



AHMEDABAD BRANCH OF WICASA

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NEWSLETTER FOR THE MONTH OF JUNE, 2020

WICASA COMMITTEE

1. CA. Fenil Shah, Chairman,
Ahmedabad Branch of WIRC.
2. CA. Anjali Choksi, Chairperson,
Ahmedabad Branch of WICASA.
3. Mr. Keval Trivedi, Vice-Chairman,
Ahmedabad Branch of WICASA.
4. Mr. Harsh Jain, Secretary,
Ahmedabad Branch of WICASA.
5. Mr. Karan Panchal, Treasurer,
Ahmedabad Branch of WICASA.
6. Mr. Rahul Nuval, MCM, Ahmedabad
Branch of WICASA.
7. Mr. Harsh Parikh, MCM, Ahmedabad
Branch of WICASA.
8. Mr. Mahendiraza Bhimani, MCM,
Ahmedabad Branch of WICASA.



CA. Fenil Shah



CA. Anjali Choksi



Mr. Keval
Trivedi



Mr. Harsh Jain



Mr. Karan
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Mr. Ra
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Mr. Harsh
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MESSAGE FROM CHAIRMAN, AHMEDABAD BRANCH OF WIRC OF ICAI

Dear Professional Colleagues,

Warm Greetings from CA. Fenil Shah!

**"We must accept FINITE Dis-appointment,
but we must never lose INFINITE Hope"**

Students someone very rightly quoted the above lines and in that reference, believe me, in this tough times we have to face the challenges and have to play a pivotal role to overcome from such situation not only on personal front but also in your journey of professional education and also helping society to the extend possible. Unprecedented situation posed by COVID-19 lockdown needs to be dealt with such persistent influence and discipline. With the same fighting spirit that we have shown as a country, our mother Institute ICAI and your Ahmedabad Branch of WICASA has proactively responded to the challenges of COVID-19 pandemic faced by accountancy profession. Amidst the chaos caused by the life-threatening global pandemic - COVID-19, we initiated several enabling measures and initiatives, keeping in

mind the larger benefit of its members and students.

I would like to bring to your notice following Initiatives of ICAI for you my dear Students:

1] ICAI has Earmarked 100 crores for enhanced scholarship so that we can double the existing scholarship beneficiaries.

2] Allowed provisional admission to Foundation course to Class XII students on the basis of admit card/appearance in a few papers of class XII examination conducted by CBSE/ICSE/State Board.

3] Treated physical absence from training as part of articulated training for those articulated assistants who were on work on the day lock down was announced.

4] Considering hardship caused to the students due to restricted physical movement of papers, allowed submitting all application forms by students till 30th June 2020 without any condonation fee if its effective date falls under March to May 2020.

5] A large number of application forms of members and students have been processed through online facility given at SSP.

6] Provided Virtual AICITSS (Adv.IT/MCS) platform for Already passed CA students to complete afore stated Adv.IT/MCS training and making them eligible to take ICAI membership.

b. To facilitate students who are yet to appear in July 2020 & November, 2020 Final Exam to undergo MCS Course and Adv.IT through Virtual Platform.

c. Further proposal to reduce the fee of ITT/GMCS in virtual mode is under discussion.

7] E-books on digital learning hub to bridge distance learning gap and also E-capsules for facilitating quick revision.



8] Online Mock Tests of students who would be appearing for the forthcoming July examination.

9] Developed Industrial Training Portal which will facilitate our students to enhance their capabilities.

Various steps and initiatives undertaken has been widely acknowledged and appreciated by one and all. With our consistent efforts, and timely response, we are able to reach and connect with the Students. During this times Branch is also to come up with more Webinars & other Initiatives to ensure that Students remain in-tune with the updates and can make the best of this time to sharpen their knowledge and skills base. Till then I request all members & students to remain at home.



Stay Home.
Stay Safe.
Stay Updated.

Stay Happy. Thanks & Regards,

CA. Fenil Shah

Chairman,

Ahmedabad Branch of WIRC of ICAI



Hope to see you all soon after the end of this world pandemic. Stay Healthy and Safe.

