



MONTHLY NEWSLETTER

The Institute Of Chartered Accountants of India

Nashik Branch of WIRC of ICAI



CHAIRMAN'S COMMUNICATION

CA. Rohan Vasant Andhale
Chairman, Nashik Branch of WIRC of ICAI

*"Imparting Wings
of Excellence"*

My dear Professional Colleagues,

A very happy 74th Independence Day to everyone. May your spirits rise with the flag on this Independence Day! Let us take some time to value our nation and never forget the sacrifices from those who gave us freedom. This year we will celebrating the Independence Day in a different manner but our heart and patriotism towards our country has only increased. The country has reached newer heights with us reaching Moon and the Mars, we have come a very long way in the last 73 years. Not only we have made success in one particular field but we have made ourselves powerful in all walks of life.

The month of July started with the celebration of Chartered Accountants Day. Like the tradition of our Nashik Branch from past many years, the Day started with the Flag Hoisting followed by the blood donation camp. Considering the situation in the country, blood donation camp was organized in two blood banks and I thank all the donors for their contribution. Their contribution to the society in these times has only boosted our morale towards recovery. The day was further followed by tree plantation in the branch premises and adjacent areas and further donation of PPE kits to Covid centre in rural Nashik.

WHAT'S INSIDE THIS ISSUE:

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Highlights of Last Months Events.*

MANAGING COMMITTEE

- **CA Rohan Vasant Andhale, Chairman**
- **CA Rajendra Vishram Shete, Vice Chairman**
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- **CA Harshal D. Surana, Immediate Past Chairman**
- **CA Piyush P Chandak, Managing Committee Member**

EDITORIAL COMMITTEE

- **CA Rohan Vasant Andhale**
- **CA Sanjeevan V. Tambulwadikar**
- **CA. Rupali Junnare**
- **CA Rohan Kulkarni**

Like each year the cultural program being organized by Nashik WICASA could not be done on a large scale but it was organized virtually and we thank all the performers and the audience for their heart-warming response. With the celebration of the day in different modes and the response of everyone we have once again shown that we cannot be stopped and are determined to recover from all the problems the world is facing.

"In this difficult time, where everything is trying to divide, separate and break us. Where everything is trying to make us turn against each other and hate one another. Let us love each other. Is the only way we will conquer"

Seminars were organized via virtual mode in the past month of July and I thank all the members for their overwhelming response for the same. Events on GST- Development of Plots, Reorganising SMP practice during Covid-19, Important Aspects of the new ICAI Code of Ethics and Decoding New MSME Definition, Udyam Registration, Benefits of MSME Registration & Stimulus Package were organized. I thank the faculties and all the co-organizers for their contribution. With the new guidelines to complete CPE hours issued by ICAI, we at Nashik Branch are committed to organize CPE programs for the benefit of our members. In the coming month of August events will be organized on different topics which will help the members to enrich their knowledge.

Along with the CA Day on 1st of July, Doctor's Day was also celebrated in the country. The contribution of all the doctors in these times is immeasurable. The work of doctors towards the society has always been of utmost importance and today in these times the same has been on a very large scale. The only thing we can do is to thank them and encourage them for their work. As a tribute to their work we should maintain discipline and see that we together fight this pandemic by following the prescribed rules for social distancing, use of masks and sanitizer. It is a small thing that we can do which will be a great honour and respect for our doctors.

The Government has extended their help to the industries via the MSME schemes and most of the industries have largely benefitted from the same. With the help of the same the work has started and the industries were able to be back on their own. The overall unlock has begun the lives have started to move. Though the spread of virus has not stopped but we have learned to keep ourselves safe and move on with life.

Though the due dates have been postponed the season of Audit and Income Tax Returns has arrived. We will be arranging seminars on these issues for the members and hope that all will benefit from the same. We have to start working for the same from now so that with the reduced timings of our office considering the lockdown restrictions still on, we can complete the work in time. New updates and forms are to be studied and seen that the same are fulfilled correctly with all compliances.

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The new and latest has taken over us and we can work sitting at our home without and obstacles. Everyone should learn the same be well equipped for any such events in the future. Though cost of infrastructure may increase with new machinery and equipment for our office, some costs may decrease and we will be able to cope up with that.

The revised code of ethics has been applicable from the 1st of July. We will be arranging more and more sessions on the same in the coming days. I request all the members to study the same, the same are available of the portal of the Institute. The code of ethics is a very important of our professional life, hence the same should be well read and followed everyone by us.

It is the experiments that we make which will help us find new avenues and the will to do something new. The Institute has organized various post qualification courses via virtual mode, the members should take benefit of the same and increase their knowledge base for the new challenges in the coming days.

I Once again applaud the efforts of Government officials, doctors, Police, etc for their continuous hard work to keep us safe.

Lastly, I salute all the freedom fighters, our soldiers, our heroes of the nation, they are the reason we are still alive, and we will never forget their sacrifice. Happy Independence Day!

Stay safe! Stay Healthy!

CA. Rohan Vasant Andhale
Chairman
Nashik Branch of WIRC of ICAI



EDITORIAL MESSAGE

CA. Sanjeevan Vilas Tambulwadikar
Editorial Committee

Let's salute our great nation on its Independence Day! I hope you all feel grateful for the freedom you have and are proud of the nation you were born to. Over the period of 73 from the day our Independence, we have come to this day of being a powerful nation and we will be greater and more successful in the coming years.

The life is coming to quite normal with all the people starting their regular chores and all the shops and industries starting, though with a few restrictions. We have become cautious and have to be keep ourselves safe and healthy in these times. The times are changing and we hope to surely recover from these situations soon.

The focus of the current month's newsletter is to honour and pay tribute towards the brave freedom fighters and soldiers of our country who laid down their lives for us to live in this free country today. The freedom that we enjoy today is only because of the efforts of our great forefathers who without fearing for anything played their role in the freedom movement of our country. Today let us take some time to value our nation and never forget the sacrifices from those who gave us freedom.

