this point.
2. For AY 2013-14, AY 2014-15 and AY 2015-16: Fresh notice under section 148 of the ITA can be issued (a) with the approval of the specified authority and (b) if the escaped income exceeds Rs. 50 lakhs as per 149(1)(b)².
3. For AY 16-17, AY 17-18: Fresh notice under section 148 can be issued with the approval of the specified authority since they are within the period of three years from the end of the relevant assessment year 149(1)(a).

Unanswered issues

The Hon'ble Supreme Court's decision aimed to put to rest the controversies raised due to issue of notices under the Old Provisions. However, unintentionally, they have opened up a Pandora's Box of another set of controversies. Some of them are discussed below:

¹ 2nd June 2022 as per the Instruction

² Issue of notice u/s 148 after 3 years but before 10 years from the end of the relevant AY.



1. Can the Hon'ble Supreme Court invoke Article 142 of the Constitution to make good "any bonafide mistake" of the AO?
2. Can the Hon'ble Supreme Court's decision modify / substitute the decisions of various High Courts?
3. It is held that the notices issued under the Old Provisions must be construed as a show cause notice under section 148A(b) of the New Provisions. Thereafter, the AO may issue a reassessment notice under section 148 if the case is fit for reopening. The time limit under section 149 of the New Provisions – 3 years / 10 years – must be adhered to with respect to the notices issued under section 148 and not the show cause notice. Thus, the following questions emerge:
 - a. The first proviso to section 149 provides that a reassessment notice cannot be issued under the New Provisions for an AY which has become time barred under the Old Provisions. Accordingly, notices cannot be issued for AYs 2013-14, AY 2014-15 and AY 2015-16 under the said proviso. Thus, the Instruction overrides the provisions of the ITA by stating that assessment for these years can be re-opened if the escaped income exceeds Rs. 50 lakhs.
 - b. Any notice issued under section 148 (if the case is fit) for AY 16-17 and AY 17-18 after the order of the Hon'ble SC would be time barred due to the expiry of 3 years from the end of the relevant assessment year.

Conclusion

Assesseees and their advisors are perplexed about the judgement of the Hon'ble Supreme Court. Rather than arriving at the right course of action, the judgment aims to 'strike a balance' and reopen past assessments in contravention of the New Provisions under the ITA. Considering the large scale implications of the judgement, the decision of the Hon'ble Supreme Court may be reviewed by a larger bench in the near future. ■

DIRECT TAX IMPLICATIONS OF GENERATING CARBON CREDITS IN INDIA

◀ (Contd. from page 11)

Further, this issue could also have a bearing on India's 'net-zero by 2070' pledge at Glasgow Climate Summit.

Conclusion

The fact that trading in carbon credits or CERs involves high voluminous transactions, taxability of income

from carbon credits seems imminent for resident taxpayers. Litigation would arise specially in the case of non-resident taxpayers whose activities in India lead to the generation of carbon credits overseas. In such cases, the issues of creation of a business connection or permanent establishment in India would have to be examined.

Further, only the profits attributable to Indian activities would be taxable in India under section 115BBG.

Apart from direct tax, other regulations governing the treatment and taxation of carbon credits include accounting standards, commercial laws, Foreign Exchange Management Act and Good and Services Tax. These laws must also be examined along with direct tax. ■



**Bengaluru Branch of SIRC of
The Institute of Chartered Accountants of India**
(Set up by an Act of Parliament)

JNANA VIKASA
■ Endeavor to Evolve ■ Engage to excel

— 60th —
**ANNUAL
REPORT**
— 2 0 2 2 —





**BENGALURU BRANCH OF SOUTHERN
INDIA REGIONAL COUNCIL OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

NOTICE OF 60TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 60th Annual General Meeting of the members of the Bengaluru Branch of Southern India Regional Council of the Institute of Chartered Accountants of India will be held on Thursday, 7th July 2022 at 4.30 pm at S. Narayanan Auditorium, ICAI Bhawan, #16/0, Millers Tank Bed Area, Bengaluru – 560 052 to transact the following business:

1. To receive the Annual Report of the Bengaluru Branch for the year 2021 – 2022.
2. To receive the Auditor's Report along with the Audited Accounts of the Bengaluru Branch for the year ended 31st March 2022.
3. To transact any other business that may be brought out before the meeting with the permission of the Chair.

*By order of the Managing Committee
of Bengaluru Branch of SIRC of the ICAI*

Sd/-

**Place: Bengaluru
Date: 7th June, 2022**

**(CA. Pramod R Hegde)
Secretary**

Note:

1. Members are requested to send their queries, if any, on audited financial statements for the year ended 31st March 2022 and any other business i.e. intended to be brought out before the meeting with the permission of the "Chair", within 30th June 2022 to the Branch by post or email: bladmin@icai.org and cc to blraccounts@icai.org.
2. In case, if there is any change due to Covid – 19 restrictions, the arrangements shall be informed, accordingly.

MANAGING COMMITTEE OF BENGALURU BRANCH 2021-22



CA. Srinivasa. T
Chairman



CA. Divya S
Vice - Chairperson



CA. Pramod R Hegde
Secretary



CA. Manjunath M Hallur
Treasurer



CA. Kavitha Paramesh
SICASA - Chairperson



CA. Shripad Hulgol Narayan
SICASA-Co-opted Member



CA. Tuppad V Muppanna
SICASA-Co-opted Member



CA. T. Chandra Prakash Jain
Member



CA. Rejo J Johnson
Member



CA. Cotha S Srinivas
Central Council Member



CA. Geetha A. B
Regional Council Member



Dear Members,

We are pleased to present the 60th Annual Report of the Bengaluru Branch of SIRC of the Institute of Chartered Accountants of India, together with the audited accounts for the year ended 31st March 2022.

The Bengaluru Branch of the Institute of Chartered Accountants of India is one of the most vibrant and dynamic Branch in the Country. This is the largest Branch catering to the needs of more than 15,000 Members and over 8000 (undergoing articleship) students. The Branch conducts various programmes for the benefit of Members & Students like Live Webinars, Conferences, Seminars, Workshops, Virtual Conferences, Study Circle Meetings and Coaching Classes.

Branch Elections for the term 2022 -2025

Elections for the Branch Managing Committee were scheduled to be held on Saturday, 28th January 2022, however we had received only 11 nominations for the post of 9 members of the Managing Committee, post which two candidates consequently withdrew their nominations.

*For the year 2022-23 following Office Bearers have been elected in the
Managing Committee Meeting held on 21st February 2022.*

OFFICE-BEARERS 2022 - 23



CA. Srinivasa. T
Chairman



CA. Divya S
Vice - Chairperson



CA. Pramod R Hegde
Secretary



CA. Manjunath M Hallur
Treasurer

OFFICE-BEARERS 2021 - 22



CA. Bhojaraj T Shetty
Chairman



CA. Srinivasa .T
Vice-Chairman



CA. Divya .S
Secretary



CA. Panindra Gupta P R
Treasurer

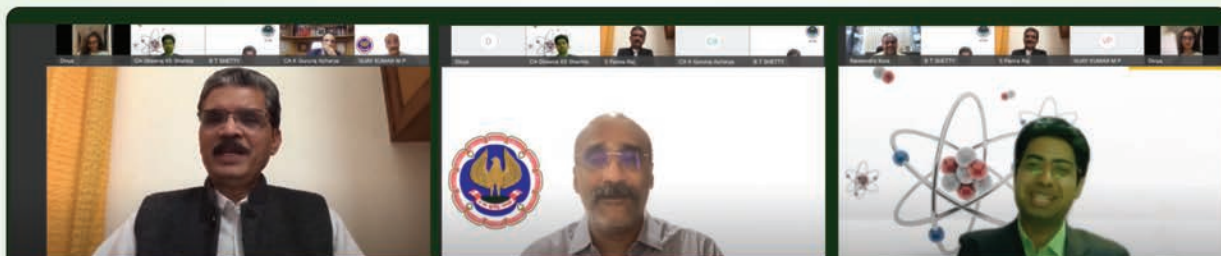


Members' Programmes Update:

World is slowly recovering from the Covid 19, the Branch has hosted a variety of programs and learning initiatives during the period 1st April 2021 – 31st March 2022.

A series of workshops were organized on emerging areas such as RERA, IND AS, Valuations, Co-operative Societies, Succession Planning, Wealth Management, IBBI, FEMA and updates on conventional areas such as Auditing, Taxation, Company law, GST, Financial Reporting Standards, Transfer Pricing, Code of Ethics, International Taxation etc.

Special Programmes of the Branch:



Refresher Course on Accounting Standards for Non-Company organized on 8th July 2021



Five day Course on "GST for Beginners" organized from 15th July to 23rd July 2021.

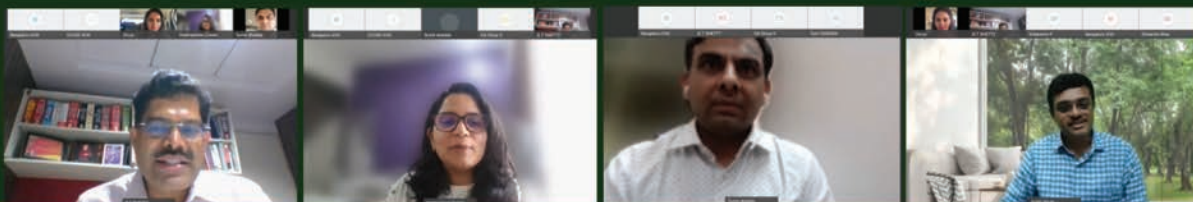


Panel Discussion on "Multi-Disciplinary Firms, Networking and Alliance Models of ICAI" organized on 31st July 2021.



Young Members Mentoring Programs organized on 24th July, 06th August, and 26th August 2021.

Sub Regional Conference: A major crackdown on Benami properties and their owners by the Government, specialised Anti-Benami units have been set up by the Income Tax department across the country and in almost every state and thousands of properties already stand attached under the Prohibition of Benami Property Transactions Act. Branch hosted Sub Regional Conference on Laws Dealing with Economic Offences from 12th to 14th August 2021 organized by SIRC of ICAI



Four Days Conference on Companies Act 2013 & Amendment Act 2020 organized from 21st to 24th October 2021 under the aegis of Corporate Laws & Corporate Governance Committee of ICAI.



Two Days National Conference on Critical issues and Recent Amendments in GST organized on 10th & 11th December 2021.



Two Days Conference on Important aspects of Charitable Trusts organized on 26th & 27th November 2021.



Women CA Conference: To commemorate International Women's day on 8th March, Two Days Women CAs Conference organized on 24th and 25th September 2021.

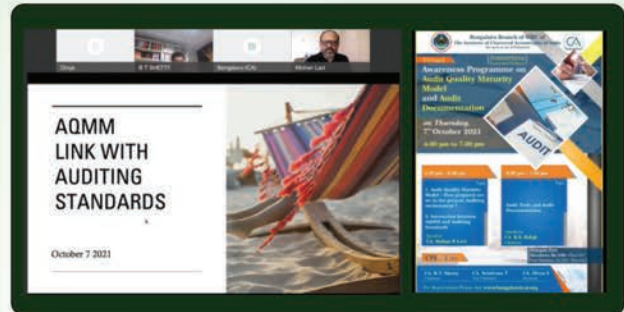


New Networking Guidelines and Corporate Form of Practice organized on 15th May 2021



Half a Day Seminar "From Ticking to Clicking of Business" organized on 18th May 2021

**Awareness Programmes on
Audit Quality Maturity Model and
Audit Documentation organized
on 7th October and 9th November 2021**



**Investor Awareness Programmes
organized on
14th and 21st December 2021**



One Day Seminar on Bank Branch Audit organized on 19th March 2022



Tax Clinic: As a part of our continuing commitment to democratising access to technical knowledge, branch launched a Tax Clinic tab on our website where members and the general public may raise their queries on different aspects of the tax regime such as GST, Customs Duty and Income Tax. Queries so raised would be answered by a panel of experts at free of cost.

Mentorship Tab: It is a growing trend that new members of the profession are often left clueless in the ever-changing scope of our practice. To orient such members to understand the nuances of the profession, Branch launched the mentorship tab on our website where senior members of the profession with years of expertise will provide assistance to reach out and gain the necessary skillsets to stay updated in the profession.

Networking Tab: The pandemic has changed the way we do business and the need for networking now is more important than ever. Networking has been acknowledged to be the most effective platform for capacity building as it facilitates multi-locational presence of the firm, strengthens partnerships, and enhances the functioning of firms to stay on top of the competition. Through effective networking, smaller firms can achieve a pan-India presence by working hand in hand and sharing knowledge and other resources with professional colleagues situated across the country. The networking tab on the website will allow the members

to register and post their details on this portal such as preferred location and specialisation. It is to be noted by interested members that all networking is to be done within the mandate of the ICAI Networking Guidelines.

Member's Register: It is noted that Bengaluru particularly sees an influx of Chartered Accountants who are members of other Branches across the country. They may be in the city for a limited period in pursuance of their professional commitments. To ensure that such members are updated of the Branch's activities and are notified of upcoming events, the Branch launched a Register where members can sign up, ensuring that they stay in the loop on all Branch events and make full use of the learning opportunities on offer.



International MSME Day: The Branch, along with Peenya Industries Association celebrated International MSME Day on the 27th June 2021 organised under the aegis of the Committee on MSME and Start-up of ICAI. It was inaugurated by Shri Jagadish Shettar, Hon'ble Minister for Large and Medium Industries for the Government of Karnataka



Financial & Tax Literacy Drive “Vitiya Gyan – ICAI Ka Abhiyaan”: With an objective to educate the common man on basics of tax laws, accounting and various aspects of the financial system in India and the ways to manage personal finances, financial well-being and tax compliances, Bengaluru Branch hosted Financial & Tax Literacy Drive “Vitiya Gyan – ICAI Ka Abhiyaan” - Organized under the aegis of the Public Relations Committee of ICAI on 13th November 2021



Felicitation to Senior Advocates and Panel Discussion on Tax Litigation organised on 18th December 2021. Senior Advocate Panelists CA. A. Shankar, CA. K.S. Ravishankar, CA. V. Raghuraman & CA. K.K. Chythanya and Moderator CA. Sanjay M Dhariwal shared their rich experience and knowledge in the Panel Discussion



CA Day: As a part of our CA Day celebrations, two engaging and relevant sessions were organized for our members, the first being a panel discussion on the topic “CA Profession by 2030 – The Changing Scenario”. With eminent panelists such as CA T.V Mohandas Pai, CA Nilesh Vikramsey, CA Padmini Srinivasan and CA Dayaniwas Sharma being present, and the panel being moderated by CA Gururaj Acharya, the session had proven to be an insightful discussion on the roadmap ahead for our profession. The second session was hosted by Dr. Gururaj Karajagi on the ever-relevant topic of the “Role of Parents in Shaping the Minds of Children Amidst the Pandemic.” Both these sessions were a grand success and well received by participants across the board



75th Independence Day Celebration organized on 15th August 2021



73rd Republic Day organized on 26th January 2022.



