



AHMEDABAD BRANCH OF WICASA

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NEWSLETTER FOR THE MONTH OF SEPTEMBER, 2020

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Mr. Maulik Kesariya

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MESSAGE FROM CHAIRMAN AHMEDABAD BRANCH OF WIRC OF ICAI

Dear Students,

Greetings.

“Whole Life is an Experiment. The more Experiments you make the Better. Do more of what makes you happy.”

I am glad to share that even in mid of the pandemic scenario due to COVID 19 we were actively engaged in Professional programs and also in programs for Health and Corporate Social Responsibility. This is the best time where we can identify our weaknesses and can work on them along with sharpening our Strengths to become the one who is competent to face the challenging future to come post lockdown.

First Time Events: Happy to share that we did following events for the first time at Ahmedabad Branch of WICASA such as:

- 1] Mission Slimpossible – 21 days Fitness Challenge
- 2] Virtual Chess Tournament Season I
- 3] Green Ganesha Workshop
- 4] Model United Nations [MUN] for Students
- 5] Virtual Bollywood Fiesta

6] Phoenix 2020 – Virtual Cultural Evening

7] Virtual Treasure Hunt.

The IASB publication of IFRS comprising IFRS Part B (Illustrative Examples and Implementation Guidance) and IFRS Part C (Bases for Conclusions) that accompany the IFRS Standards is also placed on the ICAI website for guidance in application of the Ind AS. The above e-version of updated Ind AS and related guidance material are available at:

https://www.icaig.org/new_post.html?post_id=15361

VIRTUAL AHMEDABAD BRANCH GST HELPDESK: Any person can lodge the grievance and it will be redressed by an GST HELP DESK COMMITTEE consisting of experts. In case of any grievance you can Submit your details on this LINK <https://forms.gle/3m3eyqiSvMG6iXiz7>

“In the long history of humankind those who learned to collaborate and improvise most effectively have prevailed.”

During this times Ahmedabad Branch is also to come up with more Webinars & other Initiatives to ensure that Students remain in-tune with the updates and can make the best of this time to sharpen their knowledge and skills base. Till then I request all students to remain at home. Hope the preparations of Students who are to appear in November 2020 Exams is going well.

Stay Home. Stay Safe. Stay Updated. Stay Happy.

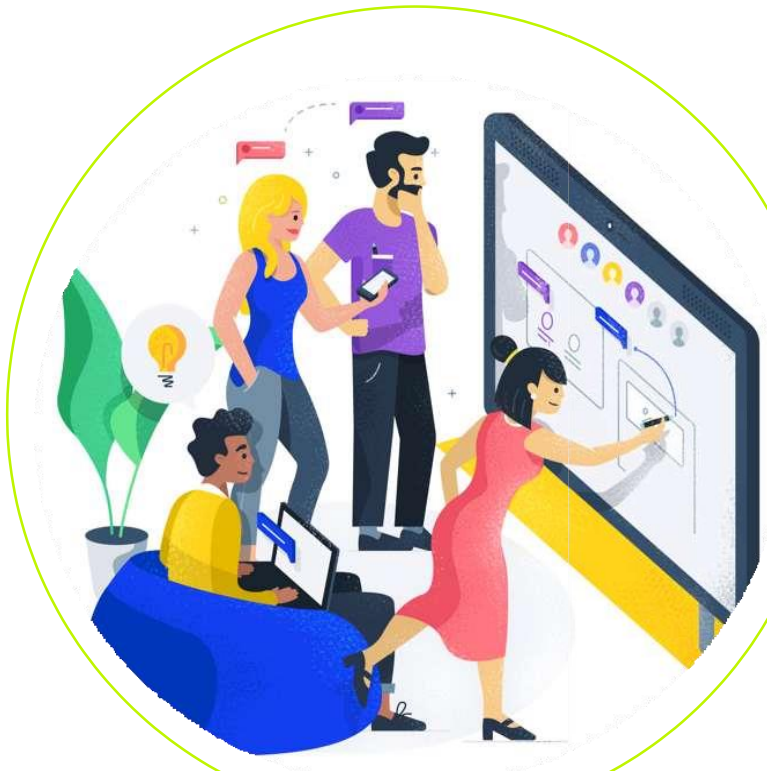
Thanks & Regards,

CA. Fenil Shah

Chairman.

Ahmedabad Branch of WIRC of ICAI





MESSAGE FROM CHAIRPERSON AHMEDABAD BRANCH OF WICASA



Dear Students,

Greetings of the Day!!

India is blessed with a bucketful of exciting festivals and August Month is one of them. Festivals bring people closer and united and despite COVID 19 pandemic, Ahmedabad Branch of WICASA could not stop from conducting events but this time with virtual presence. A plethora of events were organised throughout the month and glimpse of few events are shared as under:-

1. Youth Fest-Phoenix 2020 Finale-Virtual Cultural program
2. Tree plantation Drive
3. Completion of Fitness Challenge for 21 days

4. Learn to make your own Green Ganesha Workshop- Celebrating Ganeshotsav by making own Environmental friendly Ganpati idol with your own hands under the guidance of trained skilled artists.

5. Virtual Chess Tournament 2020 Season 1

6. A Virtual Model United Nations Competition organised jointly with International Peace model United Nations- Students Participation from PAN India and an exceptionally benchmark event in the first time in History of Ahmedabad WICASA.

We are grateful for amazing participation of students across India.

"If you want to do something that really changes someone's life, the best thing you can do is make the person you're trying to help a participant in the process." — John Stahl-Wert

Ahmedabad WICASA is working very hard for achieving newer heights and I am sure with your love and support, we would see the light of the day!!

With easing of lockdown guidelines, we are planning to have Indoor and Outdoor sports, workshops on skill development and various other events.

Stay happy n blessed!!!

Thanking you,

Dr CA Anjali Choksi

Chairperson, WICASA

Ahmedabad Branch of WIRC of ICAI

Judicial Updates in The Insolvency & Bankruptcy Code, 2016

A reference to a suit or arbitration in Section 5(6) certainly indicates that dispute is something more than a disagreement or difference of opinion or conflict - Raghuvir Buildcon Private Limited Vs. Ketan Construction Limited - NCLT Ahmedabad Bench

NCLT held that three situations of dispute covered above may be subject matter of a suit or arbitration proceedings. Thus, dispute may have various dimensions/ aspects which may not related to above three situations only. For example, in case of Mobilox Innovations Private Limited Vs. Kirusa Software Private Limited, breach of term relating to non-disclosure agreement was considered as dispute.

Further, disputes relating to situations mentioned in clause (a), (b) and (c) of Section 5(6) may not be in the form of suit or arbitration only as such disputes though existing in reality might not have been referred for such process as yet. However, a reference to a suit or arbitration in Section 5 (6) certainly indicates that dispute is something more than a disagreement or difference of opinion or conflict. Even otherwise every disagreement or conflict may also not reach to the stage of dispute necessarily.

Thus, the parameter to ascertain as to whether there is a dispute or otherwise can be summarized as under:

1. The dispute should have prima facie bona fide and exists naturally in a given fact;
2. The grounds for alleging the existence of a dispute should not be spurious, hypothetical, illusory or misconceived;
3. The existence of a dispute need not require further to be proved;
4. The dispute should be natural and not a made to believe dispute.

When there is a conflict & no consensus is reached by the majority of voting share to appoint the IRP/RP so proposed by the Applicant, it is expedient to appoint an independent IRP/RP to break any kind of stalemate between the Financial Creditors – Allahabad Bank Vs. Anil Kumar IRP of KSL and Industries Limited – NCLT Ahmedabad

NCLT held that as per Section 7 of the IB Code, the Financial Creditor has the prerogative to propose the name of the IRP/RP and thereafter, they may change it by filing an application under Section 22 of the IB Code. However, to resolve this issue and to end the stalemate between the secured and unsecured Financial Creditors, this Bench in exercise of power under Rule 11 of the NCLT Rules 2016, do hereby appoint Mr. Kiran Shah as the new IRP/RP and direct him to convene the COC meeting and complete the CIRP as early as possible. Further, the period which is consumed in deciding this Application as well as the lockdown period i.e. from 25.03.2020 to 31.05.2020, is exempted.

When the company is under liquidation, how the suspended management can seek direction from AA to allow him to run the company till it is not being sold as a going concern – Himanshu Prafulchandra Varia Vs. Sunil Kumar Agarwal Liquidator Of Varia Engineering Pvt. Ltd. & Ors. – NCLT Ahmedabad

When the liquidation process is in the verge of completion, the applicant (Suspended Management) filed the instant application with above prayers having no locus standi. It is quite unheard that how the suspended management can seek direction from this Adjudicating Authority to allow him to run the company till it is not being sold as a going concern, when the company is under liquidation. In fact, the suspended management has

no locus standi to move such kind of application, when Corporate Debtor company is under the control of the liquidator. Moreover, there is no such statutory provision which allows the Corporate Debtor to run the company till it is sold as going concern. The application so filed by the applicant is not only bad in the eye of law but is blatant misuse of the process of law.

A liquidator can proceed with the sale of the assets even if it is under attachment by Directorate Of Enforcement – Section 32A of IBC – Mr. Anil Goel (Liquidator in Respect Of Varrsana Ispat Limited) Vs. Deputy Director, Directorate Of Enforcement, Delhi – NCLT Kolkata

NCLT held that section 32-A prohibits any action to be taken by the respondent as against properties of the CD undergoing CIRP or undergoing liquidation. But it would not have any application to the designated partner or an officer who is in default or was in any manner in-charge of or responsible to CD for conduct of its business or associated in any manner who was directly or indirectly involved in commission of such offence. To sum up the properties of a CD under liquidation is also to be exempted from the purview of the commission of such offence. In view of the above said position of law we are of the considered opinion that a liquidator can proceed with the sale of the assets even if it is under attachment by the respondent, to continue the time bound process of liquidation under the provisions of the Code and upon completion of the sale proceedings the buyer can take appropriate steps to release the attachment. It appears to us that the attachment and confiscation of properties of a CD undergoing CIRP or liquidation become void under section 32-A of the Code.

Can the Resolution Professional, with the approval of CoC with 66% vote share, directly proceed for the liquidation of Corporate Debtor Company without taking any steps for Resolution of the Corporate Debtor? – Sunil S. Kakkad Promoter and Shareholder of M/s Sai Infosystems (India) Ltd Company under liquidation) Vs. Atrium Infocom Pvt. Ltd. through Sunil Kumar Aggarwal Liquidator – NCLAT New Delhi

NCLAT held that the decision of CoC to liquidate the Corporate Debtor without taking any steps for Resolution of the Corporate Debtor is covered under explanation to sub-clause (2) of Section 33 of the I&B Code and the same being decision on commercial wisdom, is non-justiciable given the law laid by Hon'ble Supreme Court of India in case of K. Sashidhar . Thus, it is clear that there is no illegality in the decision of CoC in liquidating the Corporate Debtor before taking any steps for inviting Expression of Interest for submission of Resolution Plan. Therefore, we are of the considered opinion that there is no reason for interference with the impugned order passed by the Adjudicating Authority. Thus, Appeal is dismissed. No order as to costs.

Order passed at the pre-admission stage of application filed by the Operational Creditor under Section 9 is prohibitory in nature – M/s. Samtex Desinz Pvt. Ltd. Vs. Bharat Bhushan – NCLAT New Delhi

NCLAT held that the impugned order has been passed at the pre-admission stage of application filed by the Respondent (Operational Creditor). The order passed is prohibitory in nature. Without going into the merits of the order, we are constrained to observe that the Adjudicating Authority has failed to follow the mandate of Section 9(5) of the 'I&B Code' as it was supposed to pass order of admission or rejection in regard to the application under Section 9 within 14 days of its filing. We also find that the impugned order has been passed after more than three months of filing the application under Section 9 of the 'I&B Code' and before imposition of lockdown on account of outbreak of Covid-19. In the given circumstances, without interfering with the impugned order, we direct the Adjudicating Authority, New Delhi Bench to pass order in regard to the admission or rejection of the application under Section 9 filed by the Respondent (Operational Creditor) on

merit within one week. We make it clear that the direction given in the impugned order will last only till the date such order is passed by the Adjudicating Authority.

Whether execution of decree on the strength of Recovery Certificate issued by the RERA would justify triggering of the CIRP – Sh. Sushil Ansal Vs. Ashok Tripathi – NCLAT New Delhi

In this judgment, NCLAT held that the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2019 is deemed to have come in force on 28.12.2019 though the same has been notified on 13.03.2020. The thirty days' time granted to allottees for meeting the threshold limit would, therefore, commence w.e.f 28.12.2019 and not w.e.f. 13.03.2020; The answer to the question whether a decree-holder would fall within the definition of 'Financial Creditor' has to be an emphatic 'No' as the amount claimed under the decree is an adjudicated amount and not a debt disbursed against the consideration for the time value of money and does not fall within the ambit of any of the clauses enumerated under Section 5(8) of the Code; Execution of decree on the strength of Recovery Certificate issued by the UP RERA would not justify triggering of the CIRP.

Compiled by: Mr. Maulik Kesariya

Updates in Income Tax Act, 1961

“UPDATES, UPDATES AND UPDATES”



Income tax department follows “ABU CONCEPT” It means AMENDMENTS, BUDGET AND UPDATES”. Two main aspects of ABU concept is:-

- 1) Building a better India
- 2) Proper resource pool allocation

So here, are the recent updates of income-tax.

Section Updates	Issue of Notification	Updates
10AA(SEZ units)	31 st March 2020	<ul style="list-style-type: none">The date for commencement of operation for SEZ units (claiming deduction under section 10AA) has been extended to 30 June 2020, for units which have received approval by 31 March 2020.
80G	31 st March 2020	Donations made to PM CARES Fund will be eligible for a 100% deduction under section 80G. The donation made from 1 April 2020 to 30 June 2020 can be claimed as a tax deduction for the FY 2019-20. I
ITR for F.Y 18-19	1 st July 2020	Filing of original as well as revised ITR for F.Y 18-19 is extended to July 31, 2020 from earlier deadline March 31, 2020, and June 30, 2020.
80C,80D,80G(Tax-Saving Investment)	2 nd July 2020	Currently, the last date for income tax saving investments is set on July 31, for the Financial Year 2019-20, from the earlier

		deadline March 31, 2020, and June 30, 2020.
Tds /Tcs Statement for F.Y 19-20	3 rd July 2020	The Revise timeline to furnish the TDS/TCS statement for quarter Four for F.Y 19-20 is extended to July31, 2020.
ITR for F.Y 19-20	4 th July 2020	Filing of ITR for F.Y 19-20 is extended to November30,2020 from July 31,2020 and October 31,2020(Non audit cases) and in audit cases it extended from september31,2020 to November 30,2020
140A(Self-assessment tax)	5 th July 2020	Payment of self -assessment tax, in case of tax liability upto RS 1-lakh can be made till 30 th Nov,2020
Aadhaar-Pan Linking	6 th July 2020	The Government of India extended deadline of Pan-aadhaar linking to March 31,2021 from earlier June 30,2020 and March 31, 2020
CBDT Notification (Section 194N)	12 th July2020	CBDT provides utility to ascertain TDS applicability rates on cash withdrawals bases only on PAN
Relaxation for verification of returns.	13 th July2020	The CDBT has allowed for returns of all years from A.Y 2015-2016 to A.Y 2019-2020, to be signed and sent to CPC, Bengaluru either physically or electronically, by september30.
Form 26AS	18 th July2020	New Form 26AS is the faceless hand-holding of the Taxpayers(Form 26AS to reflect info on all high-value transaction)
E-Campaign on Voluntary Compliance	18 th July2020	CBDT to start e-campaign on voluntary compliance of income-tax for F.Y2018-2019 from 20 th July ,2020 for 11 days
MOU between CDBT &MSME	20 th July2020	An MOU was signed between CDBT &MSME to facilitate seamless sharing of certain ITR related info by CDBT with MSME

		and enable it to check /classify enterprises in Mirco, Small &Medium categories.
ITR for F.Y 2018-2019	31 st July2020	Filing of original as well as revised ITR for F.Y 18-19 is extended to September 30,2020 from earlier deadline March 31, 2020, June 30, 2020,July31,2020
Faceless Appeal Service(Honoring the honest)	13 th August2020	The Prime Minister stated that the Faceless Appeal Service will come into action from September 25, whereas the faceless Assessment and Taxpayer Charter Service will be available for all the taxpayers from today.

Complied By: Ms. Charvi Godhwani

MSME – Boost for Economy

In this era of changing lifestyle every single day MSME is considered to be the important component. MSME constitutes 90 percent of enterprises in most of economies. MSME contributes in various segments such as employment, Contribution to GDP, Exports, Inclusive growth, Financial Inclusion, Promote Innovation and many more.