Day by day from the Independence we grown and become what we are today. In the past 73 years, we have achieved success beyond imagination. This success is the only tribute we are giving to the freedom fighters for their contribution. With us reaching the Mars, winning the World cup and the Olympic medals, our people have shown their spark all over the world. Today we are seen with great respect throughout the universe and we hope that the same spark will be shown by us in the future, that too even brighter.

The month of August is also the month festivals with the Ganesh Chaturthi coming this month, I urge all the people to celebrate the festival at their home and avoid crowding. The festival we have celebrated for many years and will be doing so in the coming years too but this year we will have to make an exception and follow the rules for controlling the spread of disease.

I thank all the readers and the contributors for their hard work and dedication towards the monthly newsletter. I urge the members to participate in the newsletter via professional updates, articles on matters related to the profession and also by any means possible that will help our fellow members to update their knowledge. and wisdom.

Lastly, I would say that we should not let anything divide the idea of India with the celebration of Independence Day. I salute all the freedom fighter, soldiers, the doctors and all the people serving the country pre and post Independence in their own way. They only make us proud each day we breathe.

CA. Sanjeevan Vilas Tambulwadikar
Editorial Committee
Nashik Branch of WIRC of ICAI

ICAI NEWS & UPDATES

CONTRIBUTED BY NEWSLETTER TEAM

Organizing Orientation Course and Information Technology Training through virtual mode for Foundation and Direct Entry route students by the Regional Councils and Branch offices of ICAI - (31-07-2020)

In view of the ongoing spurt of the COVID-19 virus pandemic and subsequent suspension of IT and Soft Skills Classes all across the country, the competent authority has decided that the students of both Foundation and Direct Entry, who are eligible to undergo Orientation Course/Information Technology Course can undergo the aforesaid Courses through virtual mode to be conducted by the respective regional and branch offices of ICAI.

The online classes will be launched w.e.f. 1st August, 2020 for which students are required to visit www.icaionlineregistration.org or contact the respective branch for registration in launched batches. The detailed guidelines for students undergoing OC and IT courses through online mode can be viewed in the link given below: <https://www.icaai.org/resource/60458sseb49275.pdf>.

Arrangements by the Committee for Members in Practice (CMP), ICAI - (29-07-2020)

Please find the appended brief details of the Initiatives of the Committee along with the web link of the initiatives for your reference & perusal. You may contact at Dr. Sambit Kumar Mishra, Secretary, CMP, ICAI at E-mail: ccbcaf@icai.in, Telephone: 0120-3045994.

Sr. No.	Details about the arrangement	Web link
1.	Papilio Office Management Software	https://cmpbenefits.icaai.org/papilio-software/
2.	RuleZbook- Mobile App for Legal Updates	https://cmpbenefits.icaai.org/integrated-grc-product-suite-software/
3.	Audit Module (Workflow with Standard Audit Checklist)	
4.	Legal Compliance Management	
5.	Payroll Processing and Labour Compliance	
6.	Board Module for Secretarial Compliances	
7.	Legal Compliance Audit Module	
8.	Practice Management Module	
9.	Tally.ERP 9 Gold Edition (Multi-User version)	https://cmpbenefits.icaai.org/tally-Software-Solutions/

10.	Quick Heal Total Security For Android enabled Mobiles and Desktops/laptops	https://cmpbenefits.icai.org/antivirus-protection-facility/
11.	Practice Management Software for Members in Practice & CA Firms of ICAI	https://cmpbenefits.icai.org/practice-management-software/
12.	All-in-One Accounting & Compliance Software for Chartered Accountants by: HostBooks	https://www.icai.org/post.html?post_id=16295
13.	XBRL Software	https://www.icai.org/resource/58289ccbmp47547.pdf
14.	GST Annual Returns (GSTR-9 & 9C) software	https://www.icai.org/resource/58288ccbmp47546.pdf
15.	EFF factor software for the Practitioners/CA Firm of ICAI	https://www.icai.org/post.html?post_id=16303
16.	CORDEL Practice Management software	https://www.icai.org/post.html?post_id=16302
17.	LIC Group term Insurance for Members of ICAI	https://cmpbenefits.icai.org/lic-term-insurance/
18.	Health Insurance for the Members of ICAI	https://cmpbenefits.icai.org/medical-insurance/
19.	Motor Insurance for the Members of ICAI	https://cmpbenefits.icai.org/motor-Vehicle-Insurance/
20.	Professional Indemnity Insurance for the Members in Practice/CA Firms	https://cmpbenefits.icai.org/professional-Indemnity-Insurance/
21.	Office Protection Shield Insurance Policy	https://icai.org/post.html?post_id=10097
22.	Personal Accident Insurance Policy	https://cmpbenefits.icai.org/personal-Accident-Insurance/
23.	House Holder Insurance policy for the Members of ICAI	https://cmpbenefits.icai.org/householders-insurance/
24.	Unsecured Term Loan Facility for the Members of ICAI	https://cmpbenefits.icai.org/loan-facility/
25.	Credit Cards for the Members of ICAI	https://cmpbenefits.icai.org/credit-cards-facility/
26.	Revised Minimum Recommended Scale of the fees for the Professional Assignments done by the Chartered Accountants for Class 'A' & Class 'B' & Class 'C' Cities	https://cmpbenefits.icai.org/wp-content/uploads/2020/02/Details-download.pdf

27.	30 CPE Hours Virtual Certificate Course on Preparation of Appeals, Drafting of Deed & Documents and Representation before Appellate Authorities and Statutory Bodies	https://learning.icaai.org/committee/capacity_building
28.	30 CPE hours Virtual Certificate Course on Wealth Management and Financial Planning (WMFP)	
29.	E-Book on 'Office Management Manual for Members in Practice	https://www.icaai.org/resource/60284cmp49102.pdf
30.	Opportunities for ICAI members in World Bank Projects	https://cmpbenefits.icaai.org/wp-content/uploads/2020/01/ICAI-PPR-Biz-opportunity.pdf

Important Announcement - COVID-19 (CABF) - (26-07-2020)

The Managing Committee of the Chartered Accountants Benevolent Fund (CABF) ICAI has considered the difficulties being faced by Members in the time of pandemic and has decided to grant Medical Financial Assistance to the Members and their dependents suffering from CORONA.