29th Awareness Programme on Analysis of Union Budget organized on 2nd February 2022



Clause by Clause Discussion on Union Budget 2022 organized on 11th February 2022

Image Building Initiatives: As an initiative to bolster the reputation and brand image of ICAI within the general public, branch has conducted several activities, in association with the R.C College of Commerce and Management, Bengaluru:

- > Twelve Hours faculty training program for Commerce Faculties of various institutions on GST and its nuances was conducted, where more than thousand commerce faculties across India participated and benefitted from the program.
- > Twelve Hours faculty training program was conducted for faculties on IFRS, where more than 500 faculty members attended and benefitted from the program.
- > Subsidized CA Foundation Coaching Classes were commenced which saw enrolment by 65 students. 460 hours of coaching was offered which covered all the foundation subjects.

Chartered Accountants Benevolent Fund (CABF): The Chartered Accountants Benevolent Fund (CABF) is an important fund for our fraternity who find themselves in situations of distress. The Branch created a link on our website www.bangaloreicai.org to contribute donations to the fund.





Corporate Social Responsibility :

- > As a part of its commitment to social responsibility, Bengaluru Branch conducted job orientation training to 80 final semester B.Com students of R C College of Commerce and Management, Bengaluru. The trainers were Chartered Accountants and the training was in the area of Accounting, GST, Income Tax, TDS, Tally Accounting and Soft Skills. After the completion of the training program, Campus Placements were organised on 20th October 2021, which saw participation from eleven companies. The Branch is elated to report that of the 62 students that participated in the recruitment drive, 43 of them were placed on a single day.
- > With the second wave of COVID-19 having taken an unprecedented toll in Karnataka particularly in Bengaluru, Branch in collaboration with the KSCAA formed the Covid Task force and collected more than INR 29 lakh to purchase Oxygen Concentrators to address the shortage.
- > Branch also conducted Covid Vaccination Camps for the benefit of members, students, and staff on 5th and 6th June 2021.
- > Branch also conducted four-day training program for Accounting personnel of Urban Local Bodies (ULB's) from 4th to 7th May 2021, under the aegis of the Public and Government Financial Management Committee of ICAI, which saw participation from more than 250 accountants of ULB's across Karnataka.
- > On the occasion of Gandhi Jayanti and Platinum Jubilee Celebrations of SIRC of ICAI, Bengaluru Branch conducted Blood Donation Camp where more than 40 units of blood were donated by members and students on 2nd October 2021.

Important Dignitaries who had visited and graced the various programmes (Both Physical & Virtual) organized by Bengaluru Branch during the year :

1. Shri. M.T.B Nagaraj, Hon'ble Minister of Municipal Administration, Sugarcane development and directorate of sugar from Commerce & Industries Department of Karnataka
2. Shri. Jagadish Shettar, Hon'ble Minister for Large and Medium Industries, Government of Karnataka
3. Shri. K. Jayaprakash Hegde, Chairman, Karnataka Backward Class Commission, Former Member of Parliament
4. Dr. Tejaswini Gowda, Member of Legislative Council, Karnataka
5. Dr. Soumya Kanti Ghosh, Group Chief Economic Advisor, State Bank of India
6. CA. Nihar N Jambusaria, The then Hon'ble President – ICAI
7. CA. R. Balakrishnan, Former President – ICAI
8. CA. B.P. Rao, Former President – ICAI

9. CA. K. Raghu, Former President – ICAI
10. CA. T.V. Mohandas Pai, Chairman-Manipal Global Education Services
11. CA Dr. I.S. Prasad, President – FKCCI
12. CA. Jalapathi K, The then Chairman-SIRC of ICAI
13. CA. G. Sekar, Central Council Member-ICAI
14. CA. Babu Abraham Kallivayalil, Central Council Member-ICAI
15. CA. Dayaniwas Sharma, Central Council Member-ICAI
16. CA. Prasanna Kumar, Central Council Member-ICAI
17. CA. Rajendra Kumar, Central Council Member-ICAI
18. CA. M.P. Vijay Kumar, Central Council Member-ICAI
19. CA. Dhiraj Khandelwal, Central Council Member and Chairman, Public and Government Financial Management Committee-ICAI
20. CA. S. Prakash Chand, Past Chairman-Bengaluru Branch of SIRC of ICAI
21. CA. P.V. Nagaraja Gupta, Past Chairman-Bengaluru Branch of SIRC of ICAI
22. CA. A.S. Vishnu Bharath, Past Chairman-Bengaluru Branch of SIRC of ICAI
23. CA. H. Padamchand Khincha, Leading Corporate & International Tax Consultant
24. Prof. R. Vaidyanathan, Cho S Ramaswamy, Visiting Chair Professor of Public Policy, Sastra University
25. Dr. Ravi Prasad M.P, Additional Commissioner, Commercial Taxes, Government of Karnataka
26. Shri. V. Lakshmikumaran, Founder & Managing Partner, Lakshmikumaran & Sridharan Attorneys
27. Shri. Girish Kousgi, Managing Director & CEO-Canfin Homes Ltd.
28. Shri. Sharad Sharma, Co-founder-iSPIRT Foundation
29. Shri. B.K. Divakar, Chief Financial Officer & Chief Credit Officer-CSB Bank Ltd
30. Dr. Naveen K Visweshwaraiah, National President-Indian Naturopathy & Yoga Gradual Medical Association (NYGMA)



SNAP SHOT OF BIRTHDAY CELEBRATIONS OF PAST CHAIRMEN DURING THE YEAR 2021-22



CA. B.V. Subbarayan



CA. K. Rahman Khan



CA. R. Venkatakrishna



CA. N. Nityananda



CA. P.N. Maiya



CA. K. Raghu



CA. Vinay Mruthyunjaya



CA. Ashok Raghavan



CA. K.S. Madhav Murthy



CA. Ravindra Raj Bhandari



CA. Shivamohan B



CA. Ganpatlal Kawad H



CA. Prabhudev Aradhya



CA. T.R. Venkatesh Babu



CA. Nithin Mahadevappa



CA. Babu K Thevar



CA. Pampanna B.E



CA. Geetha A B



CA. Shravan Guduthur



CA. Bhat Shivaram Shankar



CA. Raveendra S. Kore



CA. M.R. Krishna Murthy



CA. Harish Kumar Shetty

Students Programmes:

For the benefit of the students, the Branch conducted various webinars and virtual programmes covering the topics relevant to their academics, articleship, exams, personal growth, ethical values, technology updates etc.

The SICASA Speakers Forum of the Bengaluru Branch has conducted 38 Meetings which benefitted the students improving their Leadership, English and Public speaking skills.

Bengaluru Branch organized online Coaching Classes for CA Inter & Final Students for May & November 2021 exams.

The Branch is regularly organizing and conducting Coaching classes, Crash Courses, Mock Tests and Courses in Computer Training for the benefit of the students. The coaching classes conducted at the Branch are of high quality at affordable cost.

During the year, the Branch conducted the below mentioned number of training programmes.

- a. 49 Batches of Course in Information Technology Training
- b. 30 Batches of Course in Advanced Information Technology Training
- c. 56 Batches of ICITSS Orientation Course
- d. 36 Batches of Advanced ICITSS MCS Course

Bengaluru Branch conducted 198 Career Counselling programmes in Government & Private Colleges and Schools in and around Bengaluru and other districts of Karnataka through Offline and Online mode covering 25,858 Students pursuing them to join the CA Course.



Convocation Ceremony organized for CA Students passed in the year 2021 – 2022 on 8th February 2022. The recorded video bytes of President and Vice-President were shared in Convocation Ceremony. Past Presidents of ICAI CA. K. Raghu & CA. B.P. Rao were the Guest of Honour and distributed Convocation Certificates.



Campus Interview :

To promote the better employability among the CA fraternity, Bengaluru Branch organized the campus interview for the newly qualified Chartered Accountants. The details are as below:

Particulars	Statistics
Total No. of Organizations	113
Total Registered Candidates	7451
Total No. of Interview Teams	345
Total Expected Vacancies	9532
Total Offered Candidates	4683
Total Offer Accepted Candidates	3658
Highest Salary (CTC) offered for domestic posting	INR 22.98 LPA by ITC Limited
Highest Salary (CTC) offered for international posting	INR 33.22 LPA by Tolaram Group

Membership:

As on 31.03.2022 the Membership of Bengaluru Branch is 15,528.

Managing Committee Meetings :

During the period from 1st April 2021 to 31st March 2022 13 meetings were held. The attendance of the Managing Committee Members has been given below :

Designation	Name of the Managing Committee Member	No. of Meetings		Name of the Managing Committee Member	No. of Meetings Present		Leave of Absence
		Present	Absent		Present	Absent	
		April 2021 to February 2022			February 2022 to March 2023		
Chairman	CA. B.T. Shetty	11	-	CA. Srinivasa T	02	-	-
Vice Chairman	CA. Srinivasa T	10	1	CA. Divya S	02	-	-
Secretary	CA. Divya S	10	1	CA. Pramod R Hegde	02	-	-
Treasurer	CA. Panindra Gupta P.R	11	-	CA. Manjunath M. Hallur	02	-	-
Chairman – SICASA	CA. Bhat Shivaram Shankar	6	5	CA. Kavitha Paramesh	01	LOA	01
Member	-	-	-	CA. Tuppad Virupakshappa Muppanna	02	-	-
Member	-	-	-	CA. Shripad Mulga Narayan	02	-	-
Member	-	-	-	CA. Chandra Prakash Jain T.G.T	02	-	-
Member	-	-	-	CA. Rejo J Johnson	02	-	-
Immediate Past Chairman	CA. Raveendra S. Kore	11	-	-	-	-	-
Ex- Officio Central Council Member	-	-	-	CA. Cotha S Srinivas	02	-	-
Ex- Officio Regional Council Member	CA. Geetha A.B	5	6	CA. Geetha A.B	02	-	-
Ex- Officio Regional Council Member	CA. Pampanna B.E	4	7	-	-	-	-

Accounts :

The audited financial statements of the Branch has been published in June 2022 Newsletter and Branch website: www.bangaloreicai.org

Acknowledgements :

The Managing Committee wishes to place deep appreciation for the guidance, support and services rendered by various resource persons, Organizations and Institutions across the Country

- President, Vice President, Past Presidents, Central & Regional Council Members of ICAI.
- Past Chairpersons of Bengaluru Branch of SIRC of ICAI
- Course Directors, Speakers, Coordinators of the various programmes
- President and Executive Members of KSCAA
- Members of the Faculty of Coaching Classes, Course on GMCS, IPCC, Orientation Programme, Crash Courses and Management Development Programmes.
- Statutory Auditors M/s. Vinay & Keshava LLP
- Internal Auditors M/s. Sundaresha & Associates
- Accounts Outsourced Team M/s . Rao and Pradeep
- Advertisers and Sponsors of Newsletters and Programme Activities
- Our Bankers Canara Bank and ICICI Bank
- Our Printer M/s. Jwalamukhi Mudranalaya Pvt. Ltd
- Staff and Officers of Bengaluru Branch for their sincere and dedicated efforts in the overall administration of the Branch affairs
- Every member and student of the Branch for their unstinted support directly or indirectly in conducting various activities and programmes during these difficult times.

For and on behalf of Managing Committee
of Bengaluru Branch of SIRC of ICAI

CA. Pramod R Hegde
Secretary



INDEPENDENT AUDITOR'S REPORT

To the Council of The Institute of Chartered Accountants of India
Report on the Audit of Financial Statements

Opinion

We have audited the Financial Statements of Bengaluru Branch of SIRC of The Institute of Chartered Accountants of India ("the Branch"), which comprise the Balance Sheet as at 31st March, 2022, the Income and Expenditure Account and Cash Flow Statement for the year then ended, and notes to the Financial Statements, including a summary of Significant Accounting Policies and other Explanatory Information (hereinafter together referred to as 'Financial Statements').

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying Financial Statements are prepared in all material respects in accordance with the Chartered Accountants Act, 1949, and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Branch as at 31st March, 2022, its deficit and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Branch in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Responsibilities of the Managing Committee of the Branch (hereinafter referred to as 'Management') for the Financial Statements

Management is responsible for the preparation of these Financial Statements in accordance with the Chartered Accountants Act, 1949 that give a true and fair view of the state of affairs, financial performance and cash flows of the Branch in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Branch and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view

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and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

The management is responsible for overseeing the Branch's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

As required by the Audit Committee of ICAI, we give in the **ANNEXURE**, our comments on the Additional Details.

Report on Other Legal and Regulatory Requirements

Further, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account have been kept by the Branch so far as appears from our examination of those books;
- c) Balance Sheet, Income and Expenditure Account, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Income and Expenditure account comply with the relevant Accounting Standards.

Place: Bengaluru
Date: 12/5/2022



For **Vinay and Keshava LLP**,
Chartered Accountants

Firm Registration No. S-200008

CA Rahul Vasudev

Partner

Membership No. 236587

UDIN: 22236587A12JLT44

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph under 'Other Matters' section of our Independent Auditor's Report of even dated to The Council of the Institute of Chartered Accountants of India)

ADDITIONAL INFORMATION TO BE SUBMITTED BY STATUTORY AUDITOR FOR THE YEAR ENDED 31st March, 2022.

- Whether books are being maintained in online Tally ERP Cloud on regular basis and financial statements are prepared from the books of accounts maintained in on-line Tally only.

Auditor's Observation: Yes, The books are being maintained in online Tally ERP Cloud on a regular basis and the Financial Statements are prepared from the books of accounts maintained in such online tally.

- Whether inter unit balances with Head Office/ Regional Councils/ Decentralized Offices/ Branches are duly reconciled. Details of un-reconciled inter unit balances to be reported.

Auditor's Observation: All the Inter – Unit balances are duly reconciled except the below mentioned balances for which the reconciliation is still under process.

Sl No.	Inter Unit name	Amount as per Books	DR/CR	Reconciliation status
1	Current account Bengaluru DCO	35,39,839	CR	Reconciliation in Progress
2	Current account ITT & Adv ITT	7,000	DR	Reconciliation in Progress
3	Current account Orientation	-		Reconciliation in Progress
4	Current account MCS	-		Reconciliation in Progress
5	Current account Delhi DCO	4,03,267	DR	Reconciliation in Progress
6	ITT Centre Grant a/c	36,05,000	CR	Reconciliation in Progress
7	Current account Bengaluru of SIRC	27,88,955	CR	Reconciliation in Progress



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3. Compliance of statutory dues i.e.

(A) Whether TDS compliances under Income Tax Act, 1961 has been done regularly within due dates and accurately. Any delay or non-compliance or notice received w.r.t TDS has been attended and financial exposure, if any, has been adequately recorded in books of accounts.

Auditor's Observation:

a) TDS Deductions are done based on the applicability and remittances are made within the relevant due dates. Revised returns are filed wherever necessary.

