THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Setup by an Act of Parliament)

AHMEDABAD BRANCH (WIRC)
E-NEWSLETTER

Celebrating 77th Years

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AHMEDABAD BRANCH (WIRC)

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Chairman's Message

CA. Neerav Agarwal
Chairman,
ICAI - Ahmedabad (WIRC)

Dear Esteemed Members,

Warm greetings to all!
As we welcome the month of July, it brings with it a deep sense of pride and reflection. This month holds special significance for our fraternity as we commemorate the **77th Chartered Accountants Day**, celebrating the founding of our esteemed Institute on **1st July 1949**. It is not just an anniversary — it is a tribute to a profession that stands for **trust, independence, accountability, and nation-building**.
This year's CA Day celebrations at the **Ahmedabad Branch of WIRC** will be truly spectacular, filled with events that honored our legacy while embracing the spirit of celebration and community.

Highlights for CA Day 2025 Celebrations:
Live Musical Concert by Bollywood Singer Amit Mishra
A grand evening of rejuvenation will be hosted for members and their families with a live concert by the renowned singer **Amit Mishra**. His electrifying performance will bring joy, energy, and unity to the audience. It will be an experience to remember — a perfect tribute to the spirit and dynamism of our profession.

Social Impact Initiatives
Demonstrating our commitment to service and sustainability, the branch will undertook multiple social initiatives including **tree plantation drives**, **blood donation camps**.

Special Acknowledgment: Events Conducted in June 2025
We express our heartfelt gratitude to the committee chairman , committee members, and volunteers for their exemplary efforts in organizing impactful events throughout June.

Looking Ahead – July 2025: Learning, Skills & Family Engagement
As we move forward, we are excited to share a series of thoughtfully designed programs for the month of July, focusing on professional development, youth empowerment, and family well-being:

World Youth Skills Day – Skillathon Summit
In alignment with the United Nations initiative, we will be organizing the **Skillathon Summit**, specially curated for **young professionals and students**. The summit will focus on essential skill areas such as **digital tools, leadership development, innovation, and communication**, helping build a generation of confident, skilled, and future-ready professionals.

Clay Painting Workshop for Moms with Kids

Acknowledging the invaluable role of mothers and the need for family-oriented activities, the branch is organizing a **creative clay painting workshop for moms and kids**. This engaging session is designed to foster **creative bonding**, relaxation, and joyful expression — a refreshing break from the regular routine and a chance to create memories with loved ones.

Technical Seminar on Valuation – Principles & Practice

Recognising the growing relevance of valuation in today's financial ecosystem, this technical seminar will provide comprehensive insights on **valuation approaches, regulatory expectations, and real-world applications**. A must-attend for professionals involved in audit, advisory, startups, and M&A activities.

As we celebrate **77 years of the Chartered Accountancy profession**, let us carry forward the values that define us — **integrity, excellence, and responsibility**. Let us continue to inspire confidence, mentor future leaders, and contribute meaningfully to India's growth journey.

Wishing you and your families a joyous CA Day and a month full of growth, gratitude, and good times.

"The strength of a profession lies not only in its knowledge but in the values it upholds."

With warm regards,

CA Neerav Agarwal

Chairman

ICAI – Ahmedabad Branch (WIRC)

Editorial

CA. Sahil Gala
Editor and Chairman, Newsletter Committee
ICAI - Ahmedabad (WIRC)

Dear Esteemed Members,

As we come together to celebrate the **77th Chartered Accountants Day**, it fills me with immense pride and joy to present this special edition of our monthly newsletter — a tribute to the glorious journey of our profession and the vibrant community that drives it forward.

This edition reflects the **spirit of service, trust, and excellence** that defines the Chartered Accountancy profession. It also captures the enthusiasm, commitment, and diverse contributions of our members who continue to elevate the standard of professional excellence through active participation and thought leadership.

A Heartfelt Thank You

I take this opportunity to extend my deepest gratitude to all members, contributors, volunteers, and editorial team members who helped shape this edition with their **insightful inputs, creative ideas, and dedicated efforts**. Your contributions are not just valued — they are vital in making this newsletter a platform for learning, inspiration, and connection.

Looking Ahead – July Events Preview

We continue to maintain momentum with a host of engaging programs lined up for the month, including:

- **Skillathon Summit** on **World Youth Skills Day**, focusing on upskilling young professionals
- A **Clay Painting Workshop for Moms with Kids**, blending creativity with bonding
- A **Seminar on Valuation**, offering insights into practical applications and standards

These initiatives are carefully designed to cater to both professional and personal growth, and I encourage all members to actively participate.

Encouraging Future Contributions

I sincerely invite members, especially young professionals and students, to contribute to future editions of this newsletter. Your articles, case studies, updates, and experiences help build a rich knowledge-sharing culture that benefits the entire community.

As we celebrate the legacy of our profession, let us also embrace the future with **renewed passion, ethical conviction, and a collaborative spirit**. Here's to continuing our journey of excellence — together.

With warm regards,
CA Sahil Gala
Editor and Chairman – Newsletter Committee
ICAI – Ahmedabad Branch (WIRC)

Smart Invest in physiotherapy wellness for your healthy muscles

Contributed by:
Dr. Rachana Dave

Your body is more than just a physical shell; it's the precious home of your soul. Like any other valuable asset, it requires regular maintenance and care to function at its best. Just as you would service your car or clean your living space, investing in physiotherapy wellness can help you achieve optimal muscle health and overall well-being. Before diving into any fitness activity, it's crucial to assess yourself through physiotherapy. This proactive step not only prevents injuries but also ensures that every movement is safe and effective.

In a world where the hustle and bustle often take place vover self-care, prioritizing your muscle health should be at the top of your list. Discover how bringing balance into your body through physiotherapy can lead to healthier muscles and bones, allowing you to thrive both physically and mentally. Let's explore what physiotherapy entails, its benefits for muscle repair, treatment methods used in practice, and how to seamlessly incorporate it into your daily life for lasting wellness.

What is Physiotherapy?

Physiotherapy is a healthcare discipline focused on restoring and enhancing physical function. It combines science with hands-on techniques to help individuals recover from injuries, manage pain, and improve mobility.

At its core, physiotherapy aims to promote healing by addressing the underlying causes of musculoskeletal issues. This often involves personalized assessments that guide tailored treatment plans.

Therapists leverage their expertise in anatomy and physiology to design interventions suited for each patient's needs. This may include exercises, manual therapy, or education about body

By fostering an understanding of one's own body, physiotherapy empowers individuals to take charge of their health. Whether you're dealing with chronic pain or recovering from surgery, it offers valuable tools for achieving balance within your physical self.

Regular servicing your body just like your vehicles

Repairing your body is essential for maintaining a vibrant and active lifestyle. Every day, our muscles endure wear and tear from daily activities or intense workouts. Over time, this can lead to discomfort or even injury.

Physiotherapy plays a pivotal role in restoring balance. It focuses on repairing the body by addressing underlying issues that may hinder mobility or strength. Through targeted exercises and tailored treatment plans, physiotherapists help rejuvenate tired muscles. Listening to your body is key. If you feel persistent pain or tightness, don't ignore it—seek professional guidance early on. A proactive approach ensures that minor problems don't escalate into more significant concerns.

Regular check-ins with a physiotherapist empower you to understand your body's unique needs better. This knowledge not only enhances performance but also promotes longevity in your physical pursuits, allowing you to enjoy life fully without limitations.

Its your precious home of your soul

Your body is more than just skin, muscles, and bones. It's the vessel that carries your essence, housing your thoughts, dreams, and emotions. Treat it like the precious home of your soul.

Every ache or pain signals a need for attention. Ignoring these signs can lead to bigger issues down the road. Nurturing your physical self enhances not only how you feel but also how you express yourself in the world.

When you invest in physiotherapy wellness, you're choosing to honor this sanctuary of yours. It's about finding balance within—aligning body and mind through gentle care and rehabilitation.

Imagine each movement flowing effortlessly as you reconnect with what feels right. This journey leads to healthier muscles that support an active lifestyle while promoting overall well-being. Your body's happiness translates into confidence and vitality in every aspect of life—a true reflection of who you are at your core.

Before doing any fitness activity asses yourself from physiotherapy

Before diving into any fitness regimen, it's crucial to assess your body through physiotherapy. This evaluation goes beyond a simple check-up; it's about understanding how your muscles and bones function together.

A physiotherapist can identify potential weaknesses or imbalances that might lead to injury. They analyze your posture, range of motion, and overall physical condition. This insight is invaluable for tailoring workouts that suit your unique needs.

Moreover, this pre-activity assessment helps in establishing a foundation for safe exercise practices. You'll gain knowledge about which exercises strengthen specific muscle groups while promoting balance.

You can book a consultation for holistic physiotherapy treatment at **THE PUBLIC WELLNESS,Bopal ,Ahmedabad .our appointment setting number is 7048317894.**

Benefits of Physiotherapy for Muscles

Physiotherapy plays a vital role in maintaining muscle health. It helps alleviate pain and restore function, making it an essential part of body servicing through bringing balance into the body.

Injury prevention is another critical aspect. Through targeted training, physiotherapy equips you with the tools to avoid strains and sprains during physical activities.

Additionally, physiotherapy can aid in recovery from injuries or surgeries by reducing inflammation and promoting healing. Techniques like manual therapy enhance blood flow to affected areas, speeding up the rehabilitation process.

Regular sessions not only support muscle repair but also foster overall well-being by addressing posture issues and teaching proper movement patterns for daily tasks.

Different Treatment Methods Used in Physiotherapy

Physiotherapy employs a variety of treatment methods tailored to individual needs. Manual therapy is one such approach, where therapists use their hands to manipulate muscles and joints. This technique aims to relieve pain and improve mobility.

Exercise therapy plays a crucial role too. Customized workout plans are designed to strengthen specific muscle groups while enhancing overall functionality. These exercises promote balance, flexibility, and coordination.

Additionally, modalities like ultrasound or electrical stimulation can aid in the healing process. They target inflammation and support tissue recovery effectively.

Patient Education is another vital aspect of physiotherapy. Patients learn about body mechanics and injury prevention strategies that empower them in everyday activities.

Each method works synergistically, creating a customise approach for optimal muscle health and well-being. Embracing these diverse techniques can significantly enhance your body's capacity against injury while fostering long-term wellness.

How to Find a Great Physiotherapist

Finding a good physiotherapist is essential for effective muscle health. Start by asking friends or family for recommendations. Personal experiences can guide you to trustworthy professionals.

Check online reviews and ratings as well. Websites like Google often provide insights into others' experiences. Look for patterns in the feedback—consistent praise or concerns can reveal a lot.

Consider their qualifications too. Ensure they are licensed and have relevant certifications in your area of concern, whether it's sports injuries, chronic pain, or post-surgery recovery.

Schedule an initial consultation if possible. This meeting allows you to gauge their communication style and approach to treatment. A great physiotherapist should listen attentively and answer all your questions with clarity

Ensure that their location is convenient for regular visits since consistency is key in body servicing through bringing balance into the body.

Incorporating Physiotherapy into Your Daily Routine

Integrating physiotherapy into your daily routine can enhance your muscle health and overall well-being. Start small by setting aside a few minutes each day for targeted exercises recommended by your physiotherapist.

Consider incorporating stretches that promote flexibility and prevent injuries. These simple movements can easily fit into your morning or evening rituals.

Additionally, pay attention to body mechanics during everyday tasks. Whether it's lifting groceries or sitting at a desk, using proper techniques can reduce strain on muscles and bones.

You might also explore mindfulness practices like yoga or Pilates, which align perfectly with the principles of physiotherapy. They encourage balance in both mind and body, fostering a holistic approach to wellness.

Remember to check in with yourself regularly about how you feel physically. Adjusting routines based on this feedback will ensure you maintain healthy muscles while enjoying an active lifestyle.

The Cost of Physiotherapy and Insurance Coverage

The cost of physiotherapy can vary significantly based on location, expertise, and the type of treatment needed. On average, a single session may range from 300 rs to 1000 rs per session in clinic .and home service starts from 500 to 1000 rs depend on distance and kind of service you require and depend on experience of physiotherapy

This is an investment in your muscle health that promotes long-term wellness.

Many insurance plans offer coverage for post operative physiotherapy treatments. It's essential to review your policy details carefully. Some policies cover a portion or even all sessions after deductibles are met.

Understanding the costs involved helps you make informed decisions about prioritizing healthy muscles and bones through preventative measures like physiotherapy.

Conclusion: Investing in Your Muscle Health with Physiotherapy

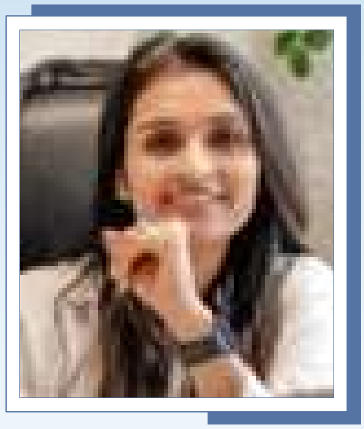
Investing in your muscle health through physiotherapy is not just about recovery; it's a proactive approach to maintaining balance and wellness in your body. By giving attention to your muscles, you enhance their strength and flexibility, paving the way for an active lifestyle.

Physiotherapy offers a range of benefits that can transform how you feel day-to-day. The various treatment methods cater to individual needs, ensuring that everyone can find a suitable path toward healing and improvement. With regular assessments from a qualified physiotherapist, you empower yourself with knowledge about your body's condition before engaging in any fitness activity

Your body deserves proper servicing through balanced practices that enhance both muscular function and overall well-being. By choosing physiotherapy as part of your journey towards healthy muscles and bones, you're making a significant investment in yourself—one that pays off with every step taken confidently forward and for your health its biggest RoI You will get

If you like this amazing insightful article give your feedback on The public wellness google my business profile https://g.co/kgs/otu5YVW

NBFCs at the Crossroads:
Business Overlap, Investor Returns & Regulatory Rewrites



Contributed by:
CA. Swati Panchal

Introduction:

India's financial sector is experiencing a structural shift, one shaped by evolving regulations, investor scrutiny, and the rising convergence between traditional banking and NBFC operations. The recent developments surrounding HDB Financial Services' IPO bring several of these core dynamics into focus—not just for one institution, but for the entire non-banking financial services (NBFC) industry.

HDB Financial Services, the NBFC and BPO arm of HDFC Bank, has garnered attention with its ₹12,500 crore IPO, including a fresh equity raise of ₹2,500 crore and an offer for sale by its parent. While anchor investors like LIC, SBI Mutual Fund, and ICICI Prudential have infused ₹3,369 crore, market observers remain cautiously optimistic. Why? Because beneath the strong loan book growth lies a bigger conversation about margins, asset quality, and regulatory clarity.

HDB has recorded a 23.5% annual loan book growth between FY23 and FY25, reaching ₹1.06 lakh crore. Its lending portfolio spans enterprise finance (39.3%), asset-backed financing (38%), and consumer loans (22.7%). However, rising credit costs, a dip in net interest margins (to 7.6% in FY25 from 8.3% in FY23), and a year-on-year profit decline of 11.6% in FY25 temper the otherwise strong growth narrative.

This story isn't isolated. Several NBFCs—like Bajaj Finance, Cholamandalam Finance, and Mahindra Finance—have shown the ability to sustain profitability through niche lending strategies, digital innovation, and diversified portfolios. Bajaj Finance, for example, trades at a price-to-book (P/B) multiple of 5.8 due to consistently high RoAs, customer stickiness, and tech-enabled lending platforms. In contrast, HDB's post-IPO implied P/B multiple of 3.4 appears conservative—perhaps a reflection of tighter margins and regulatory uncertainties.

The Reserve Bank of India's proposed draft guidelines to curb overlapping business lines between banks and their NBFC arms adds a fresh layer of complexity. If implemented, these may compel many banks to reduce their exposure or even divest from their NBFC subsidiaries to maintain independence and risk boundaries. The implications extend beyond HDB—Axis Bank's former NBFC subsidiary, Axis Finance, and ICICI's arm, ICICI Home Finance, are also watching regulatory developments closely.

Another aspect that warrants investor attention is the contribution of ancillary services like BPO. For HDB, BPO revenues stood at ₹1,216.7 crore in FY25, about 7.5% of total operating income. This signals that for modern NBFCs, supporting services—from collections to back-end operations—are no longer cost centres, but strategic revenue streams. Similar models are emerging in fintech-NBFC hybrids such as Lendingkart, NeoGrowth, and Capital Float, where value is increasingly created through digital IP and analytics-driven operations.

From an investor lens, IPOs from NBFCs in today's market are no longer evaluated just on loan book size or credit ratings. Institutional investors are dissecting Return on Assets (RoA), Net Interest Margins (NIMs), cost-to-income ratios, and asset quality metrics with far greater scrutiny than before. Moreover, sustainability in post-listing performance—especially in a volatile macroeconomic environment influenced by global interest rates, tech disruptions, and regulatory overhauls—is becoming a deciding factor.

The fintech wave, too, is altering expectations. Startups such as Groww, CRED, and Jupiter—some founded or led by CAs and finance professionals—are redefining how capital is accessed, managed, and repaid. As traditional NBFCs modernize, the expectation is not just tech adoption, but tech integration into core strategy.

In conclusion, HDB's IPO is more than just a financial event—it's a litmus test for the NBFC sector's adaptability, regulatory navigation, and future-proofing. As India inches toward a $1.3 trillion fintech economy by 2025, and with over ₹250 billion in NBFC sector assets already under management, stakeholders—from investors to regulators—must embrace a nuanced, metrics-driven, and tech-forward lens.

sector's adaptability, regulatory navigation, and future-proofing. As India inches toward a $1.3 trillion fintech economy by 2025, and with over ₹250 billion in NBFC sector assets already under management, stakeholders—from investors to regulators—must embrace a nuanced, metrics-driven, and tech-forward lens.

International Year of Cooperatives 2025 :
Concept, Developments and Relevance for Viksit Bharat 2047

Contributed by:
CA. Rahul Sharma

Why there is Need for Discussion:

The United Nations General Assembly on 24th June 2024 declared 2025 as the International Year of Cooperatives (IYC2025), which will be celebrated under the theme "Cooperatives build a better world". This theme highlights the enduring global impact of cooperatives and emphasizes that the cooperative model is an important solution to tackle various global challenges. Additionally, it underlines the critical role of cooperatives in advancing the implementation of the Sustainable Development Goals (SDGs) by 2030. In its resolution, the UN General Assembly recommended ways to celebrate this year and encouraged all UN member states, the UN system and relevant stakeholders to take advantage of this event to promote the contribution of cooperatives to social and economic development. calls for consideration of the establishment of national committees for preparation. "The decision taken by the General Assembly could not have been premature. The innovative contribution of cooperatives to sustainable development will be critical to accelerate progress in achieving the Sustainable Development Goals as we approach 2030," said Li Junhua, Under-Secretary-General of the United Nations Department of Economic and Social Affairs. "The second International Year of Cooperatives will be an opportunity for all stakeholders to mobilize to support and expand cooperatives everywhere, thereby strengthening their contribution to a better world." The soft launch of IYC2025 will take place on 9 July 2024 during the UN High-Level Political Forum at UN Headquarters in New York. This hybrid event will be organized by the Committee for the Promotion and Advancement of Cooperatives (COPAC) in collaboration with the Permanent Mission of Mongolia to the United Nations. Organizers will unveil IYC2025. The event, which will include the theme, program roadmap and communication materials, will also mark International Cooperative Day, which is celebrated globally on the first Saturday of July every year. This year it will be celebrated on 05th July 2025. 2025 has been declared the International Year of Cooperatives by the United Nations. In addition, 2025 has also been declared the International Year of Quantum Science and Technology and the International Year of Peace and Trust.