Thanking you,

Dr CA Anjali Choksi

Chairperson,

Ahmedabad Branch of WICASA

MESSAGE FROM CHAIRPERSON, WICASA

Dear Students,

Greetings of the Day!!



With COVID-19 entering into Lockdown 4.00, your offices must have started and you will be adjusting to the old, but appearing new now, your own office. Change is inevitable

and we should keep moving to survive in this sudden change in the world. We should equip ourselves with the new skills to survive better in the post covid world.

“THE PURSUIT OF LEARNING AND A BETTER VERSION OF YOU NEVER ENDS”

WICASA completed five weeks of CA Students Development program on a very positive note with a good participation and support from the students. I congratulate all the students for their participation and using this wonderful platform for personal and professional development.

“SUCCESS BOILS DOWN TO CHOOSING THE PAIN OF DISCIPLINE OVER THE EASE OF DISTRACTION”

FROM THE COMMITTEE'S INK

Dear Friends,

Hope you all are safe.

The lockdown is almost going to be over on 1st June, but don't worry we are coming with more events with our Ahmedabad WICASA Team. Also We wish everyone to take part in various activities organised by us. We are thankful to every student for supporting us and making our efforts for you a great success.

then I also request Students to send their Articles for the Newsletter on WICASAAHMEDABAD@ICAI.ORG. Writing articles for the newsletter will not only improve your presentation skills but will also improve writing skills.

With this I would like to conclude and extend my gratitude for your support to the Ahmedabad WICASA.

Best Regards,

Keval N. Trivedi,

Vice-Chairman & Co-editor,

Ahmedabad Branch of WICASA



FROM THE COMMITTEE'S INK

Dear students,

I wish everyone is healthy and safe in these days of global pandemic. It's already two months being in lockdown Dear students,

I wish everyone is healthy and safe in these days of global pandemic. It's already two months being in lockdown it's now going to be over. we will continue to organise more and more events and the activities.

Congratulations to all the students who sent us their articles and are published in our monthly newsletter. Students can now send their articles to get them published in the upcoming month's newsletter. Hoping all the students to stay active, keep participating and keep supporting.

Thanks & Regards,

Mr. Harsh Jain

Secretary & Co-editor,

Ahmedabad Branch of WICASA.



DESIGNING FAILURE

Designing failure! How unique it sounds!

People always say that *failure is a good teacher*, we can learn a lot from it! No teacher is bigger than the failure itself. But **why we cannot design failures intentionally?** You created a super-difficult test and try to attempt,

you already know the pitfalls. You create a treasure hunt by yourself and you're are the player, won't you know where all the things are hidden and what clues will lead to what next item! You create a maze to solve it by yourself!

Meaningless, isn't it?

Do you see, why it is difficult to design? Because of the **maker-checker problem**. The **maker or creator of something cannot become its checker since (s)he cannot find his/her own faults!**

These rules out our first possibility to learn from failure by intentionally designing it. *Sad though!*

Why don't we wait for failure to happen?

There is nothing which can stop you from waiting for a failure to happen. You didn't study the entire session intentionally and now you are provided with no option but to repeat the semester. Isn't it crazy?

While you understood the repercussions of failure, you still let it happen? Will you still call yourself a person of sound mind?

See, my friend, **understanding the fact that, sitting idle and letting failure happen to realize the correct thing is not a good idea, in itself, is an achievement.** *(Please read the last line again and if don't understand, then read again. Please don't proceed ahead before that!).* You are ahead of yourself! You are ahead of time! You are ahead of the version which was going to let that failure happen.

In simple words, we **cannot wait for failure to happen because we already realized that failure will bring agony to mind and not lesson, if we wait for it intentionally!**

Now, this rules out the second possibility to learn from failure by waiting for it to happen. *Sad again! So, what is the trick?*

Preparing well-in-advance is my trick!

There are 2 widespread mentalities for completing tasks.

