



## Chairman's Message

Dear Professional Colleagues,

**"TODAY is the First Blank Page of a 365 Pages Book.  
Write a Good One"**

Greetings.

Wish you all a Very **Happy and a Prosperous New Year 2021.**



One message which can help us to look to Calendar Year 2020 in a positive manner and can provide a positive outlook for year 2021 is that life does not alter its predesigned course to become simpler; it expects us to change our attitude and inculcate strength and resilience in our disposition in order to attain success. The same is true for the business processes, activities and manner in which transaction takes place which keep on changing with the time. ICAI Ahmedabad Branch has always encouraged its members, students and stakeholders to be resilient and take obstacles in their stride as challenges are an invariable and inevitable consequence of life. Maintaining resilience in times of adversity and looking at challenges in the eye with indomitable strength pushes people to emerge as admirably indestructible, akin to how carbon turns into diamond under extreme pressure. Under the current pressures of the pandemic, the accounting profession and all its stakeholders must take utmost care in its conduct and actions. After all, it is an active choice to be identified in misery and not be brought down by it.

Had an opportunity to have an Interactive Meeting with CA. TULKUMARGUPTA, President ICAI on 28.12.2020 and very fruitful and constructive meeting with respected sir. Also Our own dynamic CCM CA Aniket Talati also joined and we discussed on how Ahmedabad Branch activities can be aligned with vision of President sir and how we can serve members and students in a best manner. Also congratulated President Sir for being appointed as Director on Global Board of XBRL International and also for being elected as IFAC Board Member.

Also had an interactive meeting with the CA. Dheeraj Sharma, Chairman; CA. Nitin Kataria, Vice-Chairman and CA. Mohit Singhal, Secretary of Gurugram Branch of NIRC of ICAI and had a Discussion on how both branches can connect to each others and can be beneficial for Members and Students of both branches.

In my vision to serve the Members and Students, I am arranging various Webinars and we are getting the overwhelming response to it. We organised programs on Health Series – **CHARTERED HEALTH ORBIT**; Spirituality Series - **PAURANIK** on every Sunday morning and evening and getting huge response. Also we had a Virtual **Brainy Birbal Quiz** Season 2 & Virtual **Chess** Season 2 and many other programs. Also had a **Christmas** Celebration and a **Blood Donation** Drive Season 2.

Following are the programs scheduled for month of January & February 2021 namely COVID Care & Assistance Tie-ups, Series on Company Law, Litigation Skills Development

### OFFICE BEARERS

#### Chairman

CA. Fenil Rajendra Shah  
89050 30507

#### Vice Chairman

CA. Harit Ashok Dhariwal  
99789 42299

#### Secretary

CA. Bishan R. Shah  
98250 23573

#### Treasurer

CA. Rahul Kalulal Maliwal  
84606 20401

### Members

CA. Ganesh Nadar  
CA. Anjali Choksi  
CA. Sunil Sanghvi

### Ex. Officio Members

CA. Aniket Talati, CCM  
98255 51448  
CA. Hitesh Pomal, RCM  
98240 49402  
CA. Vikash Jain, RCM  
93277 15892  
CA. Chintan Patel, RCM  
90999 21163

### Newsletter Committee

#### Chairman:

CA. Rahul Maliwal

#### Co-Chairperson:

CA. Hemlata Dewnani

#### Convener:

CA. Mohit Tibrewal

### Members:

CA. Kushal Reshamwala  
CA. Monish Shah  
CA. Mahadev Birla  
CA. Mahavir Shah  
CA. Gautam Pai  
CA. Twinkle Shah  
CA. Parth Jani  
CA. Nimesh Hariya  
CA. Jitendra Teelani

## Whats Inside???

Editorial	04
Upcoming Events	05
Accounting & Co. Law Updates	10
GST Updates	12
GST Quick Connect	16

Analysis Of CSR Provisions	20	The Industrial Relations Code, 2020	35
Corporate Social Responsibility	23	FEMA Updates	39
Direct Tax Quick Connect	25	Excel in Excel-1	41
International Taxation	26	Excel in Excel-2	42
The Code On Social Security 2020	29	Important Due Dates	43
RERA Updates	31	Motivational Story	45



Workshop, Workshop on How to be an Effective READER, National Conference on Information Technology, Workshop on How to be an Effective WRITER, Networking Meet of Firms of CA, Workshop on How to be an Effective SPEAKER, CEO / CFO Meet of Companies of Gujarat and also an Industrialist Meet.

I request you all to motivate your Article Assistants to participate of its kind events organised by us namely **Youth Parliament 2021** in association with Chatra Sansad, **International CA Students Conference 2021** on 16<sup>th</sup> & 17<sup>th</sup> January 2021 and many more events. Also this time happy to organise for the first time the **WOMEN CA CRICKET LEAGUE**.

**ICAI DIGI LOCKER FACILITY:** Inline to its objective of always providing only the best services to its members & students, ICAI has introduced the Digi-Locker facility, which can now be used by all the Institution members, including **Chartered Accountants and CA students**. The facility was launched during the recently concluded Virtual International Conference. Besides promoting e-governance, the new Digi-Locker facility of ICAI will allow members to securely store and manage their digital records online. Through the newly-launched facility, ICAI aims to Digitally Empower the Institution members & students by enabling them to access all their digital documents securely in one place. This will essentially act as an online cloud-based wallet for keeping and managing all digital documents like mark sheets, certificates, ID cards, among others. Digi-Locker is a flagship program introduced by the Ministry of Electronics & IT (MeitY) under Digital India Corporation (DIC).

**New Portal for CABF:** ICAI constantly endeavours to use more and more technology to provide ease of service delivery experience to our stakeholders. Chartered Accountants Benevolent Fund (CABF) is one of the important initiatives of the ICAI providing support to the members/family in the time of need. With the launch of the CA Benevolent Fund Portal ([cabf.icai.org](http://cabf.icai.org)) recently the process has been fully automated for providing financial assistance under CABF with provision to upload all relevant supporting documents. Further, portal will also enable online payment of contribution and auto generation of receipt. I am sure with this technology platform, we will be able to provide support to our fraternity in a more prompt and transparent manner.

Ahmedabad Branch has also initiated the **Plasma Donation Drive** which is also helping various members to get the Plasma when they or their family members are in need. Register as Donor and / or Volunteer: <http://tiny.cc/ICAIPlasmaDetails> and the Background Material for ICAI Plasma Donation Drive: <http://tiny.cc/ICAIPlasmaInformation>.

**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>

This year taught us that no obstacle is bigger than us as long as we are equipped with positivity and faith as our armour. The year 2020 has been an unprecedented and unpredictable year strewn with numerous ebbs and flows, yet the lessons we learnt from it are far greater in degree of significance and magnitude than the curveballs it threw. After all, every night is inevitably followed by a bright sunrise. The entire humanity has cheered the news of successful trials of various vaccines. Every dark cloud has a silver lining and every disaster has an opportunity. But the opportunities come wearing the overalls of hard work. As the economies emerge from hibernation, the accounting community should strive to find innovative solutions to combat the aftermath of the things that have taken place this year. A consistent belief in the best helps us defy the trying tests of time and align the odds in our favour. Positive thoughts manifest into a positive reality; thus, by deploying the invincible strength and robust prowess of our mind, we can actualise our goals and ambitions. 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.

*"If you can't fly then run, if you can't run then walk, if you can't walk then crawl, but whatever you do, you have to keep moving forward."* - **Martin Luther King Jr**

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

Thanks & Regards,  
**CA. Fenil Shah**  
**Chairman.**  
**Ahmedabad Branch of WIRC of ICAI**





Interactive Meeting with CA. Atul Kumar Gupta, President, ICAI at the ICAI, New Delhi Office on 28.12.2020



Interactive Meeting with CA. Dheeraj Sharma, Chairman; CA. Nitin Kataria, Vice-Chairman and CA. Mohit Singhal, Secretary, Gurugram Branch of NIRC of ICAI on 28.12.2020



## Ahmedabad Branch of WIRC of ICAI



# संवाद → CONNECT TO CHAIRMAN

A Platform for **MEMBERS** and **STUDENTS** of Ahmedabad Branch to Connect and Interact with the **CHAIRMAN** of Ahmedabad Branch of WIRC of ICAI

Connect by Filling Form :- <http://tiny.cc/ConnectToChairman>

### Connect and Share to Me

- ◆ IDEAS of yours for our Fraternity
- ◆ Redressal of your GRIEVANCE
- ◆ Willingness to be a VOLUNTEER
- ◆ Share your valuable SUGGESTIONS
- ◆ Any OTHER Purpose.

“Always Happy to Help”

**CA. Fenil Shah**

Chairman, Ahmedabad Branch

Members & Students of Ahmedabad Branch can take Benefit of the Initiative.

## EDITORIAL



**G**reetings of Year 2021 to all our members!!

January is named after Janus, the god of beginnings and transitions. Hope this New Year 2021 brings lots of success,

happiness and positivity in our lives.

The journey of life has become similar to a 20-20 cricket match where transition and adoption is on our footsteps every moment. We must resolve to continuously acquire knowledge and adopt new technology in our field.

The Year 2020 has already shaken the world very hard with the impact of corona virus, and also given us the some new normal of life's which was never thought before. In the Year 2020 some words like social distancing, new normal, pandemic, epidemic and so on so forth has been added to routine dictionary of our life.

But we as a country have shown lot of resilience not only in terms of curtailing the impact of COVID-19 but also towards the improvement of

economy. During this turbulent time we have seen the highest flows of FII and FDI in Indian markets. It gives the strong signal of collective efforts of government and citizens towards the aspiring and Atmanirbhar India. India is approaching towards the third largest economy in the year 2030.

As legendary **Albert Einstein** said "**the definition of genius is taking the complex and making it simple.**" So our aim from the newsletter to articulate the complex aspects of changes in various laws in most simple manner which can inculcate the reading habit in our member.

This newsletter includes all the recent changes in corporate law, GST, Direct & International Taxation. Members those who are willing to contribute for newsletter on any topic can share the same with us at [ahmedabad@icai.org](mailto:ahmedabad@icai.org)

Amidst all this, we wish a happy Uttarayan and Republic Day to all members in advance. Stay Safe and Stay Happy!! Happy learning!!

**CA Rahul Maliwal**  
Chairman, Newsletter Committee

## New Year cum Gratitude Wishes



**T**here was never a night or a problem that could defeat sunrise or hope. The past year taught us a lot. We saw changes in our work, personal and professional life and the way we live life. Wish we all gathered wisdom and

lessons from the current situation. Through the use of technology we were able to do virtual meetings and work from home, and in

turn, improve and increase our capabilities with the balance in professional and family life.

I extend Gratitude to all the Members, Students & Stakeholders of ICAI Ahmedabad Branch for extending the support and co-operation. With this new year 2021, I hope there will be hope in this new normal. Wishing you all safe and a glorious year 2021. With regards,

**CA. Bishan Shah**  
Secretary,  
Ahmedabad Branch of WIRC of ICAI





# UPCOMING EVENTS



AHMEDABAD BRANCH OF WIRC OF ICAI

Jointly Presents With



AHMEDABAD BRANCH OF WICASA

## GIRLS BOX CRICKET LEAGUE

Specially Organized for  
Girl **CA Students & Women CA Members**



Day & Date

Sunday, 3<sup>rd</sup> January 2021

Time

10:30 AM Onwards

Venue

Huddle Ground, Neon Sports Academy II, Murlidhar  
Party Plot Road, Thaltej, Ahmedabad, Gujarat

Registration Fees: **Rs. 200 per player**

Last Date of Registration: **1<sup>st</sup> January 2021**

### NOTE

- ❖ If you already have a team, then get done the registration of all the players itself.
- ❖ If you are not having your team then register yourself individually, team will be formed later on.

For More Details & Registrations visit [www.icaiahmedabad.com](http://www.icaiahmedabad.com)

#### Chief Co-ordinators

**CA Fenil Shah**

Chairman  
Ahmedabad Branch of ICAI

**CA Anjali Choksi**

Chairperson  
WICASA Ahmedabad

**CA Harit Dhariwal**

Chairman  
Students Committee Ahmedabad

**CA Bishan Shah**

Secretary  
Ahmedabad Branch

#### Co-ordinators

**Vraj Choksi**

9687706601

**Divya Jain**

9898880780

**Radhika Dhanuka**

9427061211



# UPCOMING EVENTS



AHMEDABAD BRANCH OF WICASA

Presents Jointly With



छात्र संसद

**YOUTH PARLIAMENT**

## What is Youth Parliament?

Youth Parliament is an academic simulation of Indian Parliament and Institutions which is aimed at educating the students about roots of our democracy, current affairs, national issues and understanding of Indian Politics.

The participants play role of Parliamentarians and Bureaucrats in various councils of our country such as Lok Sabha, Rajya Sabha, GST Council, etc.

Here, after registration, participants will be given option to choose committee & after selection of their wanted committee, each participant will be allotted a portfolio and they will then engage in negotiations, discussions, and lively debates, representing the portfolio allotted to them and showcase their skills of working in Team and expressing their point of view strongly. We will also teach and induct all participants in a Virtual Session before Event.

Registrations Open Now visit [www.icaiahmedabad.com](http://www.icaiahmedabad.com)

### Dates

9<sup>th</sup> & 10<sup>th</sup> January 2021

### Fees

Rs 250 [including Food, Kit & Certificates]





# UPCOMING EVENTS



AHMEDABAD  
BRANCH OF WIRCA

Jointly  
With

छात्र संसद



PRESENTS

## YOUTH PARLIAMENT

AHMEDABAD 2021

THE YOUTH OF TODAY ARE  
LEADERS OF TOMORROW!