Contribution of MSME in world Economy

According to World trade organization report

European Union

Across European Union MSME make up 99.8 per cent of all enterprises, 57.4 per cent value added and 66.8 per cent of employment and certain other benefits.

Japan

There are about 3.82 million companies operating in Japan and 99.7 per cent of those companies MSMEs also considering the fact that MSMEs account for 54.6 per cent of Gross value added of Japanese economy.

United States

The United States' 30 million MSMEs account for nearly two thirds of new private sector jobs in recent decades. In addition, these MSMEs create 1.5 million jobs per year over past three decades.

Role of MSMEs in Indian economy

The MSME Sector is and regarded as the backbone of the Indian economy. It churns out over 6000 products which are highly sought after across the global marketplaces. It employs 40 per cent of the country's workforce. According to Directorate General of Commercial Intelligence and Statistics the share of MSMEs in total export of India during 2018-19 stood at 48.10 per cent

In India MSME is governed by Micro, Small and Medium Enterprises Development act. FM Nirmala Sitharaman during mid of May 2020 announced revisions in definition of Micro, Small and Medium enterprises. Earlier MSMEs were defined on the basis of investments put in, now the revised definitions will also include turnover of the company. The new definition of MSMEs is

Composite Criteria : Investment and Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing and Services	Investment < Rs. 1 Cr. And Turnover < Rs. 5Cr	Investment < Rs. 10Cr. And Turnover < Rs. 50Cr.	Investment < Rs. 50Cr And Turnover < Rs. 250Cr.

There are many reasons according to my opinion for bringing such a significant change in definition of MSMEs.

a) Earlier people were afraid of passing the threshold limit for considering MSME so people used techniques to not properly disclose the investments in books of account, due to this fear people were

not able to grow their businesses the reason for this fear was the benefits that MSMEs receive from government b) This definition will improve ease of doing business for MSMEs and in this process it will make it easier for them to pay taxes, attract investments and create more jobs.

Benefits that are provided to MSMEs

- Government of India has provided various initiatives for MSMEs that allow them to avail credit without collaterals. This collateral free loan is undertaken by Government of India, SIDBI (Small Industrial Development Bank of India) and Ministry of Micro, small and Medium Enterprise under the name Credit Guarantee Trust Fund Scheme.
- The business of MSMEs under MSME Act is eligible to avail benefit of 1 per cent on overdraft facility as a part of Credit Guarantee Trust Fund Scheme which may vary from bank to bank. ☐ Businesses registered under MSME Act can avail a concession on electricity bill by submitting the bills along with application and a copy of the registered certificate by MSME.
- A enterprise whose creditors is an MSME enterprise is expected to make payment not less than 45 days to that MSME enterprise in case it defaulted then that MSME enterprise can charge compound interest at the rate that is three times the rate specified by Reserve bank of India.
- The Businesses registered under this act can claim the reimbursement of expenses that were spent on ISO certification.
- The MSMEs are given a hefty amount of subsidy that is 50 percent of patent registration which can be availed by sending an application to the respective ministry and apart from this MSME can get subsidy for industrial promotion suggested by the government.

Current scenario

The objective of government for providing such benefits to MSMEs is their contribution in economy. Before this Covid-19 Pandemic I was expecting a significant growth in this MSMEs sector the way our government was helping this sector to boost up Make in India project made the gate open for the innovative minds to open up and join the hands to grow our economy. A lot has changed due to this pandemic I think the most affected sector due to this Covid-19 Pandemic was these MSMEs businesses. According to a report Indian MSMEs will face with about USD320 billion in terms of daily gross domestic product (GDP) loss after 40 day lockdown this itself is a huge number. In these scenario according to All India Manufacturers Organization (AIMO) India is currently home to over 75 million MSMEs and close to 25 per cent of these firms would have to shut their businesses if the lockdown extended I think this was the major reason for which the government brought in the concept of unlock 1(lockdown 5) that is lockdown with certain relaxations.

Government has taken various steps to boost MSMEs businesses as a part of atmnirbhar bharat package MSMEs having outstanding loan of Rs.25 crore and upto Rs.100 crore turnovers are eligible to apply for Rs. 3.00 lakh crore collateral free guarantee free loans. These above benefits and relaxation provided by government clearly indicates the contribution of MSMEs in the Indian economy not only in India but across the globe various strategies are being made and benefits are given to these MSMEs looking at their contribution in economies with such low investment and with such less man power just with an idea vision a person can start it company and can contribute to economy. Government is intended that these benefits will make crawling economy walk and run once again.

Article By: Mr. Zeel Shah

LLP Boon for India Professionals

A Limited Liability Partnership (LLP) is a partnership in which some or all partners have limited liability. It therefore exhibits elements of partnerships and corporations. In an LLP, one partner is not responsible or liable for another partner's misconduct or negligence. This is an important difference from that of an unlimited partnership. In an LLP, some partners have a form of limited liability similar to that of the shareholders of a corporation. In some countries, an LLP must also have at least one "General Partner" with unlimited liability.

Salient features of an LLP

An LLP is a body corporate and legal entity separate from its partners. It has perpetual succession. Being the separate legislation (i.e. LLP Act, 2008), the provisions of Indian Partnership Act, 1932 are not applicable to an LLP and it is regulated by the contractual agreement between the partners. Every Limited Liability Partnership shall use the words "Limited Liability Partnership" or its acronym "LLP" as the last of its name. Every LLP shall have at least two designated partners being individuals, at least one of them being resident in India and all the partners shall be the agent of the Limited Liability Partnership but not of other partners.

Advantages of LLP



Need for LLP

For a long time, a need has been felt to provide for a business format that would combine the flexibility of a partnership and the advantages of limited liability of a company at a low compliance cost. The Limited Liability Partnership format is an alternative corporate business vehicle that provides the benefits of limited liability of a company but allows its members the flexibility of organizing their internal management on the basis of a mutually arrived agreement, as is the case in a partnership firm.

This format would be quite useful for small and medium enterprises in general and for the enterprises in services sector in particular. Internationally, LLPs are the preferred vehicle of business particularly for service industry or for activities involving professionals. An LLP is similar in some ways to a standard Partnership, except that the individual members have lower liabilities to any debts which may arise from running the business. There are more administrative duties involved compared to the Partnership business structure.

In fact, an LLP is more similar to operating a Limited Company. In terms of liability, the Limited Liability Partnership is itself liable for debts run up in running the business, rather than the individual members of the LLP. As a result, LLP's are only recommended for profit running businesses. Individuals or existing businesses can be members of a Limited Liability Partnership, and the LLP must have at least 2 members. The rights and responsibilities of all members would usually be laid out in a "Deed of Partnership". The LLP would typically select a "Designated Member" who would be responsible for maintaining communications with Companies House, preparing accounts and acting for the LLP if for some reason it is dissolved further down the line.

Conclusion

This concept has been accepted in countries like U.S.A, U.K, Australia, and Germany. It is a form of business entity, which allows individual partners to be restricted from joint liability of partners in a partnership firm. At present, this LLP bill is in form of mini companies act. The Liability of the partners incurred in the normal course of business is that of LLP and it does not extend to the personal assets of the partners. This is a great relief to the partners, particularly professionals like Company Secretaries, Chartered Accountants, Cost Accountants, Advocates and other professionals.

These professionals may also form multi-disciplinary LLPs to meet the changing economic environment. The hybrid structure of LLP will facilitate entrepreneurs, service providers and professionals to organize and operate in an innovative and efficient manner for effectively competing in the global market. The passing of LLP bill 2008 will definitely bring a remarkable difference in the existing law related to company laws in India. The LLP was introduced in India from the financial year starting from 1st April 2009.

Article By: Ms. Harsha Manwani

GST AUDIT 2018-19

GST Act envisages three types of audits: -

- First, mandatory audit if turnover exceeds the Rs. 2 crores [U/s 35(5)].
- Second, special audit if complexities are involved in the calculations [U/s 66]
- Third, the audit by tax authorities. [U/s 65]

Note:- (i) The first two audits can be conducted by a CA & CMA.

(ii) Below option are given to taxpayer for FY 2017-18 and FY 2018-19

Sales	GSTR 9	GSTR 9C
Up to 2 Cr	Optional	N/A
More than 2Cr. – 5 Cr	Filling is mandatory	Optional (Benefit Given)
More than 5Cr	Filling is mandatory	Filling is mandatory

If Taxpayer fails to get his accounts audited [U/s 35(5)]:-

- Liable to pay a late fee of Rs. 200 Per Day or
- 5% of the annual turnover.

Whichever is Lower

Turnover based Audit: -

- Not mandatory for any Govt. department subject to audit by CAG.

ICAI has clarified that an Internal Auditor can't undertake GST Audit of the same entity.

Person Required to file Annual Return:-

- Rule 80. Every registered person except,
- Input Service Distributor
- The person paying tax under section 51 or section 52
- Casual taxable person
- Non-resident taxable person

Furnish an annual return in FORM GSTR-9 by 31st December of the next financial year.

Note :- Annual Return for F.Y. 2018-19 shall be furnished on or before the **30th September, 2020**

(Order No. 41/2020– Central Tax, Dated 05-05-2020)

- A person paying tax under section 10 shall furnish the annual return in FORM GSTR9A.
- Electronic commerce operator required to collect tax at source under section 52 shall furnish the annual statement in FORM GSTR-9B.
- Form GSTR-9C is divided into two parts :-
 - Part A, Reconciliation Statement
 - Part B, Certification by a Chartered Accountant or a Cost Accountant.
- If the taxpayer has multiple GSTIN
- Needs to file Annual Return separately for every GSTIN.

Part A – Reconciliation Statement:-

In Part A of Form GSTR-9C, the auditor is required to furnish the following details:

1. Basic details about the registered person.
2. Reconciliation of taxes paid.
3. Reconciliation of input tax credit.
4. Additional liability due to non-reconciliation.
5. Reconciliation of turnover declared in the audited annual financial statement with turnover in Annual Return in Form GSTR-9.

Note:- The auditor shall also provide the reasons for unreconciled differences.

Part B – Auditor's Certificate:-

The auditor shall issue a certificate in Part B of Form GSTR-9C

Possible differences in Reconciliation Statements

1. In the case of turnover:-

1. Transactions pertaining to last year or subsequent years.
2. Advance payments.
3. Transactions without consideration.
4. Credit Notes.
5. Trade discounts.
6. Valuation as per the Act.

2. In Case of Input Tax Credit:-

1. ITC not allowable.
2. Recipient forgotten to avail ITC, but available in GSTR-2A.
3. Timing difference in availment and utilization.

Note :- If there are any difference in the turnover reported:-

- Under Goods & Service Tax Regime
- In Financial Statements
- In Income Tax Returns

And the same is not reconciled and replied to the satisfaction of the concerned officer. Then notices can be issued as per provisions of Section 74,76,122,124,127 and 132.

PREREQUISITES/CHECK LIST FOR FILING OF ANNUAL RETURNS :-

- Certain steps or process to be completed before starting the process of preparation of Annual Return.
- Ensures that there are no differences between the data shared and filed with various departments :
 - Income Tax
 - Registrar of Companies
 - Director General of Foreign Trade
 - Reserve Bank of India payment systems e-kuber
- As on date, the department is verifying data between various returns filed.
- Before finalizing the books of accounts for the Financial year verify / ensure that the following process is completed:-
 - Tax invoices are accounted in the financial statements and reported in the GST Returns.
 - Invoices issued for the inter branch transfer are accounted for properly.
 - Stock transfer are issued under a cover of Delivery challan.
 - Payments are mapped with a tax invoice, if not ensure that receipt voucher is issued for the same.
 - Advance receipt vouchers are issued for the services after the Notification No. 66 – Central Tax Dated 15/11/2018.
 - Proper applicability of advance receipt on Composition supply.
 - Cross check the banking statements with the debtors/aging reports.
 - Valuation process of all tax Invoices.
 - E-waybill data filed matches with the tax invoice or not.
 - Goods sent out for the job work are returned back within the time limit and filling of ITC-04.

- HSN codes are properly used as per the size of business.
- HSN codes along with UOM is followed as per the Customs Tariff Act.
- Provisions of the mixed supply are followed correctly. and also the highest tax rate is charged on the tax invoice.
- Tax rates is correctly followed on advance receipts.
- Anti-profiteering provisions of Section 171.
- Ensure that benefit of the additional input tax credit is properly passed on.
- Refund voucher is issued in case of the amount returned to customers partially or fully.
- All GST Returns are filed up to 31st March 2019 • Prepare Reconciliation statement among: -
 - Inward Supply
 - GSTR-3B
 - GSRT-2A
 - Details as per Financials.
 - Outward Supply
 - Details as per Financials (Including Advances / Unbilled Revenue).
 - GSRT-3B
 - GSTR-1
- ITC on Fixed Assets avail on or after the date of Capitalization.
- Input tax credit is taken correctly as per the provisions of Section 16 and section 17 of the CGST Act 2018.
- There are no debit notes issued to the supplier of goods or services or both.
- Provisions of time of supply is followed correctly in case of reverse charge on the supply of goods falling under provisions of section 9(4) of the CGST Act.
- Provisions of the place of supply are followed correctly else rectify them accordingly as per the provisions applicable.

Article By: Mr. Krishna Shah

The defaulter's paradise is lost.

The bankruptcy code is a one stop solution for resolving insolvencies which previously was a long process that did not offer an economically viable arrangement. The code aims to protect the interests of small investors and make the process of doing business less cumbersome. It builds up a faster debt recovery mechanism.

Code applies to companies and individuals. It provides for a time-bound process to resolve insolvency. When a default in repayment occurs, creditors gain control over debtor's assets and must take decisions to resolve insolvency within a specific period. To ensure an uninterrupted resolution process, the Code also provides immunity to debtors from resolution claims of creditors during moratorium period. The Code also consolidates provisions of the current legislative framework to form a common forum for debtors and creditors of all classes to resolve insolvency.

The central promise of IBC was a time-bound resolution of debt that has gone bad, as it remains unresolved for long periods, has a corrosive effect on lenders, investors, liquidity and sentiment. And even it has a huge impact on companies' future just because of short term liquidity crunches. The process also allows a company to make a fresh start, with a new set of promoters and a healthier balance sheet. But this promise now appears to be under threat, with the NCLT infrastructure proving woefully inadequate for the quantum of cases flooding the system. The lack of established legal precedents, which will only build up over time, also makes litigation under the IBC framework elaborate and time-consuming. The net result is that resolution, especially in marquee cases involving large amounts of bad debt, is often taking far longer than the envisaged timeline. However, the fear of IBC has worked in favour of banks where more and more defaulting borrowers are paying loans to avoid IBC proceedings.

"The impact of IBC is more visible outside IBC than in IBC."

This case study of IBC, 2016 throws light on one of the 12 companies suggested by RBI for bankruptcy from which one of them is as follow;

INDIA'S LARGEST RECOVERY: THE ESSAR STEEL STORY.

Before having a deep analysis, the following shows, you in nutshell the proceedings of this case:

July, 2017: Bank refers Essar steel for insolvency proceedings at NCLT, Ahmedabad.

August, 2017: NCLT admits Essar Steel for insolvency proceedings under the IBC.

October, 2017: Expression of Interest (EOIs) invited.

November, 2017: Section 29A is introduced. It prevents defaulter promoters and related parties from bidding for stressed assets. The Essar Steel promoters, are now barred from bidding.

February, 2018: Numetal and ArcelorMittal submit bids.

March 2018: Resolution Professional finds both bids ineligible, under Section 29A. Both Numetal and ArcelorMittal move NCLT challenging the rejection.

April 2018: Resolution Professional calls for fresh bids. Later, NCLT Ahmedabad asks him to re-examine the first round of bids. Both bidders put in fresh bids.

September 2018: NCLT holds Numetal's bid valid after promoters exits joint venture. ArcelorMittal asked to clear dues of Rs 7,000 crore of related parties.

Later, Numetal goes to SC and challenges NCLAT decision allowing ArcelorMittal revises offer to Rs 42,000 crore, higher than Numetal's Rs 37,000 crore.

October 2018: The Supreme Court asks Numetal and ArcelorMittal to submit revised bids after clearing remaining dues. And again, ArcelorMittal offers Rs42,000 crore and wins bid.

November 2018: Operational Creditors (OCs) challenge ArcelorMittal's plan. Standard Chartered bank also files petition. Promoters bids Rs54000crore bid for company.

January 2019: NCLT says promoters Rs 54,000-cr bid 'not maintainable'.