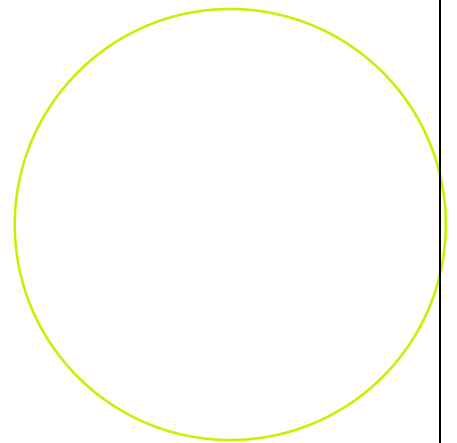
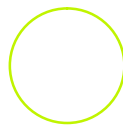
People who shut the door after the horse is stolen (**Aag lagne par kuan khodna**). Our generation believes in doing things at rush hour. Truly speaking, there exists people who are more effective and efficient in pressure. But not everyone. So, there comes the people who prefer doing at least a little work/study in advance. These people estimate the amount of efforts and mental trauma they would face if they do it at the end time.

Nobody is a failure, it is just one more chance given, to make oneself perfect! Personally, I prefer *preparing well-in- advance to prevent unwanted surprises and to keep a buffer for additional content or end-minute necessary tasks!*

Choosing your own best way is your decision. Please don't wait or try to intentionally design failure. *It may provide you a great learning, but with a cost of agony to mind!* **More risk, more reward, but calculated risk, substantial rewards!**

Sarthak Sarda

CA Final Student



IS DRESS CODE MATTERS FOR CAREER?

"It's Your Personal Brand"

The quality of your work might be the most important thing but your appearance also leaves an immediate impression on your colleagues, including management. In the professional world, your first impression will last. Dressing well will not only increase your self-confidence but it will also impress and attract other people.

When we look polished and professional, people are more likely to trust us and instill confidence in our work. People take you seriously if you are dressed sensibly. Remember no one likes to speak to an individual who does not know how to carry himself/herself.

Proper grooming and professional appearance are important to gain not just positive impression but also respect in the workplace. If you wanted to establish a credible and respectful image, you need to dress conservatively in the office.

You need to consider how others will perceive you based on your outer appearance.

First Impressions Matter. Perception Matters"

If you're unwilling to present yourself as a professional, it could bleed into your work and other's perceptions of you as an employee.

Corporate dressing helps you develop a magnetic personality which attracts other individuals. You need to have that charisma and dressing formally helps you in the same.

If you want to maintain a professional image, you need to ensure that your clothes are well maintained, fit properly, and aren't too flashy or worn

Wearing ill-fitting clothes – whether too tight or too loose or unsuitable for your body type – should always be avoided. If you are uncomfortable, it will make your work day truly awful

LOOK GOOD, FEEL BETTER"

There are times when we all feel less confident about ourselves or our abilities, but dressing well, especially within a professional environment, elevates our confidence

ICAI is one of the most respectful accounting body worldwide. To become a part of it, you should learn basic attire. 15 days of orientation course and MCS course help articles to learn professional life. Helps to familiar with formals

SOME POINTS TO BE REMEMBER

- It is not always necessary to wear expensive clothes rather wear something which looks good on you. Remember that it is very important to make a good impression but you are also going there to learn not to show off
- You can wear plain and solid colour shirt tucked in dark colour skirts or formal pants or tailored pants with plain shirts. Shoes, wedges or heels work perfectly with formal wears.
- If your role demands you to be in touch with clients directly then you would want to dress formally.

- Make sure to groom yourself, regularly.

Do not step out of home unless you see yourself in the mirror

MEN



- Men usually have fewer options when it comes to clothes. But a lot of things need to be taken care of in their appearance and grooming
- it's recommended to have a clean shave with well-trimmed hair.
- That along with crisp shirt and trousers with polished shoes
- Wear business suits in basic colors.
- Hair should be neatly combed and kept short. Spikes hairstyle looks good only parties.



WOMEN



- The make and style of your outfit should be simple and not overtly used
- Wear light perfume and cologne and minimize using lots of jewelries
- Females should tie their hair. It gives a neat look.
- They should avoid wearing chandelier earrings, stacks of bangles and soon
- There is absolutely no need of flaunting your gold jewellery at workplace.
- Make-up should be minimal and conservative.



