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# NEWSLETTER

## VASAI BRANCH OF WIRC

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

MARCH 2023



HAPPY  
*Mahavir*  
JAYANTI

HAPPY  
*Ambedkar*  
JAYANTI





## CHAIRMAN'S COMMUNICATION

Our branch had the privilege to honour Women in society by celebrating Women's Day celebration on 5th March, 2023 at Branch premises. The Chairperson of Women & Young Members Empowerment Committee of ICAI CA. Priti Savla and CA. Shweta Jain, Past Secretary, WIRC graced the occasion with their presence. Our Branch felicitated Women who have achieved major success in the society.

I hope all of you had a wonderful and colourful Holi celebration. May you continue to add more colors to your professional life.

Recently, ICAI organized a branch orientation and coordination meeting at Westin, Powai, Mumbai, where we had an opportunity to interact with the managing committee of all the branches, along with the Regional Council and Central Council Members. It was an excellent platform to exchange ideas and thoughts.

I am delighted to announce that our branch has published a reference manual on Statutory Bank Branch Audit, which was launched in the presence of CA Arpit Kabra, WIRC of ICAI. We would like to thank all the contributors to the book and specifically acknowledge CA Vinit Jain for compiling the book for the benefit of our members. We also appreciate the support of all committee members.

The Managing Committee has launched the annual membership of Vasai Branch of WIRC of ICAI, with a theme of अध्याय, for the benefit of our members.

This month, we conducted an interactive physical seminar on bank branch audit at our Vasai Branch Premises. Eminent Speakers such as CA. Abhijit Sanzgiri, CA. Bhupendra Mantri, CA. Suyesh Jain & CA. Pankaj Tiwari addressed the seminar. We also welcomed the newly elected chairman, WIRC CA. Arpit Kabra on the occasion.

I would like to extend my gratitude to all the pillars (Past Chairpersons) of the branch for participating in the past chairperson's meet held in March, and providing their valuable guidance for the betterment of the profession and branch.

We recently launched a quiz competition in the newsletter, and I am pleased to announce that many members participated, and we will be announcing the top three winners in this newsletter.

I wish you a Happy New Financial Year 2023-2024. May this new year bring new hopes, success, and pleasure in your life.

*"In every phenomenon, the beginning remains always the most notable moment." - Thomas Carlyle*

With Warm Regards,

**CA. Amit Agarwal**  
Chairman  
Vasai Branch of WIRC of ICAI

## MANAGING COMMITTEE

<b>CA. Amit Agarwal</b> Chairman	9821374485
<b>CA. Tarun Dhandh</b> Vice Chairman	9833506461
<b>CA. Daya Bansal</b> Secretary	8976074320
<b>CA. Shrikrishna Purohit</b> Treasurer	9049224706
<b>CA. Aba Parab</b> WICASA Chairman	9892862548
<b>CA. Sorabh Agrawal</b> Immed. Past Chairman	9930357066
<b>CA. Lokesh Kothari</b> Committee Member	8108484120
<b>CA. Giriraj Bang</b> Committee Member	9004465822
<b>CA. Brajendra Talesara</b> Committee Member	9987506138
<b>CA. Shweta Jain</b> (Immed. Past Secretary-WIRC & EX-Officio)	9920737198
<b>CA. Ankit Rathi</b> (RCM & Branch Nominee)	9029059911
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## CONTENTS

Chairman's Communication .....	2
Upcoming Events.....	3
Law Updates .....	4
Vasai Branch Quiz Contest.....	18
Photo - Women's Day Celebration on the theme of "SHAKTI" .....	19
Photo - Vasai Branch of WIRC organized Walkathon for CA Female Members on the occasion of Women's Day .....	20
Photo - Vasai Branch of WIRC & Vasai WICASA of WIRC organized Holi Festival for CA Members & Students....	20
Photo - The Vasai Branch of WIRC Sub Committee Meeting Members.....	21
Photo - Vasai Branch of WIRC of ICAI hosted a Workshop on Bank Branch Audit organized by Auditing and Assurance Standards Board, ICAI.....	22
Photo - Meeting with the Past Chairmen's of Vasai Branch of WIRC .....	23
Photo - Students Annual General Meeting for the Nomination of WICASA Committee.....	23
Obituaries.....	24





## Upcoming Events

Date & Day	Time & Fees	Topic(s)	Speaker(s)	Branch Committee Member (Chief Co-ordinator)	Co-Ordinators
9th April, 2023 Sunday CPE: 3hrs	9:30am to 1:00pm  Fees: Free for अध्याय Members Others: Rs. 300 plus GST	Opportunities in Capital Market & Foreign Trade Policies  Musings On Indian Equities in 2025  Decoding FTP - 2023	Vipul prasad  CA Kunal Soni	CA. Giriraj Bang	CA Punit Soni CA Manoj Khemka
15th April, 2023 22th April, 2023 29th April, 2023 06th May, 2023 13th May, 2023 20th April, 2023 Saturday  CPE: 18hrs	6:00pm to 9:00pm  Fees: Free for अध्याय Members Others: Rs. 1500 incl GST for Series & Rs. 300/- plus GST for Individual Session	Workshop on MS Office (Excel, Word, powerPoint)	Adv. Dr. Ruchi Dixit Nipun Shah	CA Shrikrishna Purohit CA Aba Parab	CA Sushil Vartak CA Praveen Sharma CA Kalpesh Agarwal CA Ashok Kumawat CA Pooja Jajal
16th April, 2023  CPE: 6hrs	9:30am to 5:00pm	One Day Training Program of Peer Reviewers	Eminent Speaker	CA Lokesh Kothari	CA Vaibhav patil CA Prem Suthar CA Ami Shah
27th April to 1st May, 2023  CPE: 8hrs	-	Residential Refreshment Course at Coorg	-	CA. Tarun Dhandh CA. Aba Parab	-
7th May, 2023	10:00 am onwards  Fees: Rs. 500	Auction Based CA Turf Tournament for Males Members Female Members Senior Male Members (40+)	-	CA. Aba Parab CA Shrikrishna Purohit CA Lokesh Kothari CA Brajendra Talesara CA Daya Bansal	CA Harshal Udani CA Ashok Kumawat CA Ankit Agarwal CA Nitish Shah CA Mangal Bora CA Rupa Deora CA Sandeep Jain