March 2019: NCLT approves ArcelorMittal's Rs 42,000 crore bid for Essar Steel. Promoters and other Essar Steel directors challenge NCLT, say ArcelorMittal ineligible under Section 29A of IBC.

July 2019: NCLAT increases share of operational creditors and banks receives less share. Banks approach Supreme Court to challenge NCLAT order. Prolonged hearings begin.

November 2019: Supreme Court sets aside NCLAT order and gives upper hand to banks.

December 2019: ArcelorMittal completes the transaction with Essar Steel and takes over the assets.

During this case few legal aspects were argued and delayed and during this process the apex court gave few landmark judgements which are as follow:

1. Jurisdiction of the Adjudicating Authority and the Appellate Tribunal:

The Adjudicating Authority cannot exercise discretionary or equity jurisdiction outside the Code when it comes to a resolution plan being adjudicated upon by the Adjudicating Authority. The Supreme Court stressed that the ultimate discretion of what to pay and how much to pay each class or subclass of creditors is with the Committee of Creditors ('COC') with a caveat that the decision of the COC must reflect the fact that the COC has taken into account that the corporate debtor needs to keep going as a going concern during the insolvency resolution process; that it needs to maximise the value of its assets; and that the interests of all stakeholders including operational creditors have been taken care of.

2. Differentiation Between Secured and Unsecured Creditors:

The Supreme Court categorically stated that equitable treatment is only applicable to similarly situated creditors and that the aforesaid principle cannot be stretched to treating unequal's equally. Equitable treatment is to be accorded to each creditor depending upon the class to which it belonged to whether secured or unsecured, financial or operational. It was further held that there is no residual jurisdiction not to approve a resolution plan on the ground that it is unfair or unjust to a class of creditors, so long as the interest of each class has been looked into and taken care of.

3. Validity of the Constitution of a Sub-Committee by the COC:

The Supreme Court held that with regard to exercise of COC's powers on questions which have a vital bearing on the running of the business of the corporate debtor, the same shall not be delegated to any other person in terms of Section 28(1)(h). When it comes to approving a resolution plan under Section 30(4), such power also

cannot be delegated to any other body as it is the COC alone that has been vested with this important business decision which it must take by itself. The Supreme Court clarified that sub-committees can be appointed for the purpose of negotiating with resolution applicants, or for the purpose of performing other ministerial or administrative acts, provided such acts are in the ultimate analysis approved and ratified by the COC.

4. Extinguishment of Personal Guarantees and Undecided Claims

The Supreme Court has made clear the effect of the approval of the resolution plan on the claims of creditors who have not submitted their claims before the Resolution Professional within the time frame provided under the Code. The Supreme Court held that Section 31(1) of the Code posits that once a resolution plan is approved by the COC it shall be binding on all stakeholders, including guarantors. The Supreme Court held that a successful resolution applicant cannot suddenly be faced with undecided claims after the resolution plan submitted by him has been accepted as this would throw into uncertainty amounts payable by a prospective resolution applicant who has successfully taken over the business of the corporate debtor. All claims must be submitted to and decided by the RP so that a prospective resolution applicant knows exactly what has to be paid in order that it may then take over and run the business of the corporate debtor.

5. Utilisation of Profits of the Corporate Debtor during CIRP to Pay Off Creditors

The Appellate Authority had held that the profits of the corporate debtor during CIRP shall be used to pay off creditors of the corporate debtor. The Supreme Court set aside the aforesaid decision on the ground that the request for proposal issued and consented to by ArcelorMittal and the COC had provided that distribution of profits made during the corporate insolvency process will not go towards payment of debts of any creditor.

6. Constitutional Validity of Section 4 of the Insolvency and Bankruptcy (Amendment) Act 2019

Section 4 r.w.s.6 of the Amending Act, 2019 sought to introduce a mandatory timeline of 330 days for completion of CIRP, failing which, the corporate debtor would be liquidated. Thereby, the Supreme Court while leaving section 4 of the Amending Act, 2019 otherwise intact, struck down the word "mandatorily" as being manifestly arbitrary under Article 14 of the Constitution of India and as being an excessive and unreasonable restriction on the litigant's right to carry on business under Article 19(1)(g) of the Constitution.

These were few key take away that had a remarkable impact on IBC, 2016. Many cases are currently going on and code is still in developing process. Analysing such critical issues, the IBC 2.0 seems quite necessary. As an overview IBC brought a remarkable change but also brought few setbacks which are still unanswered. IBC has played the biggest role in improving the rank of India in ease of doing business. And a lot is coming in future.....

Article By: Mr. Shubh Thakkar

Corporate Restructuring: Case Study on Insolvency & Bankruptcy Code, 2016 (IBC)

Preface:

Insolvency & Bankruptcy Code, 2016 ('IBC') is one of the most effective reforms brought in for having speedy resolutions for the issue of Insolvency. The Code creates a new institutional framework, consisting of a regulator, insolvency professionals, adjudicatory mechanisms, that will facilitate a formal and time bound insolvency resolution process and liquidation.

Key Features:

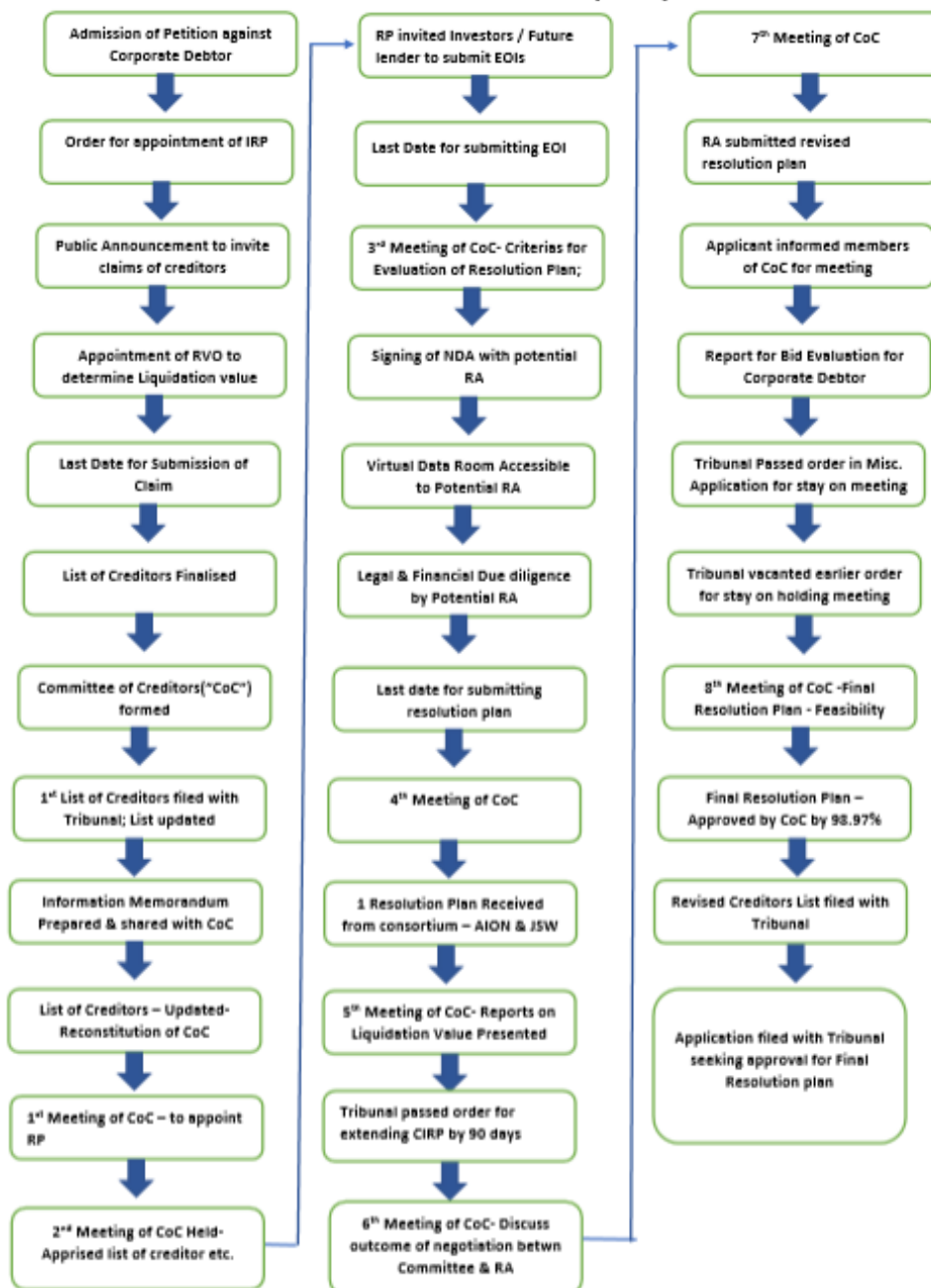
Some of the features of IBC have been highlighted below:

- If Promoter approaches IBC at the right time without resorting to a last chance, then the success of IBC would be far better for promoters as revival of company is possible. But since, promoters in India are very clingy to their businesses they don't approach IBC at the right time which could be disastrous for the company.
- IBC brings about a shift in the recovery and resolution process by introducing the concept of 'creditor in control' instead of 'debtor in possession'.
- It mainly has 2 Independent Stages:
 - Insolvency Resolution Process
 - Liquidation
- IBC consolidates multiple schemes which were in force earlier and further entire process is timebound.
- It mainly focuses on Cash Flow Test.
- Insolvency professional to take control over the management of the Company during the CIRP.
- Enabling provisions to deal with cross border insolvency.
- Adjudicating Authorities shall be
 - In case of Companies/ LLP- NCLT
 - In case of Proprietorship/Partnership Firm/ Individuals- DRT
- CIRP can be initiated against corporate debtor when there is default of payment as per Section 4 of IBC by
 - Financial Creditor
 - Corporate Debtor
 - Operational Creditor
- In accordance with Section 32A of IBC, Non-compliances, breaches, and defaults of the company shall be deemed to have been ceased on the approval of the Resolution Plan

Brief Background about the case:

- Monnet Ispat & Energy Limited (hereinafter referred to as 'MIEL' or 'Corporate Debtor') was one of the company from various others which were dragged to insolvency proceeding by lenders on the recommendation by RBI.
- Incase of MIEL, the company petition was filed by financial creditor i.e. State Bank of India under Section 7 of IBC.
- The application was filed to initiate Insolvency Resolution Process as MIEL had made default in repayment of loans availed i.e. around 1539.34 Cr.
- Hence the petition was admitted and have further mentioned below in brevity the process of CIRP which took place which was initiated by admission of petition vide order dated 18th July 2020.

Flow Chart of CIRP in above case (in Brief)



- nt Private II



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Key takeaways from the case:

Sr No.	Prayers sought	NCLT Order
1	Proposal for Conversion of part debt into Equity	<ul style="list-style-type: none">• Approved by NCLT
2	Proposal for Reduction of share capital	<ul style="list-style-type: none">• Approved by NCLT
3	Consolidation of shares (of Rs. 3.3 per equity into face value of Rs. 10 each)	<ul style="list-style-type: none">• NCLT raised objection for extinguishment of retail shareholder rights due to consolidation. Allowed for Promoter Shareholders.• RA filed an affidavit that it will not eliminate any of the existing shareholder, except promoter shareholders.
4	Proposal for merger	<ul style="list-style-type: none">• Approved by NCLT
5	Proposal of Slump sale of non-core assets of CD to WOS for selling it at FMV to any person not disqualified u/s 29A of IBC	<ul style="list-style-type: none">• NCLT raised doubts on immediate selling of the properties of Corporate Debtor.• Proposal of Slump sale to WOS was not approved by NCLT
6	Exemption from certain approvals from SEBI	<ul style="list-style-type: none">• Approvals required to be sought• No blanket exemption given by NCLT in respect to compliance of law
7	Exemption from levy of stamp duty in respect of reconstruction and amalgamation as proposed in the scheme	<ul style="list-style-type: none">• NCLT cannot grant it since there is no express provision conferring such powers to the bench.
8	Exemption from all taxes and other government duties that arise from or relate to implementation of the Resolution Plan	<ul style="list-style-type: none">• No relief granted since resolution applicant is bound to pay all taxes and other government duties from the date of this plan being effective.

Glossary:

CIRP	:	Corporate Insolvency Resolution Process: Its process as prescribed under IBC 2016
CD	:	Corporate Debtor: Corporate person who owes a debt to any person
RA	:	Resolution Applicant: Usually a financial investor or a strategic investor or a consortium with a mix of these
EOI	:	Expression of Interest: Expression of Interest is invited from applicants who can exhibit their ability to resolve the assets.
CoC	:	Committee of Creditors
IP	:	A person enrolled under section 206 with an insolvency professional agency as its member and registered with the Board as an insolvency professional under section 207;
IRP	:	Interim Resolution Professional - an insolvency professional appointed to conduct the corporate insolvency process and includes a 'resolution professional' as per Section 5(27) of Insolvency Code, 2016.
RP	:	Resolution Plan: Plan proposed by for resolving the issue of insolvency of the corporate debtor as a going concern in accordance with Part II- It includes outline for payment to all creditors and stakeholders, including CIRP costs, against their dues, with timing and instrument of payment, with sources of funds, financial projections, liquidity actions etc.
FC	:	Financial Creditor

CASE STUDY ON IBC CODE, 2016

CASE STUDY:-1 M/s TAS Construction Private Ltd, an operational creditor on 2nd April, 2018 being the default date issued a demand notice through the speed post to M/s Dheeraj Construction Private Ltd , an unpaid operational debtor demanding payment of its invoice dated 19th March ,2018 for 2 Crores towards supply of certain works contract services as per section 8(1) of the IBC 2016. Dheeraj Construction Private Ltd, on receipt of the demand notice informed the operational creditor, that vide their E-mail dated on 30th March,2018 address the company and all its directors, they have disputed the invoice on the quality of the services rendered and withholding the payment till the date the dispute is settled but without initiating any legal proceeding. The operational creditor on the expiry of 10 days of delivery of the demand notice and non-payment of the dues approached to Adjudicating Authority for the initiation of CIRP under section 9(1) of the IBC 2016. Will the Application of the operational creditor filed under section 9(1) is valid ?

JUDGEMENT:- According to sec 9(1) If no reply is received or payment or notice of the dispute from the corporate debtor within ten days from the date of delivery of the notice or invoice demanding payment, operational creditor can file application before Adjudicating Authority (NCLT) for initiating a corporate insolvency resolution process. But the provision of section 8(2)(a) require existence of dispute or record of pendency of the suit or arbitration proceedings filed before the receipt of such notice or invoice in relation to such dispute. So the Application of M/s TAS Construction Private Ltd (operational creditor) shall not be permitted u/s 9 of the IBC code 2016 as Dheeraj Construction Ltd has complied the provision of sec 8(2)(a) of the IBC, 2016

LANDMARK JUDGEMENT:- Mobilox Innovations Private Ltd v/s Kirusa Software Private Ltd.

CASE STUDY 2:- A CIRP was initiated by M/s A Ltd as a corporate debtor. The company was in default to its creditors and the assets were insufficient to meet the liabilities of the company. Attempts to resolve the insolvency of the corporate debtor failed and in last it was decided to go for liquidation of the company. The balance sheet and the additional information as follows:

Liabilities	Amount(in crore)	Assets	Amount(in crore)
Equity capital	11000	Land and building	16500
Preference capital	3800	Fixtures and Fitting	1000
Term loan	1500	Stocks	640
Working capital Loan	1200	Debtors	550
Unsecured financial creditor	1000	Other current asset	625
Government dues	400	Cash	175
Workmen dues	240	Accumulated losses	2350
Employee liability	300		
Operational creditors	2400		
Total	21840	Total	21840

Additional Information:-

Term loan is secured against fixed charge on land and building and furniture and fixtures. Bank A with an '800' crore term loan outstanding has first charge on assets and Bank B with '700' crore outstanding has second charge on the assets

Working capital loan is provided by Bank C and secured against a floating charge on debtors stock of the company.

Unsecured financial creditor include a director X who owns 3% of the share capital of M/s A ltd with a outstanding loan due to him of 50 crore

Land and building realized 70% of book value and there would be a cost of 175 crore in realizing the assets

Fixture and fitting would realize 30% of the book value net of the any realization cost. Stock, debtors and other current assets would realize 65% of book value

There was pending insurance claim filed by the company for a quality of breach by a supplier was not recorded in the books. The liquidator has managed to recover 150 crore from the insurance company.

Required to find:- 1) What would have been the constitution of the COC and what have been the voting share of each member of COC

2) Total value realized by the liquidator?