Although, so much flexibility has been provided but do avoid wearing shorts, torn Jeans, bathroom slippers, floaters, etc.

“To be a true professional is to respect your workplace’s rules for attire as much as they respect your skills in your field.”

Article By:

Virat Agarwal, CA. Finalist.



ANNOUNCEMENTS BY RBI GOVERNOR DATED 22/05/2020

1. **Term loan moratorium extended till August 31, 2020** - The loan moratorium will be extended till August 31, 2020. This makes it a six months moratorium.
2. **Deferment of Interest on Working Capital** - Interest on working capital is deferred by another 3 months i.e. till 31st August, 2020.
3. **Conversion of Interest on working capital to interest term loan** - Lending institutions are being permitted to convert the accumulated interest on working capital facilities over the deferment period (up to August 31, 2020) into a funded interest term loan (Repayable before 31st March, 2021).
4. **Margin for Working Capital - Drawing Power** - Lending institutions are being permitted to restore the margins for working capital to the original level by 31st March, 2021.
5. **Reduce repo rate by 40 bps to 4 percent.** Accordingly, Interest rate would be reduced.
6. **Export Credits** - Maximum permissible export credit (Pre and Post Shipments) extended from 12 months to 15 months.
7. **Payment against Imports** - Extension of time limit for making payments against imports from 6 months to 12 months

Support to EXIM Bank - Facility of Rs 15,000 crore line of credit for 90 days for US dollar swap facility will be provided to EXIM Bank.

8. **Extension of Resolution Timelines** - Deferment or moratorium period shall be excluded while calculating 180 days resolution period.
9. **Group Financing** - Group exposure extended from 25% to 30%
10. **Support To SIDBI** - In order to provide greater flexibility of SIDBI, another 90 days extension for the 90-day term loan facilities will be offered.

Article By: Jenilkumar Rajendra Shah,

CA. Finalist

THE NIGHTMARE



I WOKE UP IN THE MIDDLE OF THE NIGHT, ALL SWEATY, FEAR SEEPING INTO MY NERVES... LOOKED AT MY SISTER BESIDE ME SLEEPING PEACEFULLY, A LITTLE SMILE ON MY FACE... REALIZING THAT IT WAS ALL JUST A DREAM! A NIGHTMARE! A DREADFUL ONE!

Had some water, tried going back to sleep but I couldn't... The dream was running over and over in my head.

8'o clock. Our beloved prime minister came on TV..**"Complete lockdown"**, his voice echoed. Took a moment to wrap my head around what was now real.

The virus was a pandemic and now we just have to be locked up into our own houses, no flights, no trains, no buses. Absolutely nothing was open. While some of us were enjoying this leisure time with our families, many were stuck in different cities, different countries away from their loved one's. We were learning new skills, a few trends came in..*"Oh! You didn't make dalgona yet?"* Yeah it was our (feta hua) coffee!! And after sometime, people started getting panicky, because how long were we supposed to be like this? No businesses were running, only the essential commodities were being sold.

Economy had come down drastically, no money left for the daily wage earners, the migrant workers had actually started their journey towards their villages by walking over 100s of miles... And now people were dying not only because of the stupid virus, but also because of dehydration, lack of food, and social distancing was just a term.

On the other hand, there was a serious **gas leakage** in one part of the country, and a **cyclone** in another part. *The only thing new everyday was the number of deaths!!!*

EACH DAY BREAKING THE RECORD OF THE PREVIOUS DAY.

Well, the deaths of unknown people never bother us that much, but what can be worse than losing **TWO Legends of our Film Industry, "Irrfan Khan" and "Rishi Kapoor" within 24hours. This was heart-breaking for the whole country.**

People started getting scared, there were hatred and a sense of untouchability had seeped into the minds of the people!!

"Vedika, get up... It's 2'0 clock in the afternoon" my mom said... "Since the lockdown has started, you're left with no sense of time, value it", she added

And then I realized that it was not a dreadful nightmare, it was just a reel going on in my head of what had happened in the last two months Even though we wish if this was a nightmare and we could gulp it, trying to forget having some water, we can't!!