## Tax Column



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**Question** I am a tenant in a residential house for last 50 years. I have agreed to surrender & transfer the tenancy rights of residential house to an ultimate buyer for a consideration of Rs.20 crore. The proposed buyer is asking me to obtain approval of Income Tax Dept under

section 281 of the Income Tax Act. Whether permission of Tax Dept is required on transfer of tenancy rights?

**Answer** Kindly note that Provision of Section 281 of the Income Tax Act can be invoked only if there is a sale / mortgage / gift / exchange or any other mode of transfer of your "Asset" in favour of any other person. The "Asset" referred in Section 281 of the Income Tax Act are specific and tangible in nature.

In Explanation to Section 281 of the Income Tax Act the "Asset" means – Land, Building, Machinery, Plant, Shares and Securities & Fixed deposit in bank

Therefore, tenancy right does not fall within the definition of "Asset" mentioned above. Tenancy right is not a tangible "Asset" but it is intangible "Asset". Therefore, in our opinion, on transfer of tenancy rights, prior permission under Section 281 of the Income Tax Act is not required or rather not applicable as tenancy right is outside the purview of definition of "Asset" specified in Section 281 of the Income Tax Act.

Further, tenancy right in a residential house does not treat you as a deemed owner of land & building. The Land & building is always owned by the Landlord.

Therefore, in my opinion, on surrender or transfer of tenancy right, tenant is not under obligation, legally or otherwise, to obtain 281 certificate and approval from the tax department.

**Question** Recently I have sold my residential house for a total consideration of Rs.10 crore. I have incurred certain expenses such as brokerage, lawyer's fees, tax advisor's fees, society maintenance expenses etc. Whether all these expenses can I claim as deduction while computing long term capital gain?

**Answer** Under section 48 of the Income Tax Act, you can claim deduction of expenditure incurred wholly and exclusively in connection with transfer / sale of residential house. In other words, all the expenses incurred which have direct nexus on transfer of capital asset, can be claimed as deduction. Brokerage is certainly connected with transfer of asset and therefore

can be claimed as deduction. Similarly, legal fees, if incurred for drafting the sale agreement, due diligence etc. can also be claimed as deduction. Tax Advisor's fees is not related to transfer of asset and therefore may not be allowed as deduction. Society transfer fees, it is to be paid on transfer is certainly allowable deduction but old outstanding society maintenance charges cannot be claimed as deduction. The net consideration i.e. full consideration less deduction mentioned above, is subject to long term capital gain tax and also eligible for various deduction under section 54 & 54F of the Income Tax Act.

**Question** My residential co-operative society has an extra FSI and also wants to go for redevelopment. In view of the proposed amendment whether the amount received on sale of extra FSI to builder is taxable? Whether tenant / member receive compensation and extra area on redevelopment would have any tax implications?

**Answer** The existing Provisions of Section 55, inter-alia, define the of cost of any improvement and cost of acquisition to compute the capital gain. However, there are certain Assets like intangible assets or any sort of rights, for which no consideration has been paid for acquisition, existing Section 55 does not define cost of acquisition as Nil. Therefore, this lead to many legal disputes and the Courts have held that sale or transfer of intangible assets, having no cost, cannot be charged to tax in absence of any cost. As a result, transfer of certain intangible asset such as development right, extra FSI etc by societies were always held as tax free i.e. not taxable.

To bring such intangible rights in the ambit of taxation, proposed amendment is made in Section 55 so as to provide that cost of any improvement or cost of acquisition of capital asset, being any intangible asset or any other rights shall be nil. As now cost has been defined for intangible asset as Nil. Therefore post amendment if any society or any person sales / transfer any rights in FSI or any other intangible asset, the entire consideration will be subject to tax by considering the cost of acquisition as nil. Hence, if the society sell the extra FSI to the builder for a consideration, then the entire consideration will be subject to long term capital gain

However, in my opinion, on redevelopment, any compensation received by member /tenant of the building will still not subject to tax as the same is in the nature of capital receipt. By paying one time compensation to tenant / member by the builder, there is no transfer of any rights or assets by tenant / member in favour of builder. Extra area given to the member will not be subject to tax in the hands of the member as there is no transfer





## Budget 2023 Proposes Stricter Compliances for Charitable Trusts and Organisations



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#### 1. Application from corpus / loans or borrowings

Under an earlier amendment, if a charitable organisation decides to use its corpus or borrow by way of a loan, that amount would be considered as application of income only in the year the amount is put

back into the corpus fund or the loan is repaid.

Under the Finance Bill 2023 it is proposed that application out of corpus or a loan before 1 April, 2021 shall not to be allowed as application for charitable or religious purposes even when such amount is put back into corpus or the loan is repaid. This is in order to avoid double tax deduction.

Further, deduction shall be allowed only if the amount taken from the corpus is put back into corpus or the loan is repaid within five years from application out of the corpus / loan or borrowing. Also, where the application from corpus or loan does not satisfy the conditions that are required for application, the depositing back into corpus / repayment of loan of such amount will not be treated as application. These amendments will be applicable from AY 2023-24 and thereafter.