Solution:- 1) As per Section 21 The committee of creditors shall comprise of all the financial creditors of the corporate debtor. The Committee includes as follows.

Committee of creditors	Amount/Voting share
Bank A	800(21.917%)
Bank B	700(19.178%)
Bank C	1200(32.876%)
Unsecured financial creditor	950(26.027%) (1000-50) Consider Note 1
TOTAL	3650

Note1:- Director X not to be considered in COC because director X is a related party of corporate debtor....

2) Amount realized by liquidator:- (Amount in cr.)

Particulars	Amount
Land and building	$16500 \times 70\% = 11550 - 175 = 11375$
Fixtures and Furnitures	$1000 \times 30\% = 300$
Stock, debtors and other current assets	$1815 \times 65\% = 1180$
Recovered from insurance company	150
Total	13005

CASE STUDY 3:- The Operational Creditor, a Chartered Accountant had provided professional services as well as Advisory Services to the Corporate Debtor. The Corporate Debtor defaulted in payment of professional services as well as of Advisory service charges to the Operational Creditor. In his support the petitioner submitted documents that he had audited the accounts of the Debtor Company and also a letter issued by the Debtor Company assigning Advisory Services. Whether the „Professional Services“ shall fall under the definition of „Operational Debt“ as defined u/s 5(21) of the Insolvency and Bankruptcy Code?

JUDGEMENT:- The term “Services” used in the definition of 5(21) has not been defined under this Code. However the expression “Services” as per Black Law Dictionary is “the act of doing something useful for a person or company, usually for a fees”. Another meaning as per the Dictionary is, “an intangible commodity in the form of human effort, such as labour, skill or advises”. The Tribunal therefore held that a Professional Service provided by a Chartered Accountant definitely fall under the expression “Services” as incorporated in the definitions of “Operational Debt” u/s 5 (21) of the Code.

LANDMARK JUDGEMENT:- Sanjaya Kumar Ruia V/S Magna Opus Hospitality Pvt. Ltd.

CASE STUDY 4:- The Interim Resolution Professional (IRP) asked the Respondent Bank to freeze all debit transactions until further communication and further instructed the bank not to allow payment of any cheque without the instructions of IRP. IRP also requested for registering change in the signatory of all the bank accounts maintained by the respondent bank and instructed the bank to operate the bank accounts in accordance with the instructions contained therein. Later IRP instructed respondent bank to transfer all the funds from the bank account of the corporate debtor lying with it to the operative account of the corporate debtor maintained with another bank. However the respondent bank replied and claimed that amount available in the current account of the corporate debtor is not an asset of the corporate debtor inasmuch as the dues of the corporate debtor in the books of respondent bank exceeds the amount available in the balance in the current account and therefore, they exercised the rights of set off and appropriated the amount towards the dues payable to the bank. Can Bank set off dues from funds lying in current account during moratorium against the instruction of resolution professional?

JUDGEMENT:- NO, Amount lying in the current account of the corporate debtor has to be placed at the disposal of the resolution professional without any scope of an adjustment in the manner, the respondent bank tried.

LANDMARK JUDGEMENT:- Corporation bank v/s Amtek Auto Ltd Chandigarh.

CASE STUDY 5:- Corporate debtor failed to pay amount of debt payable to its financial Creditors, so they lodged the complaint under NCLT, but even before the date such appeal can be accepted by NCLT, corporate creditor proceed to remove the connection of electricity and upon the acceptance of application they submitted the claim to IRP, but inspite of several request from IRP corporate creditor refused to restore the electricity supply to company..

1) Can Company avail essential service under moratorium ?

2) Whether the outstanding charges due to which the electricity supply was disconnected prior to the insolvency date need to be paid at first instance before restoring the electricity during the moratorium period in terms of Section 14(2) of the I&B Code 2016?

3) Whether during the moratorium period under Section 14, for the supply of the electricity, the charges are liable to be paid on month to month basis?

JUDGEMENT:-

1) As per section 14:- The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period. The Adjudicating Authority vide its order dated 9th October 2017 (impugned order) directed the Appellant to restore the electricity so that the Corporate Debtor remains going concern

2) The Hon'ble Appellate Authority after hearing the contentions of both the parties held that the Appellant cannot recover the dues unpaid w.r.t period prior to the insolvency order however they can submit the claim before the Resolution professional like other operational creditors.

3) Further, w.r.t the dues which are w.r.t current period i.e. after insolvency order date the appellants are entitled to be paid for such charges and the Insolvency Resolution Professional is required to pay the amount on behalf of the Corporate Debtor on month to month basis. Furthermore, in case the Insolvency Resolution Professional fails to pay the same the Appellant the charges due, the Appellant can give a notice and disconnect the electricity supply.

LANDMARK JUDGEMENT:- Uttarakhand Power Corporation Limited V/s M/s ANG Industries Limited

Article By: Ms. Charvi Godhwani

Reliance Jio - A change in the Indian Telecom Sector

Ever since Reliance Jio launched its services in the country, other operators have failed to come even close. In fact, Reliance Jio has recently announced that it has become net debt-free after raising money from 10 investors. Reliance Industries has received Rs. 168,818 crores from the stake selling and from the right issue.



If we talk about the subscribers, then Reliance Jio currently has more than 388 million customers, and it is leading the telecom operator. In fact, there are several factors that helped the operator to achieve such big numbers. In that way, we are going to see all those factors. Let's have a look.

Reliance Jio Free Services



Reliance Jio launched its services in 2016 at its annual general meeting. The operator had launched its services with free voice calls and free data to gain a substantial market share in the country. The operator has broken all records of the telecom industry and gained 100 million subscribers in just 170 days, which means seven customers per second. Later on, the operator introduced packs, where calls are free. This was again a major hit to other operators, as 80 percent of revenue used to come from voice calls

Data at Cheap Prices



Airtel, Vodafone, Idea, and other operators used to offer data on higher prices. But they have to reduce the prices to stay in the market and to give a tough competition to the incumbent operator. All operators have recently increased the prices, but still, Reliance Jio plans are charging 33 percent less in the telecom industry, while it is offering minutes to calls on the other networks.

Reliance Jio Launches JioPhone And JioPhone 2



Soon after, Reliance Jio launched JioPhone and JioPhone 2 to offer basic facilities to its users, such as WhatsApp, Facebook, and YouTube facilities. Currently, the operator has more than 100 million JioPhone users in the country. For the unaware, JioPhone is available at Rs. 1,500, while JioPhone 2 Rs. 2,999.

Launching Prepaid Plans to Attract Users



The operator had launched its operations in 2016, and it is going to complete its four years soon. The operator is known for launching and providing the most affordable packs in the country. The telco is charging 33 percent less for its packs.

Acquired Stake in Saavn, Eros International, ALT Balaji, Haptik, Den and Datacom



In just four years of its operation, the operator has bought a stake in several companies to build the Jio platforms. The operator has acquired Saavn the music streaming application, and now it has become JioSaavn application. Then, the operator has purchased stakes in Eros International and in ALT Balaji to offer content to its users. Then, Jio bought 66 percent stake Den, Datacom, and Hathway to launch its broadband services in the country.

Reliance Jio Launches Working from Home Packs



The telecom operator has launched several plans for its customers during the lockdown, where it is offering double data, content, and other benefits. Besides, the operator has joined hands with Amazon Prime and Hotstar + Disney to offer content services to its customers as lockdown has increased the consumption of content by 50 percent. All content providers garnered thousands of subscribers during that period. In addition, the operator has announced special offers for its JioFiber customers.

Reliance Jio Sold Stake To 10 Investors

S No	Investor	Investment Amount (Rs Crore)	% Stake
1	Facebook, Inc.	43,573.62	9.99%
2	Silver Lake Partners	5,655.75	1.15%
3	Vista Equity Partners	11,367.00	2.32%
4	General Atlantic	6,598.38	1.34%
5	KKR	11,367.00	2.32%
6	Mubadala	9,093.60	1.85%
7	Silver Lake Partners - Additional Investment	4,546.80	0.93%
8	Abu Dhabi Investment Authority	5,683.50	1.16%
9	TPG	4546.8	0.93%
10	L Catterton	1894.5	0.39%
Total		1,04,326.65	22.38%

In order to become debt-free, Reliance Jio sold 24.70 percent to Facebook, General Atlantic, Vista Equity, KKR, ADIA, Mubadala, Silver Lake, TPG, L Catterton, and PIF. All deals need to go through all government approvals.

It's fascinating to see an operator who is not even four years old is leading the whole Indian telecom industry. In fact, Mukesh Ambani attracted 10 big investments in just two months, which means that global investors have found a perfect place to invest in a tech company in India.

Of course, these factors helped a lot an operator to become debt-free and number one operator. But still, I believe that Airtel and Vodafone-Idea's situation has actually played a big role in this as both are going through a major financial crisis, and they have no money to compete with Reliance Jio.

So, in my opinion, both Airtel and Vodafone-Idea do not have any strategy to give competition to Jio as both are sitting on huge debts. Both operators are looking for government support to run their operation in the country, while Reliance Jio is capable enough to do so. The operators are looking for 20 years to pay their debt. On the other hand, Reliance Jio has cleared its AGR debt already, which means Jio has all the time to think and bring new schemes and offers to gain market share and customers.

And this is how Reliance Jio has changed the Telecom sector of India.

Article By: Ms. Vedika Bajaj

HAS RELIANCE JIO CHANGED THE TELECOM SECTOR??

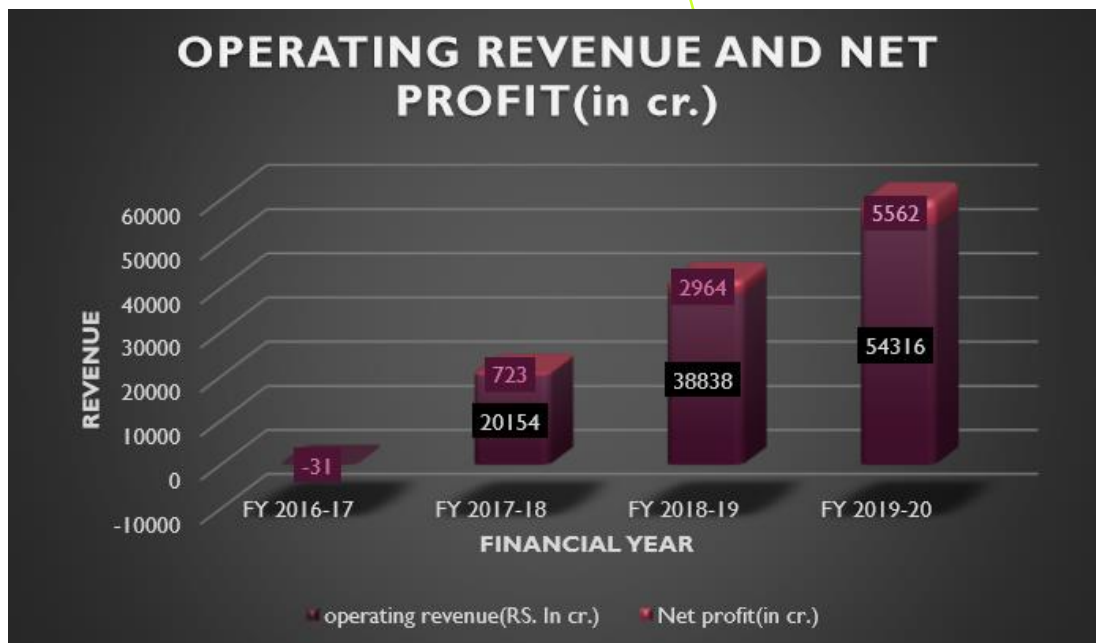
INTRODUCTION:

Reliance Jio Infocomm Limited is an Indian telecommunications company and subsidiary of Jio Platforms, headquartered in Mumbai, Maharashtra, India. The company was registered in Ambawadi, Ahmedabad (Gujarat) on 15 February 2007 as Reliance Jio Infocomm Limited. The company commercially launched its 4G services on 5 September 2016. It does not offer 2G or 3G service, and instead uses only voice over LTE to provide voice service on its 4G network.

There are some key points so we can say that reliance jio has changed the telecom sector and Reliance jio becomes FIRST biggest telecommunication network in india:

- ROBUST FINANCIAL PERFORMANCE
- MILLION SUBSCRIBERS
- 14 MASSIVE JIO FDI DEAL
- ROBUST AVERAGE DATA-VOICE CONSUMPTION PER USER
- COMMITTED TO HELP INDIA-FIGHT WITH COVID-19 THROUGH TECHNOLOGY

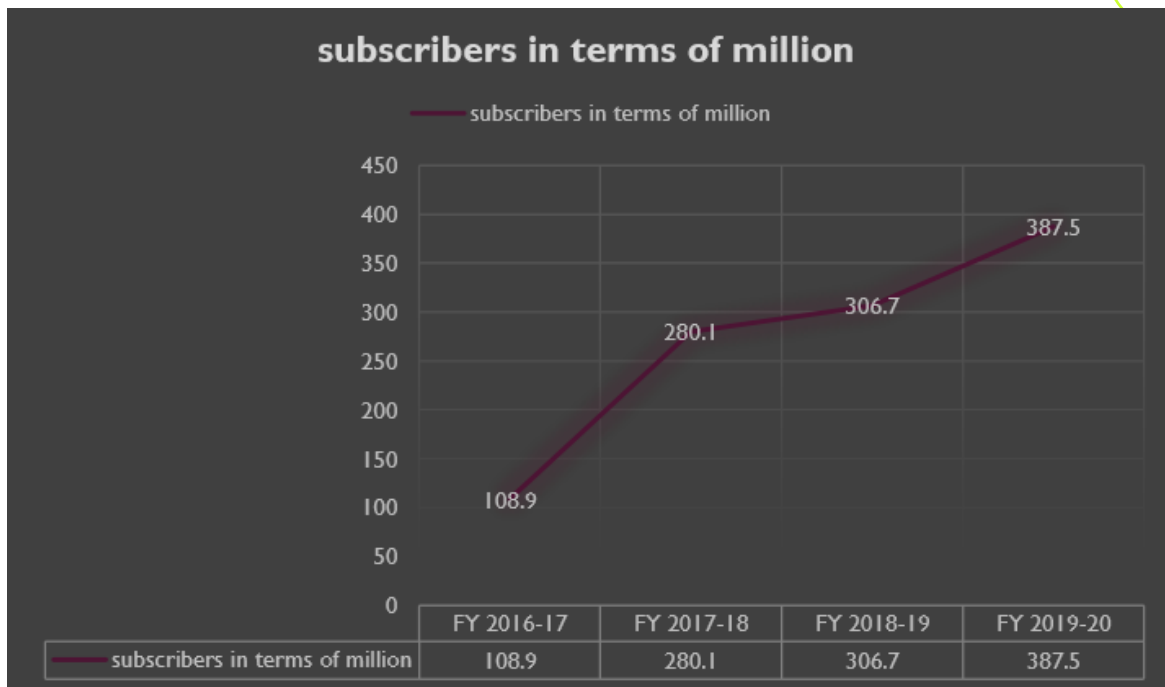
➤ Robust financial performance:



- Reliance Jio incurred a loss of Rs 22.5 crore during a six-month period from September 2016 to March 2017. The telco's overall losses for the previous financial year (FY 2016-17) stood at Rs 31.37 crore.
- Operating revenue in the FY 2017-18 has increased 20154 cr. From 31 cr. Loss in the last year and net profit also increased 723 cr.

- Operating revenue in the FY 2018-19 has increased 38838 cr. From 20154 cr. profit in last year and net profit also increased 2964 cr. From 723 cr. In the last year which is 3 times more than as compare to last year.
- Operating revenue in the FY 2019-20 has increased 54316 cr. From 38838 cr. Loss in last year and net profit also increased 5562 cr. From 2964 cr. In the last year With annual increase of 88%.

➤ **MILLION SUBSCRIBERS:**



Within the first month, Jio announced that it had acquired 16 million subscribers. Jio crossed 50 million subscriber mark in 83 days since its launch, subsequently crossing 100 million subscribers on 22 February 2017. Reliance Jio's subscriber base was in FY 2016-17 at 108.9 million (paid and unpaid subscribers). By October 2017 it had about 130 million subscribers.

By July, more than 125 million Jio customers had opted for Jio Prime. The last date for registration to Jio Prime membership was 31 March 2017. This was extended until 15 April 2017 along with an introduction of a new offer, "Jio Summer Surprise", which gave customers three months of free services. On 6 April 2017, TRAI advised Jio to withdraw this offer.