But there is obviously a silver lining to it that we have got the time to make our bonds stronger, get close to our loved one's... Explore new hobbies, learn new skills



and everything else which we always wished to do and not to forget that our mother earth is healing.

And the biggest irony is, **"When the environment is as pure as it could be, nobody is out without a mask on"**.

-Article By: Vedika Bajaj, CA. Finalist.

TDS

Why Tax Deducted at Source?

So Basically the total income of an assessee for the previous year is taxable in the relevant assessment year , for example the total income for the P.Y. 2019 – 20 is taxable in the A.Y.2020- 21.However income tax is recovered from the assessee in the previous year itselfthrough-

- ☐ Tax Deducted atsource(TDS)
- ☐ Tax Collection atsource(TCS)
- ☐ Payment of Advance Tax

These Taxes are deducted from the total taxes due from the assessee. In the

following cases, assessee is liable to pay taxes directly , -

- ☐ Inthecaseofincome

inrespectofwhichtaxisnotrequiredtodeduct. In case where TDS is required to deduct but not deducted atall.

Section – 192 Salary

Basically under this section TDS is to be deducted by every person who is responsible for paying any income under the head "Salaries" .

In this TDS is to be deducted at an average rate of income tax computed on the basis of rates in force for the relevant financial year.

Case Law – ITC Ltd v/s CIT The issue before Supreme Court was whether "tips" received by the hotel - company from its customers and distributed to the employees fell within the meaning of "salaries" to attract TDS u/s 192?

The SC observed that in respect of tips collected by the company from its customers and distributed to the employees, the person responsible for paying the employee was not the employer at all but a third person i.e.customers.

As such tips will be chargeable under the head Income from other sources and thus section 192 is not attracted atall. Under this, tax is to deducted on the withdrawal amount if such amount exceeds Rs. 50000/- at a rate of10%.

Such tax should be deducted at the time of payment of accumulated balance due to employees. Normally if no PAN submitted to the person responsible for such deduction that such TDS should be deducted @20 %. But under this section such amount shall be taxed at Maximum Marginal Rate.

SECTION – 193 INTEREST ON SECURITIES

This section casts responsibility on every person responsible for paying to a resident any income by way of interest on securities.

Rate of Tax- 10 %

Time of Deduction - At the time of credit or payment whichever is earlier.

□ **194 A C H I J – PAYER – IN CASE OF INDIVIDUAL OR HUF WHOSE TOTAL SALES, GROSS RECEIPT, TURNOVER FROM B & P EXCEEDS 1 CRORE OR 50 LAKHS RESPECTIVELY.**

Section – 194A Interest other than interest on securities

- Any person, other than individual or HUF, who is paying interest (other than interest on securities) to a resident is required to deduct TDS.
- If the individual or HUF are liable to get their accounts audited as per section 44AB [clause (a) or (b)], then, such individual or HUF would be required to deduct TDS on payment of interest (other than interest on securities) to a resident as per provisions of section 194A.

Time of deduction – credit or payment whichever is earlier. Rate – 10%

Non-Applicability –

Amount	Category of Payer
An aggregate amount of interest doesn't exceed INR 40,000 [INR 50,000 in case of a senior citizen]	Bank
An aggregate amount of interest doesn't exceed INR 40,000 [INR 50,000 in case of a senior citizen]	Co-operative Society
An aggregate amount of interest doesn't exceed INR 40,000 [INR 50,000 in case of a senior citizen]	Post office
An aggregate amount of interest doesn't exceed INR 5,000	In any other case

➤ SECTION – 194C PAYMENTS TO CONTRACTORS AND SUB-CONTRACTORS

TDS required where any person responsible for paying any sum to a resident contractor for carrying out any **WORK**.

Time of deduction - payment or credit whichever is earlier. Rate – 1% where the payee is individual or HUF and 2% in case of other payee.

However, in case the PAN is not furnished, the Deductor would be liable to deduct TDS@20% i.e. at the maximum marginal rate.