The main objectives of IYC25 include:

1) Governments should create a conducive environment for cooperatives
2) Cooperatives should promote public awareness, develop new leaders and leverage cooperation
3) Institutions and development agencies should promote cooperatives through education, capacity building and facilitating international cooperation
4) The public should understand the cooperative identity and support cooperative initiatives

The United Nations General Assembly declared the first International Year of Cooperatives in 2012 and called for highlighting the contribution of cooperatives to socio-economic development, in particular their impact on poverty reduction, job creation and social integration. Cooperative organizations around the world celebrated the opening ceremony under the theme Cooperative Enterprises Build a Better World to encourage the growth and establishment of cooperatives around the world.

Cooperative Builds a better world :
The aim of the cooperative movement is to

free farmers, laborers, craftsmen, small businessmen and the general public engaged in productive activities at various levels from the exploitation of middlemen, encourage their collective economic activities based on mutual cooperation, and ensure their economic, social and cultural development. To provide them a fair price for their labor and produce. Along with this, quality products are to be made available to consumers at reasonable prices and through this, exploitation free, self-reliant and strong economic and social system is to be created so that all-round progress of the state can be ensured.

Since long development has been proved meaningless until it reaches to the bottom of the society and cooperative is one such medium which can reduce and eliminate economic and social inequalities. Without welfare of citizens of a nation at large development of few is considered undesirable situation of the society by politicians, reformers and dynamic economists as well. Being torch bearers of the Indian economy we as an accountants must dream and appreciate the world with economic and social equality. **Industries and Businesses in the form of Cooperatives have always provided solutions to the most typical problems faced by governments in particular and societies in general.**

The Seven Cooperative Principles:

These principles, recognized internationally, guide the operations and governance of cooperative organizations worldwide. They include:

Voluntary and Open Membership:

Cooperatives are open to all individuals who can utilize their services and are willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

Democratic Member Control:

Cooperatives are democratic organizations controlled by their members, who actively participate in setting policies and making decisions. Each member typically has one vote, regardless of their economic contribution.

Members' Economic Participation:

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative.

Autonomy and Independence:

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Education, Training, and Information:

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They also inform the general public – particularly young people and opinion leaders – about the nature and benefits of cooperation.

Cooperation among Cooperatives:

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

Concern for Community:

Cooperatives work for the sustainable development of their communities through policies approved by their members.

Cooperatives are built on a **foundation of values** that include:

Self-help and self-responsibility: Members take initiative to improve their own situations and are accountable for their actions.

Equality and equity: All members are treated fairly and have equal opportunities.

Solidarity: Members support each other and work together for the common good.

Honesty, openness, social responsibility, and caring for others: These ethical values guide the cooperative's interactions with its members and the wider community.

Corporate Governance pillars for Cooperative:

Teaming:

Effective collaboration and teamwork among all stakeholders (members, board, management, and staff).

Accountable Empowerment:

Empowering individuals while holding them accountable for their actions and decisions.

Democracy:

Ensuring democratic principles and practices are followed in all aspects of the cooperative's operations.

Strategic Leadership:

Providing clear direction, purpose, and vision for the cooperative's future.

Cooperative Movement in India (History and Later Developments):

Even before formal cooperative structures came into being through the passing of a law, the practice of the concept of cooperation and cooperative activities were prevalent in several parts of India. Village communities collectively creating permanent assets like village tanks or village forests called Devarai or Vanarai was fairly common. Similarly, instances of pooling of resources by groups, like foodgrains after harvest to lend to needy members of the group before the next harvest, or collecting small contributions in cash at regular intervals to lend to members of the group viz., Chit Funds, impounded water by putting up bunds and agreed to ensure equitable distribution of water, as well as harvesting were yearly partnerships of peasants to cultivate jointly, and distribute the harvested produce in proportion to the labour and bullock power contributed by their partners, were similar instances of cooperation.

Taking cognizance of these developments and to provide a legal basis for cooperative societies, the **Edward Law Committee** with Mr. Nicholson as one of the members was appointed by the Government to examine and recommend a course of action. The **Cooperative Societies Bill, based on the recommendations of this Committee, was enacted on 25th March, 1904.** As its name suggests, the Cooperative Credit Societies Act was restricted to credit cooperatives. By 1911, there were 5,300 societies in existence with a membership of over 3 lakhs. The first few cooperative societies registered in India under the 1904 Act in the first 5-6 years are as follows: Rajahauli Village Bank, Jorhat, Jorhat Cooperative Town Bank and Charigaon Village Bank, Jorhat, Assam (1904)etc.

With the developments in terms of growth in the number of cooperatives, far exceeding anticipation, the **Cooperative Societies Act of 1912 became a** necessity and cooperatives could be organized under this Act for providing non-credit services to their members. **The Act also provided for Federations of cooperatives**. With this enactment, in the credit sector, urban cooperative banks converted themselves into Central Cooperative Banks with primary cooperatives and individuals as their members. Similarly, non-credit activities were also cooperatively organized such as purchase and sales unions, marketing societies, and in the non-agricultural sector, cooperatives of handloom weavers and other artisans.

Maclagen Committee on Cooperation (1914)

The Banking Crisis and the First World War both affected the growth of cooperatives. Although member deposits in cooperatives increased sharply, the war affected the export and prices of cash crops adversely, resulting in increased over-dues of loans of primary agricultural societies. To take stock of the situation, in **October, 1914 a Committee on Cooperation under Sir Edward Maclagen was appointed by the Government,** in October 1914, to study the state. It recommended building up a strong three-tier structure in every province with primaries at the base, the Central Cooperative Banks at the middle tier and the Provincial Cooperative Bank at the apex, basically to provide short-term and medium-term finance. Considerable emphasis was laid on ensuring the cooperative character of these institutions and training and member education, including training of the Registrar and his staff. In 1919, with the passing of the Reforms Act, Cooperation as a subject was transferred to the provinces. The Bombay Cooperative Societies Act of 1925, the first provincial Act to be passed, among others, introduced the principle of one-man one-vote.

Pre Independence Development : In 1946, inspired by Sardar Vallabh Bhai Patel and led by Shri Morarji Desai and Shri Tribhuvan Das Patel, the milk producers of Khera District of Gujarat went on a fifteen day strike. Their refusal to supply milk forced the Bombay Government to withdraw its order granting monopoly procurement rights to Polson, a private dairy. History was made when two Primary Village Milk Producer Societies were registered in October 1946. Soon after on 14th December 1946, the Khera District Cooperative Milk Producers Milk Union known as Amul was registered.

Post Independence Developments: After India attained Independence in 1947, cooperative development received a boost, with cooperatives being given a vital role in the various plans formulated by the Planning Commission. **The First Five Year Plan (1951-56)**, outlined in detail the vision of the cooperative movement in India and the rationale for emphasizing cooperatives and panchayats as preferred organizations for economic and political development. The Plan emphasized the adoption of the cooperative method of organization to cover all aspects of community development. It provided for setting up of urban cooperative banks, industrial cooperatives of workers, consumer cooperatives, housing cooperatives, diffusion of knowledge through cooperative training and education and recommended that every government department follow the policy of building up cooperatives. **The Second Five-Year Plan (1956) aimed** at enabling cooperatives to increasingly become the principal basis for organization of economic activity. The Plan drew up programmes of cooperative development based on the recommendations of the All India Rural Credit Survey Committee (AIRCS). **The Third Five Year Plan (1961**)- the principal basis of organization in branches of economic life, notably agriculture, minor irrigation, small industries and processing, marketing, distribution, rural electrification, housing and construction and provision of essential amenities for local communities.

Even the medium and large industrie can be established in cooperative format. The Fourth Five Year Plan (1969-1974) gave high priority to the re-organization of cooperatives to make cooperative short-term and medium-term structure viable. It also made necessary provisions to provide cooperatives with management subsidy and share capital contribution, as well as for the rehabilitation of Central Cooperative Banks. It also emphasized the need to orient policies in favour of small cultivators. **The Fifth Five Year Plan (1974-1979)** took note of the high level of over-dues. In its recommended strategy for cooperative development, the correction of regional imbalances and reorienting the cooperatives towards the under-privileged was to receive special attention. **The Sixth Five Year Plan (1979-1985)** also emphasized the importance of cooperative efforts being more systematically directed towards ameliorating the economic conditions of the rural poor. The Plan recommended steps for re-organizing Primary Agricultural Credit Societies into strong and viable multi-purpose units.

The Seventh Five Year Plan (1985-1990) pointed out that while there had been all round progress in credit, poor recovery of loans and high level of overdue were matters of concern. The Plan recommended amongst others development of Primary Agricultural Credit Societies as multiple viable units; realignment of policies and procedures to expand flow of credit and ensure inputs and services particularly to weaker sections; special programmes for the North Eastern Region; strengthening of consumer cooperative movement in urban as well as rural areas and promoting professional management.

Model Cooperatives Act, 1990: In 1990, an Expert Committee, under the chairmanship of Choudhary Brahm Perkash, was appointed by the Planning Commission to make a rapid review of the broad status of the cooperative movement, suggest future directions and finalize a Model Cooperatives Act. The Committee submitted its report in 1991. Since cooperation is a State subject and each State has its own cooperative legislation covering cooperatives whose membership is confined to the State, the report of the Committee, along with a draft Model Cooperative Law, was circulated to all State Governments for their consideration and adoption at State level.

Parallel Cooperative Legislation **From the Ninth Plan (1997-2002) onwards, there has been no specific mention about cooperatives as a part of the Plan**. Since **Cooperation is a State** subject and recognizing the difficulties in having the existing State Cooperative Acts amended on the lines of the Model Cooperatives Act, a section of cooperators and civil society initiated action to put in place Parallel Cooperative Legislation for self-reliant cooperatives. **Multi-State Cooperative Societies Act, 2002** The Multi-State Cooperative Societies (MSCS) Act, enacted in 1984, was modified in 2002, in keeping with the spirit of the Model Cooperatives Act. Unlike the State Laws, which remained as a parallel legislation to co-exist with the earlier laws, the MSCS Act, 2002 replaced the earlier Act of 1984.

National Cooperative Policy (2002) In 2002, the Government of India enunciated a National Cooperative Policy. The objective of the Policy is to facilitate an all-round development of cooperatives in the country. The policy promises to provide cooperatives with the necessary support, encouragement and assistance, to ensure their functioning as autonomous, self-reliant and democratically managed institutions, accountable to their members, and making a significant contribution to the national economy.

Task Force on Revival of Cooperative Credit Institutions : To nurse the rural cooperative credit system back to health, to ensure that the rural credit doubled over three years and that the coverage of small and marginal farmers by institutional lending was expanded substantially, the Government of India in August 2004 set up a Task Force to suggest an action plan for reviving rural cooperative credit institutions and legal measures necessary for facilitating this process. The Task Force, chaired by Prof. A. Vaidyanathan, recommended that any financial restructuring which did not address the root causes of the weaknesses of the system would not result in its sustained revival and would require legal measures.

Objectives of Viksit Bharat 2047 for which Cooperative Movement is the only assurance : As we all know the primary goal of Developed India is to transform India into a developed nation by 2047. But to achieve this status of developed nation government has charted a roadmap in which cooperative movement has a key role to play. On strategy front Cooperatives can contribute substantially like expanding social welfare schemes, promoting economic growth, promoting sustainable development and increasing both ease of living.

Following mile stones of Viksit Bharart needs cooperative movement backing for their achievement:

Zero Poverty

The goal of zero poverty can be achieved in a developed India 2047 through a multi-pronged approach towards empowering the underprivileged and promoting inclusive growth.

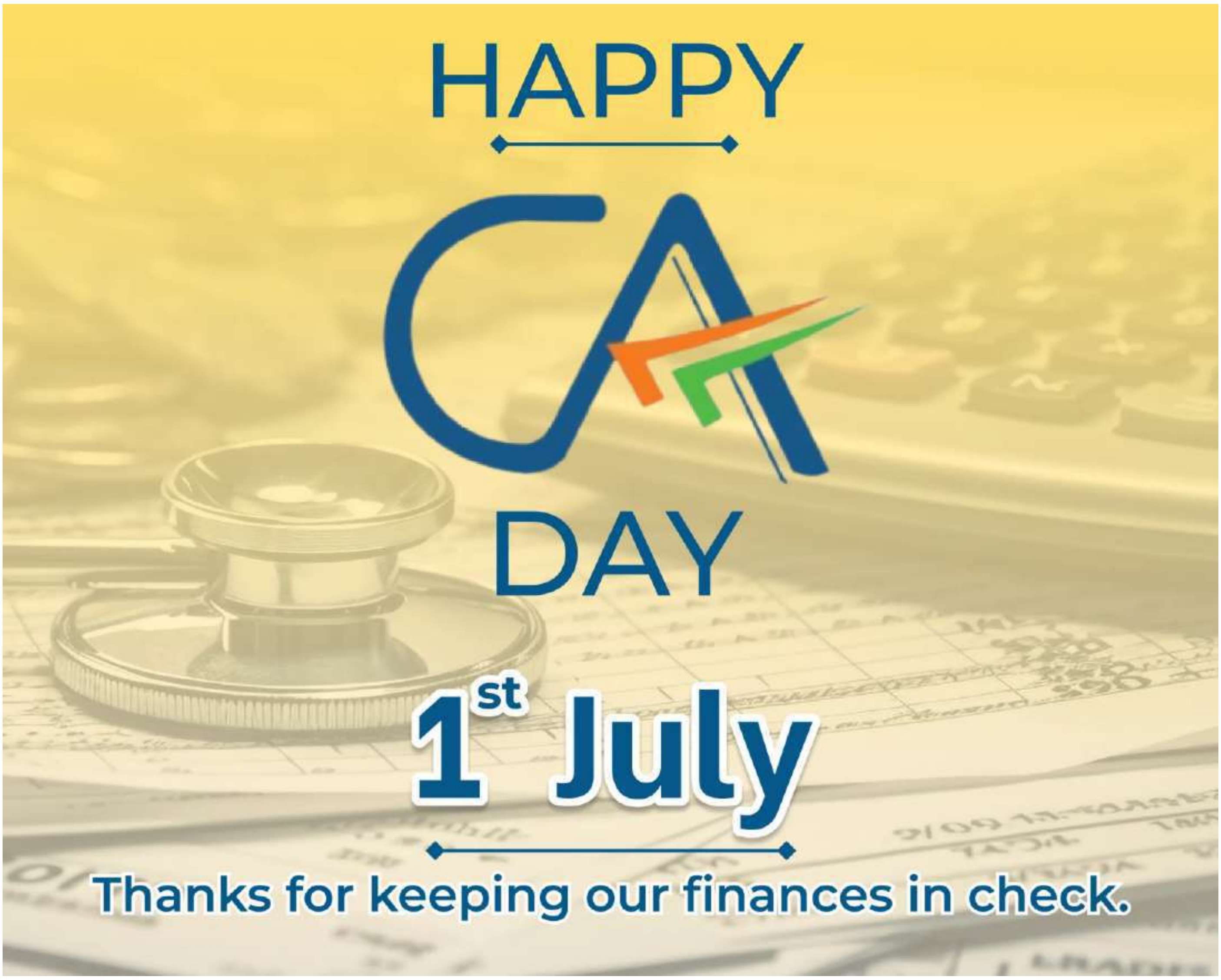
Farmer Welfare

The government can lay emphasis on development of Agriculture Societies or Farmer Societies for this end.

Housing for All : Cooperative movement can contribute to some extent here also.

Affordability of quality care and medicines.

Always Cooperative Medicines made available at Government Hospitals was a great value addition to society by cooperatives. Government should think to explore all possible alternatives.



Hard-Locking Auto-Populated GSTR-3B Values

Contributed by:
CA. Bhagyashree Dave

Background and Implications:

The GSTN has undertaken a major change to lock down auto-populated data in the GSTR-3B return to reduce mismatches and enhance compliance. Under current rules, Table-3 liabilities in GSTR-3B are pre-filled from filed GSTR-1/1A/IFF (outward supplies) and GSTR-2B (ITC), but taxpayers could manually edit these figures before submission. Recognizing that this flexibility led to reporting mismatches, GSTN first proposed "hard-locking" such data in an October 17, 2024 advisory. The October 2024 advisory noted that from January 2025 onwards the portal would "restrict making changes in auto-populated values in pre-filled GSTR-3B" and required any edits to be done via GSTR-1A or the Invoice Management System (IMS). This rollout was later on deferred. The June 7, 2025 GSTN advisory now finalizes the change and accordingly effective from the July 2025 tax period, the system will hard-lock these figures.

Key Highlights of GSTN Advisory dated June 7, 2025:

- **Non-Editable GSTR-3B Liability:** From the July 2025 period, all auto-populated tax liabilities and adjustments in Form GSTR-3B will become locked and uneditable. In other words, Table-3 values in GSTR-3B will exactly mirror GSTR-1/1A/IFF data, with no manual changes are allowed.
- **GSTR-1A Corrections Only:** Any needed corrections to outward supply data must now be made before filing the GSTR-3B, via Form GSTR-1A. Taxpayers can file GSTR-1A (once per tax period) to amend previously declared GSTR-1/IFF entries. Such amendments must be submitted before the GSTR-3B deadline for the same period, so that the final tax liability aligns with the corrected GSTR-1 data.
- **Alignment of Returns:** The hard-lock ensures that GSTR-3B liabilities will match the pre-verified data. This eliminates any discrepancy between the outward supplies reported in GSTR-1/IFF and the summarized tax declared in GSTR-3B.
- **Deferred Implementation:** Initially contemplated for Jan 2025, this lock-down is now postponed to July 2025. (Earlier advisories noted industry requests for extra time.)

Prior to these advisories, taxpayers could adjust auto-filled GSTR-3B figures (e.g. reducing output tax by credit notes) up until submission. The October 2024 advisory and June 2025 advisory together invert that policy. Once July 2025 GSTR-3B is filed, none of the auto- populated Table-3 values can be changed. In practice, this means:

- **Output Tax Liability (Table 3.1)** and **Adjustments (Table 3.2):** These will now strictly reflect what was reported in GSTR-1/1A/IFF. Any difference identified after filing GSTR- 3B cannot be manually edited in 3B; instead, corrections must have been made via GSTR-1A.
- **Input Tax Credit (Table 4):** The current advisory covers only the outward liability; a separate advisory will address ITC. Notably, GSTN later indicated that hard-locking of ITC will follow after the Invoice Management System is fully in place.

Thus, from July 2025 onward, the taxpayer's task is front-loaded to verify and amend if required all sales figures in GSTR-1/IFF by filing GSTR-1A before the filing of GSTR-3B. Once GSTR-3B is filed, the liability is considered final.

Form GSTR-1A: The Correction Mechanism:
Form GSTR-1A becomes critical after having such advisory. This form allows one-time amendments to already-filed GSTR-1 (and IFF) for the same tax period. Taxpayers can use GSTR-1A to rectify any errors (e.g. missing invoices, incorrect values or HSN/SAC codes, omitted credit/debit notes) before submitting GSTR-3B. The key points are:

- **One-Time Amendments:** GSTR-1A can generally be filed only once per tax period. It must be done prior to filing of GSTR-3B of the same tax period.
- **Accuracy Before Filing:** By design, this forces taxpayers to reconcile their sales registers in real-time. Any adjustment in output liability must be entered via GSTR-1A, so that the final GSTR-3B shows the correct net liability.
- **No "Correction Window" After Filing:** Unlike earlier practice where one could tweak GSTR-3B itself, all corrections now must flow through the GSTR-1A mechanism in advance.

The advisory underscores that GSTR-1A is the only correction window going forward. As one commentary notes, taxpayers should "review their GSTR-1/IFF filings carefully and use the Form GSTR-1A facility for any corrections prior to filing" the GSTR-3B. In essence, GSTR-1A becomes part of the pre-filing tax compliance workflow.