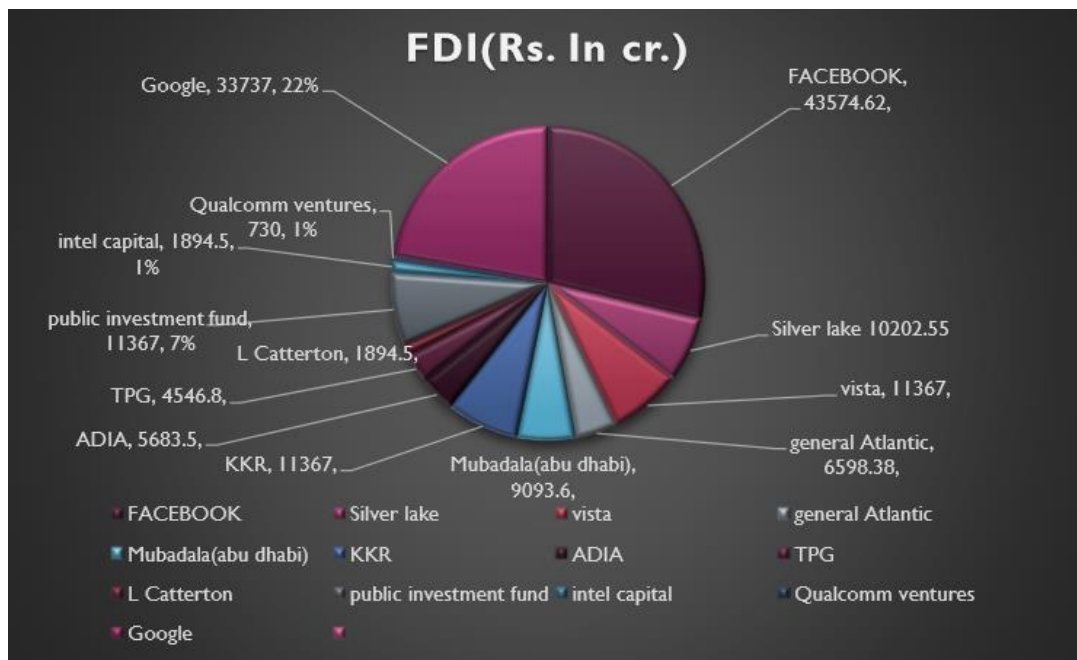
Reliance Industries Limited (RIL) has announced that Jio subscriber base has reached 38.75 crore. In its financial and operational performance report ending March 31, the conglomerate revealed that Reliance Jio added over 1.75 crore subscribers in the January to March 2020 quarter. The report also states that 8.08 crore subscribers have been added by Reliance Jio in the financial year 2019 – 2020. These numbers include wireless and wireline data subscribers across the country.

➤ **Robust Average data-voice consumption per user:**

Reliance Jio said that the average data consumption per user during the quarter ending March 2020 robust 11.3 GB per month and average voice consumption 771 minutes per user per month.

➤ **14 massive deals of reliance jio of Rs.152055.45 cr. In 2020.**

In less than two months, Jio Platforms has managed to seal ten massive deals. Through these fundraising transactions, the digital unit has amassed Rs 104326.95 crore from some of the world's top leading global investors like Facebook, Silver Lake, Vista Equity Partners, General Atlantic, KKR, Mubadala, ADIA, TPG, L Catterton, Public investment fund, Intel Capital, Qualcomm Ventures, Google and sold 32% stake.



1. The biggest foreign investment deal made by the FACEBOOK of Rs. 43574 cr. with 9.99% equity stake in jio platforms.
2. Silver lake and co-investors made investment in aggregate Rs.10202.55 cr. with 2.08% equity stake in jio platforms.
3. KKR'S largest investment in asia of Rs.11367 cr. with 2.32% equity stake in jio platforms.
4. General atlantic (leading global growth equity firm) made deal of investment of Rs. 6598.38 cr. with 1.34% equity stake in jio platforms.
5. US firm vista made deal of investment of Rs.11367 cr. With 2.32% equity stake in jio platforms.
6. Mubadala investment company(the abu-dhabi based sovereign investor) made deal of investment of Rs. 9093.60 cr. With 1.85% equity stake in jio platforms.
7. ADIA (abu dhabi investment authority) made deal of investment of 5683.50 cr. With 1.16% equity stake in jio platforms.

8. Global investment firm TPG made deal of investment of Rs 4,546.80 crore (\$598 million) with 0.93% stake in jio platforms.

9. Private equity firm L Catterton made investment of Rs 1894.50 crore (\$249 million) with 0.39% stake in jio platforms.

10. Saudi Arabia's Public Investment Fund (PIF), one of the world's largest sovereign wealth funds, has made deal of Rs 11,367 crore for a 2.32 percent stake in Jio Platforms, a historic eleventh investment in the Reliance Industries (RIL) digital unit in nine weeks.

11. Intel capital has made deal of investment of Rs.1894.50 cr. With 0.39% stake in jio platforms.

12. Google has made deal of Rs.33737 cr. With 7.7% stake.

➤ **COMMITTED TO HELP INDIA-FIGHT WITH COVID-19 THROUGH TECHNOLOGY:**

- During these tough times of Covid-19, Jio's world-class broadband connectivity solutions along with Microsoft's collaboration platforms have enabled Work From Home, Learn From Home & Health At Home for Indians.
- Jio has tailored its plans across services to ensure continued connectivity for all its subscribers. Jio has offered:
 - i) double data & additional offnet minutes to all mobility add-on pack users,
 - ii) double data for all Jio Fiber users,
 - iii) complimentary 10mbps Jio Fiber plan,
 - iv) extended validity of Jio Phone users for free incoming calls and provided 100 minutes call & 100 SMS to Jio Phone users who have not been able to recharge, and innovative channels of recharge like ATM, SMS/ Call, peer to peer recharges.
- Zero impact on Network Operating Centre despite minimum staff due to high degree of virtualization and network automation. Traffic surge has been handled with combination of capacity augmentation and technology.
- Jio Haptik has powered Government of India's official helpdesk for Corona Helpline.
- Aggressive sales initiative and customer focused approach have been launched to help recoup slowdown in subscriber addition momentum, as we return to normalcy. FTTH and Enterprise services remain large greenfield opportunities with demand further reinforced due to Work from Home during the lockdown.

Article By: Ms. Rinku Thakor

Is 'MAKE IN INDIA' a success?

In the month of September 2014, Prime Minister Narendra Modi announced the ambitious policy of Make in India.

According to Make in India policy the centrepiece was the national manufacturing policy.

The Aim was to increase the share of country's GDP from 16% to 25% by the year 2022

Another target was to create 100 million more jobs by year 2022.

"Make in India" campaign aims to make India the manufacturing hub of the world, thereby challenging China's dominant position in the world of manufacturing.

Honorable Prime Minister Narendra Modi has linked this to creation of employment and thereby a significant rise in minimum standard of living in India.

In simple terms, companies will come to

India to manufacture products instead of just marketing them here. This will create jobs for people, fuelling the overall economic growth.

The US-China trade wars and the ongoing Covid-19 crisis are accelerating a shift in global manufacturing out of China. Given this shift, India now has a never-before window of opportunity to emerge as a global manufacturing hub.

World's youngest workforce and a sizeable domestic market and being demographically well positioned are the fair advantages that India possesses and combining these with the willingness and enthusiasm of youth, India can certainly gain a dominant position over international market.

Clear strategy for specific sectors, focused investments, smart market promotion, and disciplined execution are now needed to fully capitalise on this opportunity.

Across a range of advanced industries (electronics, specialty chemicals, etc.)

and labor-intensive industries (apparel, footwear, gems and jewelry, woodwork and furniture, etc.), India is the only destination that can offer a China-scale labor force and a China-scale domestic market.

Even before Covid-19, the Indian economy was facing a slowdown that impacted the SME and banking sectors, and as a result drove down consumption demand and drove up unemployment. Covid-19 accentuates these trends. However, the seriousness of this crisis offers an opportunity to mobilize national support for the next wave of structural reforms that can drive India's overall competitiveness. Every crisis offers a significant opportunity for reform – and this one could potentially pave the way for a national consensus on land and labor reforms.

The government of India, in April reached out to more than 1000 companies in the US and through overseas missions to offer incentives for manufacturers seeking to move out of china and start production in india.

India expects to win over U.S companies involved in healthcare products and devices, and is in talk with medtronic plc and abbott Laboratories on relocating their units to India.

The biggest manufacturing companies such as Apple Inc have move out their manufacturing hubs from china and are going to establish in India thereby generating employment. All these revolutionary changes have been possible due to the "make in india" concept which let the huge companies to focus on India's market and grab on to the opportunities to take the best advantage of youth workforce and a sizeable audience.

It's a fact that in India we don't have adequate amount of electricity, infrastructure and even skilled labourers

But it's also a fact that we have a lot of untapped potential

Great historical progress always happens after major disasters.

History has proved that whenever a country is hit to the rock bottom, it is the people who bring it back to normal and "make in India" shall stimulate people to show their patriotism towards India by performing their part towards the shift from developing country to a developed country.

Article By: Ms. Hasti Jani

IS 'MAKE IN INDIA' A SUCCESS?

"Like outdoor /street food is injurious to human health so there is always a suggestion given to eat homemade food to have a healthy and energetic health" in the same manner to build efficient and muscular economy Hon. Prime Minister Shri Narendra Modi has introduced an ambitious policy of Make in India on September 25, 2014 under the Department of Industry Policy & Promotion and Ministry of Commerce & Industry. It looks at a growth rate of 12-14% in the medium term, Increase of share of manufacturing towards GDP to 25% and 100 million jobs by 2022 with creation of appropriate skill sets, technological depth, enhancing global competitiveness and ensuring sustainability of growth. It targets 25 sectors of the economy which range from automobile to Information Technology (IT) & Business Process Management (BPM) but the main motive is to enhance FDI, strength of manufacturing sectors and employment in India.

As far as the FDI is concerned as the part of Make in India total FDI flows to India is (amount in US\$ billions) 24.74, 36.06, 60.1, 61.96, 64.37 for the year 2014-15 to 2018-19 respectively. It seems that Indian market is attracting foreign investors gradually. Mauritius, Singapore, Japan, USA and Netherlands are the top most countries from where the flow of FDI comes higher to India than the other countries. Communication services, Manufacturing, Retail & Wholesale trading, financial services and Computer Services are the top most 5 area of activities where the foreign countries are interested to invest through FDI in India. Government has amended the FDI policy to further enable a positive investment climate and sync it with the vision and focus areas of the present government such as affordable housing, smart cities, financial inclusion and reforms in railway infrastructure. The Construction Development Sector was allowed easy exit norms with rationalized area restrictions and due emphasis on affordable housing. The FDI cap in insurance and pension sector has been raised 49% to 100% FDI has been allowed in railway infrastructure (excluding operations) and also in the medical devices sector. Further the definition of NRI was expanded to include Overseas Citizenship of India (OCI) cardholders as well as Person of Indian Origin (PIO) cardholders. NRIs investment under Schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations will be deemed to be domestic investment made by residents, thereby giving flexibility to NRIs to invest in India.

Annual growth rate of production in the manufacturing industry in India from the financial year 2013 to 2019 is 4.8%, 3.6%, 3.8%, 2.8%, 4.4%, 4.6% and 3.9% respectively. According to Ex finance minister late Shri Arun Jaitley, the reason behind the lowest rate of production in the manufacturing industry for the year 2016, are structural, external, fiscal & monetary factors and that's the reason why government is more emphasis to improve the design of manufacturing industry under the initiative of Make in India as they have fear to fail such initiative in this particular area of manufacturing industry. Responsibility to enhance investment in manufacturing activities is being led by the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India through creating additional employment opportunities and empowering secondary and tertiary sector. This initiative is also aims at improving India's rank on the Ease of doing business index by eliminating the unnecessary laws and regulations, making bureaucratic processes easier, making the government more transparent, responsive and accountable. In the year 2012-13 India has 4th rank with 7.65 index score in Global Manufacturing Competitiveness Index after the introduction of Make in India scheme the rank increases to 2nd with 8.49 index score in the year of 2017-18 which was after the position of china. This provides us clear indication that government is seriously considering the growth of manufacturing sectors. Reliance Industries Ltd, Aditya Birla Group, Indian Oil Corporation Ltd, Tata Motors, Larsen & Toubro are such top most corporate bodies, who have grab the

opportunity provided by the government under the scheme of Make in India and rest of the companies are also performing satisfactory part in the area of manufacturing by taking

the benefits of this initiative overall the GDP rate is increasing due to the same. A part from the manufacturing industries, this initiative also covers service sector as well as infrastructure sector to build India as a muscular nation. After the introduction of Make in India service sector has attracted significant foreign investment flows in the varieties of the activities such as hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. Certain service sectors like Electricity, Railways, Telecommunication, Roads & Highways, Tourism and ports are becoming more active after the introduction of Make in India. Under the automatic route, 100% Foreign Direct Investment (FDI) is allowed in the Power industry for generation from all sources (except atomic energy), transmission and distribution of electric energy and power trading, subject to all the applicable regulations and laws as well as in construction of roads and highways. Many Indian telecom companies have collaborated with foreign companies for sharing of spectrum licenses, telecom centers and R&D activities after the removing certain restriction over the global trade after this scheme. India is the 8th largest country in terms of contribution to travel & tourism GDP. The Tourism industry in India generated USD 247.3 billion showing a growth of 6.7% during the year 2018, accounting for 9.2% of the total economy.

This initiative will promote innovators and creators by upgrading infrastructure and using state of the art technology to bring a vibrant intellectual property regime in the country. India is the 4th largest base for new business in the world and home to over 3,100 tech start ups, most of them are belonging to the MSME sector. The economy is set to increase its base to 11,500 tech start ups by the year 2020 as the industry would get a huge boost from make in India which provides great opportunities for the new employments. As the result of the same, unemployment rate from the year 2015 to 2018 are 5.57%, 5.51%, 5.42%, and 5.33% respectively which seems that due to this initiative unemployment reduces gradually.

Beside the initiative of Make in India, government has also come out with “Digital India Program” under the Ministry of Electronics and Information Technology to enhance digitalization in India. Overall the procedure of Make in India is going on the right way as per the decided vision, but in the reality we all can see that this becomes burning topic of politics where opposition parties are always ready to critics the decision taken under this scheme. As far as I am concerned, Make in India initiative helps to become India a manufacturing hub by attracting foreign investments that will grow the GDP. Hope that this initiative will enhance the job opportunities, standard of living and the main thing i.e. value of Rupee against the dollar in future.

Article By: Mr. Darshit Maru

MINDSET FOR STOCK MARKET BEGINNERS

Hello readers ,

In the 1ST part of series of stock market, we have taken a look over stock market & its importance upon over various stakeholders, but here as many readers are student so as being as an students we always have a tendency to take topic in very curious manner & expect to gain more amount of wealth in short span of time, and considering as a smart investor in equity market.

But here as we all are beginner & some of us might me investing in stock market and now we will be going to have a look over mindset that the students/beginner should keep towards stock market.

Mind-set

1. Investment after proper research.

As data fact suggest that 90% people do investment on the basis of certain tips & news as provided by analyst & companies management and due to which 90% people only lose their wealth also.

“Why not investment on basis of news & tips?

Eg- Let's suppose we are CREDIT MANAGER and engage in work of loan disposal.

Then 1ST being as an credit manager we will analyse past financial, micro-macro environment of company, and on the basis of ANALYSIS of that we will take decision to sanction loan & not based on the tips & information provided by loan seeker.

Suppose Loan seeker told us that us amount of loan is to be utilized to manufacture 1st ELECTRIC AIRCRAFT in world and Loan seeker doesn't have any experience in Manufacturing AIR CRAFT and has doesn't have sufficient amount of tangible asset also, then in that case prudent decision of our will be not to sanction the loan.

2. Patience

This is an primary criteria that every investor/stakeholder should have ,if not better stay away from stock market , because there has been many incident HAPPENING around like suicide by many young students as many stakeholders considering that on every investment there portfolio/investment should get significant amount of return , and if at any time there is negative/no return on our portfolio which leads to mental pressure from inside , so patience is an ultimate sutra for successful approach for every stakeholder, that is why we can see in stock market people doing investment gets more return as compared to people who does speculation or do intraday trading in market.

3. No bet-bet

As stock market is an such a market, where in which every tip on stock makes stakeholder quite happy & curious to make investment in hurry, and as being as an students we should never be highly attractive by the tip. And we should take discretionary decision after doing all sought of research.