(B) Whether accounting at the respective unit is in compliance with CGST/SGST/IGST Act, 2017. Any delay or non-compliance in GST or notice received has been attended to and any financial exposure has been adequately recorded in books of accounts.

Auditor's Observation:

a) Yes, the accounting is in compliance with CGST/SGST/IGST Act.

However, We recommend that GST Reconciliation for the entire FY has to be done & necessary amendments are to be completed by the September month return.

b) As on the date of report, the branch has received GST Notice dated 10-02-2022, seeking production of documents and information from FY 2017-18 to FY 2020-21. We have been informed that the preliminary documents have been submitted and further necessary documents, information, clarification as necessary shall be provided.

(C) Whether provisions related to provident fund, employees' state insurance are duly complied with.

Auditor's Observation:

a) The Branch has not obtained a registration for Provident Fund/ ESI. However, the Branch is maintaining a voluntary post-employment Benefit Fund for the benefit of staff.



(D) Whether provisions related to professional tax and related local labour law as applicable in concerned state are duly complied with.

Auditor's Observation:

The provisions related to Professional tax are generally complied with. PT dues are deposited well within the due dates. However, we observed that the February month PT return is filed on 21-03-2022 ie after the due date of 20-03-2022.

4. Whether the concerned unit has complied with the requirements of Micro, Small and Medium Enterprises Development (MSMED), Act 2006.

Auditor's Observation: Yes, The Branch has complied with the requirements of the Micro, small and Medium Enterprises Development (MSMED), Act 2006.

5. Whether the concerned unit is complying with the Standard Operating Procedures (SOP). Departure / non compliance with SOP be reported.

Auditor's Observation: The SOP Non – compliances identified by us are also reported in detail in the Internal Audit Report. We would like to draw your attention to the Annexure 1 of Internal Audit Report for the List of Non Compliances in connection with SOP.

6. (A) Whether the concerned unit is maintaining Fixed Assets Register and assets purchased during the period are properly recorded in register.

Auditor's Observation: Yes, Fixed Asset Register is maintained by the branch, and the same has been updated properly

- (B) Whether Fixed Assets purchased during the year have been allotted unique identification code and same have been updated in Fixed Assets Register as well.





Auditor's Observation: Yes, all the Fixed Assets have unique identification number and were properly recorded in the Asset Register provided to us.

- (C) Whether fixed asset have been physically verified by management at reasonable interval and any material discrepancies noticed on such verification, if any, have been properly dealt with in the books of accounts.

Auditor's Observation: The fixed assets were verified by the Management in consultation with the Internal Audit team, and the material discrepancies are properly dealt with in the books of accounts.

- (D) Whether the capital items purchased by concerned unit are out of the capital grant released by Head Office and only for the purpose it was sanctioned. Provide details of exception.

Auditor's Observation: The capital items purchased by the branch are in line with the Capital Budget as approved by Head office. The Capital items are purchased out of both Internally generated funds as well as Capital grant released by HO.

- (E) Whether the title deeds of immovable properties are held in the name of the Institute. If not, provide the details thereof.

Auditor's Observation: As per the information given to us, the branch has constructed its building on the leasehold land obtained from BBMP. The Branch Building lease was due for renewal in April 2021 and as on the date of our report, the renewal of the same is still under process.

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- (F) In case, the branch is not having its own premises and carrying on its activity from rented / leased premises, verify whether the Rental / Leased Expenses are within specified limit i.e.

Particulars	Maximum permissible limit	Actual Rent Paid
Branches having membership strength more than 1000	Rs. 1,05,000/- per month	Rs. 4,07,965/- per month
Branches having membership strength 501 to 1000	Rs.75,000/- per month	
Branches having membership strength 201 to 500	Rs.52,500/- per month	
Branches having membership strength upto 200	Rs.37,500/- per month	

Auditor's Observation: The Branch has over 14,000 members as of Last FY. The monthly expenditure towards Rent & Lease is Rs. 4,07,965/- which is higher than the Maximum permissible limit of Rs. 1,05,000/- per month.

7. (A) Whether the expenditure towards Seminar & Conference are properly accounted for and met out of the source generated by way of participation fee and Seminar/CPE Grant released by Head Office.

Auditor's Observation:

- The expenditure towards Seminar & Conference (Webinars) are properly accounted in Tally.
- Generally, the expenses of Seminar & Conference (Webinars) are met out of the participation fee generated. The details pertaining to surplus/deficit seminar-wise has been provided in Annexure 1 and 2 of financial statements.

- (B) Whether separate ledger account is being maintained for each of the Seminar / Conference/ Workshop / any other program organized during the period.

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Auditor's Observation: Yes, separate cost centre is being maintained for each of the Seminar/Conference/Workshop/ any other program organized during the period in online Tally ERP Cloud account.

- (C) Also, report whether such accounts are reconciled and not remained open for long and close within 60 days from the closure of such program.

Auditors Observation: Yes, all program accounts are duly reconciled and generally closed before completion of 60 days from closure of such program.

- (D) Whether any non educational program/ activity is organized by the concerned unit and expenses recorded in books of accounts. If yes, provide program wise deficit generated from non educational program / activities and total deficit from non self supporting non educational program / activities

Auditor's Observation: Yes, non-educational program/activities were organized by the Branch during the period, details of which are as follows.

Sl. No	Details of Program	Total Income	Total Expenditure	Surplus/ (Deficit)
		(Amt in Rs)	(Amt in Rs)	(Amt in Rs)
1	Campus Placement At RC College	1,10,000	1,08,565	1,435
2	Tax Clinic Membership Tab Inauguration	-	15,266	(15,266)
3	CA Day	-	29,011	(29,011)
4	Independence Day	-	31,319	(31,319)
5	Yoga Day	-	9,946	(9,946)
6	Vaccination Drive	7,500	36,577	(29,077)
7	Republic Day	-	23,330	(23,330)
	Total	1,17,500	2,54,014	(1,36,514)

- (E) Whether the amount recoverable in respect of any seminars & programs (like Advertisements, Sponsorship etc.) have been recovered within reasonable time, if not, ageing analysis of such recoverable be given.



Auditor's Observation: Yes, the amount recoverable in respect of any Seminars & Programs (like Advertisements, Sponsorship etc.) have been recovered within reasonable time.

8. Whether the fund of the concerned unit is applied either directly or indirectly for making any payment to the members of the Managing Committee except to reimburse them any expenses incurred by them in connection with the business of the Managing Committee of concerned unit. If yes, provide details.

Auditor's Observation: No, the funds of the Branch have not been applied, either directly or indirectly for making any payment to the members of the Managing Committee except to reimburse any expenses incurred by them in connection with the business of the Managing Committee

9. (A) Whether investments are earmarked corresponding to funds to be earmarked for specific purpose and the same are in agreement. If not, mention reason for the same.

Auditor's Observation: Yes, investments are earmarked corresponding to funds to be earmarked for specific purposes and the same are in agreement.

- (B) In case, any amount is transferred from/to capital reserve, general reserve or/and earmarked funds, whether the appropriate resolution has been approved by the managing committee of the concerned unit.

Auditor's Observation: An amount of Rs. 1,70,410/- has been transferred from Post Employment Benefit fund towards the settlement of the retired/resigned employees and the same has been approved by the Managing Committee.

- (C) Whether such funds are utilized only specific purpose for which the same are appropriated.

Auditor's Observation: Yes, the Branch has utilized the funds only for the specific purposes for which the same are appropriated.

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10. Whether concerned unit is printing and publishing newsletters except e-newsletter. The income and expenditure generated from newsletter publication during the year should be reported.

Auditor's Observation: The Branch has discontinued printing and publishing of newsletters. However, we were informed that the Branch receives 200 complimentary copies of newsletters monthly for office use.

The income generated from advertisements in publication of newsletters is Rs. 1,71,548/- and the expenditure of Rs. 16,939/- was incurred towards newsletter designing charges.

11. Whether all the revenue grants received and receivable as per the entitlement of the concerned unit duly accounted for in the books of accounts

Auditor's Observation: Yes, all Revenue Grants received and receivable as per the entitlement of the Branch are duly accounted for in the books of accounts.

12. Whether Capital Grant is recognized only on receipt basis.

Auditor's Observation: Yes, the Branch recognizes Capital Grant only on receipt basis.



13. Whether material departure noticed while comparing the actual income and expenditure with the budget estimates approved by the Council. If yes, submit the report of the same.

Auditor's Observation: Based on the information provided to us, we have provided below the material departure noticed in actual income & expenditure when compared to Budget estimates.

(Rupees in lakhs)

Inc - Exp	Description	Revised Revenue Estimated 2021-22	Actual Revenue expenses 2021-22	Variance
		12.00	27.70	(15.70)
Contra	Branch Support Service Income/Bill of supply	2.00	2.00	-
Contra	Revenue Grant	14.39	14.39	-
Contra	Member Fee Grant	0.40	0.60	(0.20)
Contra	Audit Fee	7.50	7.64	(0.14)
Contra	Special Grant	-	1.15	(1.15)
Contra	Grants from HO	5.50	5.50	-
Contra	Student Association Grant	50.91	50.14	0.77
Income	Interest on Investment	3.39	5.02	(1.63)
Income	Other Income	34.36	47.10	(12.75)
Income	Seminar Income - Members	-	0.75	(0.75)
Income	Seminar Income - Students	52.48	47.47	5.01
Income	Coaching Income	74.35	68.01	6.34
Income	GMCS Income - I	92.53	119.84	(27.31)
Income	Orientation Income	42.32	43.32	(1.00)
Income	ITT Income	40.08	32.00	8.08
Income	Advanced ITT Income	0.20	1.72	(1.52)
Income	Members Newsletters - Branches and regions Income			
Contra	Branch Support Service Expenses/ /Bill of supply	12.00	(27.70)	39.70
Expenses	Salaries	(65.94)	(50.75)	(15.19)
Expenses	Rent	(63.40)	(37.20)	(26.19)
Expenses	AMC Charges	(2.16)	(1.91)	(0.25)
Expenses	Office & admin expense	-	(1.15)	1.15
Expenses	Professional Fees	(11.38)	(12.91)	1.53
Expenses	Electricity	(9.83)	(9.85)	0.02
Expenses	Electricity	(0.40)	(0.32)	(0.08)
Expenses	Diesel for generator and hiring charges	(1.68)	(2.46)	0.78
Expenses	Water	(3.82)	(2.90)	(0.92)
Expenses	Repairs and maintenance			

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Expenses	Printing and Stationery, Directory and Publications	(0.59)	(0.86)	0.27
Expenses	Travel and conveyance - all others	(0.75)	(1.42)	0.67
Expenses	Rates and Taxes	(2.90)	(2.63)	(0.27)
Expenses	Hiring charges	(24.39)	(22.56)	(1.82)
Expenses	Security charges	(38.60)	(19.05)	(19.55)
Expenses	Depreciation	(32.44)	(40.86)	8.42
Expenses	Mobile and Phones	(1.80)	(0.98)	(0.82)
Expenses	Mass Mails and SMS	(0.86)	(0.62)	(0.24)
Expenses	Bank Charges	(1.12)	(1.18)	0.06
Expenses	IT related	(7.78)	(7.28)	(0.51)
Expenses	Election	(1.00)	(0.11)	(0.89)
Expenses	Courier Charges	(0.33)	(0.33)	0.00
Expenses	Magazine and Periodicals	(0.02)	(0.04)	0.02
Expenses	Seminar Related Expenses - members	(24.05)	(32.89)	8.84
Expenses	Seminar Related Expenses - Students	(4.40)	(6.90)	2.50
Expenses	Coaching	(51.43)	(55.43)	4.01
Expenses	GMCS	(29.74)	(34.42)	4.69
Expenses	Orientation	(37.01)	(69.37)	32.36
Expenses	ITT	(12.70)	(48.92)	36.22
Expenses	Advanced ITT	(8.02)	(29.73)	21.72
Expenses	Assets written off	-	(14.00)	14.00
Expenses	Audit fee	-	(0.72)	0.72
Expenses	Members Newsletters - Branches and regions	-	(0.17)	0.17
Total		5.90	(63.28)	69.17



BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA BALANCE SHEET AS AT 31st MARCH 2022			
PARTICULARS	NOTES	31/03/2022 AMOUNT (Rs.)	31/03/2021 AMOUNT (Rs.)
SOURCES OF FUNDS			
General Reserve			
Opening Balance		7,79,95,337	8,55,94,003
Add: Surplus/(Deficit) for the year		(63,27,921)	(75,98,666)
Total of General Reserve		7,16,67,416	7,79,95,337
Other Reserves			
Other Reserves		27,206	27,206
Total of Other Reserve		27,206	27,206
Earmarked Funds	1	14,29,86,742	13,55,26,387
Total of Earmarked Funds		14,29,86,742	13,55,26,387
Current Liabilities			
Fees Received in Advance	2	9,45,079	13,07,200
Sundry Creditors	3	2,229	55,337
Other Liabilities	4	15,02,404	38,93,314
Provisions	5	17,77,434	17,21,722
Total of Current Liabilities		42,27,146	69,77,573
Sub-Total of Liabilities (A)		21,89,08,510	22,05,26,503
Inter Unit Balances:			
Capital Grant Received		3,15,94,081	3,15,94,081
Building Grant		31,87,347	31,87,347
Current A/C Bengaluru DCO		35,39,839	35,39,839
Sub-Total of Inter Unit Balances (B)		3,83,21,267	3,83,21,267
Total Liabilities (A+B)		25,72,29,777	25,88,47,770
APPLICATION OF FUNDS			
Non-Current Assets			
Property, Plant and Equipment	6	1,15,84,171	1,60,24,790
Intangible Assets	6	-	2,142
Long term Investments	7	-	8,09,289
Security Deposits	8	26,14,985	26,14,985
Total Non-Current Assets		1,41,99,156	1,94,51,206
Current Assets			
Short Term Investments	9	23,86,05,097	23,14,55,101
Stock of Stationery, Mementos etc	10	1,14,597	97,788
Seminar/Other Receivables	11	72,520	40,000
Advances & Prepayments	12	9,34,792	3,93,891
Cash & Bank Balances	13	27,59,572	36,41,145
Total Current Assets		24,24,86,578	23,56,27,925
Sub-Total Of Assets (A)		25,66,85,734	25,50,79,131
Inter Unit Balances:			
ICAI Current Account-(HO-Branch)	14	30,430	2,62,221
ICAI Current Account-Branches		5,13,613	35,06,418
Total of Inter Unit Balances (B)		5,44,043	37,68,639
Total Assets (A+B)		25,72,29,777	25,88,47,770
SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF FINANCIAL STATEMENTS	20		