### Name of Committees

1. LOK SABHA
2. RAJYA SABHA
3. GST COUNCIL
4. MINISTRY OF FINANCE
5. NATIONAL PRESS MEETING

### Date & Time

9<sup>th</sup> & 10<sup>th</sup> January 2021  
09.00 AM Onwards

### Venue

ICAI Bhawan, 123 Sradar patel colony  
Nr. Ushmanpura Bridge, Naranpura, Ahmedabad  
Fees : INR 250 (Includes Kit, Food & Certificates)

For Registration: [www.icaiahmedabad.com](http://www.icaiahmedabad.com)

### Chief Co -Ordinators

CA. Fenil Shah  
Chairman, Ahmedabad Branch

Mr. Kunal Sharma  
President, Chhatra Sansad

CA. Anjali Choksi  
Chairperson, WIRCA Ahmedabad

Mr. Rathin Bhatt  
National General Secretary, Chhatra Sansad

### Co -Ordinators

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+91 7405223375

Khushi Chakravorty  
+91 9879378904

Khushali Kotecha  
+91 9023606041

Jay Joshi  
+91 9265025050

CERTIFICATES TO ALL PARTICIPANTS & TROPHY TO WINNERS



# UPCOMING EVENTS



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
(A Statutory Body Established under an Act of Parliament)



## INTERNATIONAL CONFERENCE FOR CA STUDENTS @AHMEDABAD

**THEME**



**ATTITUDE  
ATTITUDE  
ATTITUDE**

**Day & Date**  
SATURDAY, SUNDAY  
16<sup>TH</sup> & 17<sup>TH</sup> JANUARY, 2021

**PAPER  
PRESENTATION**

**Venue**  
Ahmedabad, Gujarat &  
Virtual Platform

Session	Topics for Paper Presentation
Technical Session I – Communication as an Art	I.Communicate like a Pro II.Corporate & Social Media Etiquettes
Technical Session II – Digital India & Audit Profession	I.Audit in times of Artificial Intelligence and Machine Learning II.Use & Impact of Technology in CA Practice III.Managing Security Risks in Today's Digital Era
Technical Session III – Start-ups & Fintech	I.Startups disrupting Fintech Space II.Fund Raising Avenues for Startups
Technical Session IV – Tax & Technology	I.Tax Structure in India, USA, UK, Singapore & Australia II.Taxation of Digital Transactions
Technical Session V – Changing Investment Landscape	I.M& A in India : Challenges & opportunities II.Real Estate: Finally, out of the Woods? III.Infrastructure: The opportunity in crisis

For More Details & Registrations visit [www.icaiahmedabad.com](http://www.icaiahmedabad.com)

**Eligibility to present the paper in the conference.**

Students (pursuing Practical Training / Industrial Training) are invited to contribute papers for presentation (1500 to 2000 words) for topics in Technical-Sessions.

**Process of Sending their Entries**

Students are required to submit for approval a soft copy of the Paper at [wicasaahmedabad@icai.org](mailto:wicasaahmedabad@icai.org) by 03.01.2021 and a hard copy of the same along with Student's Photograph (with his/her name on the back of the photograph), ICAI Students' Registration Number, Course pursuing, complete postal address, Mobile, Landline numbers and e-mail ID be also sent to the Ahmedabad Branch of ICAI of WIRC.

**Last Date to Submit Papers 03<sup>rd</sup> January 2021**

**For Any queries connect to**

+917405223375
+919879378904
+917622052242





# UPCOMING EVENTS



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
(A Statutory Body Established under an Act of Parliament)



# INTERNATIONAL CONFERENCE FOR CA STUDENTS

@AHMEDABAD

THEME

**A**PTITUDE  
TTITUDE  
LTITUDE

Organized by

Students Skills Enrichment Board, BOS (Operations) - ICAI &  
Board of Studies (Academic) - ICAI

Hosted by

Ahmedabad Branch of WIRC of ICAI &  
Ahmedabad Branch of WICASA of ICAI

Day & Date

SATURDAY, SUNDAY  
16<sup>TH</sup> & 17<sup>TH</sup> JANUARY, 2021

Venue

Ahmedabad, Gujarat &  
Virtual Platform

## REGISTRATIONS OPENS

For More Details & Registrations visit  
[www.icaiahmedabad.com](http://www.icaiahmedabad.com)

Registration Fees

Physical Participation

Rs.600/- Per Student (Restricted to 100 Participants on First-cum-first  
basis subject to present state regulation of COVID 19)

Virtual Participation

Rs. 200/- Per Student till 05-01-2021 | Rs. 300/- Per Student From 06-01-2021

For queries connect to 7405223375 | 9879378904 | 7043149486



# Accounting & Company Law Updates

Compiled by: CA. Chintan Patel

## 1. Extension of CARO 2020 to FY 2021-22

MCA has vide order dated 17th December 2020 deferred applicability of Companies (Auditors Report) Order, 2020 by one more year and now it will be applicable from for the financial years commencing on or after the 1st April, 2021 i.e. FY 2021-22.

<http://egazette.nic.in/WriteReadData/2020/223784.pdf>

## 2. Relaxation for inclusion of name in Independent Director Data bank

Ministry of Corporate Affairs has provided further relaxation in registration for the inclusion of the name of Independent Directors in the Independent Directors Data Bank up to 1st December, 2021 and also the criteria for registration has been relaxed and the period of ten years directorship has been reduced to three years and passing marks criteria has been reduced from 60% to 50%.

Every individual who has been appointed as an independent director in a company shall do so within a period of two years from such commencement i.e., up to 30th November, 2021. Further, one who intends to get so appointed as an independent director in a company, shall before such appointment, apply to the institute for inclusion of his name in the data bank.

[http://www.mca.gov.in/Ministry/pdf/FifthAmdtRules\\_18122020.pdf](http://www.mca.gov.in/Ministry/pdf/FifthAmdtRules_18122020.pdf)

## 3. Companies (Incorporation) Third Amendment Rules, 2020

Upon payment of fees specified, through the web service available at [www.mca.gov.in](http://www.mca.gov.in), the Registrar shall **extend the period of a name reserved under rule 9** by using web service SPICe+ (Simplified Proforma for Incorporating Company Electronically Plus: INC-32).

[http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules\\_24122020.pdf](http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules_24122020.pdf)

## 4. Relaxation of additional fees and extension of last date of filing of CRA-4 (form for filing of cost audit report) for FY 2019-20

Ministry of Corporate Affairs, GOI has clarified via Circular No. 38/2020 dated 1st December, 2020 that in view of large scale disruption caused by the Covid-19 pandemic, it has been decided to extend the date for submission of cost audit report for the financial year 2019-20 by the cost auditor to the Board of Directors of the Companies from 30th November, 2020 to 31st December, 2020.

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38\\_01122020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38_01122020.pdf)

## 5. Exposure Drafts issued

### (a) Amendments to Ind AS 117, Insurance Contracts

Accounting Standards Board (ASB) decided to issue the Exposure Draft of Amendments to Ind AS 117, Insurance Contracts, corresponding to amendments in IFRS 17 for public comments. Please click

<https://icai.org/resource/62541asb50588.pdf> to refer exposure draft.

Last date to submit comments : 24<sup>th</sup> January, 2021

The detailed announcement can be referred at <https://icai.org/post/ed-amendments-to-indas-117-insurance-contracts>.

### (b) Exposure Draft of Lease Liability in a Sale and Leaseback - Proposed amendment to IFRS 16

The proposed amendment would specify the method a seller-lessee uses in initially measuring the right-of-use asset and liability arising in a sale and leaseback transaction and how the seller-lessee subsequently measures that liability. The proposed amendment applies to sale and leaseback transactions in which, applying paragraph 99 of IFRS 16, the transfer of the asset satisfies the requirements to be accounted for as a sale of the asset.

Please click <https://icai.org/resource/62442asb141220.pdf> to refer exposure draft.

Last date to submit comments : 15<sup>th</sup> February, 2021

The detailed announcement can be referred at <https://icai.org/post/ed-lease-liability-in-a-sale-and-leaseback>.





## Ahmedabad Branch of WIRC of ICAI



Is Happy To Inform You About The New

### The Chartered Accountant Benevolent Fund PORTAL

One Stop Solution for CABF Contribution & Financial Assistance

**PORTAL LINK:** <https://cabf.icaai.org>

Member can apply for life membership/ Annual membership online

01

Pay your contribution and get auto-generated fee receipt instantly

02

Auto populated application from linked with members database.

03

MIS generated administration monitoring of the CABF for efficiency.

04



05

Details of life Members, ordinary Members and voluntary contribution would be available at the portal

06

Online recommendation, approval and disbursement process of the application.

07

Track application status across the process

08

100% online automated process for financial provision to upload all relevant supporting documents.

Its our earnest appeal to all the Members of Ahmedabad Branch to become LIFE MEMBER of the Fund and to voluntarily contribute any amount for the noble and pious cause of CABF. The contribution to CABF is eligible for tax exemption under Section 80-G of Income Tax Act.

### Courtesy

**CA. Fenil Shah,**  
Chairman

**CA. Harit Dhariwal,**  
Vice-Chairman

**CA. Bishan Shah,**  
Secretary

**CA. Rahul Maliwal,**  
Treasurer

**CA. Ganesh Nadar,**  
Immediate Past Chairman

**CA. Anjali Choksi,**  
Managing Committee Member

**CA. Sunil Sanghvi,**  
Managing Committee Member

**CA. Aniket Talati,**  
CCM,ICAI

**CA. Hitesh Pomal,**  
RCM,WIRC

**CA. Chintan Patel,**  
RCM,WIRC

**CA. Vikash Jain,**  
RCM,WIRC

# GST Updates

Compiled by: CA. Monish Shah



## 1) Notification 92 following sections have now been notified dated 1<sup>st</sup> January 2021

Sec 119 – Amending Sec 10 of the CGST Act to include “services “along with “goods” in restrictions stated in sub-section 2 of Sec 10.

Sec 120 – Amending Sec 16(4) to omit the words “invoice relating to such” due to which time-limit mentioned in such sub-section would apply from the date of debit note and not the date of original invoice pertaining to the debit note.

▪ Sec 121 – Amending Sec 29(1) to allow persons voluntarily registered under Sec 25(3) to apply for cancellation.

▪ Sec 122 – Amending Sec 30(1) allowing extension of period of 30 days to apply for revocation of cancellation of registration in certain cases.

▪ Sec 123 – Amending Sec 31(2) to allow the Govt to specify, by way of a notification, the categories of services or supplies in respect of which a tax invoice shall be issued, within such time and in such manner as may be prescribed.

▪ Sec 124 – Amending Sec 51(3) and omitting Sec 51(4).

▪ Sec 126 – Inserting Sec 122(1A) to penalise any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) of Sec 122 and at whose instance such transaction is conducted

Sec 127 – Amending Sec 132(1) to punish whoever commits, or causes to commit and retain the benefits arising out of, any of the specified offences in Sec 132.

▪ Sec 131 – Omitting the words “whether or not for a consideration,” from Schedule II to the CGST Act w.e.f 01.07.2017.

2) Notification No 93 : The late fee payable for delay in furnishing of FORM GSTR-4 for the Financial Year 2019-20 under section 47 of the said Act, from the 1st day of November, 2020 till

the 31st day of December, 2020 shall stand waived for the registered person whose principal place of business is in the Union Territory of Ladakh.

3) Notification No 94: Changes Made in Rule as follows

## Time limit for system-based GST Registration increased

1. The time for system-based registration has been enhanced from 3 days to 7 days. That means, now department shall be required to review and grant registration within 7 days against 3 days as provided earlier from the date of filing of registration application. Where the applicant does not do Aadhar authentication or where department feels fit to carry out physical verification the time limit for grant of registration shall be 30 days instead of 7 days.

## More Powers to GST department in cancellation of GSTIN

2. Now the officer can proceed for cancellation of GSTIN where a taxpayer avails Input Tax Credit (ITC) exceeding than that permissible in Section 16. Clause (e) has been inserted in Rule 21 of CGST Rules 2017.

3. Now where the liability declared in GSTR 3B is less than that declared in GSTR 1 in a particular month, department may now proceed with cancellation of GSTIN. There might be some practical difficulties in implementing such a provision as there are number of corrections which are made in GSTR 3B which may result in lower tax liability as compared with GSTR 1. The clause (f) newly inserted talks about details of outward supply to which we understand that Taxable value and tax both should be in synchronization between GSTR 1 and GSTR 3B.

4. Now, no opportunity of being heard shall be





given to a taxpayer for suspension of GSTIN, where the proper officer (PO) has reasons to believe that the registration of person is liable to be cancelled. The words "opportunity of being heard has been omitted from clause (2) of Rule 21A. However the CBIC further tweeted to clarify that only in cases which there are huge mismatches or huge differences such strong steps shall be taken

5. Where there are significant deviation/anomalies between details of outward supply between GSTR 3B and GSTR1 or inward supplies (ITC) between GSTR 3B and GSTR 2B which indicate contravention of Act, department shall now serve a notice in FORM GST REG 31 to call explanation as to why GSTIN should not be cancelled. Taxpayer shall be required to submit his reply within 30 days of such notice being served to him.

6. Where a GSTIN is suspended no refund u/s 54 of CGST Act 2017 can be availed by the taxpayer. This means that first GSTIN Suspension proceedings have to be closed before applying refund.