4. Investment in knowledge far better than investment in equity market.

As stock market is an unpredictable market, which never provide assured return as per our expectation , so being completely engaged in stock market is an wrong idea , as without having any direct income one has never become successful , even famous investor Warren buffet & Rakesh Jhunjhunwala have done certain type of small business in there initial years & thereafter the reading on the daily basis become most powerful weapon for them which has leaded them to become successful investor.

Why knowledge is required?

As basic intent behind doing investment in stock market is to do to investment in certain business, so suppose we as student eager to start any start-up then in that case before doing investment in any start-up we gather knowledge regarding it & then on the basis of knowledge with go ahead to do start our own business .

Likewise we being as an student before doing investment in any stocks we must have knowledge regarding that particular company & its sector under which the company its operating its business.

So Knowledge in relation to stock market can be gather from sources like newspaper, annual reports , reports published by credit rating agency, government budget , policy published by government in relation to any sector & finally being as an student of CA we are having knowledge regarding audit & finance so these is an advantage for all of us.

So we as as students should take out Best utilization of our CA curriculum by taking knowledge in best possible way, and Career should be our 1st priority.

5. Ready for the loss/risk

Being as an participants of stock market one must have an acceptance of loss & risk , as without acceptance of risk one cannot survive in long run as stock market is such an UN-regularised market wherein which nothing is in the control of any single stakeholder and situation which are not in our control then in that case we cannot do anything, so being as an participant we should accept a loss , rather then crying , criticizing ourself & blaming others.

6. No involvement of parents money.

These is an primary & most important criteria that every students should bear in their mind throughout their life as we as student many time we feel that let's make savings of our parents quite lucrative for their retirement , but sometimes intentionally /unintentionally if investment goes wrong then stable investment can even become negative investment and our parents will be worst sufferers .

Article By: Ms. Pruthvi Maurya

Basics of Blockchain-2

I hope that you are understood well about the blockchain technology from reading part-1 of the article. In part-1 we have discussed certain basic definition, meaning of the blockchain, essential of trust in economy with the example of supply chain and how blockchain is works. In this part of the article, we will discuss certain concept of blockchain in detail and drawbacks of blockchain etc.

First of all we will discuss in this article, types of blockchain.

➤ **Types of blockchain:**

Mainly there are three types of blockchain namely,

- Public blockchain (Permission-less blockchain)
- Private blockchain (Permissioned blockchain)
- Consortium blockchain
- **Public blockchain:**

In public blockchain all participant can freely participate without any permission, creating and adding block on blockchain network after performing some computation. Public blockchain is also called as Permission-less blockchain. Due to freely participation, level of participation is very high. Public blockchain is fully decentralize application (Dapps). Public blockchain has certain drawbacks like anyone can participate, less confidentiality, much time consuming as more participates are engaged. To overcome these drawbacks/challenges we have private blockchain.

- **Private blockchain:**

In contrast to public blockchain, participant can not be freely participating in private blockchain therefore it is also called as permissioned blockchain. Private blockchain is developed for the certain class of persons who can only participate and performing task on this. In private blockchain generally there is less number of participants. We can say that it is not fully decentralized application. Private blockchain is overcomes the drawbacks of public blockchain as discussed above.

- **Consortium blockchain:**

Consortium blockchain possesses characteristics of both public and private blockchain. It is used by predefined participant.

➤ **Cryptography:**

Cryptography is process of converting ordinary text into jumbled text so that only receiver and sender can read data. It is also called as secure transmission of data from sender to receiver. Cryptography is not only protects data from theft or alteration, but it can also be used for user authentication. Some Cryptography technique uses public key - private key concept. Let's try to understand how it works by way of simple example.

Mr. H want convey message to Mr. K about very confidential or price sensitive information but such information can't be send by ordinary ways. In such cases it becomes very essential to have secure transmission channel so that no one can steal or read the data except sender and receiver. Therefore in such situation Mr. H has an option to encrypt information with help of cryptography and transmits securely.

Mainly there are three types of technique used in cryptography.

I. Symmetric-key cryptography:

Both the sender and receiver have a single key. The sender uses this key to encrypt plaintext and send the cipher text to the receiver. On the other side the receiver applies the same key to decrypt the message and recover the plain text.

II. Public-key cryptography:

Public key cryptography is very widely used in current scenarios. In this technique two types of key is exists one is public key and another is private key. Sender encrypts information by using his private key and transmits the data so that no one can read it except person who possess public key of sender. E.g. In continuation of above example if Mr. H encrypt data with his private key and send it to Mr. K thereafter Mr. K can decrypt data by way of using public key of Mr. H and hence transmission becomes secure.

III. Hash function:

As we have discussed in the previous article meaning of hashing that hashing is method of cryptography that converts any form of data into unique string of text. In this technique, no key is used but by using certain mathematical function sender can compute fixed length of hash code by using MD-5, SHA-1, SHA-256 and Curl etc. Hash function can't be decoded therefore it is widely used in password securities purposes.

In blockchain, hashing performing very important role as it will protect the blocks in blockchain. As we have discussed one the characteristic of blockchain immutability i.e. hard to change/modified something. Objective of immutability will achieve by using hashing algorithms. In blockchain SHA-256 hashing algorithms is used.

In hashing we can encode any message but it can not be decode the message from hash i.e. it is one way. Hashing is always giving same output for same input. If we change one letter of word its output will totally different from previous output. Every block in blockchain is unique with help of hashing algorithms. If you want to show how hashing algorithms works you can Google it, **SHA-256** you will see result of your input.

➤ **Consensus mechanism:**

In distributed ledger system generally nodes are anonymous therefore co-ordination among various nodes becomes very difficult. Thus for overcoming such situation we have consensus mechanism which will help us in co-ordination among nodes.

There are generally two types of common consensus mechanism namely,

1, Voting based consensus:

Voting based consensus mechanism generally used in private/permissioned blockchain.

E.g. PBFT, RAFT

2, Lottery based consensus:

Lottery based consensus mechanism is generally used in public/permission-less blockchain.

E.g. POW, POS

➤ Drawbacks:

As we have seen there are many benefits of blockchain technology but it also essential to know drawbacks of blockchain technology. Here we are discussing certain drawbacks/risks of blockchain technology.

- High computation power/energy:

Why too much computation power is required to operate blockchain? Answer to this question remains in Consensus mechanism. As we have discussed in the article that consensus mechanism (Pow) perform very important role in blockchain i.e. it is help in getting consensus among various nodes. In consensus mechanism nodes require to solve cryptographically puzzle, for solving this puzzle, we required too much computational power to getting consensus among various nodes. Not only here computational power is required but also for cooling down the system we require further energy so that it requires too much computation power and energy. it may badly affects to our climate.

- Collusion or 51% attack:

In case of major nodes (51%) are combine their computation power and endeavor to grab the control of blockchain then in such situation main characteristic of blockchain i.e. Decentralization will eroded.

- Switching cost:

Once data is stored in blockchain network, if we want to transfer our data in another blockchain network it will requires too much cost to switches data to another blockchain network. One question may be comes in our mind why we need to switch data to another blockchain then answer to that question is that data only at one place may be prone to risk of data theft but it is very hard to data theft from blockchain because of blockchain is immutable but there are chances of data loss so it is one of the drawbacks of blockchain.

- No central authority:

Decentralization is major benefits as well as it is drawbacks of blockchain technology as we know notion of confidentiality i.e. being kept secrete or private. If every thing becomes open then it is not viable from point of view of confidentiality. To overcome this situation we have private blockchain which will help us on this challenge.

- Time consuming process:

Presently in **Bitcoin blockchain** if we need to add one transaction in blockchain it will take ten minutes to adding in blockchain, it may greater than ten also. If we compare this with any our normal e-banking

transaction ten minutes is too much time. This problem is solved by **Ethereum blockchain** but not as required.

Above drawbacks are not exhaustive list but there are many other challenges are we need to face after successful implementation of blockchain technology.

➤ **Practical aspects:**

Innovation of blockchain technology was mainly for overcoming the financial/banking challenges like double spending, central authority etc. but gradually people thinking that it will help in many other sectors also thus now people are making many models on blockchain which helps in many sectors. General theory is like “Necessity is mother of invention”-Albert Einstein, but in blockchain technology it is different because of we have solution before any problems we actually know.

Blockchain technology helps in many sectors like

- Finance
- Supplychain
- Governmental sectors
- Digital identification
- Educational sectors
- Many other sectors.

In India adoption of blockchain technology is going on in both Gov't and Non-Gov't Sectors. National Institute for Smart Governance (NISG) has published study paper on “National strategy for blockchain” in the year 2019. Brief overview of adoption of blockchain is as under.

■ Gov't sectors:

- **Gov't of Telangana:** Motor vehicle department has application to track the vehicle life cycle from manufacturing to end warranty period.
- **Gov't of West Bengal:** Blockchain based issuance of birth certificate.
- **Gov't of Andhra Pradesh:** Andhra Pradesh Capital Region Development Authority is implementing distributed ledger technology for recording land records.

■ Non-Gov't Sectors :

- Universities of Karnataka & Andhra Pradesh have used blockchain in university's certificate management.
- Tech Mahindra along with Microsoft & IBM has implemented a distributed ledger technology for registering customer preference and tracking customer complaints about unsolicited commercial communication.
- HSBC India and ING bank Brussels have implemented blockchain enabled live trade finance transaction jointly with Reliance Industries and Tricon Energy.

But before implementation of blockchain technology we need to take necessary precaution because we haven't any law for good governance of this in case there is any irregularity. There are fair chances of fraud because people don't know properly what blockchain is and how it goes further so before implementing this concept we should have comprehensive knowledge of it. Let's take certain examples.

- Blockchain in supplychain:

Usage of blockchain in supply chain is already discussed in first part of article by way of one the example (Trust).

- Blockchain in Gov't Sectors:

Gov't sector in our economy play key role as it operates in many sectors like banking, foods, oils, power, good governance etc. Now how blockchain will help to government can be understood by way of simple example of land records management. As of now if someone wants to buy property from seller then he needs to verify whether seller is true owner of property or not then in such situation we have only sale deed i.e. record of transfer but same is not gov't guaranteed document. If all land records will digitalize and store in blockchain then it will help us to identify the ownership of property and it also immutable so no one can modified the records. Blockchain is not only helping us but also helps to gov't in preventing activities of Money laundering by way of tracking changes in ownership of property.

- Blockchain in digital identification:

Identification managements is very crucial and important because of there are several reasons. We are discussing by way of following examples:

As of now we have certain data bases from which authorized persons can identify identity of person like Aadhar card, PAN cards or other authenticated proof etc. In case physical identification we are not able to duly identify authenticity of documents as there are chances of malfunctioning by people so it is prone to risk, because many benefits can be getting by people based on certain proof/documents (BPL/APL etc.). In case of people will taking undue advantages of such documents then in that case resources of gov't will not reach at correct place. For overcoming these types of challenges we have solution i.e. blockchain. Blockchain help us in overcoming this malfunctioning practices by way of accessing gov't data to authenticated person who will see whether person is genuine for getting this benefits and not taking undue advantages of gov't resources.

It can be also appreciate by way of another example of migration. Mr.GD migrates from India to Japan for killing someone, who is criminal in India. Appropriate authority of India has data of it but appropriate authority of Japan doesn't know that he is criminal as result of which Mr.GD easily enter into Japan doing criminal activity. Now in such case also blockchain will help us by way of appropriate authority of Japan accessing data of our appropriate authority and identify his actual identity and stop him to enter into Japan.

Form above example we can understand how blockchain help in identity management.

- Blockchain in education sectors:

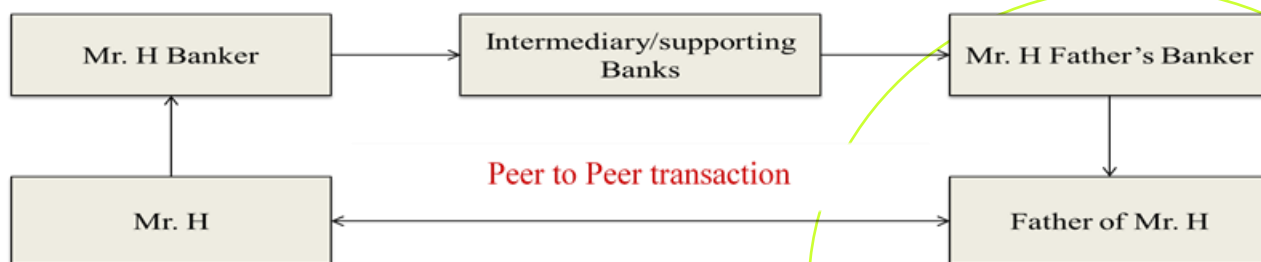
Now a day's education system more and more turns into online like- education institution provide e-lectures to participant and they study online and pursue certain degree by these online courses. After pursuing degree educational institution provide degree certificate to participant and it is used in many

purposes like job, occupation, business etc. But one challenge arises that how someone can identify authenticity/validity of this certificate so in this case blockchain will help us. Let's understand,

Blockchain has one of the characteristic cryptography by using hashing; hashing will help us on this problem by way of entering unique hash number in every certificate so other person by entering unique number in blockchain then one can able knows issuing authority of certificate, name of certificate holder etc. which will help us in identify authenticity/validity of certificate.

- Blockchain in Finance sectors:

In our economy there are many sectors operating but out of which very crucial role is playing by finance sector because without finance sectors our business is not working smoothly. Finance sectors are one of the pillars of our economy as stronger the fiancé sectors stronger the economy and vice versa. Now we discuss how blockchain help us in finance sectors by way of common example:



From above diagram Mr. H wants to transfer money to his father at USA in order to transfer money from India to USA Mr. H needs to access financial institution i.e. he need to takes help of intermediary. For transfer of funds financial institution takes charges for same, charges of fund transfer may be high because of there are many participants is engaged for transfer of funds it can be see from above diagram. High charges are common problem for us so that it can be overcome by blockchain technology as blockchain is peer to peer distributed ledger technology which will help us in directly payments to intended party without any needs of intermediary. Second problem is trust between receiver and sender that is receiver are not able to know whether sender speaking true or not about transfer of funds within deadline. There are chances that sender say he has sufficient fund to repay receiver funds. If we use blockchain in this then transparency can be comes in between receiver and sender.

- Blockchain in other sectors:

- Health care sectors
- Tracking product warranty
- Manufacturing sectors
- Others

➤ **Blockchain Hype cycle:**

It is graphical presentation prepared by Gartner to represent Maturity, Adoption and Application of specific technology. In this presentation 5 phases of emerging technology was given

Hype Cycle for Blockchain Business, 2018



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Article By: Mr. Harsh Mer

Transforming Public Services with Cloud

Cloud technology refers to the delivery of technological resources on demand via the Internet. During COVID-19, cloud technology became a lifeline for governments needing to provide urgent services from emergency hotlines to online education.

With the cloud technology, government can acquire technology from cloud providers on an as-needed basis, and quickly respond to their citizens' needs without needing to buy and maintain their own data centres and servers.



COVID-19 forced governments around the world to deliver vital public services in unprecedented ways, and to experiment with digital technologies on an unforeseen scale. As citizens turned to their public healthcare providers, educational institutions and other public sector organizations for help during the crisis, they often collided with overburdened and outdated IT systems. However, many public service providers quickly adapted to this soaring demand for help and information, and implemented innovative solutions that helped people access critical resources. Amazon Web Services (AWS) provides cloud services to public sector organizations around the world.

The term "cloud computing" refers to the on-demand delivery of technological resources via the Internet with pay-as-you-go pricing. Instead of buying, owning, and maintaining their own data centers and servers, organizations can acquire technology from cloud providers on an as-needed basis. This allows an organization to quickly access resources from servers to machine learning services on demand, which can drive down costs and speed up an organization's pace of innovation.