Threshold Limit – Rs 30000/- in a single payment & Rs. 100000/- in aggregate during a financial year.

➤ **LIST OF EXCEPTION I.E., CASES WHERE IN TDS NOT TO BE DEDUCTED U/S 194C**

Under the following circumstances, TDS is not required to be deducted –

1. The amount paid or credited to the contractor in a single contract doesn't exceed INR 30,000.
2. The aggregate amount paid or credited during the financial year doesn't exceed INR 1,00,000.
3. The amount paid / credited to the account of the contractor engaged in the business of hiring, plying or leasing goods carriage, where the contractor doesn't own more than 10 goods carriage at any time during the previous year. The Contractor is required to furnish the declaration along with the PAN to the Deductor.
4. The amount is paid or credited to the contractor by an individual / HUF for carrying out work in the nature of personal use.

➤ **SECTION – 194D INSURANCE COMMISSION–**

Income by way of remuneration / reward, whether by way of commission or otherwise –

- For Soliciting / procuring insurance business ; or
- For the continuance, renewal, or revival of an insurance policy.

RATE OF TDS:-

Particulars	Rate of TDS
Domestic Company	10%
A Resident person other than a domestic company	5%

No surcharge, education cess or SHE cess shall be added to the above rates. However, if the PAN is not furnished, the Deductor is required to deduct TDS @ 20% i.e., maximum marginal rate.

➤ **SECTION – 194G – COMMISSION ETC. ON SALE OF LOTTERY TICKETS–**

TDS shall be deducted at the rate of 5%, on any sum payable as commission, remuneration or prize for sale of lottery tickets, only if the amount exceeds 15000/-. No surcharge, education cess shall be added to the above rates.

➤ **SECTION – 194H – COMMISSION OR BROKERAGE–**

In case of Individual/(HUF) provisions of section 194H applies only if the total sales / gross receipts or turnover exceeds the monetary limit specified under section 44AB (a) or (b).

The person liable to deduct TDS under section 194H of the Income Tax Act is required to deduct TDS @ 5%. No additional surcharge, Education Cess is to be added to the TDS rate of 5%.

➤ **SECTION – 194I RENT**

TDS shall be deducted at the payment or credit whichever is lower, at the rate of 2 % in respect for use of plant , machinery or equipment and 10 % in case for use of land or building

In case of jointly owned properties, the payment of rent and aggregate amount for the purpose of tax deducted at source will be reckoned with respect to payment of rent to each landlord individually. TDS shall be deducted if amount of rent exceeds 240000.

Tax deduction is not required if ground rent , municipal tax are paid by the tenant as they are not in the nature of rent paid to the landlord.

➤ **SECTION – 194IA PAYMENT ON TRANSFER OF CERTAIN IMMOVABLE PROPERTY OTHER THAN AGRICULTURAL LAND**

TDS is required to be deducted for paying any sum for transfer of Immovable property to a resident transfer, such TDS is not required if the total amount of consideration for transfer of immovable property is less than 50 lakhs.

Rate of TDS – 1%.

➤ **SECTION 194J – FEES FOR PROFESSIONAL OR TECHNICAL SERVICES**

This provides for deduction of tax at source at 10% on any sum payable to a resident by way of -

- i) Fees for professional services
- ii) Fees for technical services or
- iii) Any sum payable as royalty or
- iv) Non-compete Fees

TDS If Amount Exceeding 30000/- Respectively.

Rate of TDS –10 % and in case of operation of call Centre TDS rate will be 2%.

➤ SECTION – 206AA - TAX DEDUCTION IN ABSENCE OF PAN

In case of no PAN tax shall be deducted at the higher of

- At the rate prescribed in relevant provisions of the act
- At the rate or rates in force
- At the rate of 20%

There may be situation where NR does not have PAN in such case if the deductee furnishes following details,

- Name, email id , contact number
- Address of outside India where the deductee is resident
- A certificate of his resident from the government of that country
- Tax Identification Number

and at the time of making remittances it is necessary to ensure that right documentation is in place if PAN is not available.