#### **Restriction on claim of ITC as per Rule 36(4)**

7. The claim of ITC in respect of invoices not furnished by the corresponding vendors has now been restricted to 5% of the credit available in GSTR 2B. This limit earlier was 10% of ITC available. This would mean that a taxpayer's ITC claim shall now be restricted to 105% of the Credit reflected in his GSTR 2B. Any claim exceeding the specified limit shall result in violation of CGST Act read with rules which may result into suspension of GSTIN as described above. The provision shall come into effect from 1st January 2021.

#### **GSTR 1 to be blocked in case of non-filing of GSTR 3B**

8. Where a taxpayer fails to file GSTR 3B for two subsequent months, his GSTR 1 shall now be blocked. Earlier non filing of GSTR 3B used to result in blocking of E-way Bill facility but from now on it shall also result in blocking of GSTR 1 of the taxpayer. Similarly, for quarterly return filers, the taxpayer failing to file GSTR 3B for the preceding quarter shall not be permitted to file GSTR 1 of subsequent quarter.

9. A taxpayer whose is restricted to avail ITC as per rule 86B shall also not be permitted to file GSTR 1 where he has not filed GSTR 3b for the preceding tax period.

#### **Restriction on Utilization of Input Tax Credit – Rule 86B**

10. New Rule 86B shall be affected from 1st January 2021 wherein restriction has been placed on setting off more than 99% of tax liability from Input tax credit where the value of taxable supplies other than exempt supply and zero rated supply exceeds Rs. 50 lakhs in a month. Though few exceptions have been provided to this rule which are as follows:

(i) Where the taxpayer has paid Income Tax exceeding Rs. 1 lakh in two preceding financial year.

(ii) Where taxpayer has received refund exceeding Rs. 1 lakhs u/s 54 of CGST Act 2017.

(iii) Where taxpayer has used electronic cash ledger to pay of liability on outward supplies which cumulatively makes 1% of the total liability up to the said month

(iv) Where a person is a Government Department, Public Sector Undertaking (PSU), local authority or a statutory body.

11. Earlier one day was permitted for distance up to 100 kms under e way bill provision. Now the same has been increased to 200 kms. This means that only one day validity shall be granted to cover a distance up to 200 kms which was earlier 100 km

#### **Important Judgment or AAR**

1) Purchase of promotional products / Materials and Marketing Items used in promoting the brand and marketing the products - The ITC on GST paid on the procurement of the "distributable" products which are distributed to the distributors, franchisees is allowed as the said distribution amount to supply to the related parties which is eligible to GST. Further the said distribution to the retailers for their use cannot be claimed as gifts to the retailers or to their customers free of cost and hence ITC of GST paid on such procurement is not allowed as per Section 17(5) of the GST Acts. Act, 2017 - The GST paid on the procurement of "non-distributable" products qualify as capital goods and not as "inputs" and the applicant is eligible to claim input tax credit on their procurement, but in case if they are disposed by writing off or destruction or lost, then the same needs to be reversed under Section 16 of the CGST Act, 2017 read with Rule 43 of the CGST Rules, 2017. Held in Page Industries - THE AUTHORITY FOR ADVANCE RULINGS IN KARNATAKA 54 dated 15-12-2020



2) In High Court of Allahabad Writ Tax No 660 of 220 of M/s. Ratan Industries Ltd v/s State of UP. Show Cause Notice Served on the Wrong Email id, same is admitted by Department in the Hon'ble Court, Hence Adjudication Order Set Aside

The main allegation of the petitioner is that prior to passing of the order of demand, no show cause notice was ever served upon the petitioner and in fact no order passed by the respondent no. 3 was also ever served upon the petitioner, however, against the demand notice the petitioner preferred an appeal and the said appeal was also dismissed as being beyond the prescribed period of limitation under Section 107 of the Act. In view of the specific contentions raised by the petitioner with regard to the non-service of show cause notice and non-furnishing of a reasoned order, this Court had called for a counter affidavit from the respondents. A counter affidavit has been filed, wherein a show cause notice has been annexed as Annexure-4, however, in para 9 of the counter affidavit it has been admitted that on account of clerical inadvertence, the show cause notice was sent on the wrong E-mail address. In respect of the demand notice, only a summary of the order dated 24.1.2019 has been filed as Annexure-5 and no order giving the reasoning for levy of demand has even been filed in the counter affidavit.

In view of the stand taken by the respondents in the counter affidavit, it is clear that show cause notice was never served upon the petitioner as well as the reasons for quantification of the demand has also never been served upon the petitioner. In view thereof, it is clear that the statutory provisions as well as the principles of natural justice have been clearly violated. Service of the show cause notice at a wrong E-mail address is neither contemplated under the Act nor can it be deemed to be a proper service under the Act. As no show cause notice has ever been served, the petitioner never had any occasion to file its reply and thereafter not serving a copy of the reasoned order quantifying the demand is clearly erroneous.

The present petition has been filed as the Tribunal contemplated under the GST Act has not been created and the petitioner argues that in the absence thereof he cannot be left remedy less, as such he approached this Court.

A perusal of the orders passed and the

pleadings exchanged, make it clear that the orders passed are wholly arbitrary and contrary to the manner of passing of the order, as prescribed under the Act. There is no hesitation in holding that the orders passed against the petitioner are completely in violation of principles of natural justice.

In view thereof, the writ petition is allowed. The order dated 24.1.2019 as well as the order dated 27.7.2020 passed by the respondent no. 3 and respondent no. 2, respectively, are set aside.

3) In WRIT PETITION (ST.) NO.97165 OF 2020 AJE INDIA PRIVATE LIMITED VERSUS UNION OF INDIA

It is clear that petitioner had disclosed the details of its goods and had applied the classification which it thought was appropriate. On that basis it had filed its CGST returns and had been assessed. It is not the case that petitioner has defaulted in payment of tax as per its returns or assessment

Merely because there is a proceeding under section 67 would not mean that recourse to such a drastic power as under section 83 would be an automatic consequence, more so when petitioner has cooperated with the investigation. That apart, section 83 speaks of provisional attachment of any property including bank account. The record is silent as to whether any attempt has been made for provisional attachment of any property of the petitioner and instead why the bank accounts should be attached. Besides, by use of the word "may" in sub-section (1) of section 83 Parliament has made it quite clear that exercise of such a power is discretionary. When discretion is vested in an authority, such discretion has to be exercised in a just and judicious manner, more so when the power conferred under section 83 admittedly is a very drastic power having serious ramifications. Such power having the potential to adversely affect property rights of persons as well as life and liberty under Article 21 of the Constitution of India has to be exercised in a fair and reasonable manner. The impugned order dated 18th/ 19th November, 2020 is stayed - withdrawal of the provisional attachment of the bank accounts of the petitioner is directed. Thus Sec 83 cannot be invoked in the classification dispute as decided by Bombay High Court.





Ahmedabad Branch of WIRC of ICAI



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## TOURNAMENT-SEASON 2

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**CA. Fenil Shah**

Chairman, Ahmedabad Branch of WIRC of ICAI



# GST Quick Connect

Compiled by: CA. Parth Joshi

## Cancellation of GST registration due to non-filing of returns

### 1. Background:

To curb the menace of fake firms and circular trading entities, the Government have cancelled GST registrations of taxpayers, who have not filed their GSTR-3B for more than 6 months. In the ensuing paragraphs, the provisions relating to cancellation of registration & procedures, revocation of cancellation etc. has been discussed for the facilitation of tax payers.

The registration granted under GST law can be cancelled for specified reasons. The cancellation can either be initiated by the department on their own motion or the registered person can apply for cancellation of their registration. In case the registration has been cancelled by the department, there is a provision for revocation of the cancellation.

### 2. Cancellation of registration by proper officer [Section 29(2) of the CGST Act, 2017]:

The proper officer may cancel the registration of a person from such date, ***including any retrospective date***, as he may deem fit, where,-

- (a) a registered person has contravened such provisions of the Act or the rules made thereunder as may be prescribed; or
- (b) a person paying tax under section 10 has not furnished returns for three consecutive tax periods; or**
- (c) any registered person, other than a person specified in clause (b), has not furnished returns for a continuous period of six months; or**
- (d) any person who has taken voluntary registration under sub-section (3) of section 25 has not commenced business within six months from the date of registration; or
- (e) registration has been obtained by means of fraud, wilful misstatement or suppression of facts:

Provided that the proper officer shall not cancel the registration without giving the person an

***opportunity of being heard.***

Provided further that during pendency of the proceedings relating to cancellation of registration, the proper officer may suspend the registration for such period and in such manner as may be prescribed.

### 3. Procedure for cancellation of registration [Rule 22 of the CGST Rules, 2017]:

- Where the proper officer has **reasons to believe** that the registration of a person is liable to be cancelled, a notice to such person will be issued in **FORM GST REG-17**, requiring him to show cause, as to why his registration shall not be cancelled.
- The reply to the show cause notice issued has to be furnished by the registered person in **FORM REG-18** within a period of seven working days.
- If the registration is liable to be cancelled, the proper officer will issue an order in **FORM GST REG-19**, within a period of thirty days from the date of the reply to the show cause issued, cancel the registration, with effect from a date to be determined by him and notify the taxable person, directing him to pay arrears of any tax, interest or penalty.
- In case the reply to the show cause notice is found to be satisfactory, the proper officer will drop the proceedings and pass an order in **FORM GST REG-20**.
- The cancellation of registration shall not affect the liability of the person to pay tax and other dues for any period prior to the date of cancellation whether or not such tax and other dues are determined before or after the date of cancellation.
- The cancellation of registration under the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, as the case may be, shall be deemed to be a cancellation of registration under Central Goods and Services Tax Act.





**4. Whether cancellation of registration has any impact on the liabilities of the taxpayers?**

The cancellation of registration has **no effect on the liability** of the taxpayer for any acts of commission/omission committed **before or after the date of cancellation**. As per section 29(3) of the CGST Act, the cancellation of registration shall not affect the liability of the person to pay tax and other dues or to discharge any obligation under this Act or the rules made thereunder for any period prior to the date of cancellation whether or not such tax and other dues are determined before or after the date of cancellation.

**5. Proceedings shall be dropped; if the taxpayer instead of replying to the notice served, files all the returns [Proviso to Rule 22(4) of the CGST Rules, 2017]:**

Where the person instead of replying to the notice served for contravention of the provisions, furnishes all the pending returns and makes full payment of the tax dues along with applicable interest and late fee, the proper officer shall drop the proceedings and pass an order in FORM GST-REG 20.

**6. Whether default in filing return for the period of six months should be existing both at time of issuance of notice and passing order for cancellation of the registration under Section 29(2)(c)?**

***Hon'ble Kerala High Court in case of Phoenix Rubbers Vs. Commercial Tax Officer (2020)*** held that, Section 29(2)(c) of the CGST Act mandates that power for the cancellation of registration in a case where there is continuous six months' default on the part of the assessee in filing the returns. Since the competent official is obliged to issue a notice before he passes final orders, it goes without saying that ***the requirement of 6 months' continuous period should be fulfilled both at the time of issuance of the abovesaid notice in terms of the proviso to Sec. 29(2) of the CGST Act read with Rule 22 of the CGST Rules, but also at the stage of passing the final order cancelling the registration as per Sec. 29(2)(c).***

In the instant case, the jurisdictional fact regarding the six months' continuous default on the part of the assessee is certainly fulfilled at the time of issuance of show cause notice. Whereas, the said vital requirement of jurisdictional fact is non-existent as on the date

of issuance of the impugned cancellation order. ***If that be so, it is only to be held that the impugned order is illegal and ultra vires and is liable to be interdicted by this Court. Accordingly, it is ordered that the impugned order will stand quashed.***

**7. Can a taxpayer apply for new GST registration in the same state instead of filing all the pending returns and a revocation application?**

In this connection, CBIC vide Circular No. 95/14/2019 dated 28th March, 2019 has clarified the following:

- A large number of registrations have been cancelled by the proper officer under the provisions of section 29(2) of the CGST Act, 2017 read with rule 21 of the CGST Rules, 2017 on account of non-compliance of the said statutory provisions.
- Instances have come to notice that such persons, **who continue to carry on business and therefore are required to have registration under GST, are not applying for revocation of cancellation of registration as specified in section 30 of the CGST Act read with rule 23 of the CGST Rules.**
- **Instead, such persons are applying for fresh registration.** Such new applications might have been made as such person may not have furnished requisite returns and not paid tax for the tax periods covered under the old/cancelled registration.
- Further, such persons would be required to pay all liabilities due from them for the relevant period in case they apply for revocation of cancellation of registration. **Hence, to avoid payment of the tax liabilities, such persons may be using the route of applying for fresh registration.** It is pertinent to mention that as per the provisions contained in proviso to Section 25(2) of the CGST Act, a person may take separate registration on same PAN in the same State.
- Section 25(10) of the CGST Act read with rule 9 of the CGST Rules provide for rejection of application for registration if the information or documents submitted by the applicant are found to be deficient. It is possible that the applicant may suppress some material information in relation to earlier registration. Some of the



information that may be concealed in the application for registration in FORM GST REG-01 are S. No. 7 "Date of Commencement of Business", S. No. 8 "Date on which liability to register arises", S. No. 14 "Reason to obtain registration" etc. Such persons may also not furnish the details of earlier registrations, if any, obtained under GST on the same PAN.

- **It is hereby instructed** that the proper officer may exercise due caution while processing the application for registration submitted by the taxpayers, where the tax payer is seeking another registration within the State although he has an existing registration within the said State or his earlier registration has been cancelled.