This help is going to be available to the Members and their dependents who are in distress and need financial assistance for treatment of Corona disease. To avail this help members/dependents may file request in prescribed Application Form-cum-Undertaking hosted on the website of the ICAI at the CABF Portal at the link <https://cabf.icaai.org/>. The application is to be accompanied with the CORONA positive report and is available only for the cases of hospitalization.

The financial assistance will be up to INR 1.5 Lakhs and will be returnable to CABF in full, if it is not utilized for treatment of CORONA.

For detailed information please mail to covidassistance@icaai.in.

Member Secretary

Chartered Accountants Benevolent Fund

M&C-MSS Directorate

The Institute of Chartered Accountants of India

ICAI Bhawan

Plot No. A-29, Sector-62 NOIDA

Phone - 0120-3045997/98



CBDT extends due date for Income Tax Returns for FY 2018-19 from 31st July 2020 to 30 September 2020

In view of the constraints due to the Covid pandemic & to further ease compliances for taxpayers, CBDT extends the due date for filing of Income Tax Returns for FY 2018-19 (AY 2019-20) from 31st July, 2020 to 30th September, 2020, vide Notification No. 56/2020-Income Tax dated 29th July, 2020.

S.O. 2512(E).— In exercise of the powers conferred by sub-section (1) of section 3 of the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020 (2 of 2020), the Central Government hereby makes the following amendment in the notification of the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, number 35/2020, dated the 24th June, 2020, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 2033(E), dated the 24th June, 2020, namely:-

- (i) in the first proviso, in clause (i), in sub-clause (a), for the words, figures and letters “the 31st day of July, 2020” the words, figures and letters “the 30th day of September, 2020” shall be substituted;
- (ii) after the second proviso, the following proviso shall be inserted, namely: -
“Provided also that for the purposes of the second proviso, in case of an individual resident in India referred to in sub-section (2) of section 207 of the Income-tax Act, 1961 (43 of 1961), the tax paid by him under section 140A of that Act within the due date (before extension) provided in that Act, shall be deemed to be the advance tax.”.

[Notification No. 56/2020/ F. No. 370142/23/2020-TPL, dated 29th July, 2020]

Amendment of rule 31A, Form 26Q & 27Q

CBDT amends rule 31a and form 26Q from 3rd July 2020 w.r.t. providing certain information related to cash withdrawals under section 194N in form no. 26Q mandatorily. It also mandates that details of interest liable to TDS (sec 194A), even where tax has not been deducted or deducted at lower rate.

G.S.R. 429(E).— In exercise of the powers conferred by sections 194A, 194J, 194K, 194LBA, 194N, 194-O, 197A and 200 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes, hereby, makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. Short title and commencement- (1) These rules may be called the Income-tax (16th Amendment) Rules, 2020.
- (2) Save as otherwise provided in these rules, they shall come into force from the date of their publication in the Official Gazette.
2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), in rule 31A, in sub-rule (4), --
 - (a) in clause (viii), after the words “not deducted”, the words “or deducted at lower rate” shall be inserted;
 - (b) for clause (ix) the following shall be substituted from the 1st day of July, 2020, namely:-
“(ix) furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under second proviso to section 194N or in view of the exemption provided in third proviso to section 194N or in view of the notification issued under fourth proviso to section 194N”;
 - (c) after clause (ix), the following clauses shall be inserted, namely:--
“(x) furnish particulars of amount paid or credited on which tax was not deducted or deducted at lower rate in view of the notification issued under sub-section (5) of section 194A.

(xi) furnish particulars of amount paid or credited on which tax was not deducted under sub-section (2A) of section 194LBA.

(xii) furnish particulars of amount paid or credited on which tax was not deducted in view of clause (a) or clause (b) of sub-section (1D) of section 197A.

(xiii) furnish particulars of amount paid or credited on which tax was not deducted in view of the exemption provided to persons referred to in Board Circular No. 3 of 2002 dated 28th June 2002 or Board Circular No. 11 of 2002 dated 22nd November 2002 or Board Circular No. 18 of 2017 dated 29th May 2017." For detailed notification visit:

https://www.incometaxindia.gov.in/communications/notification/notification_43_2020.pdf

[Notification No. 43/2020/F. No. 370142/11/2020-TPL, dated 3rd July, 2020]

Clarification in relation to notification issued under clause (v) of proviso to section 194N of the Income-tax Act, 1961 (the Act) prior to its amendment by Finance Act, 2020 (FA, 2020)-Reg.

Section 194N of the Act as inserted by Finance (No.2) Act 2019 provided for deduction of tax at source on payment made by a banking company, a cooperative society engaged in the business of banking or post office, in cash to a recipient exceeding Rs. 1 crore in aggregate during a financial year from one or more account maintained by such recipient. Clause (v) of proviso to the said section had empowered the Central Government, in consultation with the Reserve Bank of India (RBI), to exempt by way of notification in Official Gazette, persons or class of persons so that payments made to such persons or class of persons shall not be subjected to TDS under this section. Accordingly, in exercise of the said power, Central Government has issued three notifications which are as under:

(a) Notification 68 of 2019 dated 18.09.2019: Cash Replenishment Agencies (CRAs) and franchise agents of White Label Automated Teller Machine Operators (WLATMOs) for the purpose of replenishing cash in ATMs operated by these entities subject to conditions mentioned in the said notification

(b) Notification 70 of 2019 dated 20.09.2019: Commission agent or trader operating under Agriculture Produce market Committee (APMC) and registered under any law relating to Agriculture Produce Market of the concerned State have been exempted subject to conditions specified in the said notification

(c) Notification 80 of 2019 dated 15.10.2019: the authorized dealer and its franchise agent and sub-agent and Full Fledged Money Changer (FFMC) licensed by the Reserve Bank of India and its franchise agent for the purposes of,-

(i) Purchase of foreign currency from foreign tourists or non-residents visiting India or from resident Indians on their return to India, in cash as per the directions or guidelines issued by Reserve bank of India; or

(ii) Disbursement of inward remittances to the recipient beneficiaries in India in cash under Money Transfer Service Scheme (MFSS) of the Reserve Bank of India; and subject to the conditions specified in the said notification.