As per our report of even date

For Vinay & Keshava LLP

Chartered Accountants

FRN: S-2000008

CA. Rahul Vasudev

Partner

Membership No.: 236587

Date: 31 May 2022

Place: Bengaluru

For and on behalf of Managing Committee of Bengaluru Branch of

SIRC of the Institute of Chartered Accountants of India

CA. Srinivasa T

Chairman

CA. Pramod R Hegde

Secretary

CA. Manjunath M Hallur

Treasurer





BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2022			
PARTICULARS	NOTES	31/03/2022	31/03/2021
		AMOUNT (Rs.)	AMOUNT (Rs.)
Income			
Grants Received From Head Office			
Staff & Administrative Expenses		16,99,300	16,70,500
One Day Seminar		1,15,000	-
Students' Activities		5,50,000	7,71,088
Career Counselling		7,63,500	4,00,000
Sub Total (A)		31,27,800	28,41,588
Income From Operations			
Members' Seminars		47,10,416	21,96,405
Management Development Programme		-	5,10,000
E-Newsletter		1,71,548	28,571
Orientation Classes		1,19,83,500	65,99,500
ITT & Advanced ITT Income		75,32,450	91,51,300
GMCS Course		68,01,000	90,02,000
Coaching Classes		47,46,584	38,21,538
Students' Seminars		74,870	89,168
Interest on Deposits	15	50,13,754	51,93,218
Other Income	16	1,53,390	81,914
Prior Period Income (Refer Note-4 of Notes forming part of accounts)		3,48,454	3,24,374
Sub Total (B)		4,15,35,966	3,69,97,988
Total Income -C (A+B)		4,46,63,766	3,98,39,576
Expenditure			
Employee Benefits	17	50,74,822	63,67,443
Consultancy & Professional Fees		12,90,509	14,97,083
E-Newsletter Design Charges		16,939	1,43,074
Operational Expenses	18	1,00,28,700	93,25,204
Audit Fee		72,000	60,000
Members' Seminars		32,88,956	28,31,412
Management Development Programme		-	1,77,158
Orientation Classes		69,37,194	30,87,521
ITT & Advanced ITT Expenses		78,65,113	61,60,678
GMCS Course		34,42,475	21,25,416
Coaching Classes		55,43,170	41,42,366
Students' Seminars		1,60,892	4,46,738
Career Counselling		5,28,669	3,49,001
Other Expenses	19	12,32,467	6,25,685
Assets Written Off		14,00,227	-
Prior Period Expenses (Refer Note-4 of Notes forming part of accounts)		23,846	29,83,524
Sub - Total		4,69,05,979	4,03,22,303
Depreciation & Amortisation	6	40,85,708	71,15,939
Total Expenditure (D)		5,09,91,687	4,74,38,242
Surplus/(Deficit) (C-D)		(63,27,921)	(75,98,666)
Appropriations			
Transfer to Earmarked Funds	1	-	-
Balance transferred to General Reserve		(63,27,921)	(75,98,666)
SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF FINANCIAL STATEMENTS	20		

As per our report of even date

For Vinay & Keshava LLP

Chartered Accountants

FRN: S-200008

[Signature]

CA. Rahul Vasudev

Partner

Membership No.: 236587

UDIN: 22050687A1ZJLT4449

Date: 12 May 2022

Place: Bengaluru



For and on behalf of Managing Committee of Bengaluru Branch of
SIRC of the Institute of Chartered Accountants of India

[Signature]

CA. Srinivasa T

Chairman

[Signature]

CA. Pramod R Hegde

Secretary

[Signature]

CA. Manjunath M Hallur

Treasurer



BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022		
PARTICULARS	31/03/2022 AMOUNT (Rs.)	31/03/2021 AMOUNT (Rs.)
A. Cash flow from operating activities		
Net Surplus before appropriations, tax & extraordinary items	(63,27,921)	(75,98,662)
Adjustments		
Depreciation & amortisation expense, net of adjustments	40,85,708	71,15,939
Interest income	(50,13,754)	(51,93,218)
Assets written off	14,00,227	-
Operating surplus/(deficit) before working capital changes	(58,55,740)	(56,75,941)
Movements in working capital :		
Increase / (decrease) in Fees received in advance	(3,62,121)	(10,43,433)
Increase / (decrease) in Creditors for Expenses	(53,108)	(14,33,551)
Increase / (decrease) in Other Liabilities	(23,90,910)	(5,14,424)
Increase / (decrease) in Provisions	55,712	5,42,044
Increase / (decrease) in Inter Unit Balances	32,24,596	90,08,475
(Increase) / decrease in Stationery Stock	(16,809)	1,85,274
(Increase) / decrease in Security Deposits	-	(37,830)
(Increase) / decrease in Other Receivables	(32,520)	(40,000)
(Increase) / decrease in Advances & Prepayments	(5,40,901)	66,995
Net surplus before tax & extraordinary items	(59,71,801)	10,57,609
Less: Direct taxes paid	-	-
Net surplus before tax & extraordinary items	(59,71,801)	10,57,609
Add/less: extraordinary items	-	-
Net cash generated from operating activities	(59,71,801)	10,57,609
B. Cash flows from investing activities		
Purchase of tangible assets	(10,43,174)	(16,56,259)
(Investments)/Maturity in Fixed Deposits for Earmarked funds (Net)	(74,60,355)	(1,00,89,392)
Interest received on SB accounts & on Fixed Deposits	50,13,754	51,93,218
Increase / (decrease) in Earmarked funds	74,60,355	69,89,390
(Increase)/Decrease in Fixed Deposits	11,19,648	17,71,487
Net cash generated/(used) from investing activities	50,90,228	22,08,444
C. Cash flows from financing activities		
Capital Grant Received	-	-
Net cash generated from financing activities	-	-
Net increase/(decrease) in cash & cash equivalents (A + B + C)	(8,81,573)	32,66,053
Add: Cash & Cash equivalents at the beginning of the year	36,41,145	3,75,092
Cash & Cash equivalents at the end of the year	27,59,572	36,41,145
Cash & Cash equivalents at the end of the year includes:		
- Cash on Hand	1,526	2,420
- Cash at Banks	27,58,046	36,38,725
Total	27,59,572	36,41,145
SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF FINANCIAL STATEMENTS	20	

As per our report of even date
For Vinay & Keshava LLP
Chartered Accountants
FRN: 5-200008

CA. Rahul Vasudev
Partner

Membership No.: 236587

UDIN: 22236587A125LT4449

For and on behalf of Managing Committee of Bengaluru Branch of
SIRC of the Institute of Chartered Accountants of India

CA. Srinivasa T
Chairman

CA. Pramod R Hegde
Secretary

CA. Manjunath M Hallur
Treasurer





BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2022					
NOTE - 1- EARMARKED FUNDS					
PARTICULARS	AS AT 01/04/2021 AMOUNT (Rs.)	ADDITIONS AMOUNT (Rs.)	INCOME AMOUNT (Rs.)	DEDUCTIONS AMOUNT (Rs.)	AS AT 31/03/2022 AMOUNT (Rs.)
ENDOWMENT FUNDS					
VISHWESWARAJAH PRIZE FUND	2,04,377	-	10,699	-	2,15,076
GURUPRASAD PRIZE FUND	1,13,383	-	5,935	-	1,19,318
BHANUMATHI PRIZE FUND	26,529	-	1,388	-	27,917
SEETHARAMAIAH PRIZE FUND	2,77,759	-	14,539	-	2,92,298
TOTAL (A)	6,22,048	-	32,561	-	6,54,609
DESIGNATED FUNDS					
STUDY CIRCLE SERIES FUND	21,38,675	-	1,11,951	-	22,50,626
CA STUDENT EDUCATION FUND	5,31,573	-	27,875	-	5,59,448
BUILDING MAINTENANCE FUND	3,45,55,997	-	17,31,632	-	3,62,87,629
LIBRARY CORPUS FUND	17,14,159	-	89,729	-	18,03,888
FIXED ASSET ACQUISITION FUND	8,06,54,429	-	42,39,538	-	8,48,93,967
ITT RESERVE FUND	1,27,54,635	-	6,39,945	-	1,33,94,580
POST EMPLOYMENT BENEFITS FUND	25,54,871	6,24,007	1,33,527	1,70,410	31,41,995
TOTAL (B)	13,49,04,339	6,24,007	69,74,197	1,70,410	14,23,32,163
GRAND TOTAL (A) + (B)	13,55,26,387	6,24,007	70,06,758	1,70,410	14,29,86,542



BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA		
NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2022		
PARTICULARS	31/03/2022	31/03/2021
	AMOUNT (Rs.)	AMOUNT (Rs.)
NOTE :2		
FEES RECEIVED IN ADVANCE		
Coaching Class Fees	8,61,066	11,86,250
Members Seminar Fees	84,013	1,20,950
	9,45,079	13,07,200
NOTE :3		
SUNDRY CREDITORS		
Rent, Telephone, Electricity & Water Charges Payable	1,287	-
Fixed Assets & Capital Work in Progress Payable	-	55,337
Repairs & Maintenance Payable	942	-
	2,229	55,337
NOTE :4		
OTHER LIABILITIES - CURRENT		
STATUTORY DUES		
Tax Deducted at Source	2,82,489	1,98,552
Professional Tax	2,600	2,800
OTHER LIABILITIES		
Refund Due to Students	-	1,04,000
Refund Due to Members	17,361	13,946
Expenses Payable	11,96,954	35,74,016
Other Liabilities	3,000	-
	15,02,404	38,93,314
NOTE :5		
PROVISIONS		
Employee Benefits	17,77,434	17,21,722
	17,77,434	17,21,722
NOTE :7		
LONG TERM INVESTMENTS		
Fixed Deposits-Other Investments	-	8,09,289
	-	8,09,289
NOTE :8		
SECURITY DEPOSITS		
Rent Deposit-Reading Room	3,08,000	3,08,000
Rent Deposit-Race Course Road	12,61,848	12,61,848
Rent Deposit-Bengaluru South ITT Center	6,40,000	6,40,000
Deposit with BESCOM	4,05,137	4,05,137
	26,14,985	26,14,985



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BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA		
NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2022		
PARTICULARS	31/03/2022	31/03/2021
	AMOUNT (Rs.)	AMOUNT (Rs.)
NOTE :9		
SHORT TERM INVESTMENTS		
Fixed Deposits-Earmarked Investments	14,29,86,742	13,55,26,387
Fixed Deposits-Other Investments	9,56,18,355	9,59,28,714
	23,86,05,097	23,14,55,101
NOTE :10		
STOCK OF STATIONERY, MEMENTOS & GIFT VOUCHERS		
Mementos	9,085	1,650
Books	-	7,450
Student Bags	49,320	18,424
Silver Coins	-	2,338
Pens	2,195	2,565
Button Files	886	2,201
Folders	13,112	-
Scribbling Pads	40,000	63,160
	1,14,597	97,788
NOTE :11		
SEMINAR/OTHER RECEIVABLES		
Seminar Receivables	50,000	40,000
Other Receivables	22,520	-
	72,520	40,000
NOTE :12		
ADVANCE & PRE-PAYMENTS		
Prepaid Expenses	7,11,717	2,34,861
Advance to Staff	1,43,265	40,000
Input GST carried forward & GST on Advances	63,520	25,031
Advances to Vendors	16,290	93,999
	9,34,792	3,93,891
NOTE :13		
CASH & BANK BALANCES		
Cash On Hand	1,526	2,420
Cash In Canara Bank Accounts	24,06,604	36,14,112
Cash In ICICI Bank Account	3,51,442	24,613
	27,59,572	36,41,145
NOTE :14		
ICAI CURRENT ACCOUNT-(HO-BRANCH)		
TDS Receivable	24,09,118	23,88,722
ICAI Current Account	(23,78,688)	(21,26,501)
	30,430	2,62,221

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BENGALURU BRANCH OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH 2022							
NOTE - 6							
PARTICULARS	WDV AS ON 01/04/2021	ADDITIONS		DELETIONS/WRITE OFF		TOTAL	DEPRECIATION & AMORTISATION
	AMOUNT (Rs.)	AMOUNT (Rs.)		AMOUNT (Rs.)		AMOUNT (Rs.)	AMOUNT (Rs.)
A. PROPERTY, PLANT & EQUIPMENT:							
01. Land - Leasehold	2,028	-	-	2,028	-	-	-
02. Buildings	10,05,548	-	-	10,05,548	-	-	-
03. Leasehold Improvements	26,74,803	3,45,586	-	-	-	30,20,389	11,05,041
04. Electrical Installations & Fixtures	14,34,495	-	-	3,23,602	-	11,10,893	1,32,122
05. Computers	31,31,775	37,890	-	133	-	31,69,532	18,96,127
06. Air Conditioners	5,60,232	-	-	-	-	5,60,232	84,035
07. Furniture & Fixtures	42,39,655	37,112	-	7,969	-	42,68,798	4,24,189
08. Lift	7,71,584	-	-	-	-	7,71,584	77,159
09. Office Equipment	22,04,670	6,22,586	-	60,091	-	27,67,165	3,65,749
10. Library Books	-	-	-	-	-	-	-
B. INTANGIBLE ASSETS:							
01. Software	2,142	-	-	856	-	1,286	1,286
TOTAL	1,60,26,932	10,43,174	14,00,227	14,00,227	1,56,69,879	40,85,708	1,15,84,171
PREVIOUS YEAR	2,14,86,612	18,66,082	2,09,823	2,09,823	2,31,42,871	71,15,939	1,60,26,932





BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA		
NOTES FORMING PART OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2022		
PARTICULARS	31/03/2022	31/03/2021
	AMOUNT (Rs.)	AMOUNT (Rs.)
NOTE :15		
INTEREST ON DEPOSITS		
Interest on Fixed Deposits	48,37,518	49,31,989
Interest on SB Accounts	1,76,236	2,61,229
	50,13,754	51,93,218
NOTE :16		
OTHER INCOME		
Sale of Scrap	1,13,173	33,180
Miscellaneous Income	29,592	39,309
Library ID Card Income	10,625	9,425
	1,53,390	81,914
NOTE :17		
EMPLOYEE BENEFIT EXPENSES		
Salaries	41,73,289	54,38,600
Employer Contribution-Post Employment Benefits	2,02,900	2,33,601
Gratuity	1,50,495	1,01,540
Staff Welfare	4,45,843	5,24,075
Uniform Expenses	1,02,295	69,627
	50,74,822	63,67,443
NOTE :18		
OPERATIONAL EXPENSES		
Rent	37,20,083	38,46,466
Electricity & Water Charges	12,31,247	8,88,459
Rates & Taxes	2,63,122	10,32,516
Repairs & Maintenance	2,90,249	2,44,815
Security & Housekeeping Charges	19,04,936	16,04,282
Manpower Resource Charges	22,56,383	13,49,563
Printing, Stationery & Photocopying	86,360	1,67,529
Postage, Courier & Telephone	1,30,694	1,49,415
Travel & Conveyance	1,41,986	39,479
Magazines & Periodicals	3,640	2,680
	1,00,28,700	93,25,204
NOTE :19		
OTHER EXPENSES		
Office & Admin Expenses	3,24,843	2,00,623
Mass SMS & Email	62,077	1,08,675
Broadband Expenses	78,357	58,769
Website Development & Maintenance Charges	6,49,159	1,72,974
Bank Charges	1,18,031	84,644
	12,32,467	6,25,685



(Signature)



**BENGALURU BRANCH OF SIRC OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

NOTE: 20

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022.