Practical Implications for Taxpayers:
The hard-locking overhaul brings significant compliance and reconciliation challenges:

- **Increased Reconciliation Burden:** Taxpayers must ensure that all outward supplies and credit/debit notes are accurately captured in GSTR-1/IFF by month-end. Any reconciliation discrepancies between ledgers and GSTR-1 need to be resolved before filing GSTR-3B. Businesses will likely need robust software or internal controls to match invoice books with the auto-populated GSTR-3B preview, so that errors are caught early.
- **Timing of Filings:** GSTR-1/IFF and GSTR-3B filing dates now carry even more weight. If a supplier fails to report a credit note or report an incorrect invoice, the supplier must promptly identify and amend it via GSTR-1A in the same month. There will be no second chance to correct GSTR-3B later.
- **No "Last-Minute Edits":** The traditional cushion of editing GSTR-3B in the tax portal is removed. Tax teams cannot wait until the GSTR-3B filing deadline to "clean up" mismatches.

Challenges under Non-Editable GSTR-3B Framework:

- In the real estate sector, where multiple projects often operate under a single GSTIN, auto-population of GSTR-3B based solely on consolidated GSTR-1 data (without project-wise bifurcation) may inadvertently result in incorrect offsetting of credit notes. For instance, credit notes pertaining to an old or completed project might get adjusted against the tax liability of an ongoing project, leading to misaligned tax payments.
- If a credit note is rejected by the recipient—whether due to a genuine error or otherwise—the system may automatically increase the supplier's outward tax liability in GSTR-3B, with no manual override possible. This could result in forced excess tax payments unless GSTN provides a mechanism for such corrections through GSTR-1A or any alternative form.
- Due to earlier system restrictions till Oct'24, certain credit notes (where value exceeded liability) were reported in GSTR-1 but not in GSTR-3B. As per the recent advisory on non-editable GSTR-3B, taxpayers may now face difficulty adjusting such past credit notes, impacting liability alignment.
- In cases where invoices were reported earlier in GSTR-1 but not in GSTR-3B (due to earlier restrictions/system behavior), taxpayers may now want to report them correctly in GSTR-3B. Advisory may block this adjustment. Taxpayers shall compulsorily opt DRC-

03 route for payment of such pending Tax liability.

Professional Insights:

Tax law experts emphasize the need for stronger internal controls and real-time data checks. As one GST advisory notes, businesses must enhance their review processes since post-filing edits will no longer be possible. In practice, tax and finance heads are being advised to:

- Review GSTR-1/IFF filings weekly, not just at month-end, and flag any discrepancies immediately.
- Coordinate closely with vendors to ensure timely e-invoice reporting, as supplier delays will directly affect liabilities.
- Use the Invoice Management System (IMS) rigorously for input tax claims, even before it becomes mandatory, to pre-validate credits.
- Update accounting and filing software well ahead of July 2025 so that GSTR-3B auto- populates correctly, and train staff on the GSTR-1A workflows.

Conclusion:

GSTN's hard-locking of GSTR-3B data (as per the June 7, 2025 advisory) represents a pivotal tightening of GST return norms. By freezing auto-populated liabilities, the system forces compliance and precision but heightens the operational burden. Taxpayers must now reconcile and correct in real-time—using GSTR-1A as the exclusive fix—since GSTR-3B will no longer be a safety valve. The coming months will test how quickly businesses can adapt their processes; internal reviews and controls will be paramount.

How an NRI Can Sell Property in India: A Comprehensive Guide

Contributed by:
CA. Jay Joshi

1. Introduction: Navigating the Complexities

In an era marked by global mobility and cross-border investments, the Indian diaspora has emerged as a significant force in the country's real estate market. Non-Resident Indians (NRIs), Persons of Indian Origin (PIOs), and Overseas Citizens of India (OCIs) have, over decades, invested in residential and commercial properties across India, driven by emotional, financial, and strategic considerations. However, when the time comes to liquidate these assets, NRIs often find themselves navigating a labyrinth of legal, tax, and regulatory challenges—each with its own nuances and compliance requirements.

The process of selling property in India as an NRI is not merely a transactional event; it is a multifaceted journey that demands a deep understanding of Indian tax laws, the Foreign Exchange Management Act (FEMA), the intricacies of the Double Taxation Avoidance Agreement (DTAA), and evolving documentation and procedural norms. The stakes are high: non-compliance can lead to hefty penalties, delayed repatriation of funds, and protracted legal disputes. Conversely, a well-informed and compliant approach can ensure a seamless sale, optimal tax outcomes, and hassle-free fund transfer to the NRI's country of residence.

This is serious article is designed as a definitive guide for NRIs, tax professionals, and legal practitioners. It provides a step-by-step exploration of every critical aspect involved in the sale of immovable property by NRIs in India. The discussion is grounded as per enriched with statutory references, judicial precedents, and the latest amendments under the Income Tax Act, 1961 and FEMA regulations.

Key Themes Covered under This article

- Who qualifies as an NRI, and how is residential status determined under Indian law?
- What are the tax implications for NRIs selling property in India, including the concepts of income accrual, receipt, and deemed accrual?
- How are capital gains computed, and what are the latest changes in tax rates and indexation benefits?
- What are the TDS obligations for buyers and sellers, and how can NRIs avoid excess tax deduction through lower deduction certificates?

The article is structured to provide clarity and actionable insights at every stage—from the initial decision to sell, through the computation and payment of taxes, to the final repatriation of funds. Each section is designed to stand alone as a reference, while collectively offering a holistic roadmap for NRIs and their advisors.

In a rapidly changing regulatory environment, staying abreast of the latest rules and best practices is essential. Whether you are an NRI contemplating a property sale, a tax consultant advising clients, or a legal professional specializing in cross-border transactions, this guide aims to be your trusted companion—ensuring that your journey from asset to liquidity is smooth, compliant, and financially optimal.

2. Who is an NRI? Definition of NRI and Resident under the Income Tax Act, 1961

Understanding the Concept of Residential Status

The determination of an individual's residential status is the cornerstone of Indian taxation, as it governs the scope of income that will be taxed in India. For Non-Resident Indians (NRIs) involved in property transactions, clarity on this point is essential, as it directly impacts tax liability, compliance obligations, and eligibility for various exemptions.

Definition of NRI under the Income Tax Act, 1961

The term "Non-Resident Indian" (NRI) is not directly defined in the Income Tax Act, 1961. Instead, the Act defines "resident" and "non-resident" under Section 6. An individual's status is determined for each financial year (April 1 to March 31) based on physical presence in India.

Section 6(1): When is an Individual a Resident?

An individual is treated as a resident in India in any previous year if he/she satisfies any of the following conditions:

- Stay in India for 182 days or more during the previous year; or
- Stay in India for 60 days or more during the previous year and 365 days or more during the four years immediately preceding that year.

If neither of the above conditions is satisfied, the individual is considered a non-resident for that financial year.

Special Provisions for Indian Citizens and PIOs:

For Indian citizens leaving India for employment or as crew on an Indian ship, or for Indian citizens/PIOs visiting India, the 60-day period is replaced by 182 days.

Who is an NRI?

NRI (for tax purposes): Any individual who does not satisfy the conditions for being a resident as per Section 6(1) is an NRI for that financial year.

Who is a Resident Person?

A "resident" is an individual who satisfies either of the two conditions above. The concept of "resident but not ordinarily resident" (RNOR) also exists for transitional cases, but for property sale and TDS, the distinction is primarily between resident and non-resident.

Definition of Resident (Section 6):

- Resident: Satisfies either the 182-day rule or the 60+365-day rule.
- Non-Resident: Fails to satisfy both conditions.

This status must be determined every financial year and is not a permanent classification.

Why is Residential Status Important?

- **Taxability:** The scope of income taxable in India depends on residential status. Residents are taxed on global income; NRIs are taxed only on income received, accrued, or arising in India.
- **TDS Implications:** Buyers must deduct TDS at higher rates when paying NRIs.
- **Repatriation:** FEMA regulations for remittance of sale proceeds abroad apply only to NRIs/PIOs.(Under FEMA, separate definition of Residence based on intention. we will cover in the next part of this article.

3. Income Tax Liability of NRIs: Concepts of Income Received, Deemed to be Received, Accrued, and Arising in India

Scope of Total Income for NRIs

The Indian Income Tax Act, 1961, under Section 5, lays out the scope of total income for different categories of taxpayers. For NRIs, the law is clear: only income that is received or deemed to be received in India, or that accrues or arises (or is deemed to accrue or arise) in India, is taxable in India.

Key Concepts Explained

1. **Income Received or Deemed to be Received in India**
   - **Received in India:** Actual receipt of income in India. For example, if an NRI sells a property and the sale proceeds are credited to their Indian bank account, the income is "received in India."
   - **Deemed to be Received:** Certain income, though not actually received, is treated as received in India by legal fiction (e.g., employer's contribution to provident fund, transferred balance in recognized provident fund).
2. **Income Accruing or Arising in India**
   - **Accrued/Arisen in India:** Income is said to accrue or arise in India when the right to receive the income is created in India, even if the payment is received outside India.
   - **Judicial Interpretation:** The Supreme Court in E.D. Sassoon & Co. Ltd. v. CIT (1954) clarified that income accrues or arises when the taxpayer acquires a right to receive it, not necessarily when it is actually received.

Application to Property Sale by NRIs

- **Capital Gains:** When an NRI sells property located in India, the capital gains are accrued or arise in India, regardless of the NRI's place of residence or where the sale proceeds are ultimately received.
- **Taxability:** Such capital gains are chargeable to tax in India in the year of transfer, and the buyer is required to deduct TDS under Section 195.

4. Nature of Asset: Definition of Long-Term and Short-Term for any immovable property in India

The classification of a capital asset as either long-term or short-term is a crucial determinant of the tax treatment on its sale. For NRIs selling property in India, understanding this distinction is not merely academic—it directly impacts the applicable tax rate, eligibility for indexation (where allowed), and the availability of certain exemptions.

What is a Capital Asset?

Section 2(14) of the Income Tax Act, 1961, defines a "capital asset" as property of any kind held by an assessee, whether or not connected with their business or profession. This includes land, buildings, and flats. However, certain items like stock-in-trade, personal effects, and agricultural land in rural areas are excluded.

For NRIs, residential flats or immovable property held in India are unequivocally considered capital assets.

Long-Term vs. Short-Term Capital Asset Statutory Definitions

- **Short-Term Capital Asset (STCA):**
  - As per Section 2(42A) of the Income Tax Act, an asset is considered short-term if it is held for not more than 24 months immediately preceding the date of its transfer, in the case of immovable property (land or building or both).
- **Long-Term Capital Asset (LTCA):**
  - If the asset is held for more than 24 months, it is classified as a long-term capital asset.

Note: Prior to Assessment Year 2018-19, the threshold was 36 months, but this was reduced to 24 months for immovable property (by the Finance Act, 2017), making it more favourable for taxpayers.

Important Points

- **Tax Rate: LTCG is taxed at concessional rates (12.5% post-July 2024, plus surcharge and cess). STCG is taxed at normal slab rates.**
- **Indexation Benefit: For sales before July 23, 2024, LTCG on immovable property enjoyed indexation. For sales on or after July 23, 2024, indexation is not available for NRI.**
- **Exemptions: Only LTCG is eligible for exemptions under Sections 54, 54F, and 54EC.**
- **Computation of Holding Period**

  Date of Acquisition: The clock starts from the date of allotment or acquisition, not from the date of possession or registration, as clarified by judicial precedents (e.g., CIT v. TATA Services Ltd).

  Date of Transfer: This is generally the date of execution and registration of the sale deed.
- **Special Cases: Inherited Property**

  For inherited property, the period of holding includes the time held by the previous owner. Thus, if an NRI inherits a flat from a parent who held it for 10 years, and then sells it after 6 months, the total holding period is 10.5 years—qualifying as long-term.

5. Computation of Capital Gain for NRIs Selling Property in India

The computation of capital gains is the cornerstone of tax compliance for NRIs selling immovable property in India.

Legal Framework: Section 48 of the Income Tax Act, 1961

Section 48 prescribes the method of computing capital gains:

- **Full Value of Consideration (FVC):** The sale price agreed between buyer and seller. If the stamp duty value (SDV) exceeds the actual consideration by more than 10%, SDV is deemed as FVC under Section 50C.
- **Cost of Acquisition:** The original purchase price of the property. For inherited property, the cost to the previous owner is considered.
- **Cost of Improvement:** Any capital expenditure incurred on additions or alterations to the property.
- **Expenditure on Transfer:** Brokerage, legal fees, and other direct expenses

incurred wholly and exclusively in connection with the transfer.

6. Allowable Expenses: Commission and Legal Expenses in Capital Gain Computation

When an NRI sells immovable property in India, the computation of capital gains is not limited to the difference between the sale consideration and the original cost of acquisition. The Income Tax Act, 1961, recognizes that certain expenses are necessarily incurred in connection with the transfer of a capital asset.

Types of Allowable Expenses

1. **Brokerage and Commission**
   - *Nature:* Amounts paid to property brokers or real estate agents for facilitating the sale.
   - *Eligibility:* Only the portion paid for the current sale transaction is allowable.
   - *Evidence Required:* Broker's invoice or receipt, bank statement showing payment, copy of agreement with broker.
   - *Judicial Precedents:* Brokerage and commission paid for effecting the sale of a capital asset are deductible (e.g., CIT v. Shakuntala Kantilal (1991) 190 ITR 56 (Bom)).
2. **Legal Fees**
   - *Nature:* Fees paid for drafting, reviewing, and executing sale agreements, registration, and related documentation.
   - *Eligibility:* Only legal fees directly connected to the sale transaction are deductible.
   - *Evidence Required:* Invoice/receipt from the legal professional, proof of payment, copy of engagement letter or agreement.

3. Other Transfer Expenses

- **Examples:**
  - Stamp duty and registration charges (if borne by the seller)
  - Travelling expenses (if incurred solely for the sale)
  - Advertisement costs for sale (if directly related and supported by evidence)
- **Documentation:**
  - Receipts, invoices, and payment proofs are essential for all deductions.
  - The nature and necessity of the expense should be clearly established as being wholly and exclusively for the transfer.

Practical Considerations

- **Record Keeping:** Maintain all original invoices, agreements, and payment proofs for at least eight years, as these may be required for scrutiny by tax authorities.
- **Professional Advice:** Engage a qualified chartered accountant or tax advisor to ensure all eligible deductions are
- claimed and properly documented.

7. TDS Obligations

Tax Deducted at Source (TDS) on Sale of Property by NRI

- **Buyer's Responsibility:** The buyer of the property is required to deduct TDS under Section 195 of the Income Tax Act at the time of making payment to the NRI seller.
- **TDS Rates:**
  - **Long-Term Capital Gains (LTCG):** 20% (plus surcharge and cess, as applicable) before 23rd July 2024 and 12.5% after 23rd July 2024
  - **Short-Term Capital Gains (STCG):** As per the income tax slab rate applicable to the NRI
- **Deposit of TDS:**

  The deducted TDS must be deposited with the government within the prescribed time frame, and the buyer must provide a TDS certificate (Form 16A) to the seller.
- **Form to Be filed :-** Buyer is requires to file 27Q. One important point is that if the Buyer did not have TAN then first apply TAN so he is file form 27Q within in prescribed time.
- **Lower/Nil TDS Certificate by seller**

  If the actual capital gains tax liability is lower than the TDS rate, the NRI seller can apply to the Income Tax Department for a lower or nil TDS certificate (under Section 197) before the sale. This certificate must be given to the buyer to deduct TDS at the approved lower rate.
- **Lower/Nil TDS Certificate by Purchaser**

  If the actual capital gains tax liability is lower than the TDS rate, the Buyer can apply to the Income Tax Department for a lower or nil TDS certificate (under Section 195) before the sale.

  Consequences of Non-Compliance:

  If the buyer fails to deduct or deposit TDS, the buyer is treated as an assessee-in-default and may face penalties, interest, and disallowance of the expense.

Conclusion

In this article, we have focused on the computation of capital gains, allowable deductions, and the applicability of TDS on the sale of immovable property by NRIs. Other important aspects—such as exemptions available under Section 54, repatriation of sale proceeds under FEMA, DTAA benefit and related compliance requirements—will be covered in our upcoming article.

Navigating GST Implications on Corporate Guarantees:
Recent Developments and Insights

Contributed by:
CA. Ashok P. Mali

Introduction:

This article delves into the implications of GST (Goods and Services Tax) on corporate guarantees, elucidating the recent developments in the GST framework concerning these financial instruments. The article covers following aspects:

- Definitions of guarantees, including **personal guarantees** and **corporate guarantees**.
- Recent GST developments, particularly around the taxation of corporate guarantees.
- Impact of **valuation rules**, **identification of service recipients**, and cross-border scenarios (such as a holding company providing guarantees to subsidiaries).
- A detailed examination of the recent changes introduced through Notifications and Circulars.

The article aims to provide a comprehensive understanding of the GST implications on corporate guarantees, shedding light on their taxability and associated considerations within the GST framework.

Nature of Guarantee:

Guarantee or Corporate Guarantee is not explicitly defined in GST Law, but reference is to be taken from the Indian Contracts Act, 1872. *Section 126 of the Indian Contracts Act defines Guarantee as a promise made by one person to be accountable for the debt or obligation of another person*. The three parties involved in a contract are:

- Guarantor: The person providing the guarantee.
- Principal Debtor: The person on whose behalf the guarantee is given.
- Creditor: The person to whom the guarantee is given.

Corporate Guarantee:

A **Corporate Guarantee** is an agreement in which the corporate guarantor, takes on the payments or responsibilities of a debt if the principal debtor defaults on the loan to the creditor. Corporate guarantees are often given without consideration by the parent/holding companies to the banking companies or financial institutions for credit facilities availed by the subsidiary companies.

Example: In corporate finance, parent companies often provide corporate guarantees to secure loans or credit facilities for their subsidiaries. If the subsidiary defaults, the parent company is liable to fulfill the obligations guaranteed under the corporate guarantee.

Apart from corporate guarantee there are different nature of guarantee. Here's a differentiation of Personal, Bank, and Corporate Guarantees in tabulated format for ease of understanding:

Aspect	Personal Guarantee	Bank Guarantee	Corporate Guarantee
Definition	Promise by an individual to assume personal debt responsibility for business obligations	Commitment by a bank to honour claims on behalf of its customer in case of non-performance	Agreement by a corporate entity to undertake debt obligations of another entity in case of default
Parties Involved	Individual providing guarantee, business entity as debtor	Bank, beneficiary (third party), bank customer (debtor)	Corporate entity providing guarantee, principal debtor

Aspect	Personal Guarantee	Bank Guarantee	Corporate Guarantee
Purpose	Securing financial assistance, ensuring debt repayment	Securing transactions, fulfilling contractual obligations	Securing credit facilities, supporting subsidiary financing
Fee Charged	Generally, not charged*	Typically charged as a fee or commission	Generally, not charged
Security Requirement	May involve collateral or personal assets as security	May require security based on risk assessment	Issued without security or underlying assets
Liability	Personal liability for individual providing the guarantee	Bank's liability to honour claims according to terms	Corporate entity liable if principal debtor defaults

- RBI's Circular No. RBI/2021-22/121 dated 9th November 2021, no consideration by way of commission, brokerage fees or any other form, can be paid to the director by the company, directly or indirectly, in lieu of providing personal guarantee to the bank for borrowing credit limits.

GST Implications on Corporate Guarantees

In the pre-GST era, corporate guarantees were generally not subject to taxation if no consideration was involved. However, with the introduction of GST, ambiguities arose regarding their taxability. Some taxpayers argued that corporate guarantees were akin to actionable claims and should be exempt from GST under **Schedule III of the CGST Act, 2017**.