2. Section 194N of the Act was amended by the Finance Act, 2020 (the FA, 2020) in order to make the provisions of the said section more stringent for non ITR filers. It is to note that the clause (v) of the proviso to section 194N prior to its amendment has now become fourth proviso to the said section. Representations have been received seeking clarification regarding the validity of the above mentioned notifications in light of the amendments carried out by FA, 2020.

3. The matter has been examined by the Board and it is hereby clarified that the above mentioned three notifications shall be deemed to be issued under fourth proviso to section 194N as amended by the FA, 2020. It is further reiterated that the exemption allowed under the said notifications shall be subject to the conditions laid down therein.

[Circular No. 14/2020, 20th July 2020]

One-time relaxation for Verification of tax-returns for the Assessment years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 which are pending due to non-filing of ITRV form and processing of such returns - reg.

In respect of an Income-tax Return (ITR) which is filed electronically without a digital signature, the taxpayer is required to verify it using anyone of the following modes within the time limit of 120 days from date of uploading the ITR: -

- i. Through Aadhaar OTP
- ii. By logging into e-filing account through net banking
- iii. EVC through Bank Account Number
- iv. EVC through Demat Account Number
- v. EVC through Bank ATM
- vi. By sending a duly signed physical copy of ITR-V through post to the CPC, Bengaluru

2. In this regard, it has been brought to the notice of Central Board of Direct Taxes ('CBDT') that a large number of electronically filed ITRs still remain pending with the Income Tax Department for want of receipt of a valid ITR-V Form at CPC, Bengaluru from the taxpayers concerned. In law, consequences of non-filing the ITR-V within the time allowed is significant as such a return is/can be declared Non-est in law, thereafter, all the consequences for non-filing a tax return, as specified in the Income-tax Act, 1961 (Act) follow.

3. In this context, as a one-time measure for resolving the grievances of the taxpayers associated with non-filing of ITR-V for earlier Assessment Years and to regularize such returns which have either become Non-est or have remained pending due to non-filing/non-receipt of respective ITR-V Form, the CBDT, in exercise of powers under section 119 of the Act, in case of returns for Assessment Years 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 which were uploaded electronically by the taxpayer within the time allowed under section 139 of the Act and which have remained incomplete due to non-submission of ITR-V Form for verification, hereby permits verification of such returns either by sending a duly signed physical copy of ITR-V to CPC, Bengaluru through speed post or through EVC/OTP modes as listed in para 1 above. Such verification process must be completed by 30.09.2020.

4. However, this relaxation shall not apply in those cases, where during the intervening period, Income-tax Department has already taken recourse to any other measure as specified in the Act for ensuring filing of tax return by the taxpayer concerned after declaring the return as Non-est.

5. Further, CBDT, also relaxes the time-frame for issuing the intimation as provided in second proviso to sub-section (1) of Section 143 of the Act and directs that such returns shall be processed by 31.12.2020 and intimation of processing of such returns shall be sent to the taxpayer concerned as per the laid down procedure. In refund cases, while determining the interest, provision of section 244A (2) of the Act would apply.

6. In case the taxpayer concerned does not get his return regularized by furnishing a valid verification (either ITR-V or EVC/OTP) by 30.09.2020, necessary consequences as provided in law for non-filing the return may follow.

[Circular No. 13/2020, 13th July 2020]

CBDT notifies / amends rule for furnishing party wise break up of TCS

G.S.R. 464(E).—In exercise of the powers conferred by section 197 and 206C read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. Short title and commencement.-- (1) These rules may be called the Income-tax (17th Amendment) Rules, 2020.

(2) Save as otherwise provided in these rules, they shall come into force with effect from the 1st day of October, 2020.

2. In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), in rule 31AA, in sub-rule (4), after clause (v), the following clauses shall be inserted namely:-

“(vi) furnish particulars of amount received or debited on which tax was not collected,-

(a) by the authorised dealer from the buyer under the first proviso to sub-section (1G) of section 206C;

(b) by the authorised dealer under fourth proviso to sub-section (1G) of section 206C; and

(c) by the authorised dealer or seller of an overseas tour program from the buyer under clause (i) or clause (ii) of the fifth proviso of sub-section (1G) of section 206C or in view of any notification issued under clause (ii) of the fifth proviso of sub-section (1G) of section 206C.

(vii) furnish particulars of amount received or debited on which tax was not collected from the buyer,-

(a) under second proviso to sub-section (1H) of section 206C; and

(b) under sub-clause (A) or sub-clause (B) or sub-clause (C), or in view of any notification issued under sub-clause (C), of clause (a) of the Explanation to sub-section (1H) of section 206C.”

3. In the principal rules, from the date of publication in the Official Gazette, in rule 37BC, in sub-rule (1), after the words “fees for technical services”, the words “, dividend” shall be inserted.

4. In the principal rules, in rule 37CA, the words, brackets, figures and letters ‘sub-section (1) or sub-section (1C)’, wherever they occur, shall be omitted.