➤ SECTION 194 M- TDS ON PAYMENT TO RESIDENT CONTRACTORS AND PROFESSIONALS

It applies when the total amount paid to a resident individual, for carrying out any contractual work or providing any professional service, in a financial year exceeds Rs 50,00,000.

If they are required to get Books of Accounts audited, TDS deduction is applicable as per Section 194C and 194J. The individual and/or HUF who have to deduct TDS under Section 194C (TDS on payment to a contractor) and 194J (TDS on payment on professional fees) do not have to deduct tax at source under Section 194M.

The individual or HUFs who has to deduct tax can pay the tax to the government by quoting his or her PAN only. Not required to get a tax deduction account number (TAN) for TDS deduction.

-Article By:

Chinmay Trivedi, CA. Finalist.

GST ASSESSMENT OF NON-FILERS OF RETURNS –SECTION 62 OF THE CGST ACT, 2017

STATUTORY PROVISIONS:

According to sub-section (1) of section 62 of the CGST Act, notwithstanding anything to the contrary contained in section 73 or 74, where a registered person fails to furnish the return under section 39 or

section 45, even after the service of a notice under section 46, the proper officer may proceed to assess the tax liability of the said person to the best of his judgment taking into account all the relevant material which is available or which he has gathered and issue an assessment order within a period of five years from the date specified under section 44 for furnishing of the annual return for the financial year to which the tax not paid relates.

Section 46 of the CGST Act read with rule 68 of the CGST Rules requires issuance of a notice in FORM GSTR- 3A to a registered person who fails to furnish return under section 39 or section 44 or section 45 (hereinafter referred to as the "defaulter") requiring him to furnish such return within 15 days.

Sub-section (2) of section 16 provides that where the registered person furnishes a valid return within 30 days of the service of the assessment order under sub-section (1), the said assessment order shall be deemed to have been withdrawn but the liability for payment of interest under sub-section (1) of section 50 or for payment of late fee under section 47 shall continue.

The essential ingredients of the above provisions are as under:

- I. Provisions of section 62 can be invoked where a registered person fails to furnish the return under section 39 or section 45, even after the service of a notice under section 46.
- II. The proper officer may proceed to assess the tax liability of the said person to the best of his judgment taking into account all the relevant material which is available or which he has gathered.
- III. The assessment order under this section can be issued within a period of 5 years from the date specified under section 44 for furnishing of the annual return for the financial year to which the tax not paid relates.
- IV. Where the registered person furnishes a valid return within 30 days of the service of the assessment order under sub-section (1), the said assessment order shall be deemed to have been withdrawn.
- V. Even after withdrawal of the best judgment assessment, the liability for payment of interest under sub-section (1) of section 50 or for payment of late fee under section 47 shall continue.
- VI. The provisions of section 63 override the provisions of section 73 and section 74 of the Act.

PROCEDURE FOR MAKING BEST-JUDGMENT ASSESSMENT:

The procedure for making best judgment assessment as specified under rule 100 of the Central Goods and Services Tax Rules 2017 is as under:

- I. The proper officer shall issue a notice to a taxable person in accordance with the provisions of section 63 in FORM GST ASMT-14 containing the grounds on which the assessment is proposed to be made on best judgment basis.
- II. A summary of the notice issued in Form GSTASMT-14 shall also be served electronically in FORM GST DRC-01.
- III. A time period of 15 days shall be allowed to such person to furnish his reply, if any.
- IV. After expiry of such period, the proper officer shall pass an order in FORM GST ASMT-15 and upload summary thereof electronically in FORM GST DRC-07.

The order of assessment made under sub-section (1) of section 62 shall be issued in FORM GST ASMT-13 and a summary thereof shall be uploaded electronically in FORM GST DRC-07.