- **It is clarified** that not applying for revocation of cancellation of registration along with the continuance of the conditions specified in clauses (b) and (c) of section 29(2) of the CGST Act shall be deemed to be a "**deficiency**" within the meaning of rule 9(2) of the CGST Rules.

- The proper officer may compare the information pertaining to earlier registrations with the information contained in the present application, the grounds on which the earlier registration(s) were cancelled and the current status of the statutory violations for which the earlier registration(s) were cancelled. The data may be verified on common portal by fetching the details of registration taken on the PAN mentioned in the new application vis-a-vis cancellation of registration obtained on same PAN. The information regarding the status of other registrations granted on the same PAN is displayed on the common portal to both the applicant and the proper officer. Further, if required, information submitted by applicant in S. No. 21 of FORM GST REG-01 regarding details of proprietor, all partner/Karta/Managing Directors and whole time Director/Members of Managing Committee of Associations/Board of Trustees etc. may be analysed vis-à-vis any cancelled registration having same details.

- While considering the application for registration, the proper officer shall ascertain if the earlier registration was cancelled on account of violation of the provisions of clauses (b) and (c) of section 29(2) of the CGST Act and whether the applicant has applied for revocation of

cancellation of registration.

**If proper officer finds that application for revocation of cancellation of registration has not been filed and the conditions specified in clauses (b) and (c) of section 29(2) of the CGST Act are still continuing, then, the same may be considered as a ground for rejection of application for registration in terms of sub-rule (2) read with sub-rule (4) of rule 9 of CGST Rules.**

- Therefore, it is advised that where the applicant fails to furnish sufficient convincing justification or the proper officer is not satisfied with the clarification, information or documents furnished, then, his application for fresh registration may be considered for rejection.

#### **8. Application for revocation of cancellation can only be filed if pending returns are furnished by the tax-payers [Provisos to Rule 23(1) of the CGST Rules, 2017]:**

- When the registration has been cancelled by the Proper Officer on his own motion, then the registered person, whose registration has been cancelled, can submit an application for revocation of cancellation of registration, in **FORM GST REG-21**, to the Proper Officer, within a period of thirty days from the date of the service of the order of cancellation of registration at the common portal, either directly or through a Facilitation Centre notified by the Commissioner.

- However, if the registration has been cancelled for failure to furnish returns, ***application for revocation shall be filed, only after such returns are furnished and any amount due as tax, in terms of such returns, has been paid along with any amount payable towards interest, penalty and late fee in respect of the said returns.***

#### **9. Conclusion:**

Cancellation of GST registration due to non-filing of returns will affect the businesses of the taxpayers. Accordingly, it is advisable to the taxpayers to file the returns in order to avoid such a situation.





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# ANALYSIS OF CSR PROVISIONS AS PER COMPANIES ACT, 2013

**Compiled by: CA. Komal Majmudar**

## INTRODUCTION

Corporate Social Responsibility (CSR) has been introduced by the Companies Act, 2013 (hereinafter referred to as the "Act"). CSR refers to the idea that companies need to invest in socially and environmentally relevant causes in order to interact and operate with concerned parties having a stake in the company's work. CSR is termed as "Triple-Bottom-Line-Approach", which is meant to help the company promote its commercial interests along with the responsibilities it holds towards the society at large. CSR is different and broader from acts of charities like sponsoring or any other philanthropic activity as the latter is meant to be a surface level action as part of business strategy, but the former tries to go deep and address longstanding socio-economic and environmental issues.

CSR motivates companies to be ethically right by contributing socially, economically and environmentally by engaging in acts like

- Engaging members of local community.
- By using "Socially Responsible Investment" (SRI).
- Develop an amicable relationship with employees and consumers
- Engage in actions which are protecting and sustaining the environment.

## NEED OF CSRLAWS

CSR laws are meant to help in transferring excess capital via acts of charity. This will help corporate undertakings to take up a lot more social, economic and environmental activities in order to help the general populace. This will also help corporates to have a direct stake in improving the society and drastically uplift their role to facilitators of development.

With the introduction of Companies Act, 2013, CSR has been made mandatory as per section 135 read with Schedule VII. The applicability of this section is for all companies – be it government or private or otherwise, provided they meet any of

the criteria as follows:

- The net worth of the company should be Rupees 500 crores or more
- The annual turnover of the company should be Rupees 1000 crores or more
- Annual net profits of the company should be at least Rupees 5 crores.

If the company fulfills any of the above criteria, it shall form a CSR Committee of the Board of Directors consisting three or more directors, out of which at least one director shall be an independent director. Further as per the CSR Rules, the provisions of CSR are not only applicable to Indian companies, but also applicable to branch and project offices of a foreign company in India.

The composition and CSR Committee shall be included in the Board's report.

It is to be noted that section 135 shall not apply for a period of 5 years from the commencement of business of a Specified IFSC Public as well as Private companies which are licensed to operate by the RBI or the SEBI or the IRDA from the international Financial Services Centre located in a approved multi services SEZ set-up under the Special Economic Zones Act, 2005 read with Rules thereof.

Sec 135 of the companies Act 2013, Schedule VII of the Act and Companies CSR policy Rules, 2014 read with General Circular dated 18.06.2014 issued by the MCA provide the broad contour within which eligible companies are required to formulate their CSR policies including activities undertaken and implement the same in the right earnest.

## SALIENT FEATURES OF CSR LAW UNDER PROVISIONS OF SEC 135 read with Rules THEREOF

- The functions of the CSR committee are as follows:





- o formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- o recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- o monitor the Corporate Social Responsibility Policy of the company from time to time.

- The Board shall, after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on the company's website wherever applicable, and ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company

- The minimum amount stipulated to be spent on CSR activities in a particular financial year by a company is two per cent of the average net profits (as calculated u/s 198 of the Act) of the company made during the three immediately preceding financial years. It has specifically been provided that the company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

- In case the company is not able to spend the minimum stipulated amount in any particular year, it shall specify reasons for not spending the amount in writing in its Board Report made under section 134(3)(o). Thus there are no penal provisions for the same.

- Also, as per the recent amendment in Companies (Amendment) Act, 2020, a proviso has been added after the above, specifying that if the company spends an amount in excess of the requirements provided as above, such company may set off such excess amount against the requirement to spend for the period as prescribed as per Rules thereof.

- As per CSR Rules, 2014, companies having small CSR funds can combine their CSR programs with other similar companies by way of pooling their CSR Resources.

- In case of Foreign Company, the balance sheet filed under section 381(1)(b) shall contain Annexure regarding report of CSR.

## GENERAL CIRCULAR NUMBER 01/2016 ISSUED FOR CLARIFICATION OF CSR PROVISIONS

The following are the clarifications to the FAQs on provisions of CSR:

- Expenditure by the company on its CSR activities shall not be deemed to be an expenditure for the purpose of business or profession and hence cannot be claimed as business expenditure.

- Net Profit for the purpose of Average Net Profit of the company for determining amount of CSR means Profit Before Tax.

- It is clarified in the circular that the activities undertaken in pursuance of CSR Policy must be relatable to Schedule VII of the Act. Hence the entries in the said Schedule VII must be interpreted liberally so as to capture the essence of the subjects enumerated in the said Schedule.

- No specific tax exemption can be availed for the expenditure made for the purpose of CSR. As per the Finance Act, 2014 also clarifies that expenditure on CSR does not form part of business expenditure. While no specific tax exemption has been extended to expenditure incurred on CSR, spending on several activities like contributions to Prime Minister's Relief Fund, Scientific Research, Rural development projects, skill development projects, agricultural extension projects, etc. which find place in Schedule VII, already enjoy exemptions under different sections of the Income Tax Act, 1961.

- Holding or subsidiary of a company does not have to comply with the provisions of this section unless the holding or subsidiary itself fulfills the criteria.

- A contribution of money to a trust /Society/section 8 companies by a company be treated as CSR expenditure of company.

(a) The Trust/Society /section-8 company is created exclusively for the undertaking CSR activities.

(b) Whether the corpus is created exclusively for a purpose directly related a subject covered in Schedule VII of the Act.

- Government has no role to play in monitoring implementation of CSR by companies. The main spirit of the law is not monitor but to generate conducive environment for enabling the corporate to conduct themselves in socially responsible manner.



- Contribution and involvement of employees in CSR activities of the company will generate interest/pride in CSR work and promote transformation from Corporate Social Responsibility (CSR) as an obligation to Socially Responsible Corporate (SRC) in all aspects of their functioning hence companies should be encouraged to involve their employees in CSR activities. However monetization of pro bono services of employees would not be counted towards CSR expenditure.
- Contribution to the prime minister's national relief fund or (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
- Contributions to public funded Universities like Indian Institute of Technology (IITs) Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH), etc., Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO), Indian Council of Medical Research (ICMR), etc.
- rural development projects
- slum area development.
- disaster management, including relief, rehabilitation and reconstruction activities.

#### ACTIVITIES INCLUDED AS PART OF CSR

As per Schedule VII, following activities are included as part of CSR activities permit for a company:

- Activities that help in Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, sanitation and making available safe drinking water.
- promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows];
- training to promote rural sports,

#### CONCLUSION

CSR in India was legislated with the hope that it would help corporates give back to the society in a big way since they thrive due to the society and civilization. The CSR act, in spite of all its good intentions, has failed to cover a lot of ground. It has given an impetus to companies to give back to the society, however, due to some policy and procedural inadequacies, it has failed to set up a fool-proof method of imparting CSR. Faulty criterions to determine the extent of money spent, fudging of data, selective and self-serving CSR tasks or short-term money spending are some of the core problems that India's CSR laws and policy suffer from. Therefore, the need of the hour is to change the CSR laws and amend it to become long-term, simple and easier to monitor. CSR laws, with some tweaks, will greatly help the society in the near future.



**CSR**  
Corporate  
Social  
Responsibility





# Corporate Social Responsibility

## **Introduction**

The name itself suggests that corporate has its responsibility towards the society. As a corporate earns its revenues and profits while functioning within the society, it is duty of corporate to give something in return to the society just like it gives returns to its shareholders. Earlier also many corporates were spending on Corporate Social Responsibility (CSR) activities like expenditure on education, community development activities, etc. but CSR got mandated in Companies Act, 2013. Section 135 of the Companies Act, 2013 covers provisions related to Corporate Social Responsibility.

## **To whom it is applicable**

It is applicable to all the Companies, which are registered under the Companies Act, 2013 or under any other previous Companies Acts, having

- a) Net worth of Rs 500 crores or more
- or
- b) Turnover of Rs 1000 crore or more
- or
- c) Net Profit of Rs 5 crores or more in any Financial year.

If the company meets any of the above criteria, it is required to spend 2% of its average net profits (average of net profits of preceding 3 financial years) as a CSR spend. In case of newly incorporated company which has not completed 3 years, net profit of preceding financial year to be considered for CSR purpose.

Now, various terms need to be understood, first we need to understand which companies it applies to "it applies to all companies, including holding or subsidiary and a foreign company defined under section 2(42) of the Act having its branch office or project office in India which fulfills any of the 3 criteria stated above.

## **What constitutes of Net worth under point (a) - (Section 2(57) of the Companies Act, 2013)**

Paid up capital PLUS Reserves created out of profits and securities premium LESS aggregate value of accumulated losses LESS deferred expenditure and miscellaneous expenditure not written off.

Point to be noted is that Reserves created from revaluation of assets, write back of depreciation and amalgamation shall not be included.

## **What is Turnover under point (b) – Section 2(91)**

The aggregate value of the realization of amount made from sale, supply of goods or distribution of goods or on account of services provided, or both,

## **Compiled by: Mr. Mukesh Lakhi Mirpuri**

by the company during financial year.

## **What is Net Profit under point (c)**

Net Profit means the net profit of the company as per the financial statement prepared in accordance with applicable provisions of the Act, but it doesn't include the following

- i. any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
- ii. Any dividend received from other companies in India, which are covered under and complying with provisions of Companies Act, 2013.

It is to be noted that Net Profit is Net profit before taxes as per section 135(5) and the same is calculated in accordance with section 198 of the Companies Act, 2013.

## **Corporate Social Responsibility Committee (CSR Committee)**

### **Constitution**

Corporate should have a CSR committee which would consist of 3 or more directors out of which at least one director should be an independent director. If the company is not required to appoint an independent director as under section 149 (4), there should be at least 2 directors in the CSR committee.

In case of Foreign company, the CSR committee shall comprise of at least 2 persons of which one shall be resident of India authorized to receive and accept notices or any documents on behalf of the company and the other person shall be nominated by the Foreign company.

### **Functions of CSR committee**

- Formulate and recommend CSR policy of the company to the Board, CSR policy shall indicate the activities to be undertaken by the company in the areas and subject to activities specified in Schedule VII.
- Recommend the amount of expenditure to be incurred on CSR activities as per the CSR policy - Monitor, review and amend (if required) the CSR policy from time to time.

The composition of the CSR committee is disclosed in the Board Report.

Activities under Schedule VII-Annexure A will be considered as Corporate Social Responsibility Activities.



### **What would not constitute of CSR activity?**

- Contribution to political party under section 182 of the Companies Act, 2013.
- Any activity that would benefit the employees and their families.
- Any events such as marathon, award function, charitable contribution, advertisements, sponsorships of TV programs, etc. - Activity undertaken outside India.

### **Other important aspects**

- Board meeting is convened which would approve the allocation of funds for CSR activities.
- If the Company has not been able to spend the funds on CSR activities during the financial year, the reasons for non-spend need to be mentioned in the Board's report.
- If the company expends more than 2% of the average net profits during the year, it can't carry forward the excess over 2% to the next year and expend low in the succeeding year.
- Two or more companies can collaborate for undertaking CSR activities provided the CSR Committees of respective companies are in a position to report separately on such projects or programs.