5. In the principal rules, in rule 37-I, after sub-rule (2), the following sub-rule shall be inserted namely:-

“(2A) Notwithstanding anything contained in sub-rule (2), for the purposes of sub- section (1F) or, sub-section (1G) or, sub-section (1H) of section 206C, credit for tax collected at source shall be given to the person from whose account tax is collected and paid to the Central Government account for the assessment year relevant to the previous year in which such tax collection is made”. For detailed notification visit:

https://www.incometaxindia.gov.in/communications/notification/notification_54_2020.pdf.

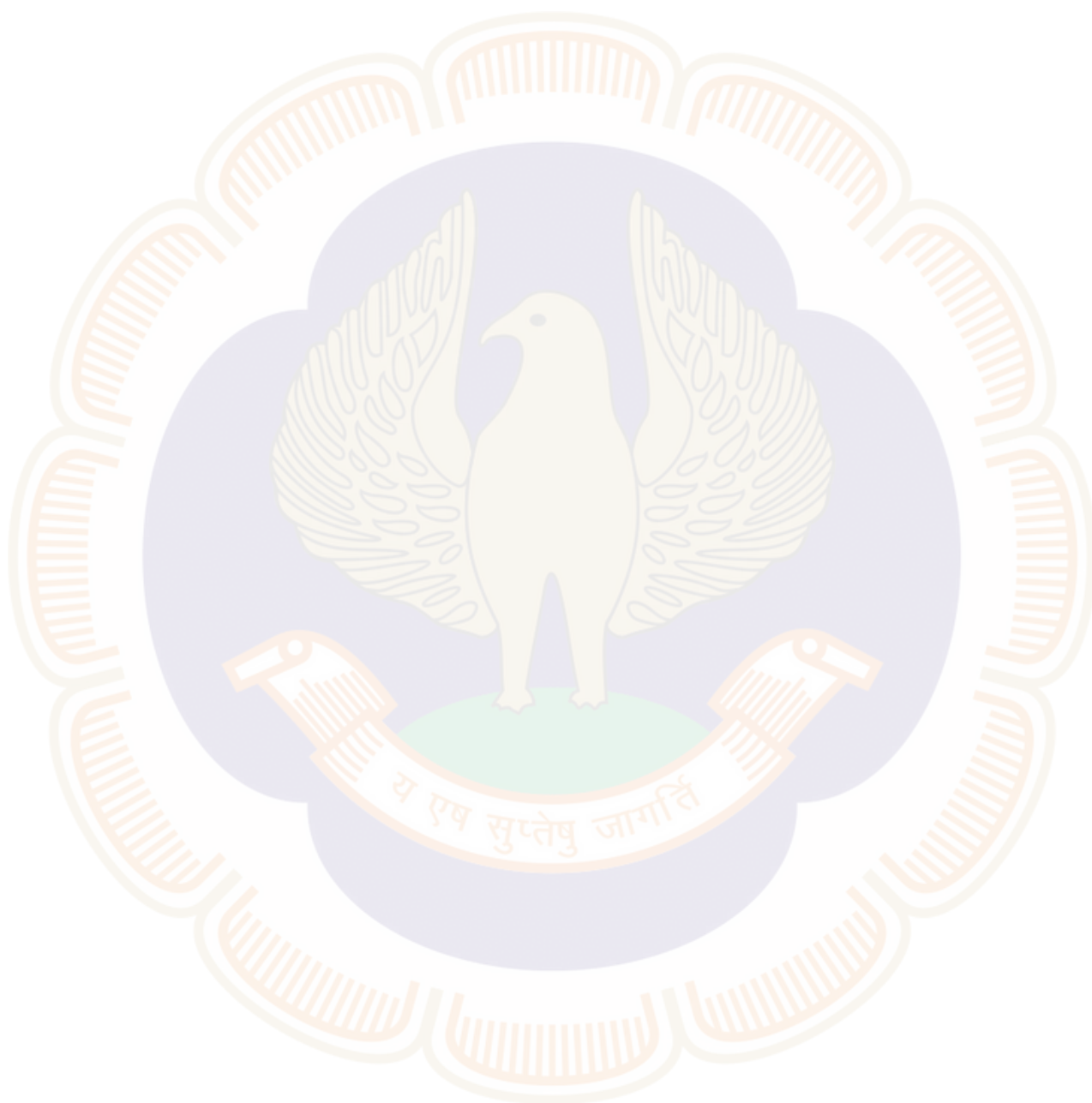
Memorandum of Understanding (MoU) between CBDT and SEBI - 08th July 2020

Securities and Exchange Board of India (SEBI) signed a Memorandum of Understanding (MoU) with Central Board of Direct Taxes (CBDT), Government of India, today, for data exchange between the two organizations. The MoU was signed by Ms. Anu J Singh, Pr. DGIT (Systems), CBDT and Ms. Madhabi Puri Buch, Whole Time Member, SEBI in the presence of senior officers from both the organizations via video conference.

The MoU will facilitate the sharing of data and information between CBDT and SEBI on an automatic and regular basis. The MoU will ensure that both CBDT and SEBI have seamless linkage for data exchange. In addition to regular exchange of data, CBDT and SEBI will also exchange with each other, on request and suo moto basis, any information available in their respective databases, for the purpose of carrying out scrutiny, inspection, investigation and prosecution.

The MoU is an ongoing initiative of CBDT and SEBI, who are already collaborating through various existing mechanisms. A Data Exchange Steering Group has also been constituted for the initiative, which will meet periodically to review the data exchange status and take steps to further improve the effectiveness of the data sharing mechanism.

The MoU marks the beginning of enhanced cooperation and synergy between SEBI and CBDT.
https://www.sebi.gov.in/media/press-releases/jul-2020/sebi-signs-mou-with-cbdt_47030.html





Nil GSTR-1 can be filed through short message service (SMS) from 01-07-2020:

Form GSTR-1, relating to outward supplies, for a month having nil or no entry in all the Tables can be filed through a SMS using the registered mobile number. As per new Rule 67A of the Central Goods and Services Tax Rules, 2017, which is effective from 01-07-2020, the said form having details of outward supplies can be verified by a registered mobile number based One Time Password facility. It may be noted that Form GSTR-3B can also be filed through SMS and the provisions relating to the latter were made effective from 08-06-2020.