A. SIGNIFICANT ACCOUNTING POLICIES

a. Basis for preparation of financial statements:

The financial statements comprising Balance Sheet, Income and Expenditure Account and Cash Flow Statement together with Notes are prepared under historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with applicable Accounting Standards issued by The Institute of Chartered Accountants of India.

b. Revenue Recognition:

1. Income from Seminars is recognized on completion of the programmes.
2. Income from ITT, Advanced ITT, GMCS and Orientation Courses are recognized on completion of batches as per the completion report of the Head Office.
3. Income from Coaching Classes of the students are recognized based on the number of hours of the classes conducted.

c. Income from Interest:

1. Interest on fixed deposits with banks is accounted for at the rates applicable to each such deposit.
2. Income from earmarked investments of specific funds is credited to the respective earmarked fund account.

d. Grants:

1. Revenue Grants are recognized as per the approval of the Head Office.
2. Capital Grants are recognized on receipt basis as per the guidelines issued by the ICAI in this regard

e. Allocation of E-Newsletter Designing Charges:

Expenses on designing charges of the newsletter relating to Conference, Seminar, Workshops or any other event in newsletter are allocated to concerned programmes.





f. Allocation of Employee Benefit Expenses:

Salary Expenses and other expenses relating to the ITT employees of the branch are allocated to the ITT and Advanced ITT Expenses.

g. Termination/Retirement Benefits:

Provision towards the Gratuity is made based on Actuarial Valuation and Provision is also made towards the Post-Employment Benefits.

h. Inventories:

Stock of stationery, mementos and gift vouchers are maintained at cost.

i. Property, Plant and Equipment:

1. Property, Plant and Equipment are stated at written down value after providing for depreciation.
2. Depreciation is provided at the following rates, as approved by the Head Office, based on the useful life of the respective assets.

Asset Category	Depreciation Rate (%)
Buildings	5%
Air-Conditioner and Office Equipment	15%
Lifts, Electrical Installations and Furniture & Fixtures	10%
Vehicles	20%
Computers	60%
Library Books	100%

3. The lease hold assets and leasehold improvements are amortised over the useful life of the assets.
4. Depreciation on additions is provided on monthly pro-rata basis.

j. Intangible Assets:

Intangible assets are carried at cost less accumulated amortisation and impairment loss, if any. The cost of intangible assets comprises its purchase price net of any trade discounts and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, if any, attributable to acquisition of asset up to the date the asset is ready for its intended use.

k. Impairments of Assets:

1. The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of



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assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at weighted cost of capital.

2. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

l. Investments:

Investments being Fixed Deposits with Banks are stated at year end value, including accrued interest

m. Provisions:

A provision is recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Branch, or is a present obligation that arises from past event but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized.

n. Provision for Income Tax:

Provision for Income-tax and other direct taxes, applicable if any, is made at Head Office.

o. Unclaimed cheques or deposits:

Unclaimed cheques or deposits for more than three years are transferred to Miscellaneous Income account on annual basis.

p. Goods and Service Tax:

1. The GST Registration has been obtained by the Head Office State wise and no individual registration has been obtained for the Branch. The Branch has complied applicable GST provisions as per the guidance from Head Office with respect to collection, reverse charge mechanism, eligible and ineligible input tax credit etc. As centralized GST registration has been obtained for the state, the nodal office complies applicable GST provisions on behalf of Head Office and all the transactions with respect to GST are finally routed through Inter head Balances.
2. The Branch has been appointed as the nodal office for the purpose of the GST compliances for all the branches of Karnataka with effect from April 2020.
3. The ineligible input tax credit as per the workings by the Branch has been debited to the respective expense account.

B. NOTES FORMING PART OF THE ACCOUNTS:

1. As on 31st March 2022, an amount of Rs. 31,41,995/- is recognized as the liability on account of the Post Employment Benefits





Particulars	Amount (Rs)
Opening Balance as on 01 st April, 2021	25,54,871/-
Add: Additions made during the year	7,57,534/-
Less: Payments made during the year	1,70,410/-
Closing Balance as on 31 st March, 2022	31,41,995/-

- Employees, who are eligible for absorption on HO Payroll Scheme, are not covered under Post Employment Benefits created at Branch.
- Contingent Liabilities: Nil (Previous Year: Nil)
- Disclosure of Prior Period Income and Expenses:
The prior period income amounting to Rs.3,48,454/- for the FY 2021-22 comprises of the following items:

Particulars	Details
Advanced ITT, Orientation Receipts	Advanced ITT and Orientation Receipts of Rs.1,00,000/- no more refundable as per HO confirmation.
TDS paid	TDS for the month of Sep 2021 has been utilized to the extent of Rs.928/- from the unutilized challans of the previous years.
Refund of GST Inputs	GST inputs of Rs.2,47,526/- of earlier years reversed due to not reflecting in GSTR 2A and the same has been collected from the vendors during the year.

The prior period expenses amounting to Rs. 23,846/- for the FY 2021-22 comprises of the following items:

Particulars	Details
TDS Receivable	TDS receivable from Bescom accounted for Rs.1,729/- but the same has been revised in Form 26AS and revised TDS credit given for only Rs.1,297/- and hence the difference of Rs.432/- has been treated as prior period expense during the year.
GST arrears paid	GST arrears paid for the FY 2020-21 which was arisen out of the GSTR 9/9C filed for the FY 2020-21 amounting to Rs.23,414/-

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The prior period income amounting to Rs.3,24,374/- for the FY 2020-21 comprises of the following items:

Particulars	Details
Sponsorship Income	Sponsorship Income of Rs.25,000/- receivable from ICICI Bank related to seminar dated 19 th and 20 th July 2019 received during the year.
BOS Grant	Revised Grants of Rs.2,99,374/- as approved by the Head Office related to the CA Students Conference of 2019 and reimbursement of mock test expenses of FY 2019-20 received during the year.

The prior period expenses amounting to Rs.29,83,524/- for the FY 2020-21 comprises of the following items:

Particulars	Details
GST Input not claimed	The GST input of Rs.15,31,738/- not claimed by the head office within the due date and hence transferred to prior period expense by the head office in the branch books.
Ineligible GST	The ineligible GST component of Rs.2,37,514/- out of the common inputs related to the months of February and March 2020 transferred to prior period expenses.
TDS Credit	Sponsorship paid by M/s Silver Monkey for the seminar conducted in FY 2019-20 but the corresponding TDS credit for Rs.5,070/- has not filed by the party. Hence, treated as prior period expense.
Refund of Seminar Fee	Seminar income of Rs.1,525/- recognized as income during FY 2019-20. Later, refund made to the member and hence transferred to prior period expenses.
Seminar Expenses	Short provision made of Rs.50,321/- related to the expenses of the FY 2019-20 now transferred to prior period expenses.
HO Reconciliation	As per the reconciliation done with the HO, Rs.11,57,356/- earlier shown as receivable from HO has been treated as prior period expense with the confirmation of the HO

5. The Branch Building lease was due for renewal in April 2021 and the renewal process is taken by the Managing Committee and the same is under process.





6. Assets amounting to Rs.3,77,026/- has been written off during the year due to scrapping of the old batteries as the same were not in working condition. Also, assets amounting to 15,625/- has been written off as a result of the physical verification of assets. Further, leasehold land and building amounting to Rs.10,07,576/- has been written off during the year since the lease of the branch building has expired.
7. Previous year's figures have been regrouped/ rearranged wherever necessary to make them comparable with that of the current year.

The accompanying notes are an integral part of the Financials Statements.

As per our report of even date

For Vinay and Keshava LLP,
Chartered Accountants
FRN: S-200008

For and on behalf of Managing Committee of Bengaluru Branch of
SIRC of the Institute of Chartered Accountants of India



CA Rahul Vasudev
Partner
Membership No. 236587

CA. Srinivasa T
Chairman

CA. Pramod R Hegde
Secretary

CA. Manjunath M Hallur
Treasurer

Date: 12-May-2022
Place: Bengaluru



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

BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA				
ANNEXURE 1: SEMINAR INCOME & EXPENSE: MEMBERS				
DATE	PARTICULARS	INCOME	EXPENSES	NET INCOME/(DEFICIT)
Apr/07/2021	Study Circle Meeting-Critical Issues in Income Tax	1,700	9,449	(7,749)
Apr/08-17/2021	Comprehensive Workshop on Transformation From CA to CFO	3,13,500	2,08,174	1,05,326
Apr/19-24/2021	Workshop on RERA	95,200	35,884	59,316
Apr/23/2021	Study Circle Meeting-GST Audit by Authorities-A Practical Perspective	-	12,763	(12,763)
Apr/28/2021	Study Circle Meeting-Importance of Time and Place of Supply	-	9,912	(9,912)
Apr/29-May/06/2021	Workshop On Revisit Income Tax, Act 1961	7,95,600	1,14,091	6,81,509
May/03-06/2021	Workshop on Co-operative Societies	83,400	42,993	40,407
May/05/2021	Study Circle Meeting-Amendments to Finance Bill	-	10,237	(10,237)
May/07/2021	Charitable Or Religious Trusts Or Institutions	34,000	21,006	12,994
May/12/2021	Study Circle Meeting-Taxability of Digital and E-Commerce Transactions	-	5,700	(5,700)
May/15/2021	New Networking Guidelines & Corporate Form of Practice	-	9,921	(9,921)
May/17-22/2021	GST Training Programme for Commerce Faculty	-	59	(59)
May/18/2021	From Ticking to Clicking of Business	-	17,535	(17,535)
May/19/2021	Decoding IT General Controls Audit and IT Application Audit	-	7,001	(7,001)
May/20/2021	Workshop on Code of Ethics & IND AS	-	6,145	(6,145)
May/24-June/01/2021	Workshop on Wealth Management	-	14,063	(14,063)
May/26/2021	Pre-Pack Insolvency Resolution Process	-	4,150	(4,150)
May/28/2021	Seminar on Recent Amendments on Schedule III	-	350	(350)
May/30/2021	A Seminar on Mental Health-Present & Post Covid	-	11,402	(11,402)
June/01-04/2021	Applying Auditing Standards in Practice	-	2,534	(2,534)
June/02/2021	Study Circle Meeting-India Entry Services As an Offering	-	1,360	(1,360)
June/06-09/2021	Practical Aspects of Ind AS	-	3,560	(3,560)
June/09/2021	Study Circle Meeting-Is Remote Audit A Delimit?	-	2,720	(2,720)
June/10/2021	Workshop on Succession Plan	68,700	18,508	50,192
June/15/2021	Workshop on Information Technology	21,000	14,802	6,198
June/17-26/2021	Workshop on International Taxation	1,22,400	17,332	1,05,068
June/23/2021	Study Circle Meeting-How to Enhance Effectiveness of Assurance with Powerful Analytics?	-	4,213	(4,213)
June/27/2021	International MSME Day	-	26,298	(26,298)
June/30/2021	Study Circle Meeting-Startups and Fund Raising	-	2,785	(2,785)
July/02-07/2021	Executive Development Programme on Information System Audit	80,000	81,340	(1,340)
July/07/2021	Study Circle Meeting-Corporate Governance and Internal Audit	-	2,986	(2,986)
July/08/2021	Accounting Standards for Non Company Entities	-	12,733	(12,733)
July/09-10/2021	Virtual Training Programme for Peer Reviewers	1,55,250	54,125	1,01,125
July/14/2021	Study Circle Meeting-Various Credit Facility Options available to MSME's	-	2,986	(2,986)
July/15-23/2021	GST for Beginners	-	8,236	(8,236)
July/20/2021	Virtual CPE Meeting on Important Amendments for Audit	21,400	6,015	15,385
July/23/2021	Study Circle Meeting-Changes in New IT Returns	-	7,065	(7,065)
July/24/2021	CPE Meeting on Young Members Mentoring Program	2,500	7,645	(5,145)
July/28/2021	Study Circle Meeting-Software as a service	-	2,786	(2,786)
July/29/2021	Corporate Governance and Internal Audit	-	7,066	(7,066)
July/31/2021	Panel Discussion on Multi-Disciplinary Firms	-	8,867	(8,867)
Aug/04/2021	Study Circle Meeting-Time, Efficiency & Tools that create Time for CAs	-	2,986	(2,986)
Aug/05/2021	Virtual CPE Meeting on Reassessments under New regime	4,200	5,355	(1,155)
Aug/06/2021	Young Members Mentoring Program	3,000	8,139	(5,139)
Aug/10/2021	Virtual CPE Meeting on Interlinkages between Accounting & AS	-	7,066	(7,066)
Aug/11/2021	Study Circle Meeting-E-way Bill provisions under GST	-	4,213	(4,213)
Aug/12-14/2021	Sub Regional Conference	-	10,160	(10,160)
Aug/17/2021	Virtual CPE Meeting on Ethics from Epics	-	4,213	(4,213)
Aug/18/2021	Study Circle Meeting-Tax Compliances for Non Tax Audit Assesses	-	2,426	(2,426)
Aug/19-21/2021	Virtual CPE Meeting on Income Tax Audits	68,700	39,848	28,852
Aug/25/2021	Study Circle Meeting-Pleadings before NCLT benches and IBC proceedings	-	2,786	(2,786)
Aug/26/2021	Young Members Mentoring Program on FEMA	4,200	14,887	(10,687)
Aug/27-28/2021	Virtual CPE Meetings on Mergers and Acquisitions	9,400	8,813	587
Aug/31/2021	Virtual CPE Meeting on TDS under Section 195, Form 15CA	-	1,000	(1,000)
Sep/01/2021	Study Circle Meeting-Reimbursements Implication Under IT	-	7,178	(7,178)
Sep/02-04/2021	Virtual CPE Meeting on Transfer Pricing	17,700	20,393	(2,693)
Sep/08/2021	Study Circle Meeting-GST Implications of Employer Employee	-	7,329	(7,329)
Sep/09-11/2021	Virtual CPE Meeting on Private Trust	24,000	14,678	9,322
Sep/15/2021	Study Circle Meeting-Finalisation of Books of Accounts	-	3,340	(3,340)
Sep/16-18/2021	Virtual CPE Meeting on Information Technology	26,700	11,953	14,747
Sep/22/2021	Study Circle Meeting-Taxation of Digital Economy	-	5,801	(5,801)
Sep/23/2021	Virtual CPE Meeting on Mythology and Internal Audit	-	12,079	(12,079)
Sep/24-25/2021	Women CA Conference	-	32,611	(32,611)
Sep/28-30/2021	Virtual CPE Meeting on Valuation Standards	10,800	18,493	(7,693)
Sep/29/2021	Valuation Start Ups and New Age Companies	-	4,374	(4,374)
Oct/06/2021	Study Circle Meeting-Quality Audit As Per Auditing Standards	-	2,557	(2,557)
Oct/07/2021	Awareness Programme on Audit Maturity Model	2,600	10,681	(8,081)
Oct/13/2021	Study Circle Meeting-Recent Developments to Address Tax Challenges	-	10,820	(10,820)
Oct/20/2021	Study Circle Meeting-ESG and You & the Changing World of Audit	-	6,554	(6,554)
Oct/21-24/2021	Four Days Conference on Companies Act 2013	99,600	59,489	40,111
Oct/26/2021	Panel Discussion on Statutory Audit	-	22,475	(22,475)
Oct/27/2021	Study Circle Meeting-Capital Gain on Retirement	-	4,335	(4,335)
Nov/09/2021	Awareness Programme on Audit Maturity Model (AQMM)	-	11,190	(11,190)
Nov/10/2021	Study Circle Meeting-GST on special transactions in Real Estate	-	3,608	(3,608)
Nov/13/2021	Train the Trainers Program	-	16,886	(16,886)
Nov/14-Dec/12/2021	Refresher Course on First Time Adoption of Ind AS	1,68,000	58,062	1,09,938
Nov/17/2021	Study Circle Meeting-FATCA & CRS Overview and Update	-	5,103	(5,103)
Nov/24/2021	Study Circle Meeting-Data Audits in PDPB 2019	-	2,256	(2,256)
Nov/25/2021	Going Global Overcome new challenges in new territories Oracle NetSuite	40,000	4,092	35,908