### **Penal Provisions**

Recently, some Penal provisions have been introduced for non-compliance of provisions of section 135

- 1) With regard to CSR allocated fund not being utilized, some provisions have been brought in whereby the amounts if not utilized should be transferred to special account known as "Unspent Corporate Social Responsibility Account" opened with a scheduled bank within 30 days of end of financial year. Further, if they are unutilized for 3 years of such transfer, they should be transferred to Central Government run funds.

- 2) Penal provisions introduced for inability to spend or contribute to CSR activities with fines ranging from Rs 50,000 to Rs 25 lakhs and imprisonment of officer in default for a maximum period of 3 years or both.

Many stakeholders vehemently resisted these harsh penal provisions. The Finance ministry had set up high level committee on CSR which submitted its report recommending to consider violation as civil offence and charging of huge penalties instead of criminal punishments.

Company law Committee of Ministry of Corporate Affairs has recommended penalty twice the amount of unspent CSR or

Rs 1 crore whichever is lower and officer in default be made to pay 1/10<sup>th</sup> of the unspent CSR amount or Rs 2 Lakhs, whichever is lower, all these amounts to be paid into separate bank account named Unspent Corporate Social Responsibility Account. There is deliberation going on the same and so the above-mentioned amendments are not yet notified.

### **Changes to boost research in Covid-19 Situation**

- 1) CSR Rules 2020 have been issued on 24<sup>th</sup> Aug, 2020. Earlier, rule 6 of Companies (CSR Policy) Rules, 2014 stated that any activity done in pursuance of business was not considered for CSR purpose. The said rule has been deleted now. Companies engaged in R&D activities will reap benefits while other businesses pursuant to their normal course of business will still remain outside the ambit of CSR rules.
- 2) Companies engaged in R&D of new vaccine, drugs and medical devices related to Covid19 are permitted to undertake such research and development activity for Financial years 2020-21, 2021-22 and 2022-23 subject to following:
  - a) Such R&D activities are being undertaken in collaboration with institutes or organizations as mentioned in item (ix) of Schedule VII to the Act
  - b) Details of activities to be disclosed in annual report

The list of Schedule-VII now includes

- i) Any contribution to incubators or research and development projects in field of science, technology, engineering, and medical sector funded by the central or state government or any public sector entity; and ii) Public funded universities (list of institutions has been released)

The intention of CSR rules and amendment to Schedule VII is to align with measures taken by Government in the fight against Covid-19

### **Conclusion**

Indian economy is one of the drivers of growth for the world economy and Indian corporate sector plays a pivotal role in this aspect. Corporates are considered to a separate legal person but they are also a social person as corporate functions within the society and so corporates should strive to work for the upliftment of the society. Contribution through CSR activities is one way of fulfilling the responsibility towards society. Inclusion of provisions related to Corporate Social Responsibility in the Companies Act, 2013 is a step towards making corporates fulfil their social responsibilities.



# Direct Tax Quick Connect

Compiled by: CA. Kushal Reshamwala



## Section 44AD: SPECIAL PROVISIONS FOR COMPUTING PROFITS AND

Considering the various compliances problems faced by small taxpayers (like Shopkeepers, Small Traders, Professionals, Good Transport Agencies etc.) regarding maintenance of Book of Accounts and requirement of Audit under Income Tax Act. Government has introduced a Presumptive Taxation Scheme for Small Taxpayers.

### Who can claim benefits under this Scheme?

#### Eligibility:

1. Assessee should be Individual, HUF or Firm (Not LLP).
2. Assessee should not claim deduction u/s 10A, 10AA, 10B, 10BA.
3. Assessee should be resident.
4. Turnover of Assessee should not exceed 2 crore.
5. Assessee should not be engaged in the business of Commissioning or Brokerage, [Good Transport Agency](#) (Separate Section is there for them), Agency & Profession.

#### Conditions

1. Presumptive income should be 8% of Turnover or Gross Receipts or Higher Profits (6% in case where all payments

are received in Prescribed mode as prescribed in [Notification 8/2020](#)) Note- In case payments are received partially in cash and partially in prescribed modes then Proportionately calculation to be done.

2. No Deduction of Section 30 to 38 will be allowed even the Unabsorbed Depreciation or Partner's Remuneration is not allowed.
3. However, Deductions under Chapter VI A will be allowed to Assessee.
4. However, WDV of the Assets has to be reduced as per the normal provisions of Section 32 but Depreciation claimed will not be allowed.
5. If Profits are declared under Presumptive basis then Assessee should continue showing income under this section for 5 continuous years. If there is any break then Assessee will not be eligible for next 5 years under this section.
6. Assessee has to deposit the Advance Tax in 1 instalment i.e By 15th March.
7. Any losses of any other business can be set off from presumptive income under this Section.

# International Taxation

Compiled by: CA. Twinkle Shah



1. Cairn Energy wins international arbitration under India-UK Bilateral Investment Treaty (BIT)

- Cairn Energy Plc and Cairn UK Holdings Limited (Claimants) win international arbitration on tax dispute with India under India-UK Bilateral Investment Protection Agreement (BIPA);

Arbitral Tribunal rules that India "failed to uphold its obligation under the UK-India BIT and international law, and in particular, that it has failed to accord the Claimants' investments fair and equitable treatment in violation of Article 3(2) of the Treaty";

- Further, the Arbitral Tribunal orders India to compensate the claimants for the "total harm suffered" by them due to the breach of treaty obligations.

2. International Arbitration - India challenges Vodafone arbitral award in Singapore Court - Press Reports

- Pursuant to retrospective amendments to Sec. 9 of the Income-tax Act vide Finance Act, 2012, tax liability was raised on Vodafone International Holdings BV [VIHBV, a Netherlands based co.] in respect of acquisition of stake in Hutchison Essar Limited in 2007 for its failure to deduct tax at source on capital gains;

- Aggrieved by the imposition of tax, VIHBV invoked the arbitration clause under the India-Netherlands BIPA;

- Arbitral Tribunal rules that India's conduct "in respect of the imposition on VIHBV of an asserted liability to tax notwithstanding the favourable Supreme Court judgement is in breach of the guarantee of fair and equitable treatment laid down in Article 4(1) of BIPA, as is the imposition of interest on the sums in question and the imposition of penalties for non-payment of the sums in question"

Pursuant to the above ruling, India has challenged the arbitral award before Singapore Court.





## Ahmedabad Branch of WIRC of ICAI Presents



### MEMBERS DIRECTORY 2020

Your **NETWORK** is your **NETWORTH**  
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**Request to SUBMIT / EDIT your Information.**

#### STEPS

- 1) Visit our Branch Website - [www.icaiahmedabad.com](http://www.icaiahmedabad.com)
- 2) Go to *Members Section* and click on *Register for Branch Member's Directory*.
- 3) In case of **New Member** (Registering the details on Ahmedabad branch website for the first time) Submit Data on the New Members Online Member's Data Form
- 4) In case of **Existing Member** update / edit on the Edit the Existing Member's Data For any change. Submit your membership number & registered mobile number - Receive OTP on your mobile - Use OTP to access information - Edit or Update.

**Note:** If you have changed the registered mobile number or unable to receive OTP, requested to contact us on [ahmedabad@icai.org](mailto:ahmedabad@icai.org) for any assistance.

**Requesting each Member to urgently update /  
edit their information latest by 15th October, 2020.**

**CA. Fenil Shah**  
Chairman, Ahmedabad Branch

**CA. Bishan Shah**  
Secretary, Ahmedabad Branch

For More Details & Online Registration



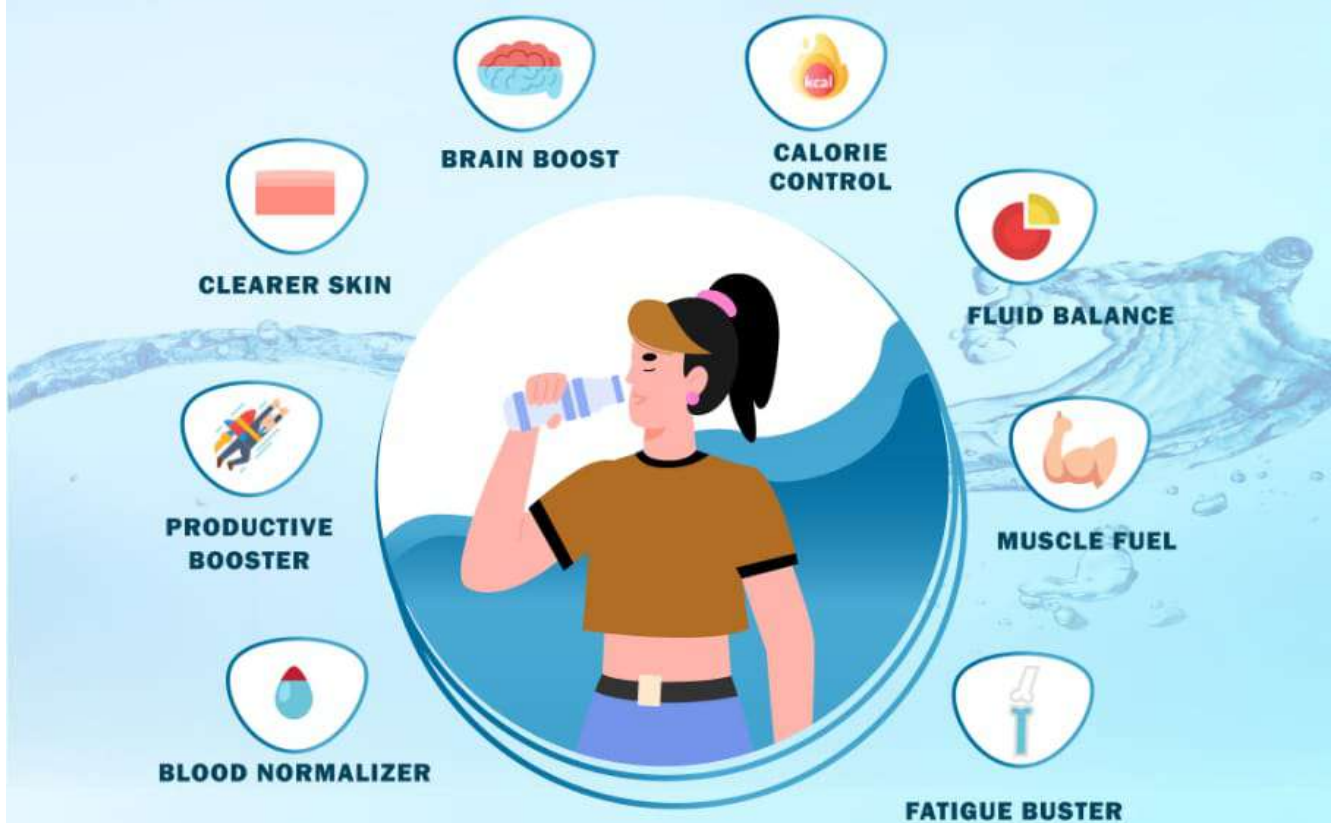


Ahmedabad Branch of WIRC of ICAI



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**CA. Vikash Jain,**  
RCM, WIRC



# THE CODE ON SOCIAL SECURITY 2020

Compiled by: CA. AJIT C. SHAH



We know that in many countries, Government is taking care of employees at the time of retirement from the service, by way of **Social Security**. Social Security is a program run by federal Government at USA. The program works by using taxes paid in to a trust fund to provide benefits to people who are eligible. You will need a Social Security. While you work, you pay Social Security taxes. This tax money goes into a trust fund and that pays benefits to:

- Those who are currently retired
- To people with disabilities
- To the surviving spouses and children of works who have died.

In our country also there are various Acts taking care of employees like,

- (a) The Employees Compensation Act, 1923,
- (b) The Employees State Insurance Act, 1948,
- ( c ) The Employees Provident Fund and Miscellaneous Provisions Act, 1952,
- ( d ) The Employees Exchange (Compulsory Notification of Vacancies) Act,

1959,

- (e) The Maternity Benefit Act, 1961,
- (f) The Payment of Gratuity Act, 1972,
- (g) The Cine Workers Welfare Fund Act, 1981,
- ( h ) The Building and Other Construction Workers Cess Act, 1996, and
- (i) The Unorganized Workers' Social Securities Act, 2008.

Now the focus of Government is to improve the labor regulations. Instead of these many different Act for labor regulation, the Government has decided to consolidate and simplify the multitude of labor regulations from above nine Acts in to four labor Codes, as under

- (a) Code on Wages,
  - (b) Code on Social Security,
  - (c) Code on Industrial Relations and
  - (d) Code of Occupational Safety and Health
- Subsuming existing 29 regulations.  
The Code on Social Security 2020, which received the President Assent on 28<sup>th</sup> September, 2020



This Code is far from being a mere consolidation of previous legislations. It has enhanced the coverage, extended benefits to all workers in the organized/unorganized sectors, introduced concepts of providing maximum benefits under minimum governance and reflects informality in approach across the four labor codes.

### **Enhanced coverage**

The Code has widened coverage by including the unorganized sector, fixed term employees and gig workers, platform workers, inter-state migrant workers etc., in addition to contract employees. Aggregators, meaning “digital intermediaries or a market place for a buyers or users of a service to connect with the seller or the service provider”, are specifically required to contribute to the social security fund. It is, therefore, important for establishments to assess the implications and revisit the compliance requirements under the Code.