Despite these arguments, **Circular No. 204/16/2023-GST dated 27th October 2023** clarified that corporate guarantees provided by parent companies to subsidiaries, even without consideration, would be considered a service. This brings such guarantees within the ambit of GST, aiming to provide clarity and uniformity across the country.

Recent GST Developments on Corporate Guarantees:

During the **52nd GST Council Meeting**, it was recommended that inter-company corporate guarantees be taxable. To operationalize this, Notification No. 52/2023 – Central Tax dated 26th October 2023 introduced Sub-Rule (2) of Rule 28 which subsequently amended vide Notification No. 12/2024 – Central Tax dated 10th July 2024, which governs the valuation of corporate guarantees.

Key Extract from Rule 28(2) of CGST Rules, 2017:

*(2) Notwithstanding anything contained in sub-rule (1), the value of supply of services by a supplier to a recipient **who is a related person located in India**, by way of providing a corporate guarantee to any banking company or financial institution on behalf of the said recipient, shall be deemed to be one per cent of the amount of such guarantee offered **per annum** or the actual consideration, whichever is higher.*

This is in line with the **CBDT's Safe Harbor Rules**, which also stipulate that the commission or fee should be 1% of the guaranteed amount in such cases.

Furthermore, **Circular No. 204/16/2023-GST** ensures that this valuation mechanism applies irrespective of whether the recipient is eligible for **Input Tax Credit (ITC)**. However, Notification No. 12/2024 and Circular No. 225/19/2024-GST, dated 11th July 2024 later clarified that, in cases where the recipient is eligible for full ITC, the value declared in the invoice shall be deemed to be the value of the supply of services.

The summarized content of the circular is provided below in tabulated form for ease of understanding:

Scenarios	Consideration	Value & Taxability
Personal Guarantee provided by directors on behalf of Company to Bank/ FI / NBFC (when connected with company as Director) *	No	Zero (NIL) (hence, no tax payable)
Personal Guarantee provided by directors on behalf of Company to Bank/ FI / NBFC (when not connected with company as Director)	Yes	Consideration Charged (GST payable on actual value of Supply)
	No	Not Supply (hence, not taxable)
Corporate Guarantee provided by a person on behalf of related person or by related person [Rule 28(2)]	Yes / No	- 1% of Guarantee amount; or - actual consideration whichever is higher

- *As per RBI guidelines, no consideration can be paid to director either directly or indirectly in lieu of providing personal guarantee hence there is no question of open market value.*

Example: Corporate Guarantee and GST Application
Scenario:
A Ltd. provides a corporate guarantee of Rs. 200 Crores to Axis Bank on behalf of ABC Ltd for which A. Ltd does not charge any consideration from ABC Ltd.
Analysis of GST Applicability Based on Voting Rights

Voting Rights in ABC Ltd.	Is Related Party?	GST Applied on Corporate Guarantee?
15%	No	No
25%	Yes	Yes
30%	Yes	Yes

Summary: When A Ltd. holds 25% or more voting rights in ABC Ltd. (e.g., 25% or 30%), the parties are considered related, and GST is applicable on the corporate guarantee fee of Rs. 2 Crore. (i.e., 1% of Rs. 200 Crore) as stated earlier.

Scope of applicability of newly inserted Rule 28(2) of CGST Rules, 2017 w.r.t. Valuation of Corporate Guarantee

Valuation Rule 28(2): For Corporate Guarantees provided to related persons in India, the valuation will be either:

- One percent of the guaranteed amount per annum, or
- The actual consideration received

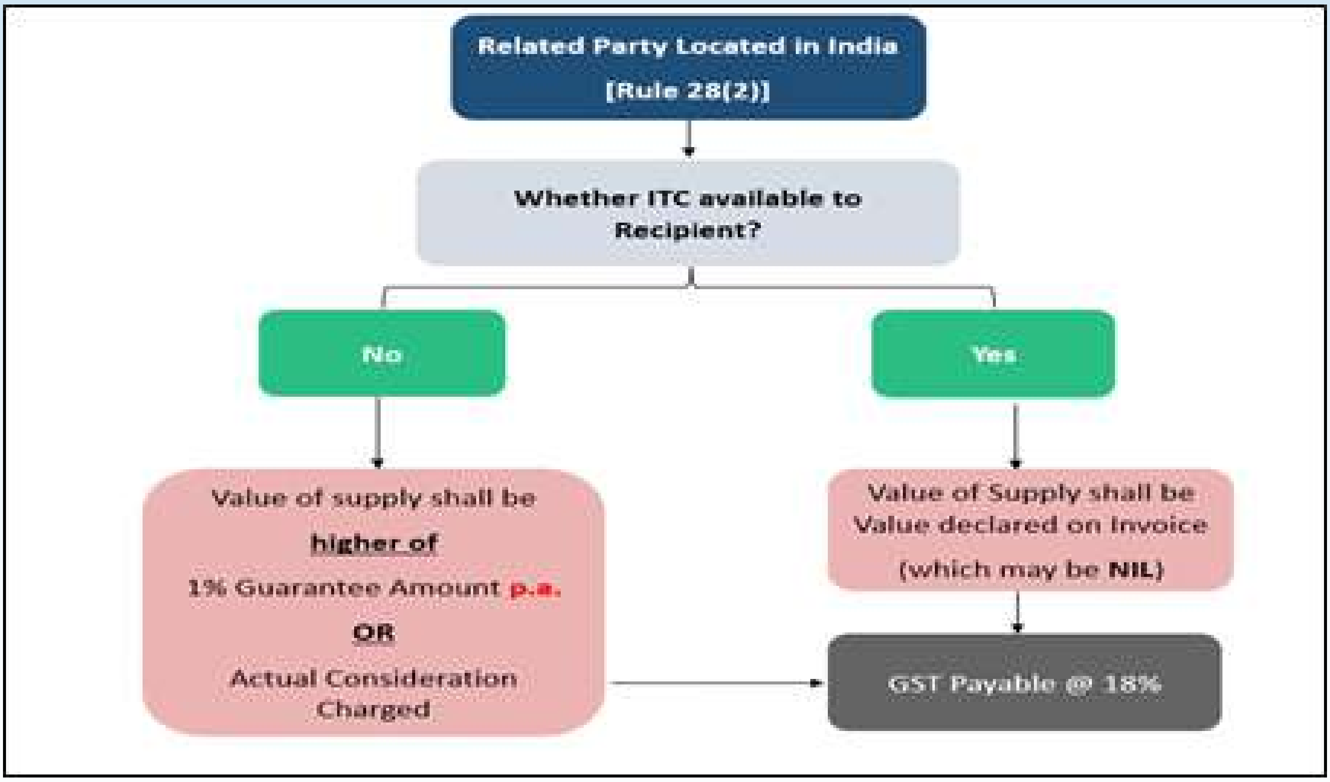
whichever is higher

Eligibility for Input Tax Credit (ITC): If the recipient of the said service is eligible for full ITC, the value declared on the face of invoice shall be deemed to open market value of the supplied services.

Cases where above valuation mechanism specified u/r 28(2) shall not apply:

- **International Guarantees**: The valuation rule **does not apply when a corporate guarantee is provided by an Indian company to a related company located outside India.**
- **Domestic Guarantees with Full ITC**: When a Corporate Guarantee is provided to a related company within India and the recipient is eligible for full ITC, the declared transaction value by the service supplier (**which could be NIL**) is used for GST valuation purposes.

GST Applicability on Corporate Guarantee to Related Party Located in India



Corporate Tax in the UAE:
Filing Deadlines, Compliance, and Practical Challenges

Contributed by:
CA. Sanskar Jain

Introduction

The UAE's launch of a federal corporate tax (CT) regime under **Federal Decree-Law No. 47 of 2022** has revolutionized the region's business environment in the region, bringing it in line with international tax transparency standards. This is in line with the UAE's pledge to the **OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS)** and **Pillar Two minimum taxation principles**, particularly in light of the upcoming Global Minimum Tax (GMT) regulations.

Applicable from **1st June 2023**, the law applies to all juridical persons (including Free Zone entities) and natural persons carrying on business or professional activities in the UAE, subject to certain thresholds and exemptions.

Tax Rate: 0% on taxable income up to **AED 375,000** and **9%** on taxable income exceeding AED 375,000.

Applicability: Both mainland and free zone entities (subject to exemption) are required to comply with CT law.

This article offers a practitioner's insight into statutory deadlines, compliance requirements, and realistic roadblocks while the regime is being implemented for the first time.

Statutory Timelines and Filing Triggers

The **first tax period** depends on the taxpayer's **financial year**. The **Corporate Tax Return (CTR)** should be submitted **within 9 months** from the end of the financial year. For most calendar year entities:

Financial Year	Return Due Date	Payment Due Date
1 Jan 2024 – 31 Dec 2024	30 September 2025	30 September 2025
1 July 2023 – 30 June 2024	31 March 2025	31 March 2025

There is **no advance tax** or quarterly installments currently required, unlike the Indian or UK tax system, but future updates may require advance tax for major taxpayers.

Key Compliance Obligations

1. Mandatory Tax Registration and TRN Allotment

According to **FTA Decision No. 3 of 2024**, all taxable persons (including Free Zone companies and passive holding entities) Shall register according to the month of issue of their license— with staggered deadlines between from **February 2024 to May 2025**. Non-registration by the relevant date incurs non-registration penalties of AED 10,000 under Cabinet Decision No. 75 of 2023.

2. Maintenance of Accounting Records

According to **Article 54** of the Decree-Law, taxpayers are required to keep **audit-worthy** books of accounts (accrual-based) for **7 years**. Certain categories — particularly Free Zone Persons claiming the **0% Qualifying Income** regime — are **compulsorily required to maintain audited financial statements** (Ministerial Decision No. 43 of 2023).

3. Transfer Pricing (TP) and Related Party Disclosures

All taxpayer with related party transactions Shall:

- File a **Disclosure Form** along with the CTR.
- Keep **contemporaneous TP documentation** (Master File and Local File) if:
  - Revenues are more than **AED 200 million**, or
  - Connected persons include foreign-related entities or

Exempt/Free Zone Persons.

TP compliance is regulated by **Ministerial Decision No. 97 of 2023**, which adopted **OECD TP Guidelines** into UAE legislation. Non-arm's length pricing may lead to adjustment and tax exposure.

Small Business Relief (Article 21 of UAE CT Law)

To support micro and small businesses in the UAE, the Corporate Tax Law provides **Small Business Relief** to reduce the compliance burden in the early years of tax implementation.

Key Features:

- **Eligibility:** Taxable persons with **revenue not exceeding AED 3 million** in the relevant and previous tax periods.
- **Effect:** If elected, such businesses are **treated as having no taxable income**, meaning:
  - No CT payable (even if profit > AED 375,000),
  - No need to compute taxable income or file transfer pricing documentation,
  - Still required to **file the Corporate Tax Return (CTR)** (with the election ticked),
  - Must maintain basic records proving revenue eligibility.

Applicability Window:

- Available for tax periods starting **on or after 1 June 2023**, and
- **Only up to 31 December 2026**.

Important Notes:

- This is an **election-based relief**—you must **opt in** through the EmaraTax return.
- Once elected, **carryforward of tax losses and interest deductions** is disallowed for that year.

Special Rules for Free Zone Persons (FZPs)

Free Zone entities can benefit from the **0% Corporate Tax** on "Qualifying Income" provided they:

- Maintain **adequate substance** in the UAE (Article 18 & Ministerial Decision No. 265 of 2023),
- Do **not opt** to pay tax at 9%,
- Only derive income from:
  - Other Free Zone Persons,
  - Foreign sources,
  - Qualifying activities (e.g., re-export, warehousing, manufacturing).

Though, any such income from **non-qualifying activities** (e.g., UAE mainland services or real estate to non-FZPs) will **Completely disqualify** the entity unless **de minimis thresholds** (5% or AED 5 million) are reached.

Free Zone businesses that **don't have** or engage in non-qualifying activities in excess of the threshold lose their 0% advantage and are taxed at 9% on **global income**.

Practical Challenges in the First Filing Cycle

Despite the clear legal structure, taxpayers are struggling with several operational issues:

1. Complicated Categorization of Income

FTA has not yet to issue **detailed industry-specific guidance** for Classifying income (e.g., financial services, logistics, IT outsourcing), causing incoherent interpretations of "Qualifying Income" and “Excluded Activities.”

2. Portal-Level Constraints

The **Emara Tax portal** has integrated Corporate Tax registration and return modules, but is plagued by technical difficulties in uploading group structures, transfer pricing disclosures, and view-based navigation to dual VAT-CT linked dashboards.

3. Grouping and Business Restructuring Delays

Although UAE CT law Permits **tax grouping** (Articles 40–42), few companies haven't aligned year-ends or restructured to become 95% owned. Failure to consolidate tax positions due to **disparate year-ends or missed restructuring** has increased cost and complexity.

4. TP Documentation and Cross-Border Adjustments

Uncertainty exists regarding **corresponding adjustments** under Article 34 for cross-border related-party transactions. Absence of bilateral APA (Advance Pricing Agreement) or MAP (Mutual Agreement Procedure) mechanisms give rise to **double taxation**.

5. Tax effect of Business Transfers

Ambiguity exists as to whether **asset transfers**, restructuring, or liquidation are the taxable events. Although **Article 26 (Exempt Restructuring)** allows deferral, most businesses have not completed restructuring within **the 2-year exemption period**.

Best Practices for Professionals

- Establish **robust ERP integration** to ensure segregation of qualifying and non-qualifying income.
- **Formalize intra-group agreements** and prepare contemporaneous **TP documentation** regardless of thresholds.
- **Align VAT and CT reporting** to ensure consistency — differences between Emirates-level VAT data and CT returns can be potential red flags.
- **Stay updated** on Cabinet and Ministerial Decisions, as the law remains a work in progress.
- For organizations having Indian operations, **assess Permanent Establishment risk** and possible **treaty override** issues under the UAE-India DTAA.

Conclusion

The UAE Corporate Tax regime — though competitive in rates — is structurally aligned with OECD standards and enforces a high level of **documentation, substance, and disclosure obligations**. The **9% tax rate**, coupled with a **generous AED 375,000 profit exemption**, is globally competitive—but ensuring its application requires great professional diligence. For finance professionals, the difficulty is not in the 9% rate, but in the layered compliance environment, particularly for Free Zone entities and multi-entity groups.

With the initial tax filings fast approaching in mid and late 2025, professionals must **shift from compliance awareness to proactive tax strategy and risk management**. The opportunity lies in building strong internal controls and advisory structure that will facilitate sustainable tax governance in the UAE's evolving fiscal environment.

ICAI's New Financial Statement Format for Non-Corporate Entities: A Paradigm Shift in FY 2024-25

Contributed by:
CA. Mansi Thacker

Introduction

The Institute of Chartered Accountants of India (ICAI) has led in a new era of financial reporting with the introduction of standardized financial statement formats for non-corporate entities, effective from FY 2024-25. This landmark development, formalized through the Guidance Note 2023 on 'Financial Statements of Non-Corporate Entities,' represents a significant shift from the previously flexible reporting practices to a more structured and standardized approach.

What initially appeared as a recommendatory measure has now been confirmed as **compulsory** for all non-corporate entities from April 1, 2025. This mandatory adoption signals ICAI's commitment to enhancing transparency, comparability, and consistency in financial reporting across all entity types in India.

Background and Rationale

The absence of standardized formats for non-corporate entities had long been a concern in the accounting profession. Unlike corporate entities governed by Schedule III of the Companies Act, 2013, non-corporate entities enjoyed considerable flexibility in presenting their financial statements. This flexibility, while providing convenience, often resulted in inconsistent reporting practices and reduced comparability.

The new guidance note addresses these concerns by establishing uniform reporting standards that align with contemporary accounting practices while maintaining the essence of traditional financial reporting. The objective is to ensure that financial statements of non-corporate entities meet the same standards of transparency and disclosure as their corporate counterparts.

Scope and Applicability

Entities Covered

The new format applies to all non-corporate entities, including:

- Sole proprietorships
- Partnership firms (excluding LLPs)
- Association of Persons (AOP)
- Hindu Undivided Families (HUF) carrying on business.
- Trusts engaged in commercial activities
- Other unincorporated entities

Entities Excluded

- Companies (governed by Schedule III of Companies Act, 2013)
- Limited Liability Partnerships (LLPs) - separate format available
- Non-Profit Organizations (NPOs) - separate guidance exists

Effective Date and Transition

ICAI has introduced a new format for non-corporate entities which is applicable from 1st April, for statements prepared for FY 2024-25. Though the initial communication hinted at the new format being recommendatory, the ICAI has since confirmed that effective April 1, 2025, the new format will be compulsory for all non-corporate entities.

Key Components of the New Format

The revised format comprises three main components, bringing it in line with corporate financial statement presentation:

1. Balance Sheet (Vertical Format)

The balance sheet follows a vertical presentation format with clear segregation between:

Equity and Liabilities:

- Capital/Owner's Equity
- Reserves and Surplus
- Current Liabilities

- Non-Current Liabilities

Assets:

- Non-Current Assets
- Current Assets

2. Statement of Profit and Loss

The profit and loss statement follows a structured format with clear categorization of:

- Revenue from Operations
- Other Income
- Total Income
- Expenses categorized appropriately
- Profit/Loss before and after tax

3. Notes to Accounts

Comprehensive notes covering:

- Accounting policies
- Related party disclosures
- Contingent liabilities and commitments
- Other material disclosures

Significant Changes and Enhancements

Current vs. Non-Current Classification

The new format requires a clear distinction between current and non-current assets and liabilities. Specifically, the previous formats had no requirement for a clear distinction between current and non-current items. This classification brings non-corporate entities in line with corporate reporting standards and provides better insight into liquidity and financial position.

Enhanced Disclosure Requirements

Detailed disclosures on related party transactions, contingent liabilities, and other material financial aspects are mandatory. This enhanced transparency ensures that stakeholders have access to comprehensive information about the entity's financial position and performance.

Standardized Presentation

The new format eliminates the variations in presentation that were previously acceptable, ensuring consistency across all non-corporate entities. This standardization facilitates better comparison and analysis by stakeholders, including lenders, investors, and regulatory authorities.

Integration of Accounting Standards under the New Format

One of the most significant changes brought about by the ICAI's new financial statement format is the **explicit requirement to adhere to applicable Accounting Standards**, which were earlier often overlooked in the context of non-corporate entities. With the enhanced **disclosure and classification norms**, certain AS now assume critical importance for even small and medium-sized non-corporate entities.

To ensure consistency and transparency in financial reporting, the ICAI has revised the classification criteria for non-company entities, effective from financial year 2024–25. Entities are now categorized into four levels based on **turnover and borrowings**, with corresponding levels of compliance under the Accounting Standards. The table below outlines the updated thresholds, which replace the earlier limits of ₹50 crore turnover and ₹10 crore borrowings used in past classifications.

Level	**Turnover (excl. other income)**	**Borrowings (incl. deposits)**	**AS & Cash-Flow Requirements**
Level I (Large)	Above ₹ 250 crore	Above ₹ 50 crore	**Full AS compliance and Mandatory Cash Flow Statement**
Level II (Medium)	₹ 50–250 crore	₹ 10–50 crore	Partial exemptions; Cash Flow not mandatory
Level III (Small)	₹ 10–50 crore	₹ 2–10 crore	More relaxations; Cash Flow optional
Level IV (Micro)	Up to ₹ 10 crore	Up to ₹ 2 crore	Only essential AS; Cash Flow optional

*the above table is for quick reference but for detailed please refer to the guidance note issued by ICAI

Here is the complete table extracted from **Appendix I** of the *Guidance Note on Financial Statements of Non-Corporate Entities (August 2023)*, covering the **applicability of AS 1 to AS 29** for **Level II, III, and IV** entities and for Level I every AS is compulsory.