#### 2. Inter charity donations – potential setback for organisations

Presently, Inter-charity donations (other than corpus donation) is considered as application of income. However, the said provision is defeating the intent of legislature wherein multiple layer trust structures are formed and 15% is accumulated at each stage, thus reducing the effective application to a lesser percentage compared to the mandatory requirement of 85%.

To plug the lacuna in the current law, it is proposed to amend Section 10(23C) and Section 11 of the Act, to provide that only 85% of the eligible donations made by a trust or institution registered under Section 10(23) or Section 12AA/12AB to another trust or institution registered under Section 10(23) or Section 12AA/12AB shall be treated as application only to the extent of 85% of such donation. In other words, if Trust A donates a sum of Rs. 1,00,000/- to Trust B, in the books of account of Trust A while Rs. 1,00,000/- will reflect as given, only Rs. 85,000/- will qualify as 'application of income for charitable purpose'. These amendments will be applicable from AY 2023- 24 and thereafter.

#### 3. Registration for Tax Exemption

Under Finance Act 2020 organisations enjoying tax exemption u/s 10(23C) or 12A / 12AA were required to re-validate their registration for tax exemption as also for tax deduction u/s 80G. Newly established organisations could apply for provisional tax exemption and tax deduction for a period of three years.

Under Finance Bill 2023, it has been proposed that trust and institutions that have not commenced activities can only apply for provisional registration under 10(23C) or 12AB and section 80G. Trust and institutions that have commenced activities can only apply for regular registration under 10(23C) or 12AB and section 80G.

Such applications shall be examined by the Principal Commissioner or Commissioner as per prescribed procedure and where the Principal Commissioner or Commissioner is satisfied about the objects and genuineness of the activities and compliance of other requirements provided in law, registration or approval in such cases shall be granted for three or five years. Also, the orders shall be passed within 6 months from the end of the month in which such application was received.

These amendments will take effect from 1 October, 2023.

#### 4. Due Date for filing Form No. 9A and 10 advanced

In every financial year a charitable organisation is required to spend at least 85% of its total income. In case income is received late in the financial year the trust can exercise option u/s 11(1) of the Act to use the income in the immediately following financial year by filing Form No. 9A or accumulate the unspent income u/s 11(2) for up to five years by filing Form No.10.

Both Form No. 9A and 10 could earlier be filed by 31st October. However, Finance Bill 2023, has now proposed that Form No. 9A and 10 must be filed two months before the last date for filing the income tax return u/s. 139(1)/(4) of the Act.

As such, the last date for filing Annual Tax Return in ITR-7 is 31st October. Audit Report in Form 10B must be filed by 30th September and now Form 9A or Form 10 must be filed by 31st August. Therefore, the timelines for from AY 2023-24 are tabulated below:

Sr. No.	Form No. / ITR	Due Date
1	Form No. 9A / 10	31st August
2	Form No. 10B / 10BB (Audit Report)	30th September
3	ITR u/s. 139(1) / 139(4) of the Act	31st October

#### 5. Timely filing of Returns

It is proposed under Finance Bill 2023, that tax exemption under sections 10(23C) and 12AB of the Act shall be available only if the return of income is filed by the trust or institution within the time prescribed under section 139(1) [i.e., 31st October] or 139(4) [i.e., 31st December] of the Act. So, there is no incentive for such trusts or institutions to file an updated tax return (by offering more to tax upon payment of enhanced



tax) since they would not be eligible for exemption. This amendment will be applicable from AY 2023-24 (FY 2022-23) and onward.

**6. Specified Violation**

Where the application is not complete or it contains false or incorrect information shall be termed as “specific violation” u/s. 10(23C) and 12AB of the Act, giving the Principal Commissioner or Commissioner the powers to cancel such registration. This amendment shall be applicable from AY 2023-24 and thereafter.

**7. Exit Tax**

Finance Bill 2023, has proposed an ‘Exit Tax’ u/s 115TD of the Act that if a trust or institution registered u/s 10(23C) or 12AA or 12AB of the Act has not applied for re-registration or does not apply for renewal after expiry of five years or the trust or institution registered provisionally does not apply for regular registration after expiry of three years. The trusts will be liable to pay tax at the maximum marginal rate of 34.94% on their accreted income (FMV of assets less FMV of liabilities).

These amendments will be applicable from AY 2023-24 and thereafter.

**8. Benefit of Section 80G withdrawn for three funds**

Benefit of tax deduction u/s 80G of the Act has been withdrawn for contribution to Jawahar Lal Nehru Memorial Fund, Indira Gandhi Memorial Trust and Rajiv Gandhi Foundation.

**9. Exemption to development authorities**

Recently, the Hon’ble Supreme Court in the case of Ahmedabad Urban Development Authority vide order dated 19 October 2022, held that ‘commercial’ u/s. 10(46) of the Act has the same meaning as ‘trade, commerce, business’ in section 2(15) of the Act. Therefore, to determine if the sum charged by such notified body falls within the mischief of ‘commercial activity’.

In light of the above, Budget 2023, proposes to insert clause (46A) to section 10 of the Act to specifically exempt organisations established under Central or State Acts for achieving public functions / services including housing and infrastructure planning.





## Summary of Latest notifications in GST



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The Central Government by the Notifications, has notified many amendments to the Central Goods and Service Tax Act, 2017 and Central Goods and Service Tax Rules, 2017, lessening the GST compliance burden on the taxpayers . The major relief and amendments are :-

#### (a) Notification no. 02/2023 – Central Tax

Late fees on GSTR-4 is restricted to Rs. 500/- if it is filed between 1st April, 2023 to 30th June, 2023 for the quarters from July 2017 to March 2019 or FY 2019-20 to FY 2021-22. Late fees shall be NIL if there was no tax payable during any quarter / year.

#### (b) Notification no. 03/2023 – Central Tax

This notification provides Special Procedure for revocation of cancellation of registration which were cancelled on or before 31st Dec 2022.