### **Uniform definitions**

Uniformity in determining wages for the purpose of social security benefits is another highlight. Given the ambiguity in the current regulations, especially in respect of Provident Fund where clarity was received only after the Supreme Court Ruling on 28 February 2019, this is definitely a welcome move.

This has provided a wide definition for wage. Specific exclusions with ceilings have been provided for discouraging inappropriate structuring of salaries to minimize social security benefits. However, inclusion of illustrations and examples would be welcome, and it is hoped that the schemes, when they are drafted, would provide for the same.

### **Consultative approach**

The Code has brought in a facilitating approach by the authorities. Unlike the existing role of inspectors, the Code provides for an enhanced role of inspector-cum-facilitator whereby employers can look for support and advice to enhance compliances.

### **Career Centre**

To enable that demand for human resources is met and to monitor employment information, career centers will be established. Employers have to report vacancies to career centers before filling up the same.

### **Digitization**

Digitization is the new buzzword and covers

almost all sectors; the Code is not an exception. As per the Act, all records and returns have to be maintained electronically. Digitization of data will help in exchange of information among various stakeholders / funds set up by the Government, will ensure compliance and also facilitate governance.

### **Stringent penalties**

The strength of implementing a legislation lies in the ease of compliances as well as in the penalties that deter non-compliance. The Code captures it all. Any failure to deposit employees' contributions not only attracts a penalty of Rs 100,000, but also imprisonment of one to three years. In case of repeat offence, the penalties and prosecution is severe, and no compounding is permitted for repeated offences.

### **What next?**

Employers are required to be aware of this development and assess the impact on their organizations. A change in the definition of wage not only has a bearing on cash flow of the company – enhanced contribution, revised provision for gratuity and other retrials – but also on the net pay of employees. It is necessary that employees look at the implications of keeping specific salary structures in mind and determine the impact. Implications are also triggered in respect of Fixed Term Employees, where gratuity liability is activated. Aggregators will also have to look at the impact on account of the proposed contribution to social security fund, which could be between 1% to 2% of their turnover, limited to 5% of the payouts being made to gig workers/platform workers etc.

Further, the current policy and process framework will have to be revisited in lines of the new Code and technology interface should be appropriately built-in. As we speak, there are a handful of developments every day and more notifications and clarifications are awaited in the days to come.

The employer would have to keep tabs to ensure smooth transition to the new Code, as after all, well begun is a job half done.

As we know that the effective date of implementation and issue of relevant schemes is yet not decided, but whole New Labor Code is almost ready.





## RERA Updates

Compiled by: CA. Mahadev Birla

# Extension of Due Date for Submission of Form-5 for FY 2019-20

As per the provision of section 4(2)(l)(D) of The RERA, 2016 read with Regulation 4 of the Gujarat Real Estate Regulatory Authority (General) Regulation, 2017, every promoter is required to submit the annual report on statement of accounts in Form-5 within six months after the end of every financial year for every registered project.

GujRERA vide order no. GujRERA/Order-43 dated 30.09.2020 had extended the due date for filing of Form-5 for FY 2019-2020 to 31.12.2020. ***The GujRERA has further extended the due date for filing of Form-5 to 31.01.2021 by issuing an order no. GujRERA/Order-44 dated 24.12.2020.***

### Case law study

**Jyoti Narag and Ors. V/s CCI Projects Pvt. Ltd.**

This article attempts to discuss the applicability of provision related 18 (i.e. Refund of amount on failure to give possession as per agreement to sale) of RERA, 2016.

### Issues:

Whether allottee is entitled to get refund along with interest in case of promoter failed to give the possession as per terms and conditions?

Whether, execution of agreement to sale is required or allottee can get refund on the basis of allotment letter?

### Provisions:

**Section 18: Return of amount and Compensation**

18(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,—

(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or

(b) due to discontinuance of his business

as a developer on account of suspension or revocation of the registration under this Act or for any other reason,

he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

### Fact of the Case:

The promoter “CCI Projects Pvt. Ltd.” launched a project “Wintergreen” in the year 2012. The allottee booked the flat no 34-B in “A” Wing for a consideration of Rs 1.49 Cr approx. The Promoter issued an allotment letter with the condition to give the possession on or before Feb-2016 and as per terms and conditions allottee paid amount of Rs 1.16 Cr. However, later on promoter changed the possession date from Feb-2016 to March-2018 to December-2018. Further, at the time of registration of project with RERA Authority, promoter has shown the date of delivery of possession as 31<sup>st</sup> December-2019. Apart from the failure to deliver the project as per terms and conditions, promoter failed to provide amenities and facilities as per allotment letter. Therefore, the allottee filed the complaint for cancellation of booking and refund of the amount paid along with the interest.



### **MahaRERA Order**

Complaint filed by the allottee disposed by the Hon'ble Chairman MahaRERA and passed the order stating that *"if the Complainants wish to withdraw from the project, the Respondent shall refund the amount paid by the Complainant as per terms and conditions of the booking letter. Alternatively the said project the parties are directed to execute and register the agreements for sale, as per the provisions of Section 13 of the Real Estate (Regulation and Development) Act 2016 and the rules and regulations made there under within 30 days from the date of this Order. The Respondent shall handover the possession of the apartment with Occupancy Certificate, to the Complainants before the period of December 31, 2019."*

### **Appeal by allottee**

Allottee prefer the appeal and the appellate tribunal comprising of single member passed the order directing the promoter to refund the amount, however, the promoter challenge the order passed by single bench of Appellate Tribunal. The Bombay High court remanded back the matter to Appellate tribunal. The said matter is again heard by the Appellate tribunal comprising the two members.

While deciding the appeal, appellate tribunal has observed the following points

- a. Order passed by the MahaRERA is not specific and clear.
- b. Appellate tribunal has observed that allotment letter issued by the promoter contained the all terms and condition which require for transaction of purchase and sale of property. Further it is observed by that **"simply stress cannot put upon the title of the document of transaction to ascertain the exact nature of the transaction. It is necessary to peruse the different terms and conditions as evident from the document of transaction. Document of transaction which is styled as "Allotment letter" is agreement for sale and purchase between the parties.** Intention of the parties as evident from terms and conditions of the transaction incorporated in document of transaction is important and substantial to decide nature of transaction and not the title of the document of transaction.

- c. Appellate tribunal has considered the observation made by the Hon'ble Apex court in the matter of ***Imperia Structure Ltd, V/s. Anil Patani 2020 SCC Online SC894. The Hon'ble Apex Court observed that*** under Section 18 of RERA ***"right of an Allottee is specifically made 'without prejudice to any other remedy available to him". The right so given to the Allottee is unqualified and if availed the money deposited by the Allottee has to be refunded with interest at such rate as may be prescribed.***
- a. The appellate Tribunal has considered the views taken by the Hon'ble Supreme court in the matter of ***Fortune Infrastructure (Now Known as M/s Hicon Infrastructure) & Anr. vs. Trevor D'Lima & Ors. [(2018) 5 SCC 442]; Pioneer Urban Land Infrastructure Ltd. Vs. Govindan Raghavan [(2019) 5 SCC 725]; Kotkata West International City Pvt. Ltd. Vs. Devasis Rudra [(2019) SCC Online SC 438]*** and ***Wg. Cdr, Arifur Rahman Khan and Aleya Sultana & ors. Vs. DLF Southern Homes Pvt Ltd, (now known as BEGUR OMR Homes Pvt. Ltd.) [(2020) SCC Online SC 667, where in it was considered that*** It would be manifestly unreasonable to make them wait indefinitely for possession beyond a reasonable period of three years.
- d. Allottees cannot be made to accept refund with interest by forfeiting 10% amount as per terms of booking letter as directed in the impugned order. Also, since Allottees are entitled under Section 18 of RERA to withdraw from the project on the ground of delay in possession, they cannot be directed to execute the AFS as per alternative direction.

### **Conclusion:**

The Appeal is allowed and promoter shall refund the amount of Rs. 1.16 Cr along with the interest @ State Bank of India's highest Marginal Cost of Lending Rate plus 2% to Allottees within two months from date of this order.

Charge of the above amount shall remain on the booked flat till realisation of the amount.



# FREQUENTLY ASKED QUESTIONS



AN INITIATIVE BY



छात्र संसद

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IN ASSOCIATION WITH

Ahmedabad Branch of  
WIRC of ICAI

## Q: WHAT IS PLASMA DONATE KARONA?

Plasma Donate Karona is a plasma donation drive to help critical covid-19 patients and address the dearth of plasma that is needed for COVID-19 treatment. The drive will happen in partnership with multiple COVID-19 hospitals and ICMR approved blood banks. The campaign is already up and running in multiple cities in Gujarat- Ahmedabad, Bhavnagar, Vadodara and Surat. We have been able to confirm at least 250 donors out of which 75 people have successfully donated their plasma through this initiative.

## Q: WHY PLASMA DONATE KARONA?

According to data, there are about 5000 active cases in the city, increasing by more than 150 cases per day. At this rate we need to make sure that there is enough plasma available for those in need of help.

## Q: HOW CAN I HELP?

We always welcome volunteers- more the number, more the reach, more the lives saved. Did you know that you can save 2 lives with just one plasma donation? You didnt? Well... now you know!  
You can also donate to Zero Hour Foundation; A/c no 8413324171 IFSC KKBK0002751

## Q: WHY DO I VOLUNTEER?

According to data, there are about 5000 active cases in the city, increasing by more than 150 cases per day. This is an alarming number. Ahmedabad is facing a very big shortage of plasma, we need to fulfill that shortage and plus we need to make sure that we have enough plasma to save lives

## Q: HOW WILL THIS WORK?

We will be contacting COVID-19 recovered patients and requesting them to donate plasma. Once they agree, we fix a time slot for them at our partner blood bank centres where they can donate their plasma. Upon the completion of the same they receive a hamper sponsored by our partners!

## Q: WHAT WILL THE HAMPER CONTAIN?

The hamper contains a badge, certificate and some goodies!

## Q: WHAT IS CHHATRA SANSAD?

छात्र संसद (Chhatra Sansad) is an act set up by Zero Hour Foundation. Chhatra Sansad is a one of its kind youth movement that provides the youth a platform to become an element of change. Through our work we want to create ethical, spirited and competent leaders in our country. More than 25,000 students are associated with our initiative and we have hosted more than 250 guest speakers and conducted more than 100 campaigns.

For further queries contact:  
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AHMEDABAD BRANCH OF WICASA



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“May Success be a Journey & not a Destination”

**CA. Fenil Shah**Chairman,  
Ahmedabad Branch of WIRC of ICAI**CA. Bishan Shah**Secretary,  
Ahmedabad Branch of WIRC of ICAI

# UnRiddling The Industrial Relations Code, 2020

Compiled by: CA. Samyak Sanghvi



## **PREFACE**

In the background of the unprecedented slump that the Indian economy is currently going through the Covid-19 pandemic and the resulting lockdowns, it had become imperative to bring in some long awaited changes to the Indian labour laws to provide businesses with more leeway to operate and adapt to stay competitive in the global markets. This was also necessary from the point of view of making India self-sufficient. But as the three Codes (recently passed by Parliament) set about to revamp the entire Indian Labour Law, what does it entail for the Indian industry and its workmen? In this article we shall be taking a closer look at the Industrial Relations Code, 2020

## **INTRODUCTION**

India is a complex jurisdiction in context of labour laws. Labour falls under the Concurrent List of the Constitution. Therefore, both Parliament and state legislatures can make laws regulating labour. The central government has stated that there are over 100 state and 40 central laws regulating various aspects of labour such as resolution of industrial disputes, working conditions, social security and wages. The complexity could be understood more by the statement of the former vicechairperson of Niti Aayog and a distinguished economist, Shri

Aravind Panagariya, given in 2014:

“The labour situation is incredibly complicated: when you go from six workers to seven in a firm, The Trade Unions Act kicks in. When you go from nine to ten, the Factories Act kicks in. And when you go from 19 to 20, something else kicks in, as happens again when you go from 49 to 50 and 99 to 100. The biggest killer is the Industrial Disputes Act, which says that if you are a manufacturing firm with 100 workers or more, you cannot dismiss any of them under any circumstances unless you get prior approval from the government. This is rarely given, and it applies even if you go bankrupt, in which case you still have to pay your workers. This has important consequences, because investors are not going to enter into an industry if they can't exit. So, India has a very pernicious set of labour laws and that really, to me, is the reason why Indian firms have remained so small on average”

## **NEED FOR THE CODE**

Unlike the USA or China, we are neither a capitalist nor a communist state; rather, our constitution calls us a socialist state, which ought to strike a balance between the interest of employers and workers. Also, to reach and achieve the dream of our Honourable Prime Minister of Make in India and Ease of Doing



Business stability between Job provider and job seeker is very much important. In light of various steps taken by government to facilitate Ease of Doing Business, Labour reforms and revised labour codes are a step forward. They not only seek to streamline formal processes but also incentivise investments.

### JOURNEY IN PARLIAMENT

The Industrial Relations Code, 2019 was introduced in the Lok Sabha and referred to the Standing Committee on Labour in December, 2019. With the ongoing lockdown, the draft report was circulated to the members via email on April 15 and later the final adopted report was accepted by the Speaker. On September 28, 2020, three new labour law codes namely, the Industrial Relations Code, 2020, the Occupational Safety, Health and Working Conditions Code, 2020 and the Code on Social Security, 2020 ("Codes") received the President's assent. The Government of India is yet to notify the effective date of the Codes. Further, the rules with regards to the Codes are yet to be published. The Codes together with the Code on Wages, 2019 that was passed by the Parliament last year, form part of the Government's labour reform agenda in India. This article aims to summarize some of the salient features of and important amendments brought about by the Industrial Relations Code, 2020 ("IR Code").