Accounting Standard (AS)	Level II	Level III	Level IV
AS 1	Applicable	Applicable	Applicable
AS 2	Applicable	Applicable	Applicable
AS 3	**Not applicable**	**Not applicable**	**Not applicable**
AS 4	Applicable	Applicable	Applicable
AS 5	Applicable	Applicable	Applicable
AS 7	Applicable	Applicable	Applicable
AS 9	Applicable	Applicable	Applicable
AS 10	Applicable	Applicable with disclosure exemptions	Applicable with disclosure exemptions
AS 11	Applicable	Applicable with disclosure exemptions	Applicable with disclosure exemptions (excluding current-tax)
AS 23	Not applicable	Not applicable	Not applicable
AS 24	Applicable	Not applicable	Not applicable
AS 25	Not applicable	Not applicable	Not applicable
AS 26	Applicable	Applicable	Applicable with disclosure exemptions
AS 27	Not applicable	Not applicable	Not applicable
AS 28	Applicable with disclosure exemptions	Applicable with disclosure exemptions	Not applicable
AS 29	Applicable with disclosure exemptions	Applicable with disclosure exemptions	Applicable with disclosure exemptions

*Key Accounting Standards with Elevated Relevance:***Few standards which are to be emphasized now which may have ignored in non corporate are as under:**

AS 10 – Property, Plant and Equipment

Previously, many non-corporate entities recorded fixed assets using informal methods, often aligning depreciation schedules with Income Tax Act provisions. Under the new format:

- **Proper classification of PPE into current and non-current** is required.
- **Depreciation must be as per AS 10**, not just as per Income Tax Act.
- **Disclosure of gross block, accumulated depreciation, and net block** is mandatory.
- If revaluation is done, **Revaluation Reserve** must be shown under "Reserves & Surplus" and supported with proper disclosure in notes.

This demands:

- A **detailed fixed asset register**
- Correct depreciation methods (e.g., SLM/WDV as per AS 10)
- Separate tracking for **capital work-in-progress (CWIP)** and **assets held for disposal**

AS 18 – Related Party Disclosures

AS 18, though long applicable, was often ignored by small non-corporate entities. Under the new format:

- Disclosure of **transactions with related parties** (partners, relatives, entities under common control, etc.) is **mandatory**.
- This includes **nature of relationship, amount of transaction, balance outstanding**, and any **terms that are not at arm's length**.
- These must be **appropriately cross-referenced** in the notes to accounts and should align with audit working papers.

Other Relevant AS to consider:

AS	Was it mandatory before?	What's new in ICAI's 2023 Guidance Note?
AS 1 – Disclosure of Accounting Policies	☑ always applicable.	Now compulsory to **disclose as the first note** in the financial statements.
AS 9 – Revenue Recognition	☑ Applicable earlier too.	Now emphasis on **timing, accrual vs receipt**, and **clear note presentation**.
AS 29 – Provisions, Contingent Liabilities and Assets	☑ Applicable, but often ignored in practice.	Now must be **clearly disclosed in notes** as per prescribed format.
AS 22 – Accounting for Taxes on Income	☑ Applicable only if **deferred tax** arises and entity opts to follow it.	Now ICAI **encourages disclosure of deferred tax**, especially for larger non-corporates.
AS 26 – Intangible Assets	☑ Applicable earlier.	Now specific instruction to **show software, brand cost, goodwill**, etc. clearly — no more clubbing under “Misc. Expenses”.

Enhancing Compliance through AS Integration

The inclusion of these Accounting Standards within the structure of the financial statements:

- **Elevates the overall financial reporting quality**
- Enhances **audit readiness and stakeholder confidence**
- Brings **non-corporate reporting closer to corporate standards**
- Helps in **defending disclosures in tax assessments, bank audits, and litigation**

Compliance Implications

Mandatory Adoption

It means that professionals and non-corporate entities are expected to adopt the prescribed formats in their financial statements from the financial year 2024–2025 onwards. Non-compliance may result in rejection of financial statements by various stakeholders.

Professional Responsibility

Chartered Accountants preparing or auditing financial statements of non-corporate entities must ensure compliance with the new format. This includes:

- Proper classification of assets and liabilities
- Adequate disclosures as per the guidance note
- Adherence to prescribed terminology and presentation

Stakeholder Impact

It may cause the rejection of financial statements by tax authorities, banks, and other regulatory bodies if the prescribed format is not followed. This underscores the critical importance of compliance.

Benefits of the New Format

Enhanced Transparency

The standardized format provides clearer insights into the financial position and performance of non-corporate entities, benefiting all stakeholders.

Improved Comparability

Uniform presentation enables better

comparison across entities and time periods, facilitating decision-making by lenders, investors, and other users.

Professional Development
The enhanced disclosure requirements elevate the quality of financial reporting and contribute to the professional development of CAs handling non-corporate entities.

Regulatory Alignment
The format aligns non-corporate entity reporting with broader regulatory expectations, reducing compliance burden in the long term.

Challenges and Mitigation Strategies
Implementation Challenges

- Initial resistance from clients due to increased disclosure requirements
- Need for system updates and staff training
- Additional time and cost implications

Mitigation Strategies

- Phased implementation approach
- Client education and communication
- Investment in training and technology
- Clear documentation of new procedures

Future Implications
The introduction of standardized formats for non-corporate entities signals ICAI's broader vision of harmonizing financial reporting standards across all entity types. This development may pave the way for:

- Further alignment with international reporting standards
- Enhanced regulatory oversight
- Improved access to formal credit markets for non-corporate entities
- Greater integration with digital reporting platforms

Conclusion
The mandatory adoption of ICAI's new financial statement format for non-corporate entities represents a watershed moment in Indian accounting practice. While the transition may present short-term challenges, the long-term benefits of enhanced transparency, comparability, and professional standardization far outweigh the initial implementation costs.

As chartered accountants, we have a professional responsibility to ensure seamless compliance with these new requirements while helping our clients understand and adapt to the changing landscape. The success of this initiative depends on our collective commitment to maintaining the highest standards of financial reporting and professional excellence.
The new format is not merely a compliance requirement but an opportunity to elevate the quality of financial reporting for non-corporate entities and contribute to the broader goal of transparent and reliable financial information in the Indian business ecosystem.

This article is prepared for professional guidance and should be read in conjunction with the official ICAI Guidance Note 2023 on Financial Statements of Non-Corporate Entities. Practitioners are advised to refer to the latest updates from ICAI and consult relevant regulatory provisions as applicable to specific cases.

Filing ITR in Old Regime?
Don't Miss These 7 Big Changes for AY 2025–26

Contributed by:
CA. Silva Shah

The Income Tax Department's latest updates to ITR-1 and ITR-4 for Assessment Year 2025–26 have sent a clear message—**claiming deductions and exemptions under the old tax regime will no longer be a matter of mere declaration. Substantiation is now non-negotiable.**

While the new tax regime, introduced under Section 115BAC, promises lower tax rates with no exemptions, many taxpayers—especially salaried individuals and middle-class professionals—have preferred to stick with the old regime to benefit from deductions like HRA, 80C, 80D, and home loan interest. However, the government appears to be tightening the compliance screws on this choice.
Here's how opting for the old regime just got more demanding:

1. Detailed Disclosure for House Rent Allowance (HRA) Exemption
To claim exemption under Section 10(13A) for House Rent Allowance (HRA), taxpayers are now required to furnish a broader set of data points. The revised ITR forms seek the following information:

- **Place of Work**
- **Actual HRA Received**
- **Rent Paid**
- **Basic Salary and Dearness Allowance (DA)**
- **50% or 40% of Basic + DA** depending on whether the location is metro or non-metro

This granular disclosure is aimed at facilitating accurate computation of HRA exemption and reducing instances of arbitrary claims.

2. Section 80C Deductions: Mandatory Supporting Details
For claiming deductions under Section 80C—such as investments in Public Provident Fund (PPF), life insurance premiums, and other eligible instruments—taxpayers must now disclose:

- **Document or Receipt Number**
- **PPF Account Number**
- **Life Insurance Policy Number**

These additional requirements aim to strengthen audit trails and mitigate the risk of unverifiable or fictitious claims.

3. Section 80D: Health Insurance Information
In a move to streamline health insurance-related deductions, the new ITR forms now require those claiming benefits under Section 80D to report:

- **Name of the Insurance Company**
- **Policy or Document Number**

Such disclosures will assist in verifying the legitimacy of the deduction and ensure that the policy is held in the name of the assessee or eligible family members.
4. Section 80E: Interest on Education Loans

Taxpayers availing of deductions for interest payments on education loans under Section 80E must now furnish the following details:

- **Name of the Lending Institution**
- **Bank Name**
- **Loan Account Number**
- **Date of Loan Sanction**
- **Total Loan Amount Sanctioned**
- **Outstanding Loan Balance as on 31st March**

This shift underscores the government's intent to better monitor educational financing and curb misuse of the provision.

5. Sections 80EE and 80EEA: Interest on Residential Home Loans
In line with the broader push for accountability, deductions claimed under Section 80EE or

80EEA for interest on housing loans now require similar disclosures, including:

- **Name of the Lender**
- **Bank Name**
- **Loan Account Number**
- **Date of Loan Sanction**
- **Sanctioned Loan Amount**
- **Outstanding Loan Amount as on 31st March**

This data will allow for better compliance monitoring in relation to first-time homebuyer incentives.

6. Section 80EEB: Interest on Electric Vehicle Loans

To claim deductions under Section 80EEB—pertaining to interest on loans taken for the purchase of electric vehicles—taxpayers must disclose:

- **Name of the Lending Institution**
- **Bank Name**
- **Loan Account Number**
- **Date of Loan Sanction**
- **Sanctioned Loan Amount**
- **Loan Outstanding as on 31st March**

This detailed reporting requirement aligns with the government's emphasis on sustainable mobility and targeted subsidies.

7. Section 80DDB: Treatment for Specified Diseases

Deductions under Section 80DDB, which relate to the treatment of specified diseases for self or dependents, now necessitate an explicit mention of:

- **Name of the Specified Disease**

This clarification aims to bring consistency in claims and facilitate quicker assessments, especially where certificates from prescribed authorities are submitted.

Final Thoughts

Navigating the Trade-Off Between Savings and Simplicity

While the old tax regime still offers a range of deductions and exemptions, the government has clearly shifted the onus onto the taxpayer to prove every claim with precision. These enhanced disclosure requirements mark a significant shift from convenience to compliance. Choosing between regimes must now consider not only financial benefit but also the practical effort of compliance. As tax compliance evolves, so must our approach to choosing what works not just financially—but practically.

Disclaimer:

The information provided herein represents personal perspectives of Authors and should not be interpreted as professional advice. The Author assumes no responsibility for any consequences resulting from reliance on this information.

Are Reward And Punishment Techniques Fair Means To Motivate Employees?

Contributed by:
Dr. Anurag Mehta

Spare a thought. Animals are tamed and trained by giving rewards and punishments (carrot and stick). That's the way it happens in almost all animals because learning by doing for animals will take a quite a lot of time. Humans, having evolved through animals (as long as we still believe the Darwin's theory of evolution), also have an animal part in them. But we have in us a faculty which naturally facilitates conscious learning.

The purpose of life for animals generally is to survive (eat and drink), reproduce and try and be safe. Humans, as they evolved as a species and created civilisations, have tried to fulfil these three purposes as well. Having a much more evolved brain, this process was far more organised and orderly compared to that in a typical 'disordered' jungle. Whether it happened to be an intelligent way of existing or is a topic of discussion for some other day.

Let's cut to the workplace. The usual ways of motivating employees are mostly extrinsic in nature. Most of the plans hover around satisfying the monetary or social status needs of the employee. Numerous spiritual and philosophical literature combined with a human experience of thousands of years says that the need for money never gets satisfied. Research has also proven that intrinsic motivation motivates more than extrinsic rewards and remains a more sustainable option for productivity and longetivity of the employee in the organisation.

With so much experience and research available, is it wise for organisations to spend so much money and efforts unnecessarily? A thing that comes to mind is that they might be doing it probably because they are getting immediate results and no one has the patience for slow, organic and sustainable growth. The irony is that stress and pressure still remain in the system which is even more costly to manage and that's why research says that extrinsic motivation is more harmful to the employee and the organisation compared to intrinsic motivation.

So where's the gap?

The main purpose of coming to the workplace cannot be to earn a living.

The way an employee is treated is surely an issue, even if money is doled out on him. Money meets survival needs and humans are as good as animals if they focus only on that.

So how are humans different or better than animals? If we can channelise our energy on that, probably we can create some new theories of motivating humans or be able to create self-motivated individuals who would not need any other motivation than work itself.

Work gives meaning to a human life…

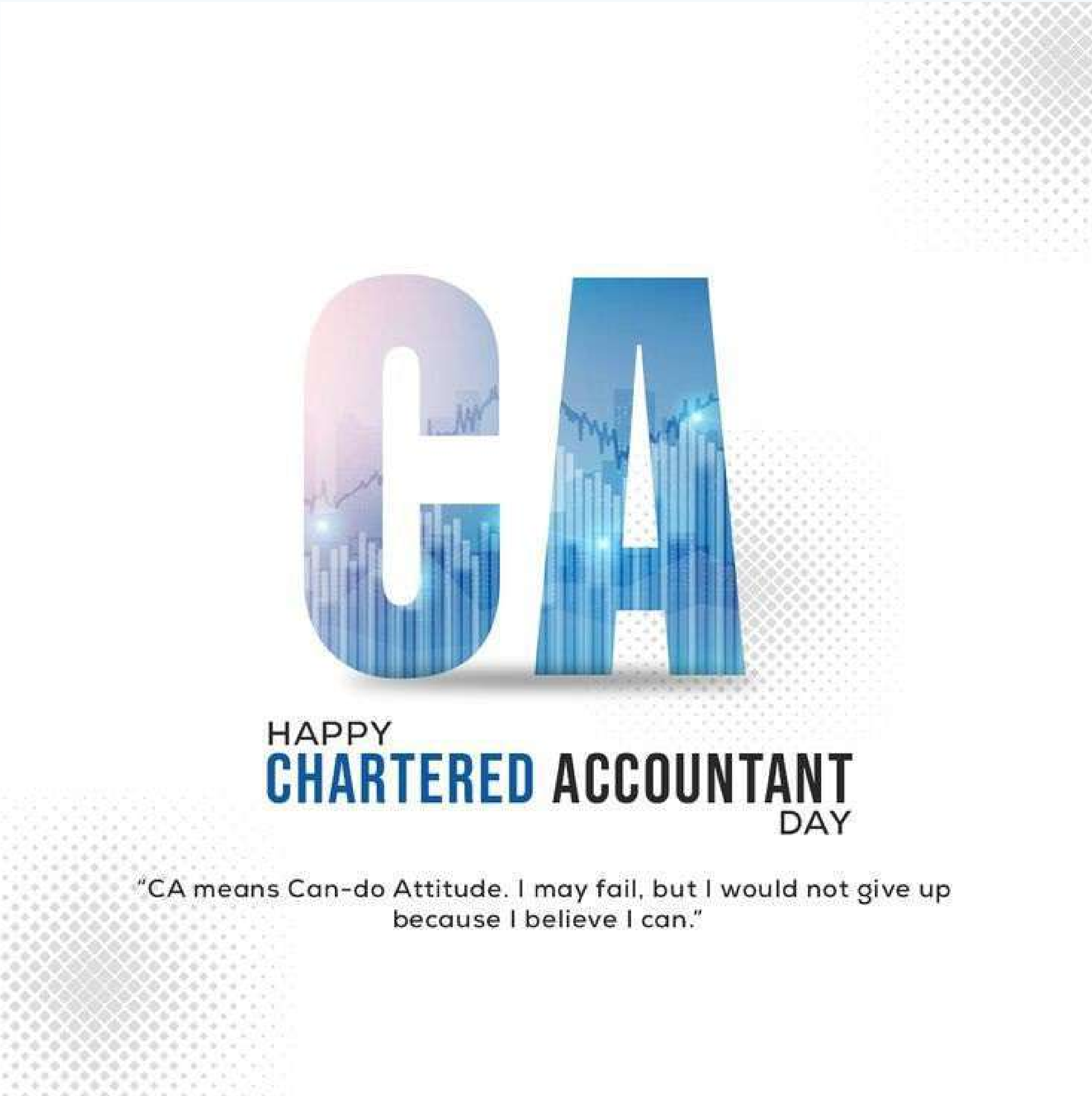
Humans can contemplate, introspect, are curious, can solve problems consciously just for the sake of it and not to ensure survival, humans can be challenged, we consciously want to grow and can set goals and plan and strategise for growth, we can work together and leverage the synergy as a team, we can be consciously good givers and help each other, we can be consciously good and caring leaders, we have an analytical brain which can comprehend mathematics, we have a creative brain which can imagine and create poetry, drawing, literature (and jokes), excellent food, a Burj Khalifa or a mobile or the upcoming AI or anything that falls in the domain of the finest microscopes and telescopes.

The list is endless still. But these are areas where we differentiate from animals. We need to up our self respect and live in these areas. All humans will not have mastery in all domains. But even one area is discovered by the leader (tough one for the leader but that's what they need to be respected for, not their designation), then motivation will be intrinsic. The leader needs to be the torch bearer for every member of his team and help the fellow discover himself.

Albert Einstein, Stephen Hawkings, Steve Jobs, Bill Gates, Dhirubhai Ambani, APJ Abdul Kalam, Kapil Dev, Dhoni, Virat Kohli, ...oh... the list is endless – they never needed extrinsic motivation. It would have been below their dignity to want a carrot to be pushed forward.

They had an engine inside them, they utilised their Being Human aspect.

This aspect is a 'factory settings app'. Just bring it on the home page and start using. You as a leader will help your fellows on this just as you as a parent will need to help your kid in the same too!!



Independent Woman Directors:
A Transition from Legal Obligation to Real Value Creation

Contributed by:
CS. Disha Gatecha

Introduction

The Companies Act, 2013, marked a watershed moment in Indian corporate governance by mandating the inclusion of women directors on company boards. What began as a legal obligation has, over the past decade, evolved into a powerful driver of value creation, transforming boardrooms and corporate outcomes across the country.

Legal Foundation: Companies Act, 2013

Section 149(1) of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, requires every listed company and every public company with a paid-up share capital of ₹100 crore or more, or turnover of ₹300 crore or more, to appoint at least one-woman director.

Section 149(6) further defines the criteria for an independent director, ensuring that such a director including an independent woman director is free from material or pecuniary relationships with the company, its promoters, or management, and is not related to the promoters or directors.

What Makes an Independent Woman Director 'Independent'?

As per the Companies Act, 2013, an independent woman director is distinguished by her:

- **Integrity and Expertise:** She is recognized by the board as a person of integrity with relevant experience.
- **No Promoter or Management Ties:** She is not a promoter or related to promoters or directors of the company, its holding, subsidiary, or associate companies.
- **No Material or Pecuniary Relationship:** She has no significant financial dealings with the company, its promoters, or management in the current or two preceding financial years.
- **No Recent Professional Associations:** She has not been an employee, partner, or proprietor of key firms associated with the company in recent years.

The Rationale for Independent Woman Directors

- **Corporate Governance:** Independent directors act as trustees of good governance, providing unbiased oversight and acting as a bridge between stakeholders and management.
- **Diversity and Value Creation:** Women directors bring diverse perspectives, enhance boardroom discussions, and contribute to better decision-making and stakeholder value.
- **Regulatory Compliance:** The mandate addresses gender disparity and aligns Indian corporate practices with global standards.

Appointment and Tenure

- The board must fill any intermittent vacancy of a woman director within three months or by the next board meeting, whichever is earlier.
- An independent woman director's term is five years, with eligibility for reappointment for another five years.
- The appointment process and tenure are governed by the same rules as other directors, with additional focus on independence and diversity.