- Application for revocation to be filed before 30-06-2023
- Application should be filed only after all returns are filed along with payment of tax upto the date of cancellation
- No further extension of time period will be provided for filing application for revocation

#### (c) Notification no. 04/2023 – Central Tax

CGST (Amendment) Rules, 2023. These rules are made effective retrospective from 26th December, 2022.

These rules amend sub-rule (4A) of rule 8 of CGST Rules, 2017. It explains Authentication of Aadhar during registration whereas Biometric-based Aadhar authentication and taking photograph of the applicant as a proviso to the said rule.

It is currently applicable to the state of the Gujrat

#### (d) Notification no. 06/2023 – Central Tax

This notification provides special procedure for assessment of non-filer of returns. Assessment notices served on the non-filers shall be deemed to have been withdrawn if:

- The registered persons furnishes the returns on or before 30th June, 2023.
- Interest u/s 50 and late fees u/s 47 is paid along with returns

#### (e) Notification no. 07/2023 – Central Tax

This notification rationalise Late fees on GSTR-9.

Late fees restricted to Rs. 20000/- if filed between 1st April, 2023 to 30th June, 2023 for FY 2017-18 to 2021-22

Further, late fees is revised from FY 2022-23 onwards:

Aggregate Annual Turnover	Late Fees
Upto Rs. 5 crores	Rs. 50 per day (Maximum 0.04% of Turnover)
5 crores to 20 crores	Rs. 100 per day (Maximum 0.04% of Turnover)
Above Rs. 20 crores	Rs. 200 per day (Maximum 0.05% of Turnover)

#### (f) Notification no. 08/2023 – Central Tax

This notification provides one-time relief to GSTR-10 non-filers.

Late fees on GSTR-10 restricted to Rs. 1000/- if it is filed between 1st April, 2023 to 30th June, 2023.

#### (g) Notification no. 09/2023 – Central Tax

This notification extends time limit for issuance of order u/s 73(9) for recovery of tax not paid or short paid or input tax credit wrongly availed or utilised relating to following period:

Year	Last Date for issuance of order
FY 2017-18	31 December 2023
FY 2018-19	31 December 2024
FY 2019-20	31 December 2024







## Interest under the GST



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### INTRODUCTION

The Government of India has specified the due dates to pay Goods and Services Tax. The due date to pay GST is different for different types of taxpayers. If one fails to pay GST within the due date, one must pay the interest along with the GST dues

for the delay period.

### RELEVANT SECTION & RULE

Section:- Section 50 of CGST Act, 2017

Rule:- Rule 88B of CGST Rule, 2017.

### CIRCUMSTANCES WHEN INTEREST TO BE PAID

#### 1) Interest related to GST on sales. (Section 50(1))

- Fails to pay such GST within the period as prescribed by GST Act, 2017 and Rules.
- Makes short payment for the GST.

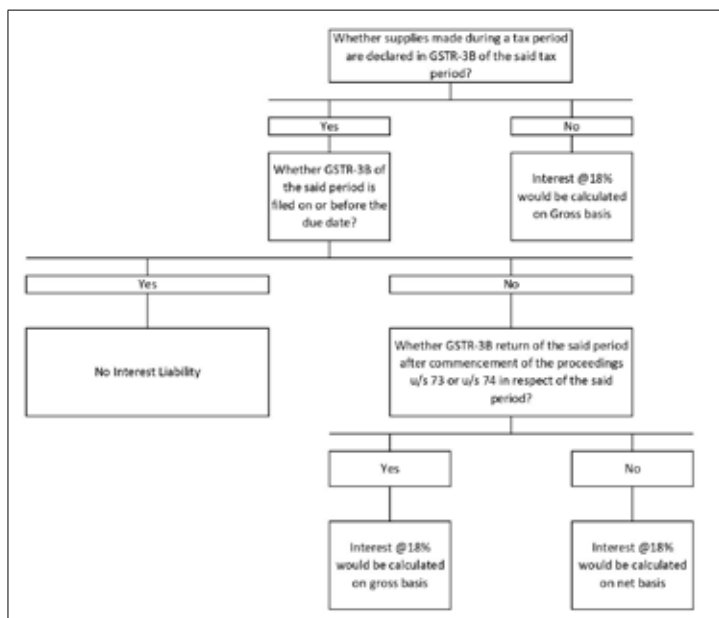
#### 2) Interest related to ITC. (Section 50(3))

- Wrong ITC availed AND Utilized.
- ITC availed AND Utilized over what they are eligible.

### RATE OF INTEREST:-

- 1) Interest related to GST on sales. :- 18% p.a.
- 2) Interest related to ITC.:- 24% p.a.

### INTEREST LEVY UNDER GST



### EXAMPLES

- 1) ABC Ltd. Has to pay GST on outward supply is Rs. 40 Lakhs and have ITC of Rs. 20 Lakhs in January 2023 and the due date for January Return is 20th of Feb 23. But ABC Ltd. Have file the January return on 28th of Feb 23.

What is the Interest Amount?

Ans.:-

GST on Sales Rs. 40 Lakhs.

ITC of Rs. 20 Lakhs.

Net Cash Liability of Rs. 20 Lakhs.

Interest Rate is 18%.

Interest :- {20 Lakhs\*18%\*8/365} = Rs. 7,890/-

- 2) ABC Ltd. Has to pay GST on outward supply is Rs. 40 Lakhs and have ITC of Rs. 60 Lakhs in January 2023 and the due date for January Return is 20th of Feb 23. But ABC Ltd. Have file the January return on 28th of Feb 23.

What is the Interest Amount?

Ans.:-

GST on Sales Rs. 40 Lakhs.

ITC of Rs. 60 Lakhs.

Net Cash Liability of Rs. NIL

Interest Rate is 18%.