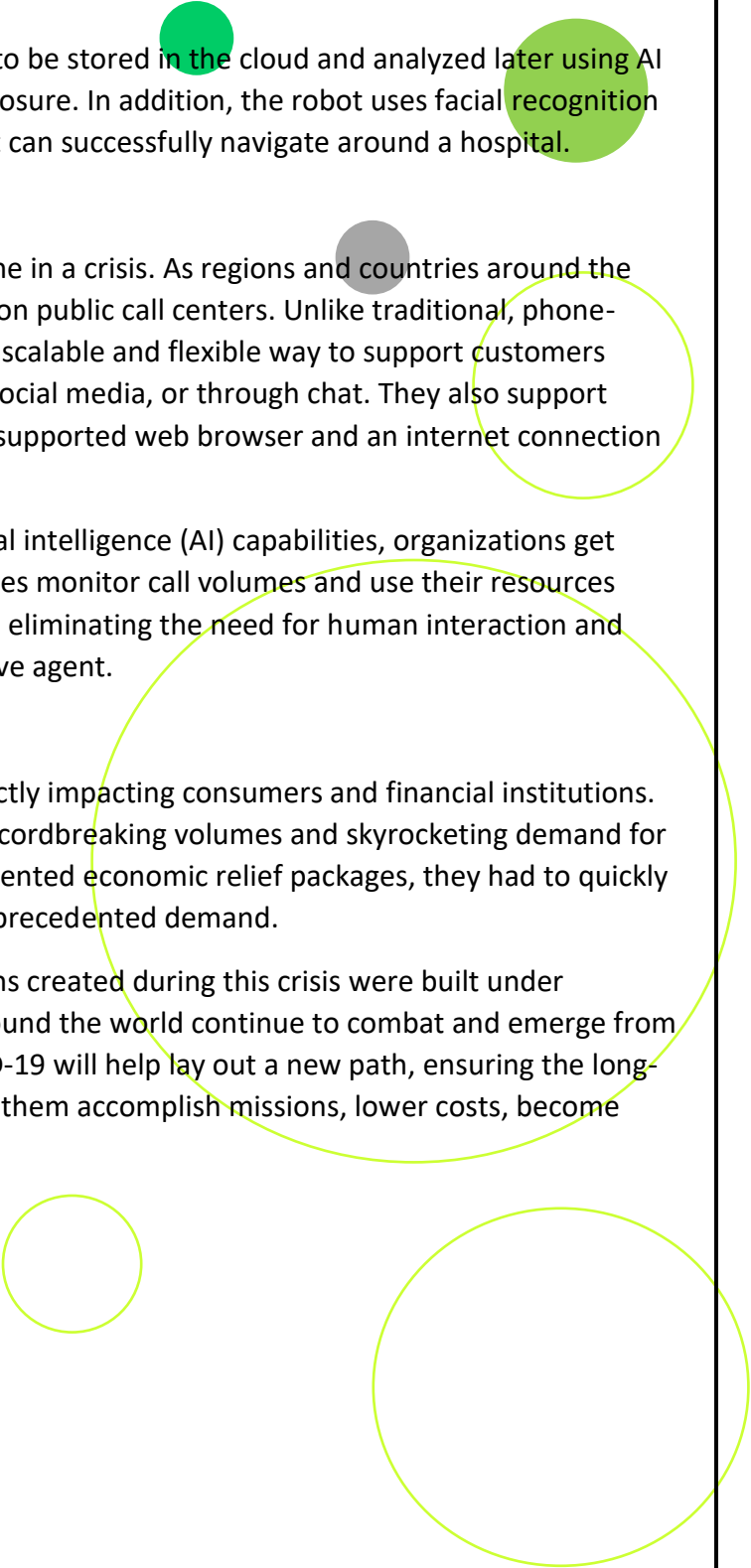
Learning in the cloud:

As schools all over the world closed their doors due to COVID-19, policy makers, parents, teachers, and administrators turned to technology to help students continue their education, experimenting with new online learning models to keep students engaged. Some organizations used cloud technology to handle the increase in demand for online classes. In upcoming year in most parts of the world, schools, colleges and universities are looking at hybrid approaches that blend in-classroom with online learning.

Cloud computing plays a role in securely and reliably delivering curriculum to students at scale. When it comes to education, there's no time for downtime. The cloud gives teachers and students anywhere, anytime access to data & applications on their own connected device to enable them to work remotely. With cloud computing infrastructure, institutions can quickly scale learning management systems, launch virtual classrooms to upskill educators, set up remote help desks, and more.

Machine Learning for Hospitals:

Cloud services paired with Machine Learning (subset of Artificial Intelligence) helped healthcare providers continue safely serving patients at a time of overwhelming demand, crowded hospitals, and exhausted frontline workers. Roomie Bot, developed by Mexico City-based startup Roomie IT, is a robot which screens patients in the hospital waiting room. Powered by AWS's cloud technology, Roomie Bot rolls its way through the waiting room to ask questions, takes temperatures, and uses sensors to detect symptoms such as



shortness of breath. Those metrics are then sent to AWS to be stored in the cloud and analyzed later using AI services, saving time and limiting healthcare workers' exposure. In addition, the robot uses facial recognition tools in order to identify people, objects, and spaces, so it can successfully navigate around a hospital.

Cloud-powered citizen hotlines:

Even in the age of texting, many people call a public hotline in a crisis. As regions and countries around the world went into lockdown, this placed a crushing burden on public call centers. Unlike traditional, phone-based call centers, cloud-based contact centers provide a scalable and flexible way to support customers across many channels whether over the phone, through social media, or through chat. They also support remote work for contact center agents, all they need is a supported web browser and an internet connection to engage with customers from anywhere.

By leveraging embedded machine learning (ML) & Artificial intelligence (AI) capabilities, organizations get powerful real-time and historical analytics, helping agencies monitor call volumes and use their resources effectively. AI also automates frequently asked questions, eliminating the need for human interaction and lowering the number of callers who require help from a live agent.

Cloud computing for financial relief:

COVID-19 brought disruption to the global economy, directly impacting consumers and financial institutions. Cloud technology has helped the public sector manage recordbreaking volumes and skyrocketing demand for financial relief. As governments around the world implemented economic relief packages, they had to quickly build loan application portals that could scale to meet unprecedented demand.

Concluding lines: Solutions that public sector organizations created during this crisis were built under extremely challenging circumstances. As communities around the world continue to combat and emerge from the pandemic, the solutions created in response to COVID-19 will help lay out a new path, ensuring the long-term resilience of public sector organizations and helping them accomplish missions, lower costs, become more agile, and innovate faster.

Article By: Mr. Siddharth C

Income Tax Act, 1961

APPEALS AND REVISIONS UNDER INCOME TAX ACT, 1961

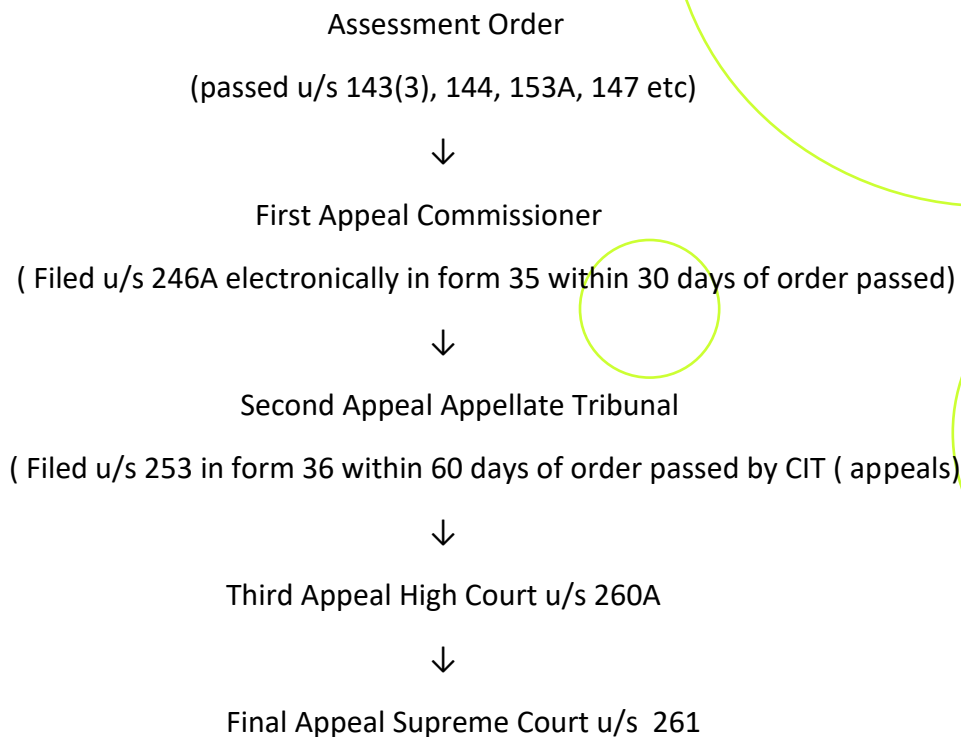
The Constitution of India guarantees the citizens of the country certain fundamental rights. Therefore, under any system of rule of law, the right to appeal for redressal of one's grievances is generally inbuilt.

Under the Income Tax Act, 1961 following two alternatives are available to the assessee if he is not satisfied with the order passed by the Assessing Officer;

1) **APPEAL** : First appeal against the order of the Assessing Officer shall, except in certain cases (Refusing to grant registration u/s 12AA and approval u/s 80G), lie with the commissioner (Appeals) u/s 246A.

2) **REVISION** : Alternatively, if the appeal is not preferred, or if could not be filed within the time limit allowed, the assessee can apply u/s 264 to the Commissioner of Income Tax for revision of the order of the Assessing Officer. This is known as revision in favour of the assessee. The Commissioner of Income Tax can also take up suo moto the case for revision u/s 264. In some cases, the Commissioner of Income Tax can also take up the case for revision u/s 263. This is known as revision of the order of the Assessing Officer which is erroneous and prejudicial to the interest of revenue.

The assessee is given a right of appeal by the Income tax Act where he feels aggrieved by the order of the assessing authority. However, the assessee has no inherent right of appeal unless the statute specifically provides that a particular order is appealable. There are four stages of appeal under the Income-tax Act, 1961 as shown hereunder –



REVISIONS u/s 263 and 264

Section 263: The Principal Commissioner or Commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by the Assessing officer is erroneous in so far as it is prejudicial to the interests of the revenue, he may after giving an opportunity of being heard pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or cancelling the assessment and directing a fresh assessment .

However, Assessee has an option to file an appeal in INCOME TAX APPELLATE TRIBUNAL against the revision order passed by CIT u/s 263.

Section 264: The Principal Commissioner or Commissioner may, either of his own motion or on an application by the assessee for revision, call for the record of any proceeding under this act in which any such order has been passed and may make such inquiry or cause such inquiry to be made and subject to the provisions of this act, may pass such order thereon, not being an order prejudicial to the assessee, as he thinks fit.

However, In this case income tax act does not provide any remedy for filing appeal to higher income tax authority . But , assessee has an option , he can take the benefit of Constitution of India. Article 226 provides every citizen of india remedy to file WRIT petition in High Court against the order passed by income tax department.

HOW TO SELECT CASES IN SCRUTINY AND NEED FOR THE SAME

Why there is a need for scrutiny selection by the Income Tax Department ?

There was a great need and importance of scrutiny selection by department, as all the assesses who file their return do not disclose their true income and mostly understates the income by showing bogus expenses, fictitious entries, undervaluation of closing stock, eliminating cash sales, over booking of expenses etc. Department should select the cases, where there is a major variation in various ratios like N.P., G.P., Stock T.O. ratios. Deviation in prevailing ratios adopted by the industries. The main motive and objective of Income tax department is to maximize revenue of the government and to cover more and more persons under the purview of Income Tax Act.

Cases where A.O. must manually pick the case for scrutiny and called for the required documents and details to correctly ascertain the income;

- 1). High volume of TDS and refund ratio.
- 2). Huge cash transactions.
- 3). Huge credit entries in bank statements.
- 4). Huge amount of unsecured loan as shown in liability side and interest rate at which such loan is taken.
- 5). Huge Capital addition in the books of account.
- 6). Non-Business or personal nature expenses debited in the profit and loss account.
- 7). Deviation in Tax audit report and ITR filed by the assessee regarding disallowance of various expenses.
- 8). TDS liability not discharged properly.

The above list is an illustrative list.

Cases are picked into scrutiny by two methods;

- 1). Manually by A.O.
- 2). CASS i.e. Computer aided scrutiny selection.

The first one is already discussed above, under the second method i.e. CASS this is a automated software system of department which automatically takes the case under scrutiny by matching the ITR filed by the assessee with the database available with the system like mismatch in Form 26AS and ITR filed.

While selecting the return under scrutiny or reopening of case, A.O. must ensure the relevant provisions of the Act like provisions of section 143(1), 143(2), 142(1), 147, 148, 144 and specially provisions of section 143(2) and 149 i.e. time limit for issuing notice.

With the target of increasing tax collection, A.O. after selecting the case under scrutiny must take the following steps to properly assess the income;

- 1). Check all the Cash transactions and various provisions of section 269ST, 269SS, 269T, 40(A)(3), Fixed assets worth more than Rs. 10,000/- purchased in cash.
- 2). Vouchers and Invoice of expenses debited in profit and loss account.
- 3). Applicability of TDS provision on payments made.
- 4). Reconciling the T.O. as declared in ITR with GST returns and Bank Accounts.
- 5). Capital introduction in the business by assessee, if any.
- 6). Change in method of accounting, method of valuation of closing stock as it directly effects calculation of profit.
- 7). Penalty and other expenses which are required to be disallowed.
- 8). Provisions of section 28 to 44.
- 9). Personal nature expenses, if any.
- 10). Detailed checking of Cash Book, Expense ledgers.
- 11). High variation in ratios if any, than A.O. must seek reply and reasons for such deviation.
- 12). Eligibility and validity of deductions and exemption claimed in return.
- 13). Loans and advances given must be checked.
- 14). Long outstanding creditors and debtors in the books of accounts.
- 15). Unsecured loans and interest on the same must be checked, if there is no change in the balance of outstanding amount than there should be complete checking of that particular account.
- 16). Validity and proper valuation of investments reflecting in the books of accounts.

17). Compliance of section 145(2) i.e. Income computation and disclosure standards, profit and loss must be computed in accordance to these standards.

Brief Study of Section 269ST of Income Tax Act, 1961

In this article we will understand why section 269ST is introduced and what is the need of invoking such provisions,

Section 269ST was introduced by finance act, 2017 in Income tax act, 1961 by the central government in order to curb the tax evasion, regulation and circulation of **Black money**. Most of the transactions in India are done in cash (specially real estate transactions) as a tactic to evade the income tax, as cash transactions are difficult to track by the department. Therefore there is a great need and requirement to invoke such provisions with the intention of restricting cash transactions. There are already provisions in the act to restrict cash transaction. For instance, the provisions of section 40A(3) imposing restrictions on cash expenditure. Similarly, there are provisions under sections like 269SS/269T regarding accepting and repayment of loans in cash.

But, there is no provision in income tax regarding cash receipts before inserting section 269ST (i.e. before 1st april, 2017) and this what it makes a difference between the existing provisions and 269ST. It cast a restriction on the person receiving the cash i.e. payee.

Understanding the provision of section 269ST;

**No person shall receive an amount of two lakh rupees or more—(a) in aggregate from a person in a day; or
(b) in respect of a single transaction; or
(c) in respect of transactions relating to one event or occasion from a person,
otherwise than by an account payee cheque or an account payee bank draft or use of electronic clearing system through a bank account.**

Provided that the provisions of this section shall not apply to—

(i) any receipt by—

(a) Government;

(b) any banking company, post office savings bank or co-operative bank;

(ii) transactions of the nature referred to in section 269SS;

(iii) such other persons or class of persons or receipts, which the Central Government may, by notification in the Official Gazette, specify.

Explanation.—For the purposes of this section,—

(a) "banking company" shall have the same meaning as assigned to it in clause (i) of the Explanation to section 269SS;

(b) "co-operative bank" shall have the same meaning as assigned to it in clause (ii) of the Explanation to section 269SS

Important Notes:

1). Applicability : This section is applicable to all persons as defined in section 2(31). It covers all types of receipts whether it is a capital or revenue.

Penalty for non-compliance of section 269ST (Section 271DA)

If a person receives any sum in contravention of the provisions of section 269ST, he shall be liable to pay, by way of penalty, a sum equal to the amount of such receipt

Any penalty imposable under sub-section (1) shall be imposed by the Joint Commissioner.

Examples of transaction covered under section 269ST

1).Laxminarayan & Associates (a partnership firm) has entered into a transaction of purchase of immovable property from Pushp kumar sahu at a consideration of 25,00,000/- INR. The mode of payment is partly cash and partly by NEFT, cash portion is 5,00,000 and remaining is NEFT. In this case pushp kumar sahu has received cash in excess of 2,00,000/-INR. In which he has violated the provisions of section 269ST. Therefore penalty will be leviable u/s 271DA for receiving cash @ rate of 100%. In layman, penalty will be levied on transaction portion received in cash.

2). Laxminarayan & Associates (a partnership firm) has withdrawn a amount of 3,00,000/-INR from a bank account in a single day. In this case receiving person is laxminarayan & associates which has received a amount exceeding 2,00,000/-but still it is not violating the provisions of section 269ST. Therefore, penalty will not be levied u/s 271DA; because there is a clarification regarding the same by Central Board of Direct taxes that there will be no restriction on cash withdrawl from bank.