The IR Code subsumes and amends the following acts:

- The Industrial Disputes Act, 1947 ("ID Act");
- The Trade Unions Act, 1926; and
- The Industrial Employment (Standing Orders) Act, 1946.

### FEATURES OF THE CODE

The IR Code aims at creating a formal and conducive industrial relations system by doing away with the ambiguities and uncertainties and ultimately aiding economic progress, employment generation and labour welfare. Following are the key changes made by the IR Code:

#### INDUSTRY

Under the IR Code the definition of "industry" specifically excludes the following:

- institutions owned or managed by organisations wholly or substantially engaged in any charitable, social or philanthropic service; or
- any activity of the appropriate

Government relating to the sovereign functions of the appropriate Government including all the activities carried on by the departments of the Central Government dealing with defence research, atomic energy and space; or

- any domestic service; or
- any other activity as may be notified by the Central Government. Under the ID Act, several other establishments such as hospitals, educational, scientific institutions etc. which were earlier excluded, now have been withdrawn from this list of exceptions under the definition.

#### WORKER

The nomenclature of 'workman' which was at the core of applicability of ID Act has been changed to worker in the IR Code. Its scope has also been expanded so that rights provided under the IR Code are made available to larger group. The definition of 'worker' now includes person in supervisory capacity getting salary up to Rs. 18,000/- per month or an amount as may be notified by the central government from time to time. The ID Act, excludes a person in supervisory capacity, getting salary more than Rs. 10,000/- per month from the definition of a workman. The term 'worker' also excludes apprentice engaged under the Apprentices Act, 1961 from its ambit, which was not the case under the ID Act.

#### EMPLOYER

The IR Code aligns the definition of the term 'employer' with other labour laws. It has been expanded to include contractor and the legal representative of deceased employer as well. As per the revised definition, 'employer' now means and includes the head of the department, occupier of the factory, manager of the factory, managing director, contractor and legal representatives of a deceased employer. These provisions were missing in the definition of 'employer' under the ID Act.

#### INDUSTRIAL DISPUTE

This definition has been expanded to include any dispute or difference between an individual worker and employer connected with, or arising out of any discharge, dismissal, retrenchment or termination of such worker within its ambit.

#### STRIKE

This definition has been expanded to include within its ambit, the concerted casual leave on a given day by fifty per cent or more workers employed in an industry.





### LAY-OFF, RETRENCHMENT AND CLOSURE

Under the ID Act, industrial establishments with more than a hundred workers employed were required to obtain prior permission from the appropriate Government to lay-off/retrench workers as well as in cases of closure of an industrial undertaking. The IR Code has waived off this requirement for industrial establishments such as mines, factories and plantations employing not less than three hundred workers or such higher number as may be notified by the Government. However, it is not necessary to obtain prior permission in cases wherein such lay-off is due to shortage of power, natural calamity, and in the case of a mine, such lay-off is due to fire, flood, excess of inflammable gas or explosion. In the event the Government does not communicate the order granting or refusing to grant permission to the employer within a period of sixty days from the date on which such application is made, the permission applied for shall be deemed to have been granted as applied for on the expiration of sixty days and the application shall be deemed to have been disposed of.

### FIXED TERM EMPLOYMENT

The IR Code introduces 'fixed term employment', which may allow employers the flexibility to hire workers for a fixed duration on need basis and for work that may not be permanent in nature. It may also benefit workers, since fixed term employees would be entitled to the same benefits (such as social security, medical workers, medical insurance and pension) and conditions of work, as are available to permanent employees even if the period of such employment does not extend to the qualifying period of employment required in the IR Code. The IR Code also requires fixed term employment to be included as a category of employment in classification of workers in the schedule for matters to be provided in Standing Orders. Further, to bring clarity, a clause has been added that termination of the service of a worker as a result of completion of tenure of fixed term employment would not amount to retrenchment.

### BIPARTITE FORUMS

The ID Act provided that the appropriate government may by general or special order require the employer to constitute a Works Committee for promoting amity and good relations between the employer and workmen.

Since there was a lack of a compulsory internal mechanism, the IR Code has introduced the mandatory formation of a 'Grievance Redressal Committee' for all industrial establishments having 20 or more workers and a 'Works Committee' for all industrial establishments having 100 or more workers, for the purpose of resolution of disputes between the employers and employees. The committees are to comprise of at least 50% resolution representation from the workers and proportionate representation of women workers as well.

### STANDING ORDERS

All industrial establishments with at least 100 workers must prepare standing orders on matters listed in a Schedule to the Code. The central government will prepare model standing orders on such matters, based on which industrial establishments are required to prepare their standing orders. These matters relate to: (i) classification of workers, (ii) manner of informing workers about hours of work, holidays, paydays, and wage rates, (iii) termination of employment, (iv) suspension for misconduct, and (v) grievance redressal mechanisms for workers

### WORKER RE-SKILLING FUND

The IR Code introduces provisions for re-skilling of workers for the first time for those workers who have been laid-off so that they are able to secure employment again. The IR Code states that the fund shall consist of the following:

- The contribution of the employer of an industrial establishment of an amount equal to fifteen days wages last drawn by the worker immediately before the retrenchment, or such other number of days as may be notified by the Central Government, for every retrenched worker in the case of retrenchment only; and
- The contribution from such other sources as may be prescribed by the appropriate Government.

The fund shall be utilised by crediting fifteen days wages last drawn by the retrenched worker to his account, within forty-five days of retrenchment in the manner as may be prescribed.

### GOVERNMENT'S POWER TO EXEMPT

The IR Code provides the government with a more diverse power to exempt any new industrial establishment or class of establishment from any or all of its provisions based only on public



interest, as opposed to the earlier requirements of such exemptions being in relation to a public emergency or for promotion of economic activities.

### PENALTIES

The penalties under the IR Code for different types of violations have been rationalized to be commensurate with the gravity of the violations and provisions for compounding of offences have also been introduced.

### SIGNIFICANCE

The Indian economy grew at 5% in the June quarter, a six-year low, while the country's factory output shrank for the second straight month at 4.3% in September, recording its worst show since the present series was launched in April 2012. The ease of compliance of labour laws will promote the setting up of more enterprises, thus catalysing the creation of employment opportunities in the country.

### CRITICISMS

- The unclear provision regarding retrenchment would lead to uncertainty and discretionary behaviour during implementation by the central or state government.
- The moment law will provide flexibility for the applicability, it leaves the matter to the discretion of the appropriate government (states or Centre). Then the clause can be misused.
- Any discretion in law leads to uncertainty, lack

of clarity, discriminatory implementation, and provides scope for unnecessary usage.

- The government should be clear whether to increase the threshold or retain the threshold and face the consequences.
- Also, fixed-term employment needs to be introduced with adequate safeguards; otherwise it runs the risk of encouraging conversion of permanent employment into fixed-term employment.

### WAY FORWARD

The IR Code appears to be a step in the right direction in terms of providing a more simplified mechanism for dispute resolution. The recent economic survey, 2019-20 too had indicated that greater flexibility in labour laws leads to higher quintile of entrepreneurial activity. The introduction of a negotiating union/council shall also assist in reaching amicable settlements between employers and workers more rapidly. By increasing the threshold for industries requiring prior permissions under the IR Code, more businesses will have freedom in relation to retrenchment of workers and closure of establishments.

The reforms are clearly transformational in nature and a good starting point for the growth paradigm which India beckons. We need to ensure the implementation in entirety and watch out closely for the relevant institutional support systems working in tandem with the industry.

Nevertheless, it's now time for establishments to start preparing for the enforcement of this new regime.

### THE INDUSTRIAL RELATION CODE, 2020

BY: CA. Kankshil Parikh

<http://tiny.cc/IRCBYCAKankshilParikh>

**STAY  
HOME**  
**SAVE LIVES**

#StayHome

# FEMA Updates

Compiled by: CA. Gautam Pai



## 1. Compounding of Contraventions

*RBI/2020-21/67 A.P. (DIR Series) Circular No. 06 dated November 17<sup>th</sup>, 2020*

With the notification of Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ('**FEMA NDI Rules**') and the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019 on October 17<sup>th</sup>, 2019 ('**FEMA NDI Regulations**') by the India Government and the Reserve Bank of India (RBI) respectively, the Foreign Exchange Management (Transfer or Issue of Security by Person Resident outside India) Regulations, 2017 issued vide Notification No. FEMA 20(R)/2017-18 dated November 7<sup>th</sup>, 2017 ('**Old FDI Regulations**') stands superseded. However, the reference in the Master Direction on compounding of contraventions under FEMA was not modified to give effect to the FEMA NDI Rules and FEMA NDI Regulations. Accordingly, the said RBI Circular has been notified to bring amendments in the compounding provisions in lines with the extant FEMA NDI Rules and FEMA NDI Regulations.

The following contraventions under the FEMA NDI Rules and FEMA NDI Regulations have been delegated to the Regional Offices / Sub-offices of RBI for compounding under FEMA:

Sr No	Rules	Nature of transactions / contraventions
1	Rule 2(k) read with Rule 5	Issue of ineligible instruments (non-adherence to entry routes, sectoral caps or the investment limits, as the case maybe, and the attendant conditionalities)
2	Rule 21	Violation of pricing guidelines for issue or transfer of equity instruments under FEMA
3	Paragraph 3 (b) of Schedule I	Issue of equity instruments without approval of RBI or Indian Government, wherever required (non-adherence to sectoral caps)
4	Rule 4	Receipt of investment in India from NR or taking on record transfer of equity instrument by the investee company
5	Rule 9(4) and Rule 13(3)	Gift of equity instruments without seeking prior approval of the RBI: (i) Gift of equity instruments by R to NR on non-repatriation basis [Rule 9(4)] (ii) Gift of equity instruments by NRI / OCI / eligible investor under Schedule IV holding equity instruments on non-repatriation basis to NR on repatriation basis [Rule 13(3)]

RBI link: <http://bit.ly/RBICompoun>

## 2. Liaison Office (LO) / Branch Office (BO) / Project Office (PO) or any other place of business in India by foreign law firms

*RBI/2020-21/69 A.P. (DIR Series) Circular No. 07 dated November 23<sup>rd</sup>, 2020*

The RBI has issued the said circular to bring attention to the AD Bank on the captioned subject so as to not grant any approval on till the said policy is finalized, which shall be subject to the final disposal of the matter by the Hon'ble Supreme Court.





As such, only advocates enrolled under the Advocates Act, 1961 are entitled to practice law in India and foreign law firms or companies or foreign lawyers or any other person resident outside India, are not permitted to establish any LO, BO, PO or other place of business in India for the purpose of practicing legal profession. Accordingly, AD banks are directed not to grant any approval to any such LO, BO, PO or other place of business in India under FEMA for the said purpose.

This circular is akin to certain other professions which have put restrictions or barred professionals or entities from practicing in India unless they have registration under the specified law governing them.

RBI link: <http://bit.ly/RBIForeignFirm>

### 3. Discontinuance of Returns or Reports

RBI/2020-21/66 A.P. (DIR Series) Circular No. 05 dated November 13<sup>th</sup>, 2020

With a view to improve the ease of doing business in India and reduce the cost of compliance, the existing forms and reports prescribed under FEMA, 1999, were reviewed by the Reserve Bank. Accordingly, it has been decided by the RBI to discontinue 17 returns/reports as reproduced below with immediate effect:

Sr No	Name of Report	Reporting Entity	Frequency
1	Category-wise transaction where the amount exceeds USD 5000 per transaction	AD Category II	Monthly
2	Category-wise, transaction wise statement where the amount exceeds USD 25,000 per transaction	AD Category II	Monthly
3	Statement of Purchase transactions of USD 10,000 and above (including transactions of their franchisees)	FFMC and AD Category II	Monthly
4	Extension of Liaison Offices (LOs)	AD Category I	As and when extension is granted
5	Extension of Project Offices (POs)	AD Category I	As and when extension is granted
6	FII/FPI daily: Daily inflow/outflow of foreign fund on account of investment by FIIs	AD Banks	Daily
7	FII/FPI Return (Monthly): Data relating to actual inflow/outflow of remittances on account of investments by Foreign Institutional Investors (FIIs) in the Indian Capital market	AD Category I	Monthly
8	FVCI reporting: Inflows/outflows of remittances on account of investments by Foreign Venture Capital Investor (FVCIs) and Market value of Investments made by FVCIs	AD Category I / Custodian banks	Monthly

9	Reporting of Inflow/Outflow details in respect of Mutual Fund by Asset Management Companies	Asset Management Companies	Quarterly
10	Market value of FII Investment in India on fortnightly basis	AD Category I	Fortnightly
11	Market value of FII Investment in India on Monthly basis	AD Category I	Monthly
12	FII holdings as percentage of Floating stock	AD Category I	Monthly
13	Form DRR for Issue/transfer of sponsored/unsponsored Depository Receipts (DRs) – Hardcopy only	Custodian	At the time of issue / transfer of depository receipts
14	ADR/GDR Movement Report two way fungibility	AD Category I	Monthly
15	Repatriation of Sales proceeds of underlying shares represented by FCCBs/GDRs/ ADRs	Custodian	Monthly
16	GDR/ADR underlying shares issued, re deposited and released monthly reporting	Custodian	Monthly
17	Monitoring of disinvestments by Overseas Corporate Bodies	AD Banks	Monthly

RBI link: <http://bit.ly/RBIReturns>

### 1. Export of Goods and Services

RBI/2020-21/77 A.P. (DIR Series) Circular No. 08 dated December 4<sup>th</sup>, 2020

With a view to further improve the ease of doing business in India and quicken the approval process, RBI has issued this circular to delegate more powers to the AD Bank with respect to the export of goods and services. Following are the areas in which the AD Bank have been given additional powers:

- Direct dispatch of shipping documents
- Write-off of unrealized export bills
- Set-off of export receivables against import payables
- Refund of export proceeds

RBI link: <http://bit.ly/RBIExport>



# Excel in Excel

Compiled by: CA. CS. Hemlata Dewnani

## Dashboard Series

### Tree Map Chart in Excel 2016 or Higher version



**W**e are working on Presentation in Excel so let's learn a series, shortcuts and tips for the same.

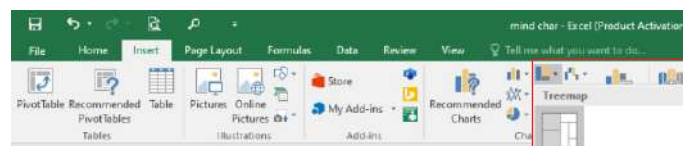
Tree maps visually organize data and information into easy-to-understand diagrams. They make it simple to illustrate the relationship between different pieces of information in relation to the whole data set and see the story hidden within the rows and columns. It can be used for various MIS such as Turnover verification, Stock Summary, Share Market price variations, Investment, profit/Loss etc.