[Notification No. 58/2020-Central Tax, dated 01-07-2020]

Seeks to amend Notification no. 13/2020-Central Tax in order to amend the class of registered persons for the purpose of e-invoice

G.S.R.....(E).—In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017, the Government, on the recommendations of the Council, hereby makes the following amendments in notification of the Government of India in the Ministry of Finance (Department of Revenue), No.13/2020 – Central Tax, dated the 21st March, 2020, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 196(E), dated the 21st March, 2020, namely:—

In the said notification, in the first paragraph,

(i) before the words “those referred to in sub-rules”, the words “a Special Economic Zone unit and” shall be inserted;

(ii) for the words “one hundred crore rupees”, the words “five hundred crore rupees” shall be substituted.

[Notification No. 61/2020 – Central Tax, dated 30th July 2020]

Seeks to extend the due date for filing FORM GSTR-4 for financial year 2019-2020

G.S.R.....(E).— In exercise of the powers conferred by section 148 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Government, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 21/2019- Central Tax, dated the 23rd April, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 322(E), dated the 23rd April, 2019, namely:—

In the said notification, in the third paragraph, in the first proviso, for the figures, letters and words “15th day of July, 2020”, the figures, letters and words “31st day of August, 2020” shall be substituted.

[Notification No. 59/2020 – Central Tax, dated 13th July 2020]

OTHER TAX UPDATES

CONTRIBUTED BY CA. SNEHA MANCHANDA, NASHIK



For refund of MVAT Voluntary Security Deposit, date of application has been extended from 31/03/2019 to 31/03/2021 by Maharashtra Government Notification No. VAT-1520/CR. 64/Taxation-1 dated 1st July 2020.

No. VAT-1520/CR. 64/Taxation-1. —Whereas, the Government of Maharashtra is satisfied that circumstances exist which render it necessary to take immediate action further to amend the Maharashtra Value Added Tax Rules, 2005 and to dispense with the condition of previous publication thereof under the proviso to sub-section (4) of section 83 of the Maharashtra Value Added Tax Act, 2002 (Mall. IX of 2005):

Now, therefore, in exercise of the powers conferred by sub-sections (1) and (2) read with the proviso to sub-section (4) of section 83 of the said Act, and of all other powers enabling it in this behalf, the Government of Maharashtra hereby, makes the following rules further to amend the Maharashtra Value Added Tax Rules, 2005. namely:-

1. These rules may be called the Maharashtra Value Added Tax First Amendment) Rules. 2020,
2. In rule BOA of the Maharashtra Value Added Tax Rules, 2005, in sub-rule (4), for the figures, letters and word “31st March 2019” the figures, letters and word “31st March 2021” shall be substituted.

Technical Guide on Easy Incorporation of Companies through SPICE+

Government has brought in the advanced integrated form SPICE+ (eForm-32) which is an integrated web form offering 10 services by 3 Central Government Ministries & Departments (Ministry of Corporate Affairs, Ministry of Labour & Department of Revenue in the Ministry of Finance) and One State Government (Maharashtra), thereby saving as many procedures, time and cost for Starting a Business in India.

ICAI has released this “Technical Guide on Incorporation of Companies through SPICE+” to provide detailed guidance on the procedural aspects of this integrated form for the benefit of all the members and other stakeholders. This Technical Guide has been designed and developed in an easy to understand language and is quite comprehensive which elaborates detailed process to incorporate a company.

<https://resource.cdn.icaai.org/60342clcg49153.pdf>



From the banking assignments I have handled in practice, I have always come across manual and very time-consuming process of identifying slow moving Advances (NPAs) in loan book of a Bank. Hence, from the workings I have done over the period, I have authored a formula that makes the task a little bit easy and gives a snapshot at reasonably identifying the NPAs of a bank from the Loan dump, that we all extract from the CBS software.

In below Snapshot I have given the Particulars in Column A, Amounts, Factual Data and Excel Formulas in Column B and The formula text of Column B Formulas in Column C. Taking Example from below Snapshot, we can see that using smart formulas can help us in ascertaining the Ideal Balance which was expected to be outstanding at the end of a particular period. If you exactly type in the formulas and data in a workbook in your computer while reading this writeup, it will be clearer how this works. Also Making a Repayment schedule in excel will tremendously make this article clear.

	A	B	C
1	Particulars	Data	Formulatext
2	Amount Sanction	Rs. 10,00,000.00	
3	Date of Sanction	01/04/2014	
4	Interest Rate	12%	
5	Total Snaction period in months	120	
6	EMI	14,347	=+PMT(B4/12,B5,-B2)
7	F.Y. END	31/03/2020	
8	Number of Due Installments (monthly) including Moratorium Period	72.00	=+ROUND((B7-B3)/30.41,0)
9	Moratorium months	6	
10	Actual Due Installments	66.00	=+B8-B9
11	Total Prin Repayment Expected	Rs. 4,03,610.43	{=+SUM(PMT((B4/12),ROW(INDIRECT("A1:A"&B10)),B5,-B2))}
12	Ideal Balance	Rs. 5,96,389.57	=+B2-B11
13	Outstanding Balance	Rs. 6,94,512.00	
14	Overdue	Rs. 98,122.43	=+B13-B12
15	Latest Prin. Repayment	Rs. 8,300.20	=PPMT((B4/12),B10,B5,-B2)
16	Oustanding Installments	11.82	=+B14/B15

Below is the explanation I have given for formulas used in the snapshot.