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Nov/26-27/2021	Two Days Conference on important aspects of Charitable Trusts	1,93,200	1,18,538	74,662
Dec/01/2021	Study Circle Meeting-Trademarks	-	2,893	(2,893)
Dec/08/2021	Study Circle Meeting-The Concept of Prepack Under Insolvency and Bankruptcy Code	-	1,412	(1,412)
Dec/10-11/2021	Two Days National Conference on Indirect Taxes	10,54,400	7,51,176	3,03,224
Dec/14-21/2021	Investor Awareness Program & How to Calculate Intrinsic Value of Share	1,059	2,949	(1,890)
Dec/15/2021	Study Circle Meeting-Practical Challenges in Income Tax & GST	-	2,893	(2,893)
Dec/18/2021	Felicitations to Senior Advocates and Panel Discussion on Tax Litigations	6,900	46,295	(39,395)
Dec/23/2021	Investor Awareness Program	-	1,360	(1,360)
Dec/22/2021	Study Circle Meeting-Building the Data Skynet for Audit & Finance	-	1,412	(1,412)
Jan/05/2022	Study Circle Meeting-Sustainability Reporting Emerging Issues	-	15,093	(15,093)
Jan/06/2022	Tips and Tricks to Simplify GSTR 9 and GSTR 9C Filing	8,900	22,232	(13,332)
Jan/24-25/2022	Virtual CPE Meeting on "ReImagine Internal Audit"	-	19,736	(19,736)
Jan/28/2022	Major changes in GST from January 2022	6,500	8,067	(1,567)
Feb/02/2022	29th Awareness Programme on Analysis of Union Budget 2022	-	30,009	(30,009)
Feb/04/2022	Virtual CPE Meeting on Updates in GST Portal	-	3,053	(3,053)
Feb/05/2022	Virtual CPE Meeting on Risk Assessment	-	2,787	(2,787)
Feb/09/2022	Study Circle Meeting-Revised Code of Ethics	-	1,360	(1,360)
Feb/11/2022	Clause by Clause Discussion on Union Budget 2022	1,63,100	71,813	91,287
Feb/16/2022	Study Circle Meeting-Taxation of Unexplained Cash Credit	-	5,640	(5,640)
Feb/17/2022	Half a Day Seminar on Indirect Taxes Budget Proposals	32,100	15,761	16,339
Feb/21/2022	Half a Day Seminar on Companies Act 2013	1,22,800	1,52,347	(29,547)
Mar/02/2022	Key Journal Entries and Workings in IND AS	11,500	9,837	1,663
Mar/08/2022	Study Circle Meeting-Recent Amendments in GST	5,720	14,684	(8,964)
Mar/09/2022	Study Circle Meeting-Portfolio Building Strategies for Wealth Creation	7,400	6,628	772
Mar/16/2022	Half a Day Seminar on TDS Update	41,800	10,764	31,036
Mar/19/2022	One Day Seminar on Bank Branch Audit	6,30,387	3,87,277	2,43,110
Mar/22/2022	Hands on Training on Excel for Bank Branch Audit	11,400	4,175	7,225
Mar/23/2022	Recent updates on ROC compliance & LLP Amendments	-	6,718	(6,718)
Mar/30/2022	Study Circle Meeting-Startup: How to create benefits under Income Tax Act	5,400	3,264	2,136
Mar/31/2022	Half a Day Workshop on Bank Branch Audit	16,800	9,742	7,058
	Total (A)	45,92,916	30,34,942	15,57,974
	Other Events:			
	Campus Placement at RC College	1,10,000	1,08,565	1,435
	Tax Clinic Membership Tab Inauguration	-	15,266	(15,266)
	CA Day	-	29,011	(29,011)
	Independence Day	-	31,319	(31,319)
	Yoga Day	-	9,946	(9,946)
	Vaccination Drive	7,500	36,577	(29,077)
	Republic Day	-	23,330	(23,330)
	Total (B)	1,17,500	2,54,014	(1,36,514)
	Grand Total (A+B)	47,10,416	32,88,956	14,21,460



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BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA				
ANNEXURE 2: SEMINAR INCOME & EXPENSE: STUDENTS				
DATE	PARTICULARS	INCOME	EXPENSES	NET INCOME/(DEFICIT)
Mar/25/2022	One Day Seminar on Bank Branch Audit for CA Students	53,700	27,838	25,862
	Other Events for Students			
	How to face CA Exams	15,165	15,165	-
	Quiz Contest & Virtual Elocution Contest	6,005	6,005	-
	Rankers Meet	-	26,272	(26,272)
	Campus Placement for Article Students	-	12,770	(12,770)
	SICASA AGM	-	8,786	(8,786)
	Blood Donation Camp	-	10,634	(10,634)
	Debate Competition	-	12,075	(12,075)
	SICASA Forum	-	41,347	(41,347)
	Total	74,870	1,60,892	(86,022)



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BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA	
ANNEXURE 3	
PARTICULARS	AMOUNT (Rs.)
ONE DAY SEMINAR GRANT	
Vaidhyanath Aiyar Memorial Lecture Grant	15,000
GST Conference Grant	1,00,000
Total	1,15,000



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BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA	
ANNEXURE 4	
PARTICULARS	AMOUNT (Rs.)
ORIENTATION CLASSES INCOME	
227th Batch of ICITSS OC income	2,70,000
228th Batch of ICITSS OC income	2,65,500
229th Batch of ICITSS OC income	1,57,500
230th Batch of ICITSS OC income	2,65,500
231st Batch of ICITSS OC Income	2,70,000
232nd Batch of ICITSS OC Income	2,43,000
233rd Batch of ICITSS OC Income	1,17,000
234th Batch of ICITSS OC Income	2,11,500
235th Batch of ICITSS OC Income	2,25,000
236th Batch of ICITSS OC Income	2,25,000
237th Batch of ICITSS OC Income	2,70,000
238th Batch of ICITSS OC Income	2,70,000
239th Batch of ICITSS OC Income	2,70,000
240th Batch of ICITSS OC Income	2,25,000
241st Batch of ICITSS OC Income	1,71,000
242nd Batch of ICITSS OC Income	2,25,000
243rd Batch of ICITSS OC Income	1,39,500
244th Batch of ICITSS OC Income	1,62,000
245th Batch of ICITSS OC Income	2,02,500
246th Batch of ICITSS OC Income	1,71,000
247th Batch of ICITSS OC Income	1,48,500
248th Batch of ICITSS OC Income	1,75,500
249th Batch of ICITSS OC Income	1,39,500
250th Batch of ICITSS OC Income	1,66,500
251st Batch of ICITSS OC Income	1,80,000
252nd Batch of ICITSS OC Income	1,80,000
253rd Batch of ICITSS OC Income	1,80,000
254th Batch of ICITSS OC Income	1,71,000
255th Batch of ICITSS OC Income	1,71,000
256th Batch of ICITSS OC Income	1,80,000
257th Batch of ICITSS OC Income	1,80,000
258th Batch of ICITSS OC Income	1,80,000
259th Batch of ICITSS OC Income	1,75,500
260th Batch of ICITSS OC Income	1,80,000
261st Batch of ICITSS OC Income	1,80,000
262nd Batch of ICITSS OC Income	2,65,500
263rd Batch of ICITSS OC Income	2,65,500
264th Batch of ICITSS OC Income	2,70,000
265th Batch of ICITSS OC Income	2,70,000
266th Batch of ICITSS OC Income	2,56,500
267th Batch of ICITSS OC Income	2,70,000
268th Batch of ICITSS OC Income	2,70,000
269th Batch of ICITSS OC Income	2,65,500
270th Batch of ICITSS OC Income	2,70,000
271st Batch of ICITSS OC Income	2,65,500
272nd Batch of ICITSS OC Income	2,70,000
273rd Batch of ICITSS OC Income	2,61,000



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274th Batch of ICITSS OC Income	2,70,000
275th Batch of ICITSS OC Income	2,61,000
276th Batch of ICITSS OC Income	2,25,000
277th Batch of ICITSS OC Income	2,16,000
278th Batch of ICITSS OC Income	1,80,000
279th Batch of ICITSS OC Income	1,80,000
280th Batch of ICITSS OC Income	1,53,000
281st Batch of ICITSS OC Income	1,35,000
282nd Batch of ICITSS OC Income	2,20,500
Total	1,19,83,500
ITT & ADVANCED ITT INCOME	
984th Batch of ITT Income	1,09,025
986th Batch of ITT Income	55,625
987th Batch of ITT Income	35,600
988th Batch of ITT Income	1,09,025
989th Batch of ITT Income	1,09,025
990th Batch of ITT Income	75,650
991st Batch of ITT Income	71,200
992nd Batch of ITT Income	55,625
993rd Batch of ITT Income	48,950
994th Batch of ITT Income	64,525
995th Batch of ITT Income	1,00,125
996th Batch of ITT Income	1,06,800
997th Batch of ITT Income	1,11,250
998th Batch of ITT Income	1,11,250
999th Batch of ITT Income	1,11,250
1000nd Batch of ITT Income	1,11,250
1001st Batch of ITT Income	1,11,250
1002nd Batch of ITT Income	95,675
1003rd Batch of ITT Income	91,225
1004th Batch of ITT Income	1,11,250
1005th Batch of ITT Income	44,500
1006th Batch of ITT Income	84,550
1007th Batch of ITT Income	64,525
1008th Batch of ITT Income	66,750
1009th Batch of ITT Income	84,550
1010th Batch of ITT Income	75,650
1011th Batch of ITT Income	89,000
1012th Batch of ITT Income	86,775
1013th Batch of ITT Income	89,000
1014th Batch of ITT Income	89,000
1015th Batch of ITT Income	89,000
1016th Batch of ITT Income	84,550
1017th Batch of ITT Income	89,000
1018th Batch of ITT Income	86,775
1019th Batch of ITT Income	89,000
1020th Batch of ITT Income	86,775
1021st Batch of ITT Income	86,775
1022nd Batch of ITT Income	86,775
1023rd Batch of ITT Income	1,11,250



1024th Batch of ITT Income	1,06,800
1025th Batch of ITT Income	93,450
1026th Batch of ITT Income	1,04,575
1027th Batch of ITT Income	91,225
1028th Batch of ITT Income	1,06,800
1029th Batch of ITT Income	97,900
1030th Batch of ITT Income	87,025
1031st Batch of ITT Income	89,000
1032nd Batch of ITT Income	86,775
1033rd Batch of ITT Income	89,000
133rd Batch of Advanced ITT Income	1,40,875
134th Batch of Advanced ITT Income	1,08,375
135th Batch of Advanced ITT Income	1,40,875
136th Batch of Advanced ITT Income	1,43,750
137th Batch of Advanced ITT Income	1,43,750
138th Batch of Advanced ITT Income	69,000
139th Batch of Advanced ITT Income	66,125
140th Batch of Advanced ITT Income	80,500
141st Batch of Advanced ITT Income	1,45,750
142nd Batch of Advanced ITT Income	80,500
143rd Batch of Advanced ITT Income	1,09,250
144th Batch of Advanced ITT Income	85,375
145th Batch of Advanced ITT Income	86,250
147th Batch of Advanced ITT Income	1,20,750
148th Batch of Advanced ITT Income	1,43,750
149th Batch of Advanced ITT Income	1,15,000
150th Batch of Advanced ITT Income	71,875
151st Batch of Advanced ITT Income	83,375
152nd Batch of Advanced ITT Income	63,250
153rd Batch of Advanced ITT Income	66,125
154th Batch of Advanced ITT Income	1,15,000
155th Batch of Advanced ITT Income	1,09,250
156th Batch of Advanced ITT Income	1,12,125
157th Batch of Advanced ITT Income	1,12,125
158th Batch of Advanced ITT Income	1,43,750
159th Batch of Advanced ITT Income	1,43,750
160th Batch of Advanced ITT Income	1,43,750
161st Batch of Advanced ITT Income	66,125
162nd Batch of Advanced ITT Income	1,15,000
Additional Share of Virtual ITT Course conducted by HO/Refunds	74,750
Total	75,32,450
GMCS COURSE INCOME	
14th Weekend Batch of Advanced ICITSS MCS Income	1,21,500
182nd Batch of Advanced ICITSS MCS Income	2,72,000
183rd Batch of Advanced ICITSS MCS Income	2,16,000
184th Batch of Advanced ICITSS MCS Income	2,67,500
185th Batch of Advanced ICITSS MCS Income	2,70,000
186th Batch of Advanced ICITSS MCS Income	2,72,000
187th Batch of Advanced ICITSS MCS Income	2,61,000
188th Batch of Advanced ICITSS MCS Income	2,16,000