The Evolving Role: Beyond Legal Mandate

While the Companies Act, 2013, established the legal foundation, the true impact of independent women directors is realized when companies move beyond mere compliance. When boards embrace the spirit of the law valuing independence and diversity as strategic assets they unlock tangible benefits in governance, innovation, and long-term value creation.

Conclusion

The journey of independent woman directors in India exemplifies a transition from regulatory compulsion to strategic advantage. As companies internalize the value of diversity and independence, independent women directors are poised to play an even greater role in shaping the future of Indian corporate governance delivering not just compliance, but real, sustainable value.

References:

- Companies Act, 2013 (Sections 149(1), 149(6))
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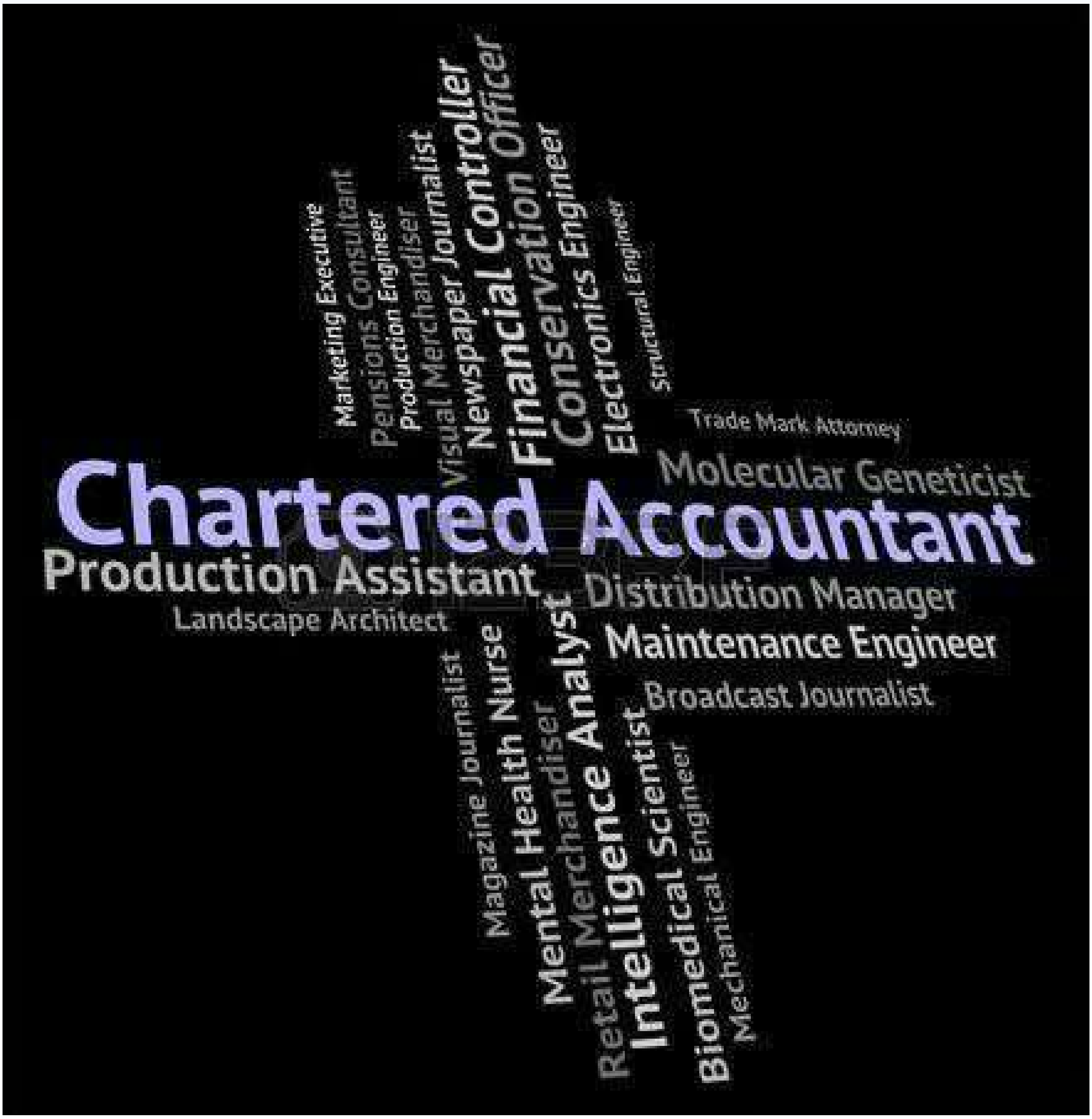


How FP&A Can Drive Topline Growth in SaaS — Not Just Report on It

Contributed by:
CA. Pooja Thakkar

How FP&A Can Drive Topline Growth in SaaS — Not Just Report on It

In many SaaS boardrooms, FP&A is seen as the team that presents "what happened" — budgets, forecasts, variance reports. But in high-performing organizations, FP&A is far more than a reporting engine. It's a **revenue accelerator** hiding in plain sight.

As SaaS businesses chase ARR growth, expansion opportunities, and capital efficiency, the most overlooked lever is often the one closest to home: **Financial Planning & Analysis.**

The Blind Spot: When FP&A Becomes Passive

Let's face it — most SaaS leaders obsess over sales KPIs:

- CAC (Customer Acquisition Cost)
- MRR growth
- Logo count
- Net retention

But without FP&A driving deeper diagnostics, they miss crucial insights like:

- Are we spending too much on low-LTV

segments?

- Is our pricing aligned with actual customer value?
- Can churn reduction outperform new acquisition?

In too many firms, FP&A operates with rearview mirrors. It's time we started installing windshields.

The FP&A Function as a Topline Growth Engine

Here's what forward-looking FP&A leaders do diferently — they treat themselves as **business partners**, not just cost stewards. They ask, "What levers can we pull to grow smarter, faster, and stronger?"

1. **Revenue Scenario Modeling**

By building dynamic scenarios, FP&A helps leadership answer:

- What if we shift GTM focus to mid-market over enterprise?
- What if we pilot pricing changes in APAC before rolling out globally?
- What if churn rises 2% next quarter — how do we offset it? This equips the C-suite to **play offense, not just defense**.

2. **Churn Intelligence**

Not all churn is equal. FP&A helps quantify:

- Which segments are leaking ARR the fastest?
- What's the financial impact of onboarding issues vs. pricing dissatisfaction?
- How much retention ROI can we unlock with targeted CSM efforts?

The result? **More surgical customer success strategy**, focused where the math justifies the effort.

3. **Upsell Pathway Modeling**

Sales teams often pursue expansion by gut feel. FP&A brings the data:

- Which cohorts are most ripe for upsell based on usage patterns?
- What's the average time-to-upgrade per persona?
- How much expansion ARR can we predict if 10% of accounts adopt add-ons?

We move from **reactive cross-sells to proactive revenue orchestration.**

4. **Pricing Optimization Diagnostics**

FP&A can model pricing elasticity and run "what-if" pricing frameworks without risking customer loss:

- A 7% price increase on premium tiers
- A new metered pricing model for power users
- A bundling experiment that preserves margin while increasing adoption

At one client, we modeled a price increase strategy that led to **$2.2M ARR uplift with <1% churn rise**.

That's the kind of **quantified confidence** FP&A provides.

The Mindset Shift: From Reporter to Co-Pilot

We need to evolve the way SaaS firms view FP&A:

X Not: "They'll tell us how we did."

✓ But: "They'll help us decide what to do next."

When finance becomes a co-pilot to the CEO, CRO, and CCO, topline growth stops being a mystery — and starts becoming **a roadmap**.

Closing Thought: FP&A as the Multiverse Navigator

Here's how I see it:

FP&A in SaaS is like a multiverse navigator.

Each decision you model creates a parallel future. Some paths lead to growth. Some to risk.

But only the finance team can map them all — before anyone else steps forward.

And in a world where strategy needs speed, foresight is the new fuel.

Let's not just close books. Let's open possibilities.

#FP&A #SaaSFinance #StrategicGrowth #ARR #PricingStrategy #FinancialLeadership #RevenueIntelligence #LinkedInArticles

CA. Varsha Bhandari

registered under our WIRC Ahmedabad branch, has cleared the ACCA December 2024 examination and achieved the highest mark worldwide, securing the 1st rank globally in the Strategic Professional paper – Strategic Business Leader (SBL) of ACCA.

GST @ 8 Years: India's Journey Towards a Unified,
Transparent Indirect Tax Regime

Contributed by:
CA. Jay Radadiya

Introduction

When the Goods and Services Tax (GST) was introduced in July 2017, it marked one of the boldest tax reforms in India's post-independence history. Designed to unify a fragmented indirect tax structure, GST aimed to streamline compliance, eliminate cascading effects, and create a seamless national market. Eight years later, the reform has not only stood the test of time but also evolved into a more robust, tech-driven, and taxpayer-centric framework.

Today, GST is far more than a tax—it's the backbone of India's formal economy. From e-invoicing to data-driven compliance monitoring, the system has embraced digitalisation to increase transparency, reduce tax evasion, and improve revenue efficiency. Monthly GST collections now consistently cross ₹1.5 lakh crore, reflecting both expanding tax bases and improved compliance mechanisms.

What once seemed like an administrative challenge has gradually transformed into a symbol of India's economic integration. As GST enters its ninth year, it continues to be refined through judicial guidance, legislative clarity, and cooperative decision-making by the GST Council. This journey underscores a quiet but profound shift in India's fiscal landscape—towards predictability, inclusiveness, and growth.

The Expanding GST Ecosystem: Key Numbers

The scale of GST's reach today is remarkable. Over the past eight years:
- More than 1.52 crore taxpayers have been registered under GST.
- Over 161 crore returns have been filed through the GST portal.
- 619 crore+ e-way bills have been generated to facilitate transparent goods movement.
- 2,431 crore invoices have been uploaded, demonstrating the vast extent of digital compliance.

Key Milestones and Reforms

1.Digital Transformation

One of GST's strongest pillars has been its tech-driven design. The GST Network (GSTN) has become the backbone for registration, return filing, refunds, and analytics.

- Introduction of E-invoicing and the Invoice Matching System (IMS) have brought greater accuracy and transparency.
- The auto-population of returns based on e-invoicing has reduced manual errors.
- Introduction of RCM liability/ITC statement

2. Simplification Initiatives

Over the years, procedural simplifications have included:
- Streamlined registration processes, with uniform document requirements proposed for pan-India implementation.
- GST refund procedure simplified
- Introduction of GSTR-1A
- Mechanism for adjustment of amount paid towards demand as pre-deposit

3. Legislative changes

GSTAT Developments

Section 74A – Unified timeline for adjudication under fraud and non-fraud cases

Section 74A, introduced by the Finance (No. 2) Act, 2024, eliminates the distinction between fraud and non-fraud cases at the SCN stage, standardizing and extending the adjudication timelines while retaining the existing penalty provisions

Mandatory ISD registration

- 50th GST Council recommended that ISD is not mandatory as of date
- Circular 199/11/2023 clarified that taxpayers had the option between cross-charge and ISD
- 52nd GST Council recommended that ISD is to be made mandatory prospectively
- The Finance Act 2024 introduced amendments to make ISD mandatory
- Notification No. 16/2024 dated 06 August 2024 made ISD mandatory effective from 1 April 2025
- 55th GST Council meeting recommended further amendments to explicitly include inter-state RCM transactions within the ISD framework, effective from 1 April 2025
- The Finance Act 2025 expanded the scope of ISD provisions to include the distribution of the ITC related to inter-state RCM transactions
- The Finance Act 2024 redefined the concept of ISD by mandating ISD registration for offices receiving input services on behalf of distinct persons and bringing intra-state RCM transactions within its ambit
- The Finance Act 2025 further broadened the scope of ISD provisions to expressly include the distribution of the ITC pertaining to inter-state RCM transactions, effective from 1 April 2025.

4. Challenges & Judicial Developments

A. Input Tax Credit (ITC) on Immovable Property

- The Orissa High Court's 2019 decision in *Safari Retreats* allowed ITC on immovable property.
- However, the Supreme Court upheld the restriction under Section 17(5)(d), except when property qualifies as 'plant' based on the functionality test.
- A retrospective amendment introduced in Finance Act 2025 (not yet notified) may potentially override this judicial relief, sparking concerns about retrospective taxation and legal certainty.

Recently, the review petition filed by the department was dismissed, thereby reaffirming judicial relief on the ITC eligibility.

B. Judicial Interventions

- SC allowed ITC usage for mandatory pre-deposits during appeals.
- SC upheld the validity of arrest provisions under GST laws.
- Several HCs have offered relief in areas like ITC on telecom towers, assignment of leasehold rights, and mutuality principle in club transactions
- SC permits rectification of GST return beyond statutory timeline

5) GST's Economic Impact: A Growing Revenue Base

GST has not only transformed compliance — it has strengthened India's fiscal position:

- In April 2025, India recorded it's highest-ever

GST monthly collection at INR **2.36 lakh crore**, marking a **12.6%** increase over the previous peak.
- GST's **share in total tax collections** has grown steadily — **from 23% in 2017–18** to about **27.5% today**.

6. Persistent Challenges and The Path to GST 2.0

A. Merging GST Rate Slabs
The government may combine the **12% and 18% slabs** into one to simplify the tax structure. This will reduce confusion and make compliance easier.

B. Bringing Fuel Under GST
Petrol, diesel, natural gas, and similar items are still taxed under the old system. Including them in GST would bring uniformity and reduce tax burden on businesses.

C. Tax on Crypto Still Unclear
There's still **no clarity on how to tax cryptocurrencies and digital assets**. The industry is waiting to know if they'll be treated as goods or services—and what the tax rate will be.

D. Special Tax for Luxury & Sin Goods
The GST Council may **introduce a separate higher tax rate** for luxury and demerit goods like tobacco, pan masala, and high-end cars.

E. ITC on Immovable Property
A recent change to **Section 17(5)** affects credit on construction. Businesses are confused about ITC when such property is used for leasing. The matter may go to the Supreme Court.

F. GST Appellate Tribunal Still Pending
The **GSTAT**, which handles tax appeals, is not yet fully operational. As a result, thousands of cases are stuck, and taxpayers are waiting for resolution.

Conclusion: Towards a More Mature GST
From initial teething problems to becoming India's largest indirect tax framework, GST's eight-year journey showcases India's commitment to reform and cooperative federalism. As GST enters its next phase, the focus must remain on balancing enforcement with facilitation, strengthening digital infrastructure, and nurturing a culture of trust and transparency between taxpayers and the administration.
For India's chartered accountants and tax professionals, this evolving GST landscape means more opportunities to guide businesses through compliance, advisory, litigation, and policy advocacy.
GST @ 8 is not just a look back — it is a promise to build on lessons learnt and to realise the vision of a simplified, predictable, and globally competitive indirect tax system.

Contributed by:
CA. Mayur Modha

In the month of June 2025, the Monetary Policy Committee (MPC) in its meeting on June 4 to 6, 2025 following point has been decided to:

- reduce the policy repo rate by 50 basis points (bps) to 5.50 per cent with immediate effect. Consequently, the standing deposit facility (SDF) rate under the liquidity adjustment facility (LAF) shall stand adjusted to 5.25 per cent and the marginal standing facility (MSF) rate and the Bank Rate to 5.75 per cent.

This decision is in consonance with the objective of achieving the medium-term target for consumer price index (CPI) inflation of 4 per cent within a band of +/- 2 per cent, while supporting growth.

There are various Master directions, Master circulars, notifications issued by RBI, Summary and brief understanding of few of them are as under:

Date of issue: 06.06.2025
Master directions/ Master circulars/ notifications No.: RBI/2025-26/47
DOR.CRE.REC.26/21.01.023/2025-26
Applicability: Commercial Banks (including Small Finance Banks, Local Area Banks and Regional Rural Banks, but excluding Payments Banks).

Primary (Urban) Co-operative Banks (UCBs) & Rural Co-operative Banks (RCBs), i.e., State Co-operative Banks (StCBs) and Central Co-operative Banks (CCBs).

All Non-Banking Financial Companies (NBFCs), including Housing Finance Companies (HFCs)
Brief understanding : Reserve Bank of India (Lending Against Gold and Silver Collateral) Directions, 2025:
The Directions, effective from June 6, 2025 (with full compliance by April 1, 2026), aim to standardize and regulate loans backed by gold and silver ornaments or specified coins across banks, NBFCs, and housing finance companies. These directions prohibit lending against bullion and gold ETFs. The permissible loan-to-value (LTV) ratio is capped at 85% for loans up to ₹2.5 lakh, 80% for loans between ₹2.5 lakh and ₹5 lakh, and 75% for loans above ₹5 lakh, with the LTV to be maintained throughout the loan tenure. Only the intrinsic metal value is considered for collateral valuation, based on standardized assaying methods and market prices. Bullet repayment loans for consumption purposes are restricted to a maximum of 12 months. There are limits on collateral quantity per borrower—1 kg for gold ornaments, 10 kg for silver, 50 g for gold coins, and 500 g for silver coins. The directions mandate clear and transparent documentation in the borrower's language, along with an assay certificate. Auctions of collateral must ensure fair value, prohibit lender participation, and return surplus to borrowers within seven days. Compensation is also mandated for delayed return or loss of collateral.

Loans that were sanctioned before the adoption of these Directions by the regulated entities (REs) will continue to be governed by the rules and guidelines that were in force at the time the loan was granted. The new 2025 Directions will not apply retrospectively to such existing loans.

Date of issue: 12.06.2025
Master directions/ Master circulars/ notifications No.: RBI/2025-26/51

DOR.AML.REC.30/14.01.001/2025-26
Applicability: All the Regulated Entities
Brief understanding : Reserve Bank of India (Know Your Customer (KYC)) (Amendment) Directions, 2025:
This direction came into effect on June 12, 2025, and introduced several key changes to the existing KYC framework. One of the major relaxations is that low-risk individual customers are now allowed to continue their account operations and transactions for up to one year after the KYC update due date or until June 30, 2026—whichever is later—without facing restrictions. To enhance accessibility, the amendment also permits the use of Business Correspondents (BCs) to assist customers in updating their KYC. BCs can carry out biometric e-KYC authentication, collect self-declarations or proof of address change in digital or physical form, and submit them to the bank, while the bank remains responsible for compliance and maintaining records.

Further, a structured communication protocol has been mandated to ensure customers are well-informed. Banks must send at least three advance notices before the due date for KYC updates, including one physical letter. If the customer still does not update KYC, three additional reminders—again including one letter—must be issued after the due date. All these communications must clearly explain the process, escalation options, and consequences of non-compliance, and must be recorded in the audit trail. Regulated entities are required to fully implement this communication system by January 1, 2026.

Date of issue: 12.06.2025
Master directions/ Master circulars/ notifications No.: RBI/2025-26/52
DOR.SOG(LEG).REC/32/09.08.024/2025-26
Applicability: All Commercial Banks (including RRBs) and all Co-operative Banks
Brief understanding : Inoperative Accounts/Unclaimed Deposits in Banks – Revised Instructions (Amendment), 2025:

The amendment, issued on June 12, 2025, modifies earlier guidelines related to inoperative accounts and unclaimed deposits under the Depositor Education and Awareness (DEA) Fund Scheme, 2014. As per the existing rules, any deposit account or amount that remains inoperative or unclaimed for 10 years or more must be transferred to the DEA Fund maintained by the RBI.

The 2025 amendment strengthens the process for reactivating such inoperative accounts. Banks are now required to provide KYC update facilities for account reactivation at all branches, including non-home branches. Additionally, banks are encouraged to offer Video-Customer Identification Process (V-CIP) as a method for updating KYC in such accounts, in line with the RBI's Master Direction on KYC. The amendment also allows banks to use Business Correspondents (BCs) to assist customers in reactivating dormant accounts by helping with KYC updates.