Interest :- NIL.

### IMPORTANT POINTS RELATED TO ITC AVAILED AND UTILISED

- 1) Input tax credit wrongly availed shall be construed to have been utilized, when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, and the extent of such utilization of input tax credit shall be the amount by which the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed.
- 2) The date of utilization of such input tax credit shall be taken to be,
  - The date, on which the return is due to be furnished under section 39 or the actual date of filing of the said return, whichever is earlier, if the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, on account of payment of tax through the said return.
  - The date of debit in the electronic credit ledger when the balance in the electronic credit ledger falls below the amount of input tax credit wrongly availed, in all other cases.





## Audit Trail



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The Ministry of Corporate Affairs (MCA) issued a notification directing companies that use accounting software for maintaining their books of account is required to have an Audit Trail feature in the accounting software, creating an edit log of all transactional changes along with

the date.

The new audit trail rule in accounting software will be implemented from 1st April, 2023. This was originally planned for 2021 and but later the effective date was moved to 1st April, 2023.

### What is Audit Trail

An Audit Trail is a way of documenting every action or event that occurs within a system or process, which can include the creation or modification of data, access to that data, and other system-level events. This helps to provide transparency and accountability for all actions taken, as well as a complete record of changes made to data over time.

Audit Trails are commonly used in a variety of industries, such as finance, healthcare, and government, to ensure compliance with regulations, detect and prevent fraud, and provide transparency to stakeholders. They can be implemented using various types of software, which can automate the process of collecting and storing data related to system events, and provide reporting and analytics tools to help analyse the data and identify potential issues or areas for improvement.

### Type of Companies who mandatory required to follow the Rule

As per the Companies Act 2013, the new amendment released by the MCA will be applicable to the following companies, including the companies that are managed by State and Central Government, NGOs who are receiving funds from various stakeholders:

- All Public and Private Limited Companies
- One Person Companies (OPCs)
- Companies owned by Government of India
- State Government Companies
- Not-for-Profit Companies/Organization
- Nidhi Companies

### How does an Audit Trail Work?

An audit trail is a complete record of the events that have occurred during the execution of a particular transaction. It works by tracking each and every modification made to the accounts of the company. It records all the edits made to any part of the accounting books with the name of the person who did it along with the date and

time of the change. The software also keeps track of any deleted information. All details are available for future review. Some details tracked include:

- (a) The date and time of initially recording the transaction.
- (b) Any changes made to the transaction.
- (c) The date and time at which the changes took place
- (d) Which user made the changes

The easiest example of a simple audit trail is Shop transaction receipt. You walk in, buy something and then walk out with a record of the transaction which contains all details including the goods you purchased with the exact time along with details of the location where the transaction took place.

### Benefits of Audit Trail

- (a) **Fulfilling Compliance Requirements:** Maintaining an audits trail is mandatory in India for all companies – private or public limited. Thus, having an audit trail will help you in fulfilling your company's compliance needs and avoid potential fines due to non-compliance.
- (b) **Improved Efficiency:** It is easy to examine a comprehensive audit trail, thus saving a business, time and increasing efficiency. With the help of this software, you can find business information that's buried deep in your books and not easily seen from the surface. It is one of the best tools for verifying and discovering missing information in the company's financial data.
- (c) **Stress-Free Audits:** Companies undergo audits at least once a year. Proper and detailed records significantly minimize the stress of such audits. If the transactions have audit trails, auditors can quickly determine if the transactions are legitimate. Quicker audits mean less time spent overall. It's a win-win situation for everyone – auditors as well as those being audited to have comprehensive and easily accessible audit trails
- (d) **Fraud Prevention :** Companies have better control over what happens inside the company with the use of audit trails. This Trails deters many potential internal controls.
- (e) **Reconstruction of Events:** An audit trail analysis can be used to reconstruct the system's, users', and application's actions. Audit trail helps to reconstruct events after a problem has occurred and aid in the recovery process by recording changes made to reconstruct the file. Reviewing audit trails of system activity to determine how, when, and why normal operations ceased is a more straightforward way to assess the damage.
- (f) **Accountability of the user:-** Incorporating an audit trail helps managers maintain individual accountability. It promotes appropriate user behavior and encourages users to take personal responsibility for their actions, recorded in an audit



trail. This protects the system from insufficiently used data and unauthorized database changes.

- (g) **Cyber Security Risk** :- Malware and ransomware attacks are on the rise. Keeping track of your audit trail can help you identify and flag instances where outsiders attempt to harm you while improving your company's information security.

### Changes In Audit Report

Through Companies (Audit and Auditors) Amendment Rules, 2021, effective from 01st April, 2021 and Companies (Audit and Auditors) Second Amendment Rules, 2021, effective from 01st April, 2021, following clause is inserted in Rule 11 of Companies (Audit and Auditors) Rules, 2014 on which Auditor of the Company will give their views and comments while preparing audit report:

*"Whether the company, in respect of financial years commencing on or after the 1st April, 2023 has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention."*

### Implementing and Maintaining an Audit Trail

Some following best practices for implementing and maintaining an audit trail:

1. **Determine the scope and purpose of the audit trail:** Before implementing an audit trail, it is important to determine the scope and purpose of the audit trail, as well as any regulatory or compliance requirements that must be met. This will help ensure that the audit trail is designed to meet the needs of the organization.
2. **Select a software** :- At the time of Choosing an Audit Trail Software, there are few factors to consider for meet your requirement :-
  - (a) Determine Your Budget
  - (b) Consider your existing systems
  - (c) Look for a user-friendly interface
  - (d) Check for security features
  - (e) Evaluate reporting capabilities
  - (f) Research customer support
3. **Define clear policies and procedures:** It is important to define clear policies and procedures for using and accessing the audit trail, as well as for reviewing and analyzing the data. This will help ensure that the audit trail is used consistently and effectively.