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189th Batch of Advanced ICITSS MCS Income	1,57,500
190th Batch of Advanced ICITSS MCS Income	1,26,000
191st Batch of Advanced ICITSS MCS Income	1,53,000
192nd Batch of Advanced ICITSS MCS Income	2,25,000
193rd Batch of Advanced ICITSS MCS Income	2,20,500
194th Batch of Advanced ICITSS MCS Income	94,500
195th Batch of Advanced ICITSS MCS Income	1,03,500
196th Batch of Advanced ICITSS MCS Income	81,000
197th Batch of Advanced ICITSS MCS Income	1,35,000
198th Batch of Advanced ICITSS MCS Income	1,53,000
199th Batch of Advanced ICITSS MCS Income	1,75,500
200th Batch of Advanced ICITSS MCS Income	1,80,000
201st Batch of Advanced ICITSS MCS Income	1,62,000
202nd Batch of Advanced ICITSS MCS Income	1,26,000
203rd Batch of Advanced ICITSS MCS Income	1,75,500
204th Batch of Advanced ICITSS MCS Income	1,80,000
205th Batch of Advanced ICITSS MCS Income	1,84,500
206th Batch of Advanced ICITSS MCS Income	1,39,500
207th Batch of Advanced ICITSS MCS Income	1,75,500
208th Batch of Advanced ICITSS MCS Income	1,80,000
209th Batch of Advanced ICITSS MCS Income	2,70,000
210th Batch of Advanced ICITSS MCS Income	2,65,500
211th Batch of Advanced ICITSS MCS Income	2,65,500
212th Batch of Advanced ICITSS MCS Income	2,16,000
213th Batch of Advanced ICITSS MCS Income	2,20,500
214th Batch of Advanced ICITSS MCS Income	1,75,500
215th Batch of Advanced ICITSS MCS Income	2,20,500
Additional Share of Virtual ICITSS MCS Course conducted by HO	1,44,000
Total	68,01,000
INCOME FROM COACHING CLASSES	
CPT Coaching Class Income	14,16,194
IPCC Coaching Class Income	22,46,890
Final Coaching Class Income	10,83,500
Total	47,46,584




BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA	
ANNEXURE 5	
PARTICULARS	AMOUNT (Rs.)
ORIENTATION CLASSES EXPENSES	
Faculty Honorarium	61,08,352
Printing & Stationery (Includes IPCC bags)	6,28,142
Catering Charges	2,00,700
Total	69,37,194
ITT & ADVANCED ITT EXPENSES	
Staff Salaries	18,92,810
Rent	20,08,759
Faculty Charges	23,75,956
Security & Housekeeping	8,96,842
Electricity & Water	2,75,567
Catering Charges	1,24,930
Repairs & Maintenance	2,90,249
Total	78,65,113
GMCS COURSE EXPENSES	
Faculty Honorarium	32,51,481
Catering Charges	1,43,550
Misc Expenses	38,500
Printing & Stationery	8,944
Total	34,42,475
EXPENSES TOWARDS COACHING CLASSES	
Faculty Honorarium	52,91,812
Printing & Stationery	56,086
Misc Expenses	1,88,813
Venue Charges	6,459
Total	55,43,170



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NEW REASSESSMENT PROVISIONS UNDER INCOME TAX ACT – FEW ISSUES



CA. Deepak Chopra

1. Background

- 1.1. Under Finance Act 2021 the reassessment provisions have been subjected to significant changes. The erstwhile provisions requiring the assessing officer to record 'reasons to believe' escaped assessment have been done away with. The law instead now lays a new condition of there being 'information which suggests that the income chargeable to tax has escaped assessment'. Multiple layers of checks and controls have now been provided for u/s 148A to ensure the assessing officer does not have uncontrolled and arbitrary powers to open concluded or time barred assessments.
- 1.2. Prior to issuance of notice for reassessment u/s 148, the new law u/s 148A now provides for an enquiry being conducted and an opportunity of being heard to the assessee. Such opportunity has to be provided to the assessee by issuance of notice either u/s 148A(a) or u/s 148A(b) of the Act.
- 1.3. This article is an attempt to recognize the rights and defenses available to an assessee under new reassessment proceedings with regards to notices issued u/s 148A(b).

2. Gist of legal provisions:

- 2.1. Other than certain cases of search u/s 132, requisition u/s 132A and information u/s 135A of the I.T. Act (listed under proviso to Sec 148A), in all cases, prior to issue of notice u/s 148, the new law mandates proceedings u/s 148A of the Act.
- 2.2. Clause (a) of section 148A provides for conduct of an enquiry (if required) with respect to information which suggests that the income chargeable to tax has escaped assessment. Such enquiry has to be conducted with prior approval of the specified authority.
- 2.3. Clause (b) mandates the assessing officer to issue a show

cause notice as to why notice should not be issued u/s 148 on the basis of information that suggests income has escaped assessment.

- 2.4. Clause (c) requires the assessing authority to consider the response of the assessee to the show cause notice. Under clause (d) the assessing authority has to pass an order deciding on whether or not the case is a fit case for issuance of notice u/s 148 of the Act. Such order has to be passed with prior approval of the specified authority within a period of one month from the end of the month in which time or extended time allowed to furnish a reply as per clause (b) expires.

3. Detailed analysis of relevant provisions

- 3.1. The text of Sec 148A(a) as it stands today is reproduced below:
 - (a) conduct any enquiry, if required, with the prior approval of specified authority, with respect to the information which suggests that the income chargeable to tax has escaped assessment;
- 3.2. A plain reading of the provisions under 148A(a) suggest the following sequence of events:
 - (a) AO should come in possession of some **information which suggests** escapement of income
 - (b) AO should then take **prior approval** of the specified authority
 - (c) After obtaining approval of the specified authority, the AO shall then **conduct enquiries**, if required.
- 3.3. Start point for reassessment proceedings u/s 148A(a) is there being 'information which suggests that the income chargeable to tax has escaped assessment'.
- 3.4. For the purpose of Sec 148 and 148A, Explanation 1 to Sec 148 provides the meaning of the phrase 'information

which suggests escapement of income' The text of the explanation as it presently stands is reproduced below:

Explanation 1.—For the purposes of this section and section 148A, the information with the Assessing Officer which suggests that the income chargeable to tax has escaped assessment **means**,—

- (i) any information in the case of the assessee for the relevant assessment year in accordance with the risk management strategy formulated by the Board from time to time;
- (ii) any audit objection to the effect that the assessment in the case of the assessee for the relevant assessment year has not been made in accordance with the provisions of this Act; or
- (iii) any information received under an agreement referred to in section 90 or section 90A of the Act; or
- (iv) any information made available to the Assessing Officer under the scheme notified under section 135A; or
- (v) any information which requires action in consequence of the order of a Tribunal or a Court. (struck off text represents amendments by FA 2022)

3.5. From a plain read, it is clear that there can be said to be information suggesting escaped assessment only in following cases:

- Information emanates from the risk management strategy formulated by the Board;
- Information that assessment for a certain assessment year has not been made in accordance with the provisions of income tax act is received by way of any audit objection;
- Information is received under an agreement referred to in section 90 or section 90A of the Act; or
- Information is made available to the Assessing Officer under the scheme notified under section 135A; or
- Information requires action in consequence of the order of a Tribunal or a Court.

3.6. The risk management strategy of the board is not made available on the public domain. However, it is the right of the assessee to seek a copy of the information as originated from the sources listed in the Explanation to Sec 148. This would be necessary to enable the assessee to file rebuttals, without which the entire purpose of serving a show cause notice and affording an opportunity of being heard would be frustrated.

3.7. Further, a closer look at the explanation 1 to Sec 148 defining the phrase 'information that suggests....' would reveal that the explanation instead of providing the meaning of the terms used under the phrase only lists out the various sources of information which can lead to reassessment proceedings. The terms 'information' and 'suggest' in themselves have no where been defined by the explanation.

3.8. Information as per Merriam webster dictionary is:

- (a) knowledge obtained from investigation, study or instruction
- (b) intelligence, news
- (c) facts, data

[Oxfordlearnersdictionaries.com:](https://www.oxfordlearnersdictionaries.com/)

facts or details about somebody/something

[Dictionary.cambridge.org:](https://dictionary.cambridge.org/)

facts about a situation, person, event, etc.

3.9. It is a well accepted and common understanding that mere raw data does not constitute information. Data is merely collection of facts while information puts those facts into context. While data is raw and unorganized, information is organized and processed. Data points are individual and sometimes unrelated. Information maps out that data to provide a broad-picture view of how it all fits together.

3.10. Thus, information in the context of sec 148A would mean those processed or organized facts / data pertaining to the income of the assessee and suggesting escapement of income. Such organized data in the form of information should originate from the risk management strategy formulated by the board or by way of audit objection or from other sources listed under Explanation 1 to Sec 148.



3.11. All data originating from the sources listed under Explanation 1 to Sec 148 would not necessarily qualify as 'information' which suggests escaped assessment. For instance, if the risk management strategy were to only provide the PAN and the name of the assessee, it would not constitute valid 'information' that suggests escaped assessment. For under such data there is no information at all about any escapement of income.

3.12. Further, such information should 'suggest' escaped assessment. Suggest under different dictionaries means:

Merriam webster:

- (a). to mention or imply as a possibility
- (b). to propose as desirable or fitting
- (c). to offer for consideration or as a hypothesis

Oxfordlearnersdictionaries.com:

to put forward an idea or a plan for other people to think about

Dictionary.cambridge.org

to mention an idea, possible plan, or action for other people to consider

3.13. Suggest in the context of sec 148A would mean to imply / indicate. In conjunction with information, the phrase 'information which suggests' means processed or organized facts pertaining to the income of an assessee, originating out of sources listed u/s Explanation 1 to Sec 148. However not all information emanating from sources listed u/s Explanation 1 can be used for reopening. Such information should necessarily suggest / indicate escaped assessment. For instance, a data point originating from the risk management strategy that a certain assessee has under taken a certain high value transaction say cash deposits in the bank account cannot constitute 'information which suggests' escaped assessment. Firstly such raw unprocessed data does not constitute 'information' and secondly there is no 'suggestion' of escaped assessment. Mere details of cash deposit without any other co-relation or data analysis can by no stretch of imagination indicate at escapement of assessment.

3.14. The term '**enquiry**' has not been defined under the act. In the absence of definition under the law, the word

enquiry has to be understood in its ordinary parlance.

The Merriam Webster dictionary explains the meaning of the word 'enquiry' to be:

- (a). a request for information
- (b). a systematic investigation often of a matter of public interest
- (c). examination into facts or principles

Oxfordlearnersdictionaries.com defines enquiry as

an official process to find out the cause of something or to find out information about something

Dictionary.cambridge.org defines enquiry as

an official attempt to discover the facts about something

3.15. From the above definitions it is clear that, enquiry is a systematic investigation / examination of facts to find out information about something.

3.16. Such enquiry has to be conducted by the assessing officer only if required. In cases where the information in possession of the assessing officer is glaring in its suggestion of escapement of income, no further enquires may be required on the part of the assessing officer. However, in cases where the information suggesting escapement of income is in-conclusive / or is capable of multiple interpretations, it is mandatory on part of the assessing officer to conduct further enquiries to atleast form a prima facie conclusion of escaped assessment. For instance, information that an assessee is non-filer of income tax returns but has undertaken huge stock market transactions is not conclusive on the aspect of there being escaped assessment. The assessee despite huge volume of transactions could have suffered losses / earned no incomes. It is imperative on the part of the assessing officer to conduct further enquiries before issuing notice u/s 148A(b). Such interpretation would also be in sync with various CBDT instructions for handling case of 'Non-Filers of IT Returns'. For such non-filers a standard operating procedure has been laid down under CBDT Instruction INSTRUCTION NO. 14/2013 [F. NO. 225/153/2013/ITA.II], DATED 23-9-2013 which has to be followed by the AO. These instructions mandate assessing officer to issue letter to the assessee seeking information about the AY that has been flagged under

the NMS system. If the letter is not delivered, AO should attempt communication with alternate addresses. Only in cases where the assessee is identified and no return is filed within 30 days should the AO consider initiation of proceedings u/s 142(1) or 148.

3.17. Even in cases where an enquiry has already been conducted by some other department, say GST department or say investigation wing of the income tax department itself, the assessing officer is bound to apply his mind to the investigation report of the other authority and also conduct necessary investigations and verifications. This is so because an assessing authority is a quasi judicial authority. The assessing officer cannot, in the course of proceedings, give up his obligations to make proper and judicious enquiry for coming to a judicious conclusion. The Assessing Officer cannot rely only on any enquiry or comments by anybody including that of the investigation wing¹.

3.18. The enquiries have to be conducted by the assessing officer after taking prior approval of the specified authority. The specified authority u/s 151 is PCIT/PDIT/CIT/DIT if three years or less have lapsed from the end of the assessment year. For cases where more than 3 years have lapsed the specified authority shall be PCCIT, PDGIT, CCIT or DGIT. Needless to say, in the absence of prior approval or approval from an incorrect authority, the entire proceedings would stand void ab-initio.

3.19. The proceedings u/s 148A can be continued only where there is atleast a prima facie escapement of assessment. If the enquiries confirm non-escapement of assessment or fail to validate the information suggesting escapement of assessment, the proceedings u/s 148A should cease and no notice can be issued to the assessee u/s 148A(b) of the Act. To illustrate - to the information that an assessee has bought an immovable property at below guidance value, if the enquiry were to reveal that

- a) the income has already been offered to tax by the assessee u/s 56(2)(x) of the Act, or

- b) the difference between the guidance value and transaction price is not more than 10% of the transaction price and no income is chargeable to tax u/s 56(2)(x)

then there is no escapement of assessment.

In such case no notice can be issued u/s 148A(b) of the Act.

3.20. The validity of notice served u/s 148A(b) has to be scrutinized in respect of all the above legal aspects found in 148A(a).

Timelines: Sec 149

- 4.1. The timelines u/s 149 are also to be borne in mind. Under the new provisions a notice beyond 3 yrs (upto 10 yrs) can be issued only where there is income to the tune of 50 lacs or more which has escaped assessment. Such income should be represented by any asset / expenditure / entry in the books of accounts. Such escaped income in excess of 50 lacs should be revealed by books of accounts or other documents which are in the possession of the assessing officer. It is pertinent to note that books of accounts and evidences in possession of investigation wing but not the assessing officer does not satisfy the requirements of the section. The first proviso to Sec 149 limits the period of 10 AYs to those years which are not already time barred under the erstwhile provisions of Sec 149.

148A(b) compliances

- 4.2. The provisions of 148A(b) also must be noted. The notice u/s 148(b) should be on the basis of the information suggesting escaped income and results of the enquiry conducted by the assessing officer. Naturally the show cause notice seeking assessee's response as to why on the basis of available information, assessee's case should not be reopened should be accompanied with copy of such information and results of enquiries. In the absence of such information being shared with the assessee, the notice will stand in violation of the principles of natural justice.

Principles of natural justice

- 4.3. In addition to the fair opportunity of being heard to be provided to the assessee, the other principles of natural justice also have to be observed by the assessing officer.

¹ Dhakeshwari Cotton Mills vs. CIT 26 ITR 775 (SC), Tin Box vs. CIT 249 ITR 216 (SC), Shah Shoni vs. State of Rajasthan 208 ITR 321, 5 ITR 464, 11 ITR 172, 12 ITR 393, 13 ITR 245, 31 ITR 781, 34 ITR 501, 74 ITR 692



It is a settled law that requirement of application of natural justice is presumptive unless excluded by the express words of statute or by necessary intendment². In the course of 148A proceedings where any document / information is used against the assessee it is imperative that complete details and copy of such information be provided to the assessee for rebuttals. Information gathered behind the back of the assessee cannot be used against him unless until an opportunity of rebutting the same is given to the assessee. If there are any statements of third parties being relied upon for the purpose of reopening, unless an opportunity of cross examination is afforded to the assessee, no adverse inferences can be drawn in the assessee's case³.