The steps below show you how to create a Tree Map chart, whether you want to visualize financial statements, analyze inventory or sales trends, or see how other values update through a period of time.

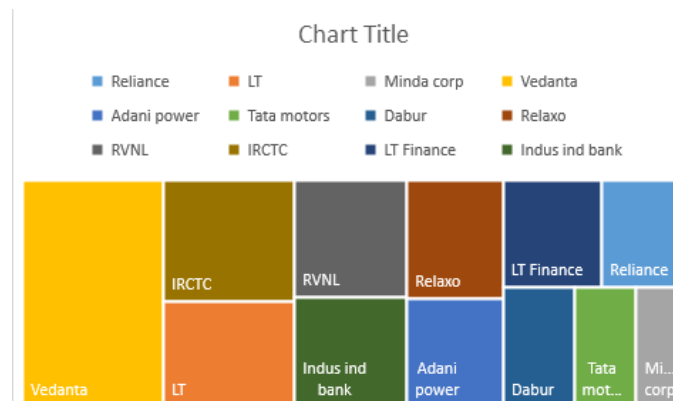
1. Select the data you want to create the Tree Map chart from. In this example, we're using a simple monthly profit/Loss for the company

Stock	Profit
Reliance	1000
LT	1590
Minda corp	650
Vedanta	3650
Adani power	1200
Tata motors	852
Dabur	966
Relaxo	1300
RVNL	1500
IRCTC	1800
LT Finance	1200
Indus ind bank	1414

2. Navigate to the Insert tab and click the Hierarchy Chart button then Tree Map Chart as shown in below image.



3. Excel will create the chart based on your data and put the chart in the middle of the spreadsheet.



4. Use the shape menu to add shapes and lines to make your Tree map.

5. Move or resize the chart as necessary by dragging it.

6. Style and format the chart as you would other Excel charts. You can format the chart the same way you would other charts in Excel—editing the chart title, choosing a different font, and formatting the gridlines, for example. If you head to the Design tab, you can also quickly change the chart's style to one of the preformatted options.

It is used by Zerodha for showing investment and Profit and loss in the chart form. It can be used in manufacturing unit for stock profits item wise, Service sector to know their service share and many other etc.

# Excel in Excel

Compiled by: CA Karan Raghani



## VBA Series – Replacing Special Characters

VBA stands for Visual Basic for Applications. VBA is programming language for Microsoft office programs, like Excel, Word and PowerPoint. VBA is available in all office versions, from MS-Office 97 to Office 365.

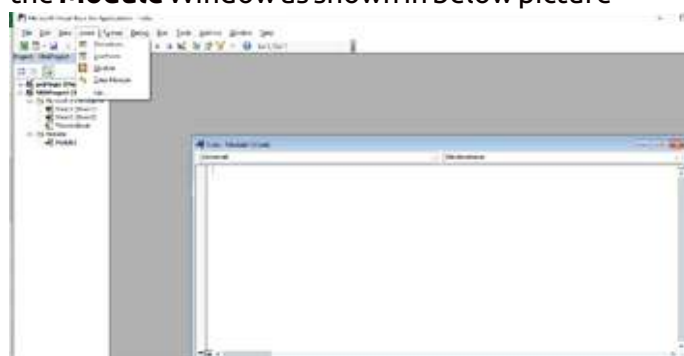
Through this article, we will learn how to remove special/unwanted characters in Excel. Sometimes we get uncleaned data in excel & we face challenges to clean the data set.

### Removing Special Characters

For example, in the given data set if there are any special characters like "%,&\*^" within text strings, and if we want to remove these from the cells strings. To remove them one by one will be time-consuming, here we can use VBA code for removing special characters

Statue	Statue
*Goods!and/Service#Tax%Act	*Goods!and/Service#Tax%Act
*Companies^Act&	*Companies^Act&
*Income*Tax{Act	*Income*Tax{Act
*Insolvency)and;Bankruptcy-Code	*Insolvency)and;Bankruptcy-Code
The Indian%Contract Act	The Indian%Contract Act
The#Sales}of{Goods}Act	The#Sales}of{Goods}Act

1. To access the VBA window, press Alt + F11 keys. Click **Insert > Module** and enter the code in the **Module** Window as shown in below picture



2. VBA code to be entered in module window

```
Sub ReplaceSpecial()
    Dim cel As Range
    Dim strVal As String
    Dim i As Long
    Application.ScreenUpdating = False
    For Each cel In Selection
        strVal = cel.Value
        For i = 1 To Len(strVal)
            Select Case Asc(Mid(strVal, i, 1))
                Case 32, 48 To 57, 65 To 90, 97 To 122
                    ' Leave ordinary characters alone
                Case Else
                    Mid(strVal, i, 1) = ""
            End Select
        Next i
        cel.Value = strVal
    Next cel
    Application.ScreenUpdating = True
End Sub
```

3. Save and close this code, go back to the worksheet and run the "Replace Special" macro under Developer Tab.

4. To insert Developer Tab in excel (File>Option>Customized Ribbon>Developer)



5. On running "Replace Special" macro special/unwanted characters will be removed from the text string as shown in below picture

Statue	Statue
*Goods!and/Service#Tax%Act	Goods and Service Tax Act
*Companies^Act&	Companies Act
*Income*Tax{Act	Income Tax Act
*Insolvency)and;Bankruptcy-Code	Insolvency and Bankruptcy Code
The Indian%Contract Act	The Indian Contract Act
The#Sales}of{Goods}Act	The Sales of Goods Act





# Important Due Dates

Compiled by: CA. Mahavir Shah  
FOR COMPLIANCE FOR JANUARY- 2021

Sr. No.	Act	Compliance	Due Date
1	GST	Complying with <b>e-Invoicing</b> provisions for Taxpayers having annual <b>turnover exceeding Rs.100 Crore</b> in any year from F.Y. 2017-18	01-Jan-21
2	GujRERA	In case of Promoter : <b>Quarterly Return</b> for Project to be filled with 7 days from the end of the Quarter allocated by RERA Authority	07-Jan-21
3	Income Tax	Tax Deducted/Collected ( <b>TDS / TCS</b> ) during the month of <b>December-20</b> to be deposited	07-Jan-21
4	GST	<b>GSTR-7</b> for the month of <b>December-20</b> for persons required to deduct <b>TDS under GST</b>	10-Jan-21
5	GST	<b>GSTR-8</b> for the month of <b>December-20</b> for e-commerce operator required to collect <b>TCS under GST</b>	10-Jan-21
6	Income Tax	Filing of <b>Income Tax Returns for A.Y. 2020-21 for Other than following</b> - i. Corporate Assesseees ii. Non-corporate Assesseees whose books needs to be Audited iii. Working Partner of Firm whose accounts needs to be Audited iv. Assessee who is required to furnish report u/s 92E	10-Jan-21
7	GST	<b>GSTR-1</b> for the month of <b>December-20</b>	11-Jan-21
8	GST	<b>GSTR-1</b> for the quarter ended on <b>December-20</b> for <b>taxpayers who opted for Quarterly</b> filing option	13-Jan-21
9	GST	<b>GSTR-6</b> for the month of <b>December-20</b> for Input Service Distributor ( <b>ISD</b> )	13-Jan-21
10	Income Tax	Quarterly <b>Return for Form 15G/H</b> for Quarter ended on <b>December-20</b>	15-Jan-21
11	Income Tax	Filing of Quarterly <b>TCS Return</b> for Quarter ended on <b>December-20</b>	15-Jan-21
12	Income Tax	Filing of <b>Tax Audit Report u/s 44AB &amp; Transfer Pricing Audit Report (92E)</b> for <b>A.Y. 2020-21</b>	15-Jan-21
13	PF / ESIC	Payment of <b>PF / ESIC</b> for the month of <b>December-20</b>	15-Jan-21
14	GST	Quarterly GST Return <b>CMP-08</b> for Composition Dealer to be furnished for quarter ended on <b>December-20</b>	18-Jan-21
15	GST	<b>GSTR-5 &amp; 5A</b> by <b>Non-resident</b> taxable person & <b>OIDAR</b> for the month of <b>December-20</b>	20-Jan-21
16	GST	Payment of GST & Filing of <b>GSTR-3B</b> for the month of <b>December-20</b> , for taxpayers <b>having turnover of morethan Rs.5 Crore</b> in preceeding financial year	20-Jan-21
17	GST	Payment of GST & Filing of <b>GSTR-3B</b> for the month of <b>December-20</b> for taxpayers <b>having turnover upto Rs.5 Crore</b> in preceding F.Y. for following State - Chhattisgarh, Madhya Pradesh, <b>Gujarat</b> , Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Puducherry, Andaman and Nicobar Islands and Lakshadweep	22-Jan-21
18	GST	Payment of GST & Filing of <b>GSTR-3B</b> for the month of <b>December-20</b> for taxpayers <b>having turnover of upto Rs.5 Crore</b> in preceding F.Y. for following States - Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi	24-Jan-21
19	Guj VAT	Payment of Installment of <b>Vera Samadhan Yojana of Guj. VAT</b>	31-Jan-21
20	GujRERA	Filing of <b>GujRERA Audit Report in Form 5</b> for <b>F.Y. 2019-20</b>	31-Jan-21
21	Income Tax	Filing of Declaration under Vivad Se Vishvas Scheme ( <b>VSVS</b> )	31-Jan-21
22	Income Tax	Filing of Quarterly <b>TDS Return</b> for Quarter ended on <b>December-20</b>	31-Jan-21
23	Income Tax	Furnishing of Challan-cum-Return for Tax Deducted ( <b>TDS</b> ) u/s <b>194IA, 194IB and 194M</b> during the month of <b>December-20</b>	31-Jan-21



# Motivational Story

Compiled by: CA. CS. Hemlata Dewnani

## The 4 Hour Work week (Book Summary)

**T**imothy Ferriss' best-selling book introduces an alternate and modern way to think about life, happiness, and money.

If you're looking to start a business, optimize your life, or join the digital nomad movement, you'll likely find this book actionable and inspiring.

website (<https://www.nichepursuits.com/>) or any other resource

### Key Takeaways:

#### 1. You don't have to be rich to live like you're rich

1. Enjoying life now, and living with luxuries (extensive traveling, bold hobbies, and personal assistants) doesn't have to cost a lot of money and is attainable now.
2. *Example: To live like you are rich, don't be a "deferrer," someone who sets long-term goals like "retire a millionaire." Take action on big goals now and don't wait for the perfect moment.*

#### 2. Think about big decisions in terms of worst-case scenarios

1. If we actually break down the worst-case scenario, big decisions frequently seem much less risky than how we originally perceived them.
2. *Example: Quitting your job to pursue the lifestyle you want may not be as daunting as it seems if the worst-case scenario is that your business fails and you have to return to an 8-5 job.*

#### 3. Automate your income to live with freedom

1. If you don't have to work to make money then you can live your life however you want.
2. *Example: The three most popular ways to automate income are to sell on Amazon (<https://www.junglescout.com/amazon-product-research-resources/>), dropship products via Shopify (<https://www.oberlo.com/blog/shopify-dropshipping-guide>) or build an affiliate*

#### 4. Use the 80/20 principle to determine the best use of your time

1. 80% of results come from 20% of your effort, so focus your time on doing the 20% of work that will maximize results.
2. *Example: A door-to-door salesman will never be highly successful because he spends such a high percentage of his time walking and knocking on the door of empty houses as opposed to developing ways to target more customers.*

#### 5. Outsource work to maximize business potential and free up time

1. Outsource tasks that you don't want to do or aren't good at to maximize your output and free up your time.

#### 6. Remember that income is relative

1. Think about income in terms of dollars per hour and life freedom.
2. *Example: Someone who makes \$50,000/year and works 10 hours/week is richer than someone who makes \$100,000/year and works 80 hours/week.*

#### 7. Enjoy mini-retirements and geoarbitrage

1. You can improve your finances and quality of life by temporarily living in cheap countries while making US-level passive income.

#### 8. Eliminate excess information and interruptions

1. Consuming media and having meetings can be distracting and unproductive, limit your focus as much as possible.
2. *Example: Consider a "media fast" when you need to prioritize an important task. Finally I conclude we all want to live a Happy, Amazing and peaceful life with financial freedom. So let's start this by following some of the steps mentioned in this book*