These revised instructions are effective immediately and aim to improve access, enhance customer convenience, and reduce the volume of unclaimed deposits.

Date of issue: 12.06.2025
Master directions/ Master circulars/ notifications No.: RBI/2025-26/53
DOR.AML.REC.31/14.01.001/2025-26
Applicability: All the Regulated Entities
Brief understanding : Updation/ Periodic Updation of KYC – Revised Instructions:
The RBI's revised KYC instructions aim to simplify and speed up the KYC updation process, especially for DBT/PMJDY accounts. Banks can now use Business Correspondents (BCs), Aadhaar OTP, and Video KYC (V-CIP) for KYC updates. Self-declarations for "no change" or address updates are allowed via digital and physical modes. Banks must also run special KYC update camps, particularly in rural and semi-urban areas

Date of issue: 19.06.2025
Master directions/ Master circulars/ notifications No.: RBI/2025-26/59
DOR.STR.REC.34/21.04.048/2025-26
Applicability: All Commercial Banks (including Small Finance Banks but excluding Payments Banks, Local Area Banks and Regional Rural Banks)

All Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies)

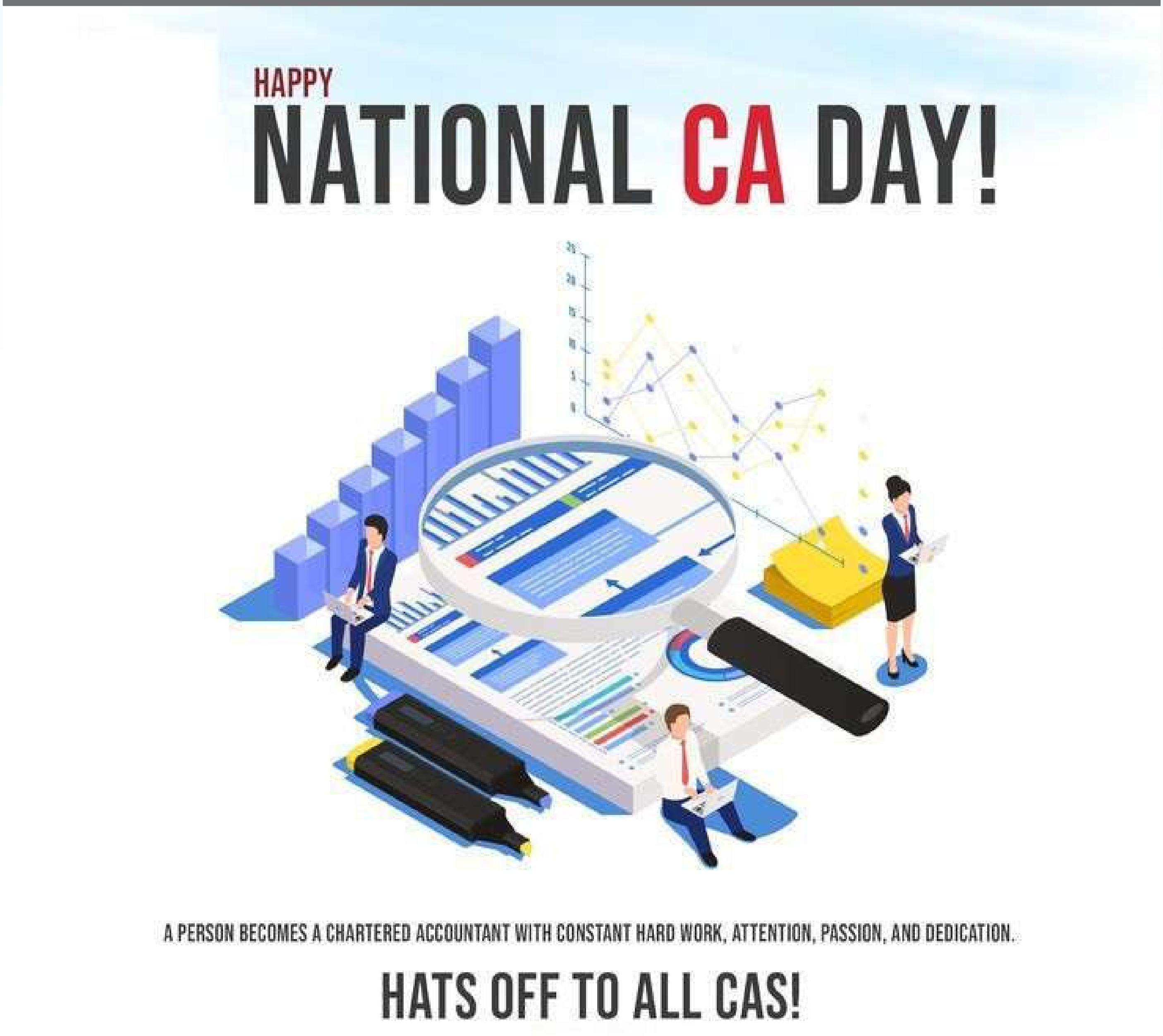
All Primary (Urban) Cooperative Banks

All India Financial Institutions (AIFIs)
Brief understanding :

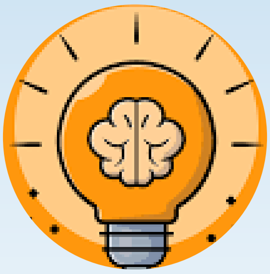
Reserve Bank of India (Project Finance) Directions, 2025:

This Directions, effective from October 1, 2025, introduce a structured, risk-based framework for new project finance loans across banks, NBFCs, and financial institutions. Projects must now follow defined phases—design, construction, and operation—with disbursements linked to milestones. Extensions in completion timelines are allowed up to three years for infrastructure projects and two years for non-infrastructure (including real estate), provided cost overruns stay within 10% and viability is reassessed. Provisioning norms are phase-specific, with higher rates during construction (1%–1.25%) and lower rates post-commissioning (0.4%–1%).

The directions emphasize strict monitoring through independent engineer reports, mandatory project data updates within 15 days, and transparency via disclosures. Lenders are also required to maintain a minimum exposure in large projects (5% of project cost or ₹150 crore). These reforms aim to streamline project lending, ensure accountability, and support timely completion of infrastructure and real estate developments.



Understanding Wills & Nominations
(Secure Your Family's Future with Clarity & Confidence)



Contributed by:
CA. Parag Raval

What is Will:
Legal declaration of a person's wishes regarding the disposal of his or her property or estate after death (specifying how it should be distributed after their death).
It is a written instrument legally executed by which a person makes disposition of his or her estate. This declaration takes effect only upon the testator's death.
Will offers peace of mind and prevents inheritance confusion among heirs.

Parties to the Will:

1. **Testator:**
   A person making the Will. He/she has the power and authority of disposing off the assets as per his wish.
2. **Beneficiaries:**
   All those persons or body of persons or an organization who Benefit from the Will.
3. **Witnesses:**
   The person/s chosen by the testator to countersign the Will. They should also be "disinterested," meaning they aren't related to the testator by blood or marriage.
4. **Executors:**
   Someone trusted by the testator who plays a crucial role in execution of the Will. On demise of the testator, the executors Undertakes the responsibility of executing the wishes and desires of the testator as per the Will. He is responsible for the final Distribution of the estate of the testator as per the Will.

Why the Will Matters

Common Misconceptions
People do not understand importance of the Will – many myths & misunderstandings prevails.

Without a Will
Assets are often misused; Family conflicts, disputes, and tragedies arise. Even sometimes results in fights and murders. Often, family members may be unaware of the full extent of the deceased's assets, making it difficult for them to manage or access them after their death. When multiple legal heirs are involved and no will exists, it can lead to significant complications and disputes.

With a Will
Your wishes are honored; disputes are reduced significantly.

A. Legal Framework – If a person dies with the Will

1. **Indian Succession Act, 1925**
   Applies to Hindus, Jains, Sikhs, Christians, Buddhists, Jews, Parsis.
2. **The Muslim Personal Laws (Shariyat) Act, 1937**
   Governs Muslims' asset distribution after death with the will.

B. Legal Framework – If a person dies without the Will

1. **Hindu Succession Act, 1956**
   Applies to Hindus, Jains, Sikhs, Buddhists dying intestate.
2. **Indian Succession Act, 1925**
   Applies to Christians, Jews, Parsis without the will.
3. **Muslim Personal Laws (Shariyat) Act, 1937**
   Governs Muslims without a will on inheritance matters.

Outcome
Assets are distributed as per the applicable legal provisions. If an individual wishes to avoid the default

distribution under the Hindu Succession Act, it is essential to draft a will. The distribution of their property will occur according to these legal provisions, potentially against their wishes.

Who Should Make the Will?

1. Every Asset Owner. All adults who own assets should prepare the will.
2. Uncertain Future. Death is certain; planning is always wise.
3. Myth Busting – Wills are not only for the wealthy.
4. Way by Will – Will decides who will own your assets after your death (preferential inheritance).

Benefits of making the Will :

1. Protects family and dependents like Father, Mother, Spouse, Children.
2. Specifies who will receive your possessions.
3. Names responsible individuals to carry out your wishes.
4. Your intentions become clear and legally recognized.
5. Fulfillment of your post death desires, Body/organ donation.
6. To name who will take care of your children & dependents.

Key Information to Include in the Will :

1. Full Name, Age, Birth date, Address, Father's Name.
2. Date of Will.
3. Namess of Executors, Address, Age, Relation.
4. List of all Immovable & Movable Assets.
5. Reason/s for making the Will (Old age, Illness).
6. Signature of testator.
7. Names & Signature of minimum two witnesses.
8. Specify distribution of assets.
9. Names of beneficiaries & relation.

Moveable Assets to Mention in the Will

1. Bank accounts (savings, current, loans).
2. Safe deposit lockers (at Bank or other places).
3. Fixed Deposits with Bank, Post Office, Companies, etc.
4. PPF / EPF Account.
5. Investment in Mutual Funds, Bonds, NSC, etc.
6. Investment in Shares & other securities.
7. Life insurance policies.
8. Gold, silver, diamonds, ornaments, etc.
9. Advances made.
10. Digital accounts passwords and access information (Computer, Mobile, Social media, etc.)

Common Mistakes to Avoid

1. No nomination in Bank Accounts, FDs & other investments.
2. No nomination or no change in nomination despite death of nominee.
3. Important documents or receipts – stored at place unknown to all – not handy or easily accessible.
4. Relying on verbal wishes instead of written instructions.
5. Non-registration of Will despite knowing all chances of disputes in family and challenge to will.
6. Inadequate asset description & its location.
7. Confusing method of asset allocation – leading more interpretations.
8. Appointing beneficiaries as executors.
9. Failing to appoint guardians for minor beneficiaries.
10. Not updating Will after significant changes in assets.
11. There is no prescribed format of a Will.
12. Wil is a male's prerogative, no female can prepare it.

Understanding Useful Information About Wills

1. It can be prepared only by a competent person – (adult, sound mind).
2. Will can be prepared of an asset either you have produced or received from HUF or received by inheritance. Once partitioned, it becomes self-acquired property and can be willed to anyone.

   A testator can only dispose of by a will property over which he has absolute ownership. This is also called self-acquired property.

3. You have a right to determine allocation of assets you own as mentioned in (2) above.
4. Assets produced by you or interest in assets of HUF can be mentioned in the Will.
5. Will gets triggered only after your death. Till death you can enjoy your assets freely. Will always speaks from the *death of the testator.*
6. Will can be changed/amended end

number of times. Will of the latest date shall be considered as final.

7. Will with the latest date shall prevail. All earlier Will become null and void automatically.
8. Modifications/changes in Will can be carried out through Codicil. No need to prepare the Will afresh.
9. Will can be prepared on plain paper. No need for Stamp Paper or Legal Paper. A will written on a simple piece of paper also derives legal value being a will. No Stamp Duty.
10. The signature of the creator should be in the presence of two witnesses. It is not necessary that witnesses should be aware of the contents of Will or have read the Will.
11. As far as possible, the beneficiary of the Will should not act as witness. This will prevent unnecessary disputes.
12. Will should be prepared in simple and clear language. No need for legal language. The desires of the preparer should be crystal clear (***unambiguous)***. The language should not lead to more than one interpretation. It should be free from Patent and Latent Ambiguities.
13. It is advisable that the creator signs each page of the Will.
14. Will can be prepared, changed or amended any number of times. The date will decide the finality of the Will.
15. In case of correction or overwriting, the preparer should sign in the margin nearby. If multiple corrections or alterations, it is ideal to go for the Will anew.
16. Registration or listing of Will is not mandatory. However, Registration of the Will is most desirable if there are enough reasons that:

    (i) dispute is going to arise in future.

    (ii) validity of the Will is going to be challenged; and

    (iii) in case of property transfer, sometimes the registrar demands a registered Will.

    Sometimes Will is presented before the Notary for notarization. However, Registration is the most secured path as **it has more evidentiary value.**

    In the case of **Ishwardeo Narain Singh vs Sm. Kamta Devi and Ors.** AIR 1954 SC 280, 1953 (1) BLIR 690, it was held by the **Supreme Court** that non-registration of the will cannot be held as a reason for the invalidity of the will.
17. The signature of the Testator and Witnesses at the end of the Will is the conclusive proof of its validity. However, to prove that creator has signed in good mental state, a certificate from the Doctor should also be obtained and attached with the Will.
18. In the case of future transfer of Immovable assets, Registered Will plays a vital role.
19. The appointment of two executors will help a lot. They are the heroes who will execute your wishes.
20. When Will is modified using Codicil, ensure that Will and Codicil are placed along. joint name. This will save legal heirs from possible troubles.
21. If a person dies of intestate, legal heirs have to pass through long and expensive procedures to own your assets. Probate or Succession certificate has to be obtained from the Court.
22. Appointing nominee for all your movable and immovable assets will rescue your loved ones from hardships.
23. If the deceased person has a second wife, legally wedded after the first wife's divorce or death, she will also be considered a legal heir. Her children and the first wife's children will also be regarded as legal heirs of the deceased. Children born out of wedlock are also legal heirs.
24. Mere use of the word "will" cannot make it a "will" if it does not amount to a testamentary declaration of disposing of the property.
25. Every will shall be revoked by the marriage of the maker because marriage creates huge change in the testator's condition with new obligations and duties.

Other important considerations

1. Any person who commits murder or abets the murder shall be disqualified from receiving any form of inheritance from the victim.
2. Full Blood is always preferred to Half Blood. Say 1st wife died. Remarriage happened. Legal heirs from 1st marriage are called Full Blood, whereas from the 2nd marriage is called the Half Blood. Step-children, either male or female, do not have rights to the parent's property.

3. If a person converts from Hinduism, he/she is still eligible for inheritance, but his/her descendants are disqualified for inheritance.
4. A child in the womb at the time of death of an intestate shall have the right to inherit (if the child is subsequently born alive).
5. Widow remarrying is entitled to inherit as widow.
6. No person shall be disqualified from succeeding in any property on the grounds of any disease, defect or deformity etc.
7. Daughters have equal rights by birth in coparcenary property of a Joint Hindu Family.

Who Are Considered Legal Heirs?

1. Spouse of the deceased
2. Son of the deceased
3. Daughter of the deceased
4. Father of the deceased
5. Mother of the deceased

Essential Documents Your Family Should Know

1. Original copy of the Will.
2. Original copy of Insurance Policies.
3. Original copy of Property Documents.
4. Original copy of various documents/certificates like Birth Certificate, Marriage Certificate, Domicile Certificate, Aadhar Card, PAN Card, Passport etc.
5. Important agreements.
6. Original copy of Investment papers.

Additional Family Knowledge for Estate Management

1. Details of all Bank Accounts and Fixed Deposits.
2. Details of all Safe Deposit Lockers.
3. Details of all Demat Accounts and joint holders.
4. Details of all ATM Cards/Debit Cards/Credit Cards.
5. Details of Power of Attorney, if any.
6. Details of Debts and Liabilities (like guarantee for loan/borrowing).
7. Details of Advances/Debtors/Collectibles.
8. Details of Membership of various Benevolent Fund, Mutual Benefit Scheme, Social Security Schemes from where fund or benefit will flow post death.

Intestate Succession: When a Hindu Male Dies without the Will:

Class – I Heirs

1. Properties of the deceased will be divided equally between:

1 Mother
2 Widow
3 Son/Daughter

2. If above relationship doesn't exists or they have died, Properties of the deceased will be divided equally between:

1 Widow of Pre-Deceased Son
2 Son / Daughter of Pre-Deceased Son
3 Son / Daughter of Pre-Deceased Daughter

3. If above relationship doesn't exists or they have died, Properties of the deceased will be divided equally between:

1 Son/Daughter of Pre-Deceased Son of Pre-Deceased Son
2 Widow of Pre-Deceased Son of Pre-Deceased Son

4. If above relationship doesn't exists or they have died, Properties of the deceased will be divided equally between:

1 Son of Pre-Deceased Daughter of a Pre-Deceased Daughter
2 Daughter of Pre-Deceased Daughter of a Pre-Deceased Daughter
3 Daughter of Pre-Deceased Son of a Pre-Deceased Daughter
4 Daughter of Pre-Deceased Daughter of a Pre-Deceased Son

Class – II Heirs

1. If any of relationship mentioned in Class – I do not exist or they have died, the property shall be distributed to following persons (in the order) fully if they are alive:

1 Father
2 Son's Daughter's Son / Daughter, Brother & Sister
3 Daughter's Son's Son / Daughter, Daughter's Daughters' Son/Daughter
4 Brother's Son / Daughter & Sister's Son / Daughter
5 Father's Parents
6 Father's Widow & Brother's Widow

7 Father's Brother / Sister
8 Mother's Parents
9 Mother's Brother / Sister

Notes on Relationship

Reference to "Brother" or "Sister" excludes reference to brother or sister by uterine blood.

Intestate Succession: When a Hindu Female Dies Without the Will:

Her property shall be distributed to following persons (in the order) fully if they are alive:

1 Sons and daughters (including the children of any pre-deceased son or daughter) and Husband
2 Heirs of the Husband
3 Mother and Father
4 Heirs of the Father
5 Heirs of the Mother

Note:

1. **Inheritance from Parent's Side**
   If a Hindu female dies intestate without children or any pre-deceased children, property inherited to her from her parents, reverts to her natal family, not her husband.
2. **Inheritance from Husband's Side**
   Conversely, property inherited from her husband or father-in-law devolves upon the heirs of her husband, respecting distinct familial sources of property under Hindu law.

Responsibilities of Legal Heirs

1. Execution of the Will, if exists.
2. Settlement of debts of the deceased.
3. Cancellation of PAN, GSTN, Profession Tax No. etc.
4. Filing Income Tax Return as per Sec. 159 of the I-T Act, 1961.
5. Transfer of assets of the deceased.
6. Claim of retirement benefits, Social Security Scheme etc.
7. Change of names in all movable & immovable properties.

Supreme Court: Nominee versus Legal Heirs

1. **Case Overview:**
   A family dispute arose where a father, through his will, bequeathed shares and debentures to one son, leading to a disagreement with the other son who was appointed as the nominee.
2. **Citation:**
   The SC in Shakti Yezdani & Anr. v. Jayanand Jayant Salgaonkar & Ors. (Civil Appeal No. 7107 of 2017) on 14/12/2023 clarified the legal standing of nominees concerning shares and debentures.
3. **Nominee's Role Clarified**
   The Court confirmed that a nominee holds shares or securities not as an absolute owner but in a fiduciary capacity, acting as custodian until rightful heirs are determined, preserving the inheritance process.
4. **Succession Laws Take Precedence**
   The Court emphasized that the rights of legal heirs under wills or Hindu Succession Act prevail over any nominee's claim.
5. **Meaning of 'Vest'**
   The term "vest" in Companies Act provisions facilitates share transmission but doesn't confer ownership to nominees, protecting legal heirs' succession rights.
6. **Purpose of Nomination**
   Nomination ensures smooth transfer in companies upon shareholder's death but does not create a separate succession mode or override pre-existing inheritance laws.