4. **Train users on how to use the audit trail:** Proper training is essential to ensure that users understand how to use the audit trail effectively This may include training on how to access and review the data, as well as how to identify and report any issues or anomalies. Following steps to be followed for trained staff on How to use The Audit Trail Software:-

- (a) Develop Training materials
- (b) Give Practical training to user
- (c) Schedule regular training sessions
- (d) Provide documentation
- (e) Encourage feedback

5. **Monitor The Audit Trail** :- This is an important step to ensure that the data captured is accurate and complete. For monitor the Audit trail , following steps to be followed:-

- (a) Assign a dedicated resources
- (b) Develop a Monitoring Plan
- (c) Use analytics tools
- (d) Review Access Logs
- (e) Conduct periodic audits

6. **Regularly review and analyze the data:** To ensure that the audit trail is effective, it is important to regularly review and analyze the data. This may involve generating reports and alerts based on specific events or conditions, as well as manually reviewing the data for any issues or discrepancies. For review and analyze the data following steps to be followed:-

- (a) Review the data regularly
- (b) Use Analytics tools
- (c) Identify root cause
- (d) Share insights with stakeholders

7. **Implement security measures:** Ensuring the security and confidentiality of the audit trail data is crucial. This may involve implementing measures such as encryption and access controls to prevent unauthorized access to the data.

8. **Regularly maintain and update the audit trail:** To ensure that the audit trail is effective and accurate, it is important to regularly maintain and update the audit trail. This may involve making updates to the system or database, as well as regularly backing up and archiving the data.





## Scope for Forensic Audit and Reasons for Financial frauds



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### Scope for Forensic audit:

Forensic audit has a wide scope, as it can be applied to various types of financial transactions and activities. Some of the areas where forensic audit can be used include:



- Financial Statement Fraud:** Forensic audit can be used to investigate financial statement fraud, which involves intentional misrepresentation or omission of financial information in financial statements.
- Asset Misappropriation:** Forensic audit can also be used to investigate asset misappropriation, which involves the theft or misuse of assets such as cash, inventory, or equipment.
- Intellectual Property Theft:** Forensic audit can also be used to investigate intellectual property theft, which involves the unauthorized use or theft of patents, copyrights, or trade secrets.



- Insurance Claims:** Forensic audit can be used to investigate insurance claims, such as those related to fraudulent claims, overstated claims, or claims involving staged accidents or events.
- Bribery and Corruption:** Forensic audit can be used to investigate bribery and corruption, which involves the offering or receiving of illegal payments or gifts in exchange for favours or preferential treatment.
- Money Laundering:** Forensic audit can be used to investigate money laundering, which involves the process of disguising the proceeds of illegal activities as legitimate funds.
- Compliance:** Forensic audit can be used to investigate compliance issues, such as violations of laws, regulations, or company policies.

### Reasons for Financial Frauds:



In today's corporate environment, financial fraud is an issue that is becoming more and more prevalent. No matter the size or sector of the firm, it may happen, and it can have a major financial impact as well as legal ramifications and brand harm. Understanding the three factors that cause financial fraud to occur—rationalization, opportunity, and pressure—is one of the most effective strategies to stop it.

#### 1. Rationalization:

The ability to defend one's dishonest behaviour is one of the main motivators for people to engage in financial fraud. They could persuade themselves that what they are doing is okay or that they deserve the cash or possessions they are robbing. People might use rationalisation as a potent psychological strategy to defend their behaviour and stave off regret or feelings of guilt.

Two key ways that individuals rationalize their fraudulent actions are:

- Justification of Dishonest Action:** Those who believe they are only stealing what is rightly theirs may use this



justification to justify their fraudulent behaviour. They could mislead themselves into thinking they are doing no harm or that they are entitled to the funds or assets they are stealing.

- **Denial of Responsibility:** Another way that individuals rationalize their fraudulent actions is by denying responsibility for their behaviour. They may blame others or external factors for their actions, such as a difficult work environment or personal problems.

### 2. Opportunity:

Opportunity is the second factor that supports financial fraud. When someone has the capability to misappropriate funds or organisational assets, they have committed fraud. Weak internal controls, a lack of oversight, or insufficient monitoring may be to blame for this. Some of the key ways that opportunity arises include:

- **Weak Internal Controls:** Organizations with weak internal controls are more susceptible to fraud. Employees may exploit loopholes or gaps in the organization's policies and procedures to carry out fraudulent activities.
- **Inadequate Oversight:** Organizations that lack adequate oversight are more vulnerable to fraud. Supervisors and managers may not be monitoring employees' activities closely enough, allowing them to engage in fraudulent behaviour without detection.

### 3. Pressure:

The pressure factor is the third and last component of financial fraud. When under pressure to achieve particular objectives or expectations, people are more inclined to commit fraud. Both internal and external causes may exert this pressure.

Some of the key ways that pressure arises include:

- **Financial Need:** Individuals who are dealing with financial difficulties, such as debt or addiction, may feel under pressure to engage in dishonest behaviour to obtain money.
- **Workplace Pressure:** People could experience stress from their organization's expectations or objectives. This pressure may come from the boss, co-workers, or the general workplace. This may feel under pressure to engage in dishonest behaviour to obtain money.

### Conclusion

In conclusion, financial fraud is a complex and multifaceted problem that requires a comprehensive approach to address effectively. By understanding the three pillars of financial fraud - rationalization, opportunity, and pressure - organizations can develop strategies to prevent fraudulent activities from occurring. Forensic audit can play a crucial role in identifying instances of financial fraud and providing recommendations to strengthen internal controls and prevent future incidents.