STANDARD OPERATING PROCEDURE FOR MAKING ASSESSMENT OF NON- FILERS:

The CBIC vide Circular No. 129/48/2019-GST, dated-24-12-2019 has specified the following Standard Operating Procedure to be followed in case of Non- filers of returns, namely;

- I. A system generated message would be sent to all the registered persons 3 days before the due date to nudge them about filing of the return for the tax period by the due date.
- II. Once the due date for furnishing the return under section 39 is over, a system generated mail / message would be sent to all the defaulters immediately after the due date to the effect that the said registered person has not furnished his return for the said tax period; the said mail/message is to be sent to the authorized signatory as well as the proprietor/partner/director/karta, etc.
- III. 5 days after the due date of furnishing the return, a notice in FORM GSTR-3A (under section 46 of the CGST Act read with rule 68 of the CGST Rules) shall be issued electronically to such registered person who fails to furnish return under section 39, requiring him to furnish such return within 15 days;
- IV. In case the said return is still not filed by the defaulter within 15 days of the said notice, the proper officer may proceed to assess the tax liability of the said person under section 62 of the CGST Act, to the best of his judgement taking into account all the relevant material which is available or which he has gathered and would issue order under rule 100 of the CGST Rules in FORM GST ASMT-13. The proper officer would then be required to upload the summary thereof in FORM GST DRC-07;
- V. For the purpose of assessment of tax liability under section 62 of the CGST Act, the proper officer may take into account the details of outward supplies available in the statement furnished under section 37 (FORM GSTR-1), details of supplies auto populated in FORM GSTR-2A, information available from e-way bills, or any other information available from any other source, including from inspection under section 71;

In case the defaulter furnishes a valid return within thirty days of the service of assessment order in FORM GST ASMT-13, the said assessment order shall be deemed to have been withdrawn in terms of provision of sub-section (2) of section 62 of the CGST Act. However, if the said return remains unfurnished within the statutory period of 30 days from issuance of order in FORM ASMT-

13, then proper officer may initiate proceedings under section 78 and recovery under section 79 of the CGST Act;

- I. In deserving cases, based on the facts of the case, the Commissioner may resort to provisional attachment to protect revenue under section 83 of the CGST Act before issuance of FORM GST ASMT-13.
- II. The proper officer would initiate action under sub-section (2) of section 29 of the CGST Act for cancellation of registration in cases where the return has not been furnished for the period specified in section 29.

CONCLUSION:

GST is a new law and the taxpayers are getting used to with GSTN portal gradually. On the last date of filing return, the GSTN portal not working properly due to heavy load of data processing and the verification OTP is not received on the mobile as well as on e-mail. Owing to technical glitches in the GSTN Portal, the taxpayers are required to bear the cost of unnecessary late fees. The notices are being served via e-mail and most of the taxpayers are not used to access their e-mail on daily basis. No SMS alerts is sent on registered mobile number of the taxpayers.

Unless the GSTN portal is strengthened, observing such a strict procedure for non-furnishing of return would be against the principal of natural justice. The department is expected take a liberal approach in pursuing the cases of non-filers of the returns.

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CA Finalist.



A POEM ON EFFECTS OF LOCKDOWN ON NATURE

बरसों से छाई जो काली रात,
उसकी करूंगा आज मैं बात,
छु जाएगी दिल को हर बार,
अगर सच्चे दिल से सुनोगे मेरे यार।

हमारा यहा था ना कोई भगवान,
बस था केवल एक इंसान,
जिसने भीछाया एक ऐसा जाल,
बन उठा वो हम सब का काल।

इस जाल में हम सब फंसे,
हमे पीड़ा दे वे इंसान हसे,
तब दिल से निकली एक आह,
कौन दिखाएगा उनको सही राह?

राह दिखाने आ गया वो,
'कोरोनो' नामक जीव था जो,
थम गई थी उनकी दुनिया,
छीनी थी जिसने हमारी खुशियां,
जीवन की हे यही सच्चाई,
हमारा कर्म ही है हमारी परछाई।

लाशें बन रहे थे वो इंसान,
जब कमजोर पड़ा उनका विज्ञान,
तब पंछी ने गाया अपना ये गान,
के सारे जिव से एक समान।

आशा रखो, होगी सुबह सुहानी,
अगर समजोगे आप, क्या कहती ये कहानी !!

Article By- Shreyansi Vasa
CA Finalist

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