1. Formula 1: I have ascertained EMI using a simple PMT Formula in excel.
2. Formula 2:- To ascertain the number of months that have elapsed since the Sanction/ Disbursal date of such loan I have used simple subtraction of Two Dates and have divided them by 30.41 and Have nested them in to a rounding up formula to get Integer Value. (Why 31.41? Average month days which comes from--> $365/12 = 31.41$)
3. Formula 3:- I have subtracted the moratorium period instalments from Answer in Step 2 to get actual number of instalments a borrower had to pay.
4. "Formula 4:- This is an array formula hence it is surrounded by curly brackets. For Executing an Array formula, we have to press Ctrl + Shift + Enter keystroke after typing in the formula in a cell, instead of only "Enter". This is an iterative formula which sums each iteration of PPMT formula result and gives us a total sum of Principle Repayment amounts of first 66 Instalments as given in Cell 10" (See below Explanation of how it is exactly done in Excel Backend)

Formula 5:- Ideal Balance = Sanctioned/ Disbursed Amount (-) Total Repayment Expected
 Formula 6:- Loan overdue = Outstanding Balance (-) Ideal Balance.
 Formula 7:- Latest Prin. Repayment is the Principal Repayment portion out of 66th instalments. (I Suggest you to have a Repayment schedule based on above data in a separate excel. You will find the figure of Ideal Balance and Latest Prin. Repayment figure in Columns of Outstanding Balance and Principal Column of Repayment schedule)
 Formula 8:- Outstanding Instalments = Overdue / Latest Prin. Repayment

Detailed Explanation of Formula 4

If we break down steps that Excel performs in the Backend, into multiple excel formulas in a sheet and then summing the result of Repayment column in a single cell we will have to do this somewhat like shown below. This whole 66 + 1 (Sum) formula rows are calculated in a single cell using an array formula in Point D above!!!

Excel Row	Repayment Amount of Installment	Formula
1	Rs. 4,347.09	=+SUM(PMT((B4/12),1,B5,-B2))
2	Rs. 4,390.57	=+SUM(PMT((B4/12),2,B5,-B2))
3	4434.471447	=+SUM(PMT((B4/12),3,B5,-B2))
...
66	8300.197209	=+SUM(PMT((B4/12),66,B5,-B2))
Total	403610.4341	=SUM(B1:B66)

It is always very hard to convey and explain complicated Excel Formulas in Writing but I hope that the efforts which I have made are good enough. The same explanations can be found in a video which I will be posting shortly on my YouTube Channel for the benefit of one and all.

INSPIRATIONAL SUCCESS STORY

CONTRIBUTED BY CA. NUPUR JOSHI, NASHIK



Kieran Behan, gymnast

Imagine being told that you will never walk again! That was what doctors told Kieran after they removed a cancerous tumor from his thigh at the age of 10. The operation went badly, so badly in fact, that he woke up screaming in pain from massive nerve damage. Up to then, he had been crazy about gymnastics and was determined to become an Olympic champion. But how could he do that when he could not even walk now and was confined to a wheelchair?

Kieran was going to show them and he started on the long road to recovery. He was 15 months in a wheelchair but he persevered and was back in the gym. But within a few months he slipped from the high bar and sustained a terrible head injury. He was so badly injured that frequent blackouts happened when he literally blinked. He missed a whole year at school but the gym was beckoning again. This time though, he had to overcome the challenges of that awful injury. He had to retrain his brain and get back his co-ordination. He returned to school using a walking stick and was cruelly taunted by his classmates.

It then took him three years to get back to where he had been before the awful accident. But he suffered several fractures. Then another blow came when his knee snapped just after he had been selected for the European Championships. Behan has said that was when he was about to give up.

But he never gave up and succeeded in becoming the Challenge World Cup floor champion in 2011, and his greatest moment of glory was when he qualified for the London 2012 Olympics. He had become an Olympic athlete after being through terrible pain, trauma and setbacks. A glorious example of the Olympic spirit.

GLIMPSES OF PAST EVENTS FOR THE MONTH OF JULY 2020

CA DAY 1.07.2020

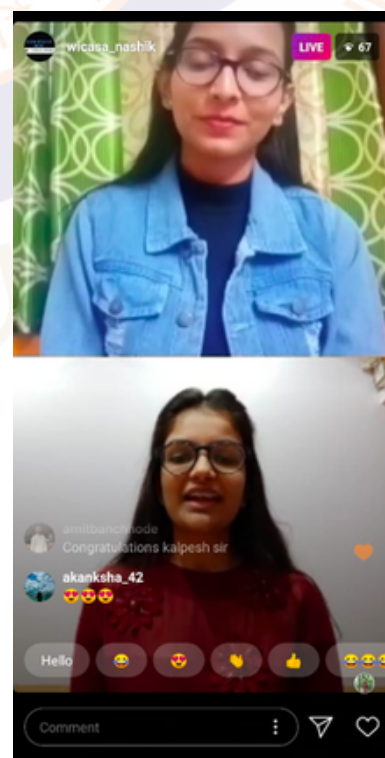


GLIMPSES OF PAST EVENTS FOR THE MONTH OF JULY 2020



GLIMPSES OF EVENTS OF PAST MONTH

CULTURAL NIGHT ON 01.07.2020



GLIMPSES OF EVENTS OF PAST MONTH

WEBINAR ON GST ON DEVELOPMENT PLOTS

		<p><i>Explanation - for the purposes of this clause-</i></p> <p>(1) the expression "competent authority" means</p> <p>(2) the expression "construction" includes additions, alterations, replacements or remodelling of any existing civil structure;</p>	
7	Section 7: Scope of "Supply" Serial 5:	<p>ACTIVITIES OR TRANSACTIONS WHICH SHALL BE TREATED NEITHER AS A SUPPLY OF GOODS NOR A SUPPLY OF SERVICES</p> <p>"5. Sale of <u>land</u> and <u>sale of building</u>," subject to clause (b) of paragraph 5 of Schedule-I.</p>	Divided in two parts: Sale of a Land & Sale of Building
8	Definition of "Complex"	Not defined under GST	
9	Definition of "Building"	<p>Not defined under GST.</p> <p>As per RERA Act U/s 2 (j) "building" includes any structure or erection or part of a structure or erection which is intended to be used for residential, commercial or for the purpose of any business, occupation, profession or trade, or for any other related purposes;</p>	
10	Definition of "Civil Structure"	Not defined under GST, RERA Act.	
11	Definition of "Land"	<p>Not defined under GST, RERA Act.</p> <p>As Land Acquisition Act, 1894: U/s 3 (a) the expression "land" includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth.</p>	