## Why Stock Market Crashes and its reason



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In this article we will try to understand the reasons of stock market crashes and measures taken by SEBI to tackle the same, but before coming on to our main discussion, let us first understand what actually stock market crash is,

As per technical definition, it is a sudden dramatic decline of stock market, resulting in a significant loss of paper wealth. Crashes are driven by panic selling and underlying economic factors.

I know you haven't understood the above definition as it is little bit technical, don't worry we will deeply analyse the same with demand and supply example;

Stock Market Crash is nothing but a steep downfall of stock indices like Sensex, Nifty 50 and many other small and mid cap indices and its listed shares; gradually due to rapid dumping of shares in the market usually by big investors like FII's, DII's which ultimately creates panic among the investors and they also start selling their holdings (shares) with a fear of losing more and more value of investment which ultimately results in excess supply i.e. selling and there are less or few buyers, in simple words it is just a basic concept of economics i.e. demand & Supply, Seller has to sell their holdings at whatever rate buyer is willing to pay which is usually low, thereby taking share price to downward, apart from this there are several other reasons of stock market crashes like high fluctuation in inflation rates, foreign exchange rates, RBI monetary policy, rise or fall in Gold and oil prices etc. It is just an illustrative list there are as many possible reasons of rise and fall of stock market indices.

The example taken of rapid dumping of shares in above explanation is just a trailer, there are so many other reasons of market crash which are discussed below:

1. Economic factors of the country like GDP growth rate, inflation rates, policies of government etc.
2. Global Factors like most of the world stock exchange have an effect due to stock markets of U.S. i.e. Dow Jones and Nasdaq, if U.S. market increases then other markets will increase and vice-versa.
3. Expose of any scam done by any person who is engaged in large volume of trading of shares like Harshad Mehta scam of 1992 and Ketan Parekh scam of 2001 and many more.
4. Expose of fraud done by large cap companies which ultimately results in market crash like Satyam computer fraud.
5. Rise or fall in commodities market especially gold, silver and oil prices.

To overcome market crashes problem, SEBI (Regulator of securities market in India) has prescribed certain rules like trading halt, upper and lower circuits, declaration by trader before selling and buying major stake in a company etc to protect the interest of small investors and to stop manipulation of market by big players of the market.

SEBI acts as a watch dog of the Stock market so that big players won't be able to manipulate the market by bulk buying and selling of shares which ultimately leads to tremendous amount of loss to small investors. Market crash affects the economy in a significant manner as it is one of the most important pillar of economy of any nation, Market crash leads to erosion of billions of dollar of money from the market in a single day, huge amount of capital and investment of investors are whipped out in a moment. Therefore, the steps taken by SEBI to combat the market crashes are the welcoming steps which will lead to fair trading in the market and thus protecting the interest of investors and will surely prove to be a boon for the growth of market and its capitalisation.

Happy Readings.





## Preferential Issue of Equity Shares



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Preferential issue of equity shares is different from issue of preference shares. It is a popular fund raising strategy wherein equity shares or securities are issued by an issuer company to a selected group of investors and general public would not be entitled to subscribe to it. Section 62 (Allotment of Shares) and Section 42 (Allotment of Securities) of Companies Act, 2013, provides for the regulatory framework of preferential allotment of shares. Moreover, SEBI has provided differential mechanism to determine issue price for frequently as well as infrequently traded shares.

As per Regulation 71A of SEBI (ICDR) Regulations, 2009 "Frequently Traded Shares" means shares of an issuer company, in which the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date is at least ten percent of the total number of shares of such class of shares of the issuer. If above criteria is not met then it would be treated as infrequently traded shares.

The pricing in case of frequently traded shares should not be less than the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date. The pricing in case of infrequently traded shares as per regulation 165 of the ICDR Regulation is determined by the issuer company taking into account multiple valuation parameters such as book value, comparable trading multiples, and other such customary parameters for valuation. Moreover, such valuation is required to be certified by an independent valuer.

### Process Snapshot for Preferential Issue

Following is the brief process for getting approval from the shareholders and stock exchanges for allotting shares on preferential basis:

1. Identify proposed shareholders for the preferential issue and take their consent in prescribed format along with necessary KYC.
2. Close Trading Window as per SEBI (PIT) Regulation 2015 and fix relevant date and issue price for proposed preferential issue.
3. Conduct Board Meeting (Pre and Post Compliances)

- A. Give prior intimation to Stock Exchange under Regulation 29(1)(d) of the SEBI(LODR) 2015.
- B. Notice for the board meeting need to be issued to all members 7 days before the Board Meeting u/s 173 of the Companies Act, 2013.. The notice should also have agenda of the Board Meeting as follows:
  - Forming the Allotment Committee.
  - Drafting of notice of EGM (decide date, time and venue of EGM)
  - Appointing the Scrutinizer for E-voting
  - Deciding for e-Voting NSDL / CDSL and applying for the same (Generating EVSN number in case of CDSL/ EVEN Number In case of NSDL for E-voting facility and asking RTA to upload BenPos data on depository site)
- C. Send email to Stock exchange by attaching copy of notice sent to the shareholders along with a copy of updated MOA & AOA of the company for preliminary scrutiny. Draft resolution of the Board Meeting also need to be attached with the notice.
- D. Intimate stock exchange regarding outcome of Board Meeting after the closure of meeting as per Regulation 30 of LODR
- E. Above stock Exchange intimation also need to be posted on website of the listed company as per Regulation 46 of LODR
- F. File MGT-14 with MCA alongwith copy of board resolution. In compliance with Section 117 read with 179(3) of Companies Act, 2013 as well as Companies (Prospectus and Allotment of Securities Rules) 2014
- G. Lock-in pre-shareholding of all proposed allottees with CDSL and / NSDL by paying applicable fees through company's RTA. Entire pre-preferential allotment shareholding of the allottees, if any, may be locked-in from the relevant date up to a period of minimum six months.