Real life example: I learnt after sudden death of my husband

We always believe we will live forever. Bad things always happen to others. Only when things hit us bang on your head you realise... Life is so unpredictable.... My husband was an IT guy...all techie...And I am a chartered accountant... Awesome combination you may think...

Techie guy so everything is on his laptop...his to do list... his e-bill and his bank statements in his email... ... He even maintained a folder which said IMPWDS...wherein he stored all login id and passwords for all his online accounts...And even his laptop had a password... Techie guy so all the passwords were alpha-numeric with a special character not an easy one to crack...Office policy said passwords needed to be changed every 30 days...So every time I accessed his laptop I would realise it's a new password again... I would simply opt for asking him 'What's the latest password' instead of taking the strain to memorise it.

You may think me being a Chartered Accountant would means everything is documented and filed properly... Alas many of my chartered accountant friends would agree that the precision we follow with our office documents and papers do not flow in to day to day home life... At office you have be epitome of

Reliability / Competent / Diligent etc but… at home front there is always a tomorrow…
One fine morning my hubby expired in a bike accident on his way home from office…. He was just 33…His laptop with all his data crashed…everything on his hard disk wiped off…No folder of IMPWDS to refer back to…His mobile with all the numbers on it was smashed…But that was just the beginning… I realised I had lot to learn…
9 years married to one of the best human beings…with no kids…just the two of us to fall back on….but now I stood all alone and lost…
Being chartered accountant helped in more ways than one but it was not enough… I needed help…His saving bank accounts, his salary bank accounts had no nominee…On his insurance his mom was the nominee and it was almost 2 years back she had expired… but this was just a start…. I didn't know the password to his email account where all his e-bill came…I didn't know which expenses he paid by standing instructions…

His office front too was not easy… His department had changed recently…I didn't know his reporting boss name to start with…when had he last claimed his shift allowance…his mobile reimbursement…
The house we bought with all the excitement…on a loan…thought with our joint salary we could afford the EMI…when the home loans guys suggested insurance on the loan…we decided that instead of paying the premium the difference in the EMI on account of the insurance could be used pay towards prepayment of the loan and get the tenure down…We never thought what we would do if we have to live on a single salary…So now there was huge EMI to look into …
I realised I was in for a long haul…
Road accident case… so everywhere I needed a Death certificate, FIR report, Post Mortem report… For everything there were forms running into pages…indemnity bonds…notary…surety to stand up for you…No objections certificates from your co-heirs..

I learnt other than your house, your land … your car, your bike are also your property... So what if you are the joint owner of the flat…you don't become the owner just because your hubby is no more… So what if your hubby expired in the bike accident…and you are the nominee but if the bike is in a repairable condition …you have to get the bike transferred in your name to claim the insurance…And that was again not easy… the bike or car cannot be transferred in your name without going through a set of legal documents… Getting a Succession Certificate is another battle all together…
Then came the time you realise now you have to start changing all the bills, assets in your name…Your gas connection, electricity meter, your own house, your car, your investments and all sundries… And then change all the nominations where your own investments are concerned…And again a start of a new set of paperwork…
To say I was shaken…my whole life had just turned upside down was an understatement… You realise you don't have time to morn and grieve for the person with whom you spend the best years of your life… because you are busy sorting all the paper work…
I realised then how much I took life for granted…I thought being a chartered accountant I am undergoing so many difficulties…what would have happened to someone who was house maker who wouldn't understand this legal hotchpotch…

A sweet friend then told me dear this was not an end…you have no kids…your assets will be for all who stand to claim…**after my hubby's sudden death…I realised it was time I took life more seriously… I now needed to make a Will… I would have laughed if a few months back if he had asked me to make one…But now life had taken a twist…**
Lessons learnt this hard way were meant to be shared…After all why should the people whom we love the most suffer after we are no more…Sorting some paperwork before we go will at least ease some of their grief…

1. Check all your nominations...

It's a usual practice to put a name (i.e in the first place if you have mentioned it) and royally forget about it. Most of us have named our parent as a nominee for investments, bank accounts opened before marriage. We have not changed the same even years after they are no longer there with us. Even your salary account usually has no nomination…. Kindly check all your Nominations…

- Bank Accounts
- Fixed Deposits
- NSC
- Bank Lockers
- Demat Accounts
- Insurance (Life, Bike or Car or Property)
- Investments
- PF & Pension Forms

2. Passwords….

We have passwords for practically everything… Email accounts, Bank accounts, even for the laptop you use… What happens when your next in kin cannot access any of these simply because they do not know your password... **Put it down on a paper**…

3. Investments…

Every year for tax purpose we do investments… Do we maintain a excel sheet about it… If so, is it on the same laptop of which the password you had not shared… Where are those physical investments' hard copy…

4. Will…

Make a Will…I know you will smile even I would…had I not gone through all what I did… Will would have made my life lot easier…a lot less paperwork…I wouldn't had to provide an indemnity bond, get it notarised, ask surety to stand up, no objection certificates from others...

5. Liabilities…

When you take a loan say for your house or car…Check out on all the what ifs…what if I am not there tomorrow…what if I lose my job…Will the EMI still be within my range…If not get an insurance on the loan…The people left behind will not have to worry on something as basic as their own house…

My battles have just begun...But let us at least try and make few changes so that our loved ones would not suffer after we go…We do not know……

Event in Images

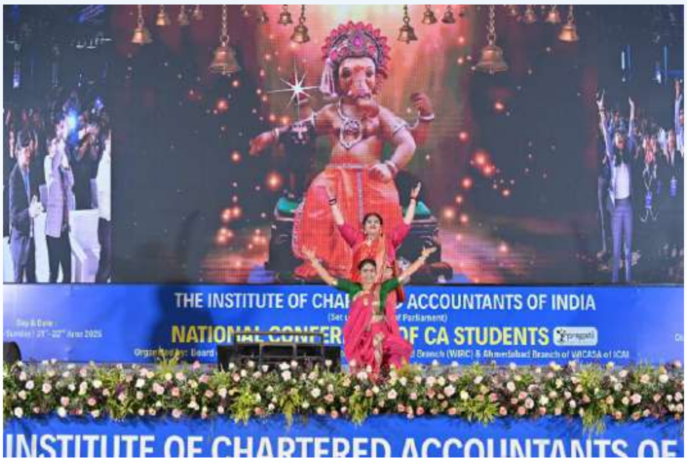
NATIONAL TAXCONVENTION 2025 ON 6th & 7th JUNE 2025

STAKEHOLDER AWARENESS ON ANNUAL FILING OF REVISED FORMS AOC-4,MGT-7 & OTHER FORMS UNDER MCA21-V3 ON 09-06-2025

SEMINAR ON AUDIT QUALITY ASPECTS ON 14-06-2025

11th INTERNATIONAL DAY OF YOGA ON 21-06-2025

NATIONAL CONFERENCE OF CA STUDENTS ON 21 & 22-06-2025

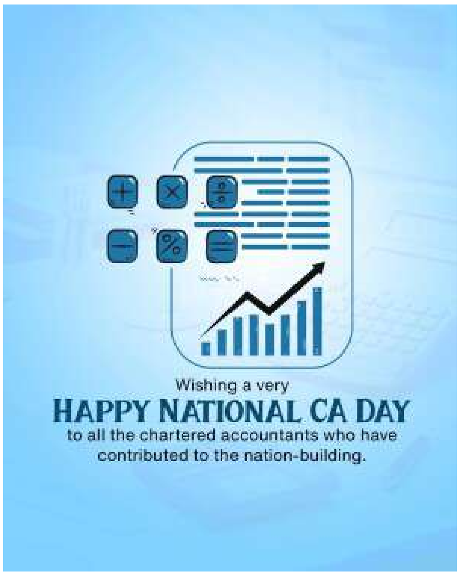


NATIONAL CONFERENCE OF CA STUDENTS ON 21 & 22-06-2025

RRC ON PRACTICE SUMMIT 1.0 ON 27-06-2025

SEMINAR ON MSME ON 27-06-2025

SEMINAR ON ANTI-MONEY LAUNDERING LAW ON 28-06-2025



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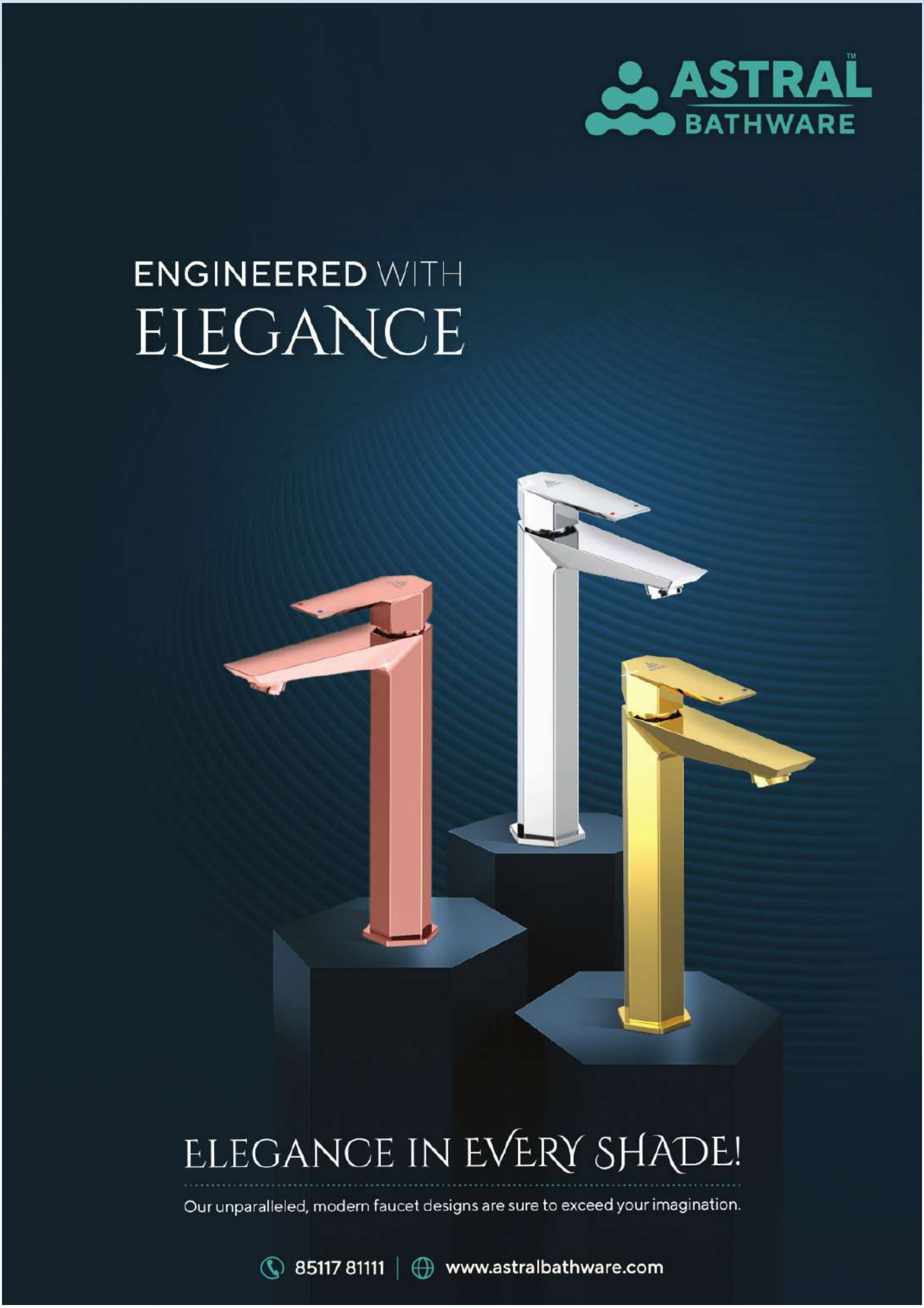
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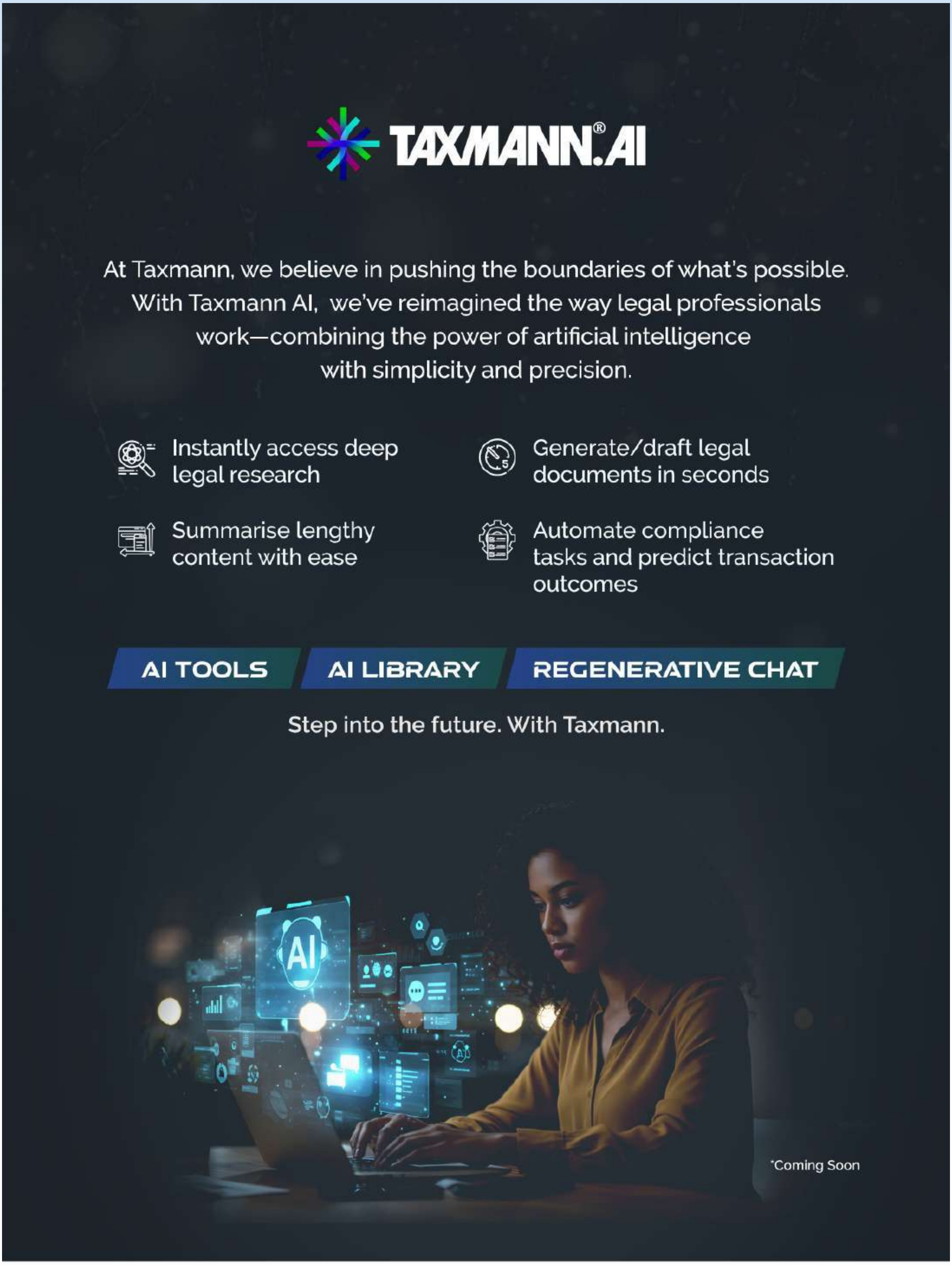
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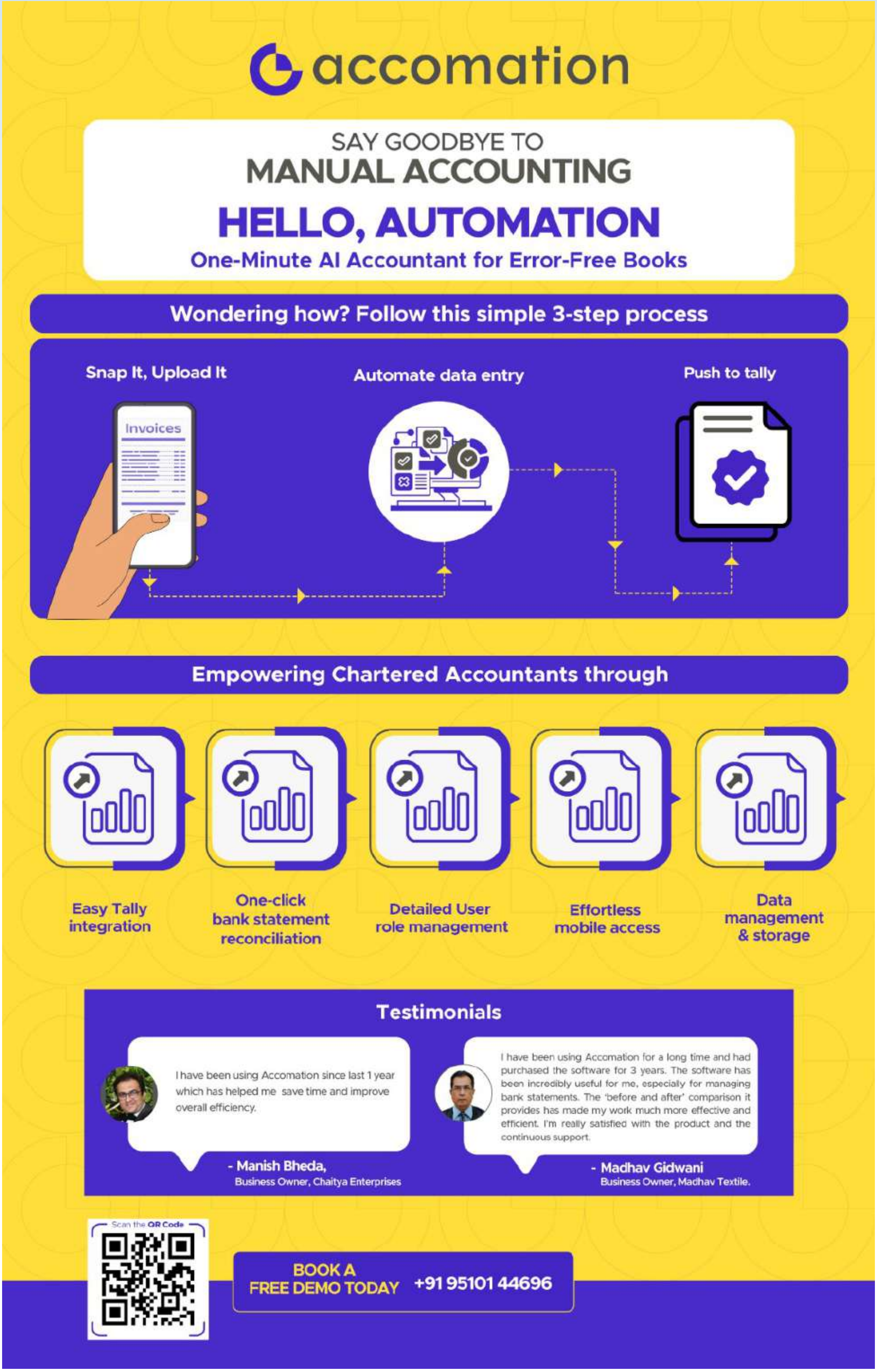
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