	Services to be taxed not the cost of land?	And Cost of Land Separately.	
9	Applicants other facts:	<p>Now Completion Certificate dated 31.05.2018 for layout development has been issued.</p> <p>Therefore, they intend to structure future agreements by fixing land cost, fully absorbing development charges.</p> <p>Entire payment made for a plot will be shown in the sale deed and stamp duty and registration fee will be paid.</p>	<p>As per Paragraph 5 of Schedule II of the GST Act, sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building shall be treated neither as a supply of goods nor as a supply of service.</p> <p>As per Paragraph 5 (b) of Schedule II, construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, except where the entire consideration has been received after issuance of completion certificate, where required by the competent authority or after its first occupation, whichever is earlier shall be treated as a supply of services.</p>
10	1 st Question for AAR	Is it correct to structure agreement by fixing the land cost by absorbing the development charges?	<p>In the instant case, the Completion Certificate in respect of the project has been issued on 31.05.2018 and the proposed transaction is in respect of sale of developed plots/ land with civil structures after the issuance of Completion Certificate. Therefore the transaction is</p>

GLIMPSES OF EVENTS OF PAST MONTH

WEBINAR ON IMPORTANT ASPECTS OF ICAI CODE OF ETHICS -2020

Code of Ethics

- ICAI being member of International Federation of Accountants (IFAC) has considered the Ethics standards issued by International Ethics Standards Board for Accountants (IESBA) while framing Code of Ethics for CAs.

ICAI Code of Ethics, 2019 issued on 4th February, 2019 as a Guideline of the Council. It is based on International Ethics Standards Board for Accountants (IESBA) Code of Ethics, 2018 edition.

- It is effective from **1st July, 2020**
- Earlier ICAI Code of Ethics, 2009 had two Parts Part-A and Part – B.
- ICAI Code of Ethics, 2019 (available on website) is the revised version of Part-A of the ICAI Code of Ethics, 2009 and it is now called '**Volume-I**'.
- Revised version of Part-B of ICAI Code of Ethics, 2019 has been passed by the Council. It is now called as '**Volume-II**'. (available on website)
- Updated relevant Disciplinary Case laws being issued as Code of Ethics '**Volume-III**' - (available on website)

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Chartered Accountant in Practice

- A Chartered Accountant can be either in Practice or can be engaged in occupation otherwise than in Practice.
- Section 2(2) of CA Act has defined the term "to be in Practice" by enumerating the activities in which a Member engages himself/herself. These activities are –
 - Practice of accountancy or
 - Auditing or verification of financial transactions, books, accounts or records or
 - Preparation, verification or certification of financial accounting and related statements or
 - Services or assistance in or about matters of principle or detail relating to accounting procedure or the recording, presentation or certification of financial facts or data or
 - Such other services as prescribed Council.
- Activities prescribed by Regulation 191 of CA Regulations –

A liquidator, trustee, executor, administrator, arbitrator, receiver, adviser or representative for costing, financial or taxation matters or can take up an appointment made by the Central Government or a State Government or a court of law or any other legal authority or acts as a Secretary.
- Further the Council has passed a resolution permitting a Chartered Accountant in practice to render entire range of "Management Consultancy and other Services" and under this category, the Council has from time to time listed 28 different types of activities/services which a Chartered Accountant in practice can undertake.



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GLIMPSES OF EVENTS OF PAST MONTH

WEBINAR ON DECODING NEW MSME DEFINATION, UDYAM REGISTRATION, BENEFITS OF MSME REGISTRATION & STIMULUS PACKAGE

BENEFITS OF REGISTRATION AS MSME

1. **Collateral free credit:** Under CGTMSE (Credit Guarantee Funds Trust for Micro and Small Enterprises) scheme, MSME's can avail maximum collateral free credit (Fund based / non fund based – LC, BG etc) upto of Rs. 200 Lacs from Eligible Institutions.
2. **Protection against delay in payment:** The buyer has to make payment to MSME seller for the goods/ services within the time period mentioned in the written agreement which,
 - In no case, shall exceed **45 days** from date of acceptance or date of deemed acceptance.
 - If the buyer fails to pay within the prescribed time limit, then, notwithstanding anything contained in any agreement between buyer and seller or in any law for the time being in force, he has to pay **compound interest with monthly rest at three time of bank rate** on the due amount to the seller (Section 16 of the Act).

CA JULIETH SHAH

Old MSME Classification

Criteria: Investment in Plant Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs.25 Lakhs	Investment < Rs.5 Crores	Investment < Rs.10 Crores
Service Enterprise	Investment < Rs.10 Lakhs	Investment < Rs.2 Crores	Investment < Rs.5 Crores

Revised MSME Classification w.e.f 01.07.2020

Criteria: Investment & Annual Turnover			
Classification	Micro	Small	Medium
Mfg. & Service Enterprises	Investment < Rs.1 Crore & Turnover < 5 Crore	Investment < Rs.10 Crore & Turnover < 50 Crore	Investment < Rs.50 Crore & Turnover < 250 Crore

Note: (1) The turnover with respect to exports will not be counted in the limits of turnover for any category of MSME units whether micro, small or medium.
(2) Turnover and Investment, both limits are applicable to a single PAN of business.

CA JULIETH SHAH