- 4.4. Under the notice u/s 148A(b) the assessee should be allowed a minimum time of 7 days to respond to the notice. Any shorter notice in addition to violation of principles of natural justice would be in direct violation of the clear provisions of the Act. Upon application by assessee for extension, the law provides for extension of time upto 30 days or such time, as may be extended by the assessing officer. In considering assessee's request for extension, the fundamental principle of natural justice – 'audi alteram partem' and other surrounding circumstances would have to be taken into account.

Prior approval of superior authorities

- 4.5. The requirement of the assessing officer to seek prior approval of the specified authority before issue of show cause notice u/s 148A(b) has been done away with under the Finance Act 2022. No prior approval is now required for issuance of notice u/s 148A(b) of the Act. However, it is pertinent to note that the requirement of prior approval u/s 148A(a) for conduct of enquiries continue to remain in the statute. The approval by the specified authority must be on proper examination and due application of mind. Approvals given on mechanical basis without application of mind are not valid approvals and cannot lead to successful reopening. It is therefore of paramount importance on the part of the assessee to seek a copy of the approval and look for any infirmities in the approvals granted in the assessee's case.

2 Mangilal v. State of MP [2004] 14ILD 229(SC)].

3 M/s. Kisanchand Chelaram 125 ITR 713

Other Checks

- 4.6. The other general checks like, jurisdiction of the assessing officer also have to be considered. Issue of 148A(b) by an officer without jurisdiction would render the entire proceedings void ab-initio. A factual error in the information which suggests escaped assessment would also render the entire proceeding bad in law⁴.
- 4.7. Reassessment proceedings under law are not on the same footing as a regular assessment. A reassessment of an already concluded assessment cannot be permitted in a routine and mechanical manner. A fishing or a roving enquiry permitted under regular assessment is not permissible under a reassessment proceeding⁵.
- 4.8. It is a settled position in law that no authority has the power to review its own order. The power of review is not an inherent power. It must be conferred by law either specifically or by necessary implication. Therefore, the concept of 'Change of Opinion' should continue to hold good in the new reassessment regime as well. A change of opinion and review of original assessment is therefore not permissible under reassessment proceedings⁶.

5. Summary

- 5.1. One needs to note the above key legal principles while dealing with notices u/s 148A(b) and raise appropriate contentions while filing reply/objections to the notice. Aspects to be mindful of while responding to notice received u/s 148A(b) are summarized below:
 - a. Are the proceedings within the limitation period prescribed u/s 149 of the Act?
 - b. Are there any jurisdictional defects? Is the notice u/s 148A(b) served by jurisdictional assessing officer?
 - c. Is the 'information which suggests escaped' income originating within the sources listed under Explanation 1 to Sec 148?
 - d. Does the data available before the AO qualify as 'information' and does such information 'suggest'?

4 See Sagar Enterprises vs. ACIT (2002) 257 ITR 335 (Guj) (HC); PCIT vs. Shodiman Investments Pvt. Ltd, (2018) 93 taxmann.com 153

5 Precilion Holdings Ltd v. DCIT (2019) 412 ITR 43 (Bom)(HC),

6 CIT vs. Kelvinator of India Ltd (2010) 320 ITR 561 (SC); ITO v. Techspan India (P) Ltd (2018) 404 ITR 10/ 302 CTR 74 (SC)

escaped assessment? Further points to be borne in mind with regards to information which suggests escaped assessment are:

- i. Fishing and roving enquiries are not permissible under reassessment proceedings.
 - ii. Reassessment proceedings cannot be initiated for change in opinion or review of earlier order.
 - iii. A factual error in the information would render the entire proceeding void.
- e. Where information suggesting escaped assessment is inconclusive / insufficient, has the assessing officer conducted necessary enquiries? Has prior approval of the specified authority been taken for conduct of enquiries?
- 5.2. The notice u/s 148(b) would be bad in law if it fails to provide the assessee copy of:
- a. information which suggests escapement of income as received by the assessing officer together with relevant material relied upon by the assessing officer.
 - b. results of all enquiries conducted by the assessing officer.
 - c. prior approval received by the assessing officer
- from competent authority.
- d. written statements of third parties which are being relied upon by the assessing officer
- 5.3. From the copy of approval of the specified authority provided to the assessee, it should be analysed whether the approval has been granted by the correct authority and after due application of mind.
- 5.4. Wherever assessing officer relies upon statements of third parties the assessee is entitled to seek an opportunity of cross examining those third parties.
- 5.5. In cases where the time allowed to the assessee to respond to the notice u/s 148(b) is not sufficient, a detailed letter requesting for adjournment explaining the circumstances and need for extension of time should be filed.
- 5.6. The response of the assessee should cover all legal and factual matters. All possible objections to commencement of reassessment proceedings must be raised at this stage. The law protects only those who are vigilant and not those who sleep over their rights. Failure on the part of the assessee to seek relevant information or raise appropriate objections would only be to the detriment of the assessee and to the benefit of the revenue.

Info Corner

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SCHEDULE OF ACTIVITIES	Sr. No.	Activities	Last Date
	1.	Start date for Member registration	6th June, 2022
	2.	Last date for Member registration	10th June, 2022
	3.	Start date for organization registration	1st June, 2022
	4.	Last date for organization registration	10th June, 2022
	5.	Opening of database for organizations	13th June, 2022
	6.	Shortlisting by organizations	13th to 17th June, 2022
	7.	Consent sending by Members	20th & 21st June, 2022
	8.	Online Psychometric and written test	23rd June, 2022

CAREER ASCENT INTERVIEW SCHEDULE:	Sr. No.	Centre Name	Date of Interview
	1.	Bengaluru	25th June, 2022
	2.	Chennai	27th June, 2022
	3.	Kolkata	28th June, 2022
	4.	Mumbai	29th June, 2022
	5.	Delhi	30th June, 2022

- The companies participating will have to register online at <https://cmib.icai.org/>
- The companies can access the database at <https://cmib.icai.org/>
- Participating companies will have to provide the list of shortlisted candidates online on placement portal <https://cmib.icai.org/>
- Shortlisting of the candidates by the company is restricted to 7 times of the number of vacancies in that particular organization.
- Interviews will be conducted through virtual mode by the platform provided by the participating organization as per the roster prepared by them.
- Recruiting entity is requested to share roster with ICAI atleast one day prior to interview.

- Once a company has selected any candidate and the offer is accepted by the candidate, it is the responsibility of the company to inform the CMI&B.
- The Indian companies participating have to offer a minimum CTC as per the experience criteria:

S. No.	Work Experience	Minimum CTC
1	1-5 Years	INR 10 LPA
2	5-10 Years	INR 15 LPA
3	10-20 Years	INR 24 LPA
4	20 years & above	INR 36 LPA

- There is no minimum CTC prescribed for overseas recruiters.
- The entire process above would be done online at <https://cmib.icai.org/>



Two Day's Conference on Updates on Companies Act

Organized under the aegis of
Corporate Laws & Corporate Governance Committee

Hosted by **Bengaluru Branch of SIRC of ICAI**

Physical & Virtual

On **Friday & Saturday, 17th & 18th June 2022**

Venue: **S. Narayanan Auditorium, Vasanthnagar Branch Premises, Bengaluru**

Time: **9.30 am to 6.00 pm**

12 hrs
CPE

TIMINGS	TOPICS	SPEAKERS
DAY - 1, FRIDAY 17TH JUNE 2022		
9.00am to 9.30am	REGISTRATION & NETWORKING	
9.30 am to 10.00 am	INAUGURATION by the Chief Guest: Shri. C.V. Sajeewan <i>Registrar of Companies</i>	
10.00am to 11.30am	Practical aspects of Issue and Allotment of Securities / Shares under the Companies Act, 2013	CS. Vivek Hegde
11.30am to 12.00pm	TEA BREAK	
12.00pm to 1.30pm	Detailed Discussions on Related Party Transactions	CA. K.S. Ravi
1.30pm to 2.30pm	LUNCH BREAK	
2.30pm to 4.00pm	Exemptions & Compliance required with respect to Pvt. Ltd. Company	CA. Vijay Raja
4.00pm to 4.30pm	TEA BREAK	
4.30pm to 6.00pm	Various Filings under Companies Act for Private Limited Companies	CA. Srilakshmi P
DAY - 2, SATURDAY 18TH JUNE 2022		
10.00am to 11.30am	Clause by Clause Discussion on CARO	CA. K. Gururaj Acharya
11.30am to 12.00pm	TEA BREAK	
12.00pm to 1.30pm	Detailed Discussions on Loans & Advances Deposits, Inter Corporate Loans	CS. Thirupal Gorige
1.30pm to 2.30pm	LUNCH BREAK	
2.30pm to 4.00pm	Contd. Clause by Clause Session on CARO	CA. K. Gururaj Acharya
4.00pm to 4.30pm	TEA BREAK	
4.30pm to 6.00pm	Penalties & Prosecutions under Companies Act 2013	CS. J. Sundharesan

CA. Srinivasa T
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Organized under the aegis of
Committee on International Taxation, ICAI
Hosted by **Bengaluru Branch of SIRC of ICAI**
Physical & Virtual

16 hrs
CPE

On **Friday, Saturday & Sunday, 15th, 16th & 17th July 2022**
Venue: **Golden Palms Avenue, No.31 & 32, Nagarur Village Dasanpura Hobli,**
Off Tumkur Main Rd, Bengaluru, Karnataka 562123

TIMINGS	TOPICS	SPEAKERS
DAY 1: FRIDAY, 15TH JULY 2022		
12.00 Noon to 3.00 pm	CHECK IN TO RESORT, LUNCH & REGISTRATION	
3.00 pm to 3.30 pm	INAUGURATION by the CHIEF GUEST	
3.30 pm to 5.00 pm	Group Discussion on Paper Case Studies on General Anti Avoidance Rule & Principal Purpose Test	CA. P.V. Srinivasan <i>Bengaluru</i>
5.00 pm to 5.15 pm	TEA / COFFEE BREAK	
5.15 pm to 6.45 pm	Paper Presentation Overview of Pillar 1 and Pillar 2	CA. Navneeth S B
6.45 pm to 7.00 pm	BREAK (ONLY CHANGE OF DIAS)	
7.00 pm to 8.30 pm	Presentation on Group Discussion Paper Case Studies on General Anti Avoidance Rule & Principal Purpose Test	CA. P.V. Srinivasan <i>Bengaluru</i>
8.30 pm Onwards	DINNER	
DAY 2: SATURDAY, 16TH JULY 2022		
7.00 am to 8.00 am	BREAKFAST	
8.00 am to 9.30 am	Group Discussion on Paper Case Studies on Transfer Pricing	CA. Suchint Majumdar <i>Bengaluru</i>
9.30 am to 9.45 am	BREAK (ONLY CHANGE OF DIAS)	
9.45 am to 11.15 am	Paper Presentation Equilisation Levy and Significant Economic Presence	CA. Vishal Gada <i>Mumbai</i>
11.15 am to 11.30 am	TEA / COFFEE BREAK	
11.30 am to 1.00 pm	Presentation on Group Discussion Paper Case Studies on Transfer Pricing	CA. Suchint Majumdar <i>Bengaluru</i>
1.00 pm to 2.00 pm	Paper Presentation Royalty & FTS – Recent Development	CA. Ameya Kunte <i>Pune</i>
2.00 pm to 3.00 pm	LUNCH	
3.00 pm to 4.30 pm	Paper Presentation Section 195 and Impact of MLI's	CA. P.V.S.S Prasad <i>Hyderabad</i>
4.30 pm to 5.00 pm	Group photography of the Participants & Days Technical Session	
5.00 pm to 7.30 pm	Games for the Members	
7.30 pm Onwards	DINNER	



DAY 3: SUNDAY, 17 TH JULY 2022		
7.30 am to 8.00 am	BREAKFAST	
8.30 am to 10.00 am	Paper Presentation Foreign Trusts – Formation, Taxation & Planning	CA. Naresh Atul Ajwani <i>Mumbai</i>
10.00 am to 10.15 am	TEA / COFFEE BREAK	
10.15 am to 11.45 am	Panel Discussion on International Tax Case Laws	Moderator : CA. Narendra J Jain <i>Bengaluru</i> Panelists : CA. S. Ramasubramanian <i>Bengaluru</i> Two or more Panelists yet to be finalized
11.45 am to 12.00 pm	BREAK (ONLY CHANGE OF DIAS)	
12.00 pm to 1.30 pm	Paper Presentation Virtual Digital Asset – Introduction & Taxation	Adv. K. Vaitheeswaran <i>Chennai</i>
1.30 pm to 2.00 pm	Valedictory	
2.00 pm Onwards	LUNCH & DEPARTURE	

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CA Final	Rs. 22,000/- for Both Groups Rs. 12,000/- for Group – I Rs. 10,000/- for Group - II Rs. 4,500/- for Single Subject	For Nov. 2022 Exams Starting From June 2022. (Morning & Evening)	06.30 am to 09.30am (Morning) & 06.15pm to 09.15pm (Monday to Saturday) 07.00am to 01.30pm Sunday)

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Inauguration of workshop by lighting the lamp



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Ms. Sadhana D Gaonkar,
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Felicitation to the Chief Guest



Snap shot with Co-operative Audit Officers along with
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CA. Yeshwanth



Shri. K.S. Naveen Kumar



CA. Prateek Marlecha



CA. T.R. Rajesh Kumar



CA. Hanish S



CA. Venkataramani. S



CA. Madhukar N
Hiregange



CA. A. Jatin Christopher

3 Day's Residential Refresher Course in Madikeri



Inauguration of Residential Refresher Course by lighting the lamp



Chief Guest Mr. M.P. Appachu Ranjan,
Member Karnataka Legislative Assembly,
Madikeri



CA. Naveen Khariwal G



CA. G.S. Prashanth



CA. M. P. Vijay Kumar,
Past Central Council Member - ICAI,
Director - Sify Singapore (Pte) Limited



CA. T.R. Rajesh Kumar



CA. Narasimhan
Elangovan



Inviting Dr. Murugesh Rudrappa Nirani,
Hon'ble Minister of Large and Medium Scale Industries,
Government of Karnataka for MSME Program



Participants



Study Circle Meetings

Workshop on RERA

Workshop on VDA

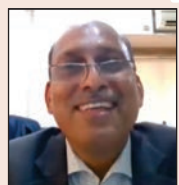
Corporate Social Responsibility



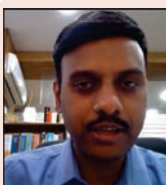
CA. Amarnath Ambati



CA. Naveen Khariwal G



CA. Ramesh Prabhu



CA. Vinay T



CA. Asha M.



CA. Shubham Bindal



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