Clarifications in respect of section 269ST of the Income-tax Act, 1961 Vide Circular No. 22 of 2017 Dated 03rd July, 2017.

F.No.370142/10/2017-TPL

Government of India

Ministry of Finance

Department of Revenue

(Central Board of Direct Taxes) (TPL Division) ***

With a view to promote digital economy and create a disincentive against cash economy, a new section 269ST has been inserted in the Income-tax Act, 1961(the Act) vide Finance Act, 2017. The said section inter-alia prohibits receipt of an amount of two lakh rupees or more by a person, in the circumstances specified therein, through modes other than by way of an account payee cheque or an account payee bank draft or use of electronic clearing system through a bank account. Penal provisions have also been introduced by way of a new section 271DA, which provides that if a person receives any amount in contravention to the provisions of section 269ST, it shall be liable to pay penalty of a sum equal to the amount of such receipt.

2. Subsequently, representations have been received from non-banking financial companies (NBFCs) and housing finance companies (HFCs) as to whether the provisions of section 269ST of the Act shall apply to one instalment of loan repayment or the whole amount of such repayment.

3. In this context, it is clarified that in respect of receipt in the nature of repayment of loan by NBFCs or HFCs, the receipt of one instalment of loan repayment in respect of a loan shall constitute a 'single transaction' as specified in clause (b) of section 269ST of the Act and all the instalments paid for a loan shall not be aggregated for the purposes of determining applicability of the provisions section 269ST.

Precautions to be taken while entering into a Real Estate Transaction.

In this article we will be discussing about the precautions to be take care while entering into a real estate transaction.

Let us understand this article in the form of short story;

There are two brothers namely **Pushp Kumar Sahu and Uday Kumar Sahu** who have entered into a transaction of immovable property worth 48 lakhs INR in cash. (value as per Stamp valuation authority 60 lakhs INR) But being not aware of the income tax provisions, they made a transaction violating the various provisions of the income tax act, 1961. Both brothers jointly sold the said property and thereafter received the whole consideration in cash and the same is deposited in the bank account.

The first violation of income tax provision which is made by the Sahu brothers is of Section 269ST, as they have received the entire sale consideration in cash which exceeds 2,00,000/- INR. Therefore penalty will be levied on them under section 271DA at the rate of 100% of the amount received in cash.

The second violation made by them was; they have sold the said property at a rate less than the rate as determined by stamp valuation authority [section 50C], as per this section; where the consideration received or accruing as a result of the transfer by an assessee of a capital asset, is less than the value adopted or assessed by an authority of a state government (stamp valuation authority) for the purpose of payment of stamp duty in respect of such transfer, the value so adopted for the purposes of section 48, be deemed to be the full value of consideration received as a result of transfer.

The last mistake made by Sahu brothers was that they have deposited the entire cash received from such sale in bank account. As they have deposited the cash exceeding 10 lakhs INR in a single saving account. Because of such bulk deposit, bank official filed an annual information return u/s 285BA to income tax department. Due to such filing of AIR, transaction has been easily tracked by the department and in order to take such transaction under income tax assessment , department issues a show cause notice to assessee that why this transaction has not been reflected in their IT returns.

Originally this income has been evaded by the assessee brothers, therefore A.O. has full access to issue income escaping notice to both assessee u/s 148 and complete the assessment as provided u/s 147 . Moreover, A.O.

can issue notice under section 271DA for violating provisions of 269ST for levying 100% penalty or can issue notice under section 271(1)(c) for concealment of income.

Article By: Mr. Pushp Kumar Sahu



LEXICON

WORD:- AMELIORATE (uh·meel·yuh·reyt)

Meaning:- to make better or more tolerable; to grow better

In Hindi:- उन्नति, सुधार

Synonyms:- improve, better, upgrade

Antonyms:- worsen, sink, decline

Sentence:- With good mentors we can ameliorate ourselves.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- RAPPORT (ra·pawr, ·pohr, ruh·)

Meaning:- a friendly, harmonious relationship

In Hindi:- घनिष्ठता, संबंध, सम्पर्क

Synonyms:- communion, fellowship, rapprochement

Antonyms:- disagreement, discord, unfriendliness

Sentence:- Pratham has a rapport with all of his fellow colleagues and mentors.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- APPRENDIMENTO (ap·uh·zit, uh·poz·it)

Meaning:- learning

In Hindi:- शिक्षा, सीखना, विद्या प्राप्ति, अध्ययन, अभ्यास

Synonyms:- education, knowledge, learnedness, literacy, scholarship

Antonyms:- ignorance, illiteracy, illiterateness

Sentence:- Much more than words and meanings, it encourages students to take an active part in the apprendimento process.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- EXPOSITORY (ik·spoz·i·tawr·ee)

Meaning:- explaining or describing something

In Hindi:- वर्णनात्मक, अर्थप्रकाशक

Synonyms:- explanatory, informative, illustrative

Antonyms:- uninformative, uninformative

Sentence:- Expository writing is commonly divided into Definition and Analysis.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- AVIDITY (uh·vid·i·tee)

Meaning:- the quality of being extremely eager or interested

In Hindi:- उत्सुकता, चाह, उत्कट इच्छा

Synonyms:- enthusiasm, keen, intense interest

Antonyms:- dislike, apathy

Sentence:- He studied Indian history with avidity.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- ADVENT (ad·vent)

Meaning:- the arrival of a notable person or thing

In Hindi:- अवतार, आगमन

Synonyms:- arrival, coming, onset

Antonyms:- departure, end, leaving

Sentence:- He had so long and so passionately looked for the advent of that moment!

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- APPOSITE (ap·uh·zit, uh·poz·it)

Meaning:- apt in the circumstances or in relation to something

In Hindi:- उचित, उपयुक्त, ठीक, योग्य

Synonyms:- relevant, suitable

Antonym:- inappropriate

Sentence:- Talk should proceed by instances; by the apposite, not the expository.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- VETO (vee·toh)

Meaning:- an official power or right to refuse to accept or allow something

In Hindi:- निषेधाधिकार, रोक, प्रतिबंध

Synonyms:- denial, prohibition, embargo

Antonyms:- allowance, approval, sanction, permission

Sentence:- The president has the power of veto over any bill that comes across his desk.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- ASSIDUOUS (uh·sij·oo·uhs)

Meaning:- showing hard work, care, and attention to detail

In Hindi:- परिश्रमी, श्रमशील, तत्पर

Synonyms:- zealous, diligent, attentive

Antonyms:- lazy, lethargic, neglectful

Sentence:- The government has been assiduous in the fight against inflation.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- EPITOME (ih·pit·uh·mee)

Meaning:- the best possible example of a particular type of person or thing; a short statement of the main points of a book, report, incident, etc.; abstract; summary

In Hindi:- प्रतीक, साक्षात् उदाहरण, भावार्थ, संक्षेप, सारांश

Synonyms:- embodiment, exemplar, personification, ultimate

Antonyms:- addition, extension, unabridgement

Sentence:- Fenil Sir is the epitome of Good Leader and Motivational Speaker. Always inspire and motivate us to reach new heights.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- EUPHORIC (yoo·fawr·ik, ·for·)

Meaning:- a feeling of intense excitement and happiness

In Hindi:- उल्लासमय, खुशी से भरा हुआ माहौल, परम सुख से परिपूर्ण

Synonyms:- captivated, excited, ecstatic

Antonyms:- bored, calm, sober

Sentence:- I felt so euphoric over what we did yesterday, it was the first time I did something gratifying.

**LEARN TOGETHER!
GROW TOGETHER!**

WORD:- JUBILANT (joo·buh·luh nt)

Meaning:- feeling or expressing great happiness, especially because of a success

In Hindi:- उल्लसित, प्रफुल्लित, मग्न

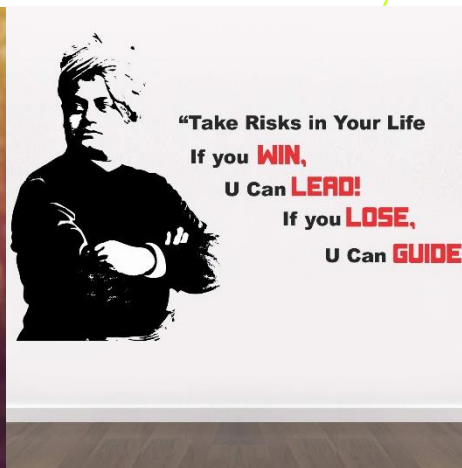
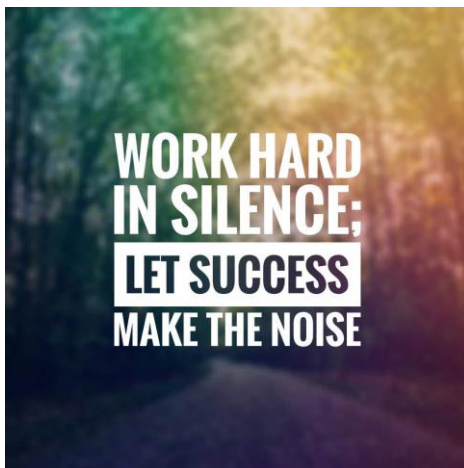
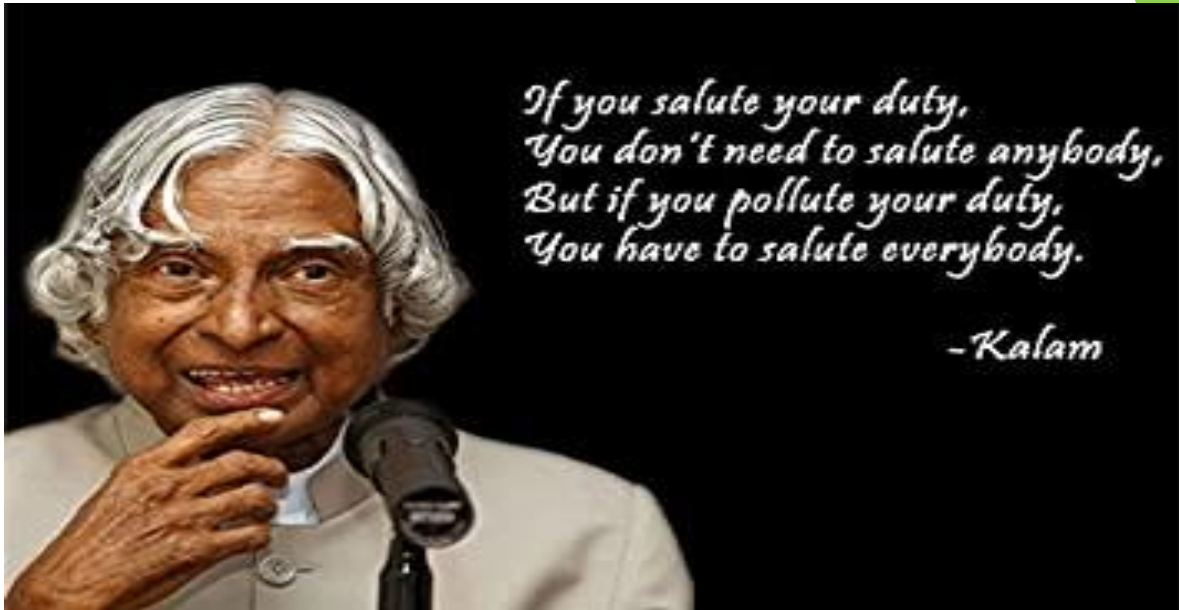
Synonyms:- glad, joyous, happy

Antonyms:- sad, sorrowful, unhappy

Sentences:- 1. Laughing always puts me in a jubilant mood.
2. The fans were jubilant at/about/over their team's victory.

**LEARN TOGETHER!
GROW TOGETHER!**

Motivational Quotes



Compiled by: Mr. Maulik Kesariya

Notice of Annual General Meeting

NOTICE is hereby given that the Annual General Meeting of the Students of the Ahmedabad Branch of Western India Chartered Accountants Student's Association (WICASA) will be held on **5th September, 2020 at 6.00 pm** at Shantinath Hall, ICAI Bhawan, Sardar Patel Colony, Nr. Usmanpura Under bridge, Naranpura, Ahmedabad – 380014 to transact the following agenda:

1. To note and adopt the Financial Statements of the Association for the Financial Year ended on 31/03/2020.
2. To declare the names of six elected students of the Managing Committee of the Association for the year 2020-21. Elections for the said vacancies would be held from 8.00 am to 4.00 pm on **5th September, 2020, Saturday at, ICAI Bhawan, Sardar Patel Colony, Nr. Usmanpura Under bridge, Naranpura, Ahmedabad – 380014.**
3. Any other matter with the permission of the chair.

CA. Anjali Choksi

Chairperson

Ahmedabad Branch of WICASA

Place: Ahmedabad

Date: 17.08.2020

Note:

1. Every articulated clerk whose address is registered within the jurisdiction of Ahmedabad Branch of WICASA and who has been serving articleship on or before 1st April 2020 shall be eligible to vote .
2. Students eligible to contest and having at least 12 months of unexpired period of article ship as on the date of the election.
3. Such Students desirous of contesting the election to the Managing Committee of Association are required to send the nomination form duly filled in and complete in all respects together with prescribed fees of Rs. 5/- to the Chairman, WICASA at the above address on or before Dt. 29.08.2020 up to 5.00 pm.
4. Student eligible to vote should bring ID Card issued by Institute or eligibility form countersigned by the Employer.

Important Dates

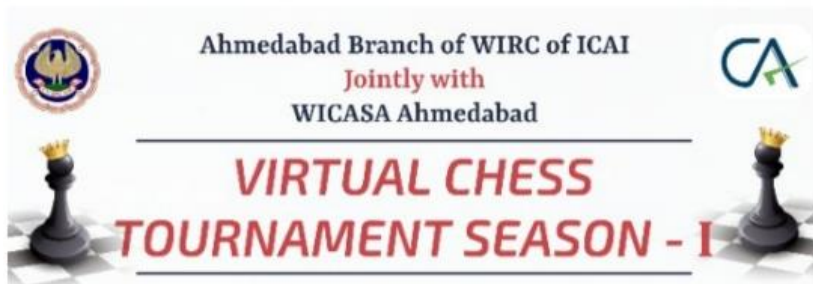
1. Last date of receipt of nominations	29 th August, 2020
2. Date of Scrutiny	31 th August, 2020
3. Last Date of Withdrawal	1 st September, 2020
4. List of valid nomination declared	2 nd September, 2020
5. Date of election	5 th September, 2020
6. Date of declaration of result	5 th September, 2020

Glimpse of Events

Mission Slimpossible



Virtual Chess Tournament - 1



"Team Work Divides The Task & Multiplies The Success."



CA. Fenil Shah
Curator

Chairman, Ahmedabad Branch

Chief Co-Ordinators



CA. Vandan Shah



Shri Bhavin Goklani



CA. Pakshal Patel



Keval Trivedi



Rahul K Nuval

Co-Ordinators



Het Gajjar



Dhruvin Talati



Kachhadiya Harshil



Divya Jain



Shruti Gupta



Shubham Upadhyay



Pratham Agarwal



Harsha Harwani



Charvi Godhwani



Kshitij Arora



Shivam Gaur



Mansi Patel



Nilesh Singh



Tannu Shree Panwar



CA. Vedant Parikh



CA. CS Nilay Shah



Green Ganesha




Model United Nations



Grand Finale of Phoenix – Celebrate the Remix of Fun & Life




Painting Competition

 **Ahmedabad Branch of WICASA**


1st WINNER
ADITI SINHAL

FREEDOM ART




CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

 **Ahmedabad Branch of WICASA**


1st RUNNER UP
PRIYANSHI MEHTA

FREEDOM ART




CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

 **Ahmedabad Branch of WICASA**


2nd WINNER
SHRUTI GUPTA

FREEDOM ART



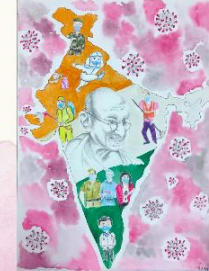
CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

 **Ahmedabad Branch of WICASA**


2nd RUNNER UP
PARITA PATEL

FREEDOM ART




CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

 **Ahmedabad Branch of WICASA**


3rd WINNER
TANVI MOTA

FREEDOM ART




CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

 **Ahmedabad Branch of WICASA**

3rd RUNNER UP
ARPITA SHAH

FREEDOM ART



CA FENIL SHAH
CHAIRMAN
ICAI - Ahmedabad Branch

CA ANJALI CHOKSI
CHAIR PERSON
ICAI - Ahmedabad WICASA

Project Green Hands – Each One Plant One