4. Submit an application for In-Principle approval (Pre issue) with the Stock Exchange

Download the checklist and formats from Stock Exchange under the download section link is mentioned below:

<https://www.StockExchangeindia.com/static/about/downloads.aspx>

Apply with all the signed documents mentioned in checklist along with relevant documents.

5. Dispatch EGM notice to shareholders via emails Approx. 25 days prior (as per Companies Act, 21 clear days plus 4 days before EGM date) – before sending emails ask RTA to upload BenPos data on NSDL/CDSL site and approve email draft and confirm to NSDL/CDSL for sending mails to all shareholders. Also upload the notice of EGM on Stock Exchange website along with covering letter and also post it on website of the company.
6. Prepare draft of EGM notice for newspaper advertisement and publish the same in English and vernacular newspaper where registered office is situated. Also upload it on Stock Exchange with a covering letter and post it on the company's website.
7. Open a separate bank account for collecting proceeds of the preferential allotment.
8. Co-ordinate with stock exchange in order to get their in-principle approval after satisfactorily resolving their queries
9. Decide cut-off date for e-voting in EGM notice and then, complete the e-voting process before EGM
10. Conduct the EGM and upload the proceeding of EGM within 24 hours of conclusion of EGM. After EGM, within 2 working days submit the scrutinizers report and voting result with Stock Exchange.
11. Prepare Form PAS-4 and mail the signed PAS-4 to proposed shareholders along with application letter and take signed application letter from proposed shareholders for company's record. Also Prepare Form PAS-5 and keep it for company's record.
12. File MGT-14 for special resolution passed at EGM and also prepare PAS-3 by entering SRN no of MGT-14 and attaching PAS-4 and PAS-5 within 15 days of EGM
13. Post issue / listing application, company can use funds only after uploading PAS-3 with the Ministry of Corporate Affairs. Then, start the process of post-preferential allotment process for listing approval by downloading formats of Preferential Issue - Post Issue and Listing Application form from the stock exchange and submit signed copies.

14. Make an announcement under Regulation 30 of LODR regarding allotment. Capital restructuring shareholding pattern also to be uploaded on Stock Exchange within 10 days of capital restructuring as per regulation 31 (1) (c) of SEBI LODR Regulations, 2015.
15. Submit corporate action forms along with all the required enclosures to both the depositories through RTA and submit an application to stock exchanges for trading approval with relevant documents.

### Lock-in of Securities in Preferential Allotment

Specified securities allotted on a preferential basis to persons other than the promoters and promoter group need to be compulsorily locked-in for a minimum period of six months from the date of trading approval. The lock-in for new shares issued to promoters would be at least six months but it may get extended to 18 months. In terms of Reg. 167 of ICDR, in case of convertible securities, provision for lock-in is applicable to both i.e. convertible securities and the equity shares (post conversion). Accordingly, the lock-in of pre-preferential shareholding shall start from the relevant date and shall be upto a period of 90 trading days from:

- Trading approval – In case of equity shares or convertible securities, if listed
- Allotment date – In case of convertible securities or warrants which will not be listed since there will be no trading approval.

### Opportunity for Chartered Accountants

Preferential issue is not a rights issue, bonus or public issue but it is actually a simplified method of raising capital from shareholders as compared to other prevailing methods. In this case, entire allotment of shares is made to pre-identified persons who may or may not be existing shareholders of the issuer company by taking necessary approvals from shareholders and the stock exchanges. Irrespective of the quantum of preferential issue, the final approval will be granted by the stock exchanges and there is no need to approach SEBI. Preferential issue certainly has got an edge over other fund raising methods due to quicker time frame, reduced compliance, as well as lesser costs.

Chartered Accountants have created a niche for themselves in the capital markets and they can guide listed companies to use this method for raising funds for growth. Besides doing various procedural compliances, they may also help these companies to find investors by suitably pricing their securities in compliance with regulations. And finally, Chartered Accountants have also to certify end usage of issue proceeds in the capacity as Auditors.





## Valuation Process



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Following points merit consideration or guidelines of the kind of process the registered valuer must follow to arrive at proper valuation:

**1. Planning of the assignment:**

“If you fail to plan, you are planning to fail” -so as the famous saying goes (as supposedly quoted by Benjamin Franklin). Planning is the first and the most critical activity of any valuation assignment. Planning needs to be done in terms of time, efforts and resources that are required to be committed to each assignment that comes to a valuer. Many a time, work pressure gets unnecessarily generated due to lack of planning. Every hour of planning can save days of execution for the valuation professional and his / her team.

**2. Gathering the background information:**

While it is valuation and not investigation, gathering of background information is a must for any valuation assignment. It ensures the completeness and accuracy of the valuation done. Each valuer should not only focus on gathering the background information but also cross verify the same from various different independent sources. It requires the effort of that extra mile to walk, but it saves a lot of heart burn at a later date. Not to mention that information so gathered, must be documented in the working sheets and kept as a record for future reference.

**3. Clearly documenting the purpose of valuation:**

Documentation is an insurance policy for a valuer practicing in our country. The service liability sometimes can be so huge, that even insurance cannot cover it. In no circumstances, a registered valuer should be held for professional negligence on account of lack of or less documentation. In this case, a thumb rule can be easily followed. “When in doubt, don’t forget to document.”

**4. Establishing the premise of valuation:**

Premise of valuation is very critical for every assignment. If the basic premise of valuation is a “going concern” then the future earning capacity of the firm plays a major role in valuation. However, if the purpose is liquidation, valuer would have to focus more on the realizable values to satisfy all the stakeholders.

**5. Identifying the stakeholders involved:**

Every valuation assignment will have multiple stakeholders. The usual ones would include client, the counter party,

bank and government. Many a times other stakeholders like employees, shareholders, creditors may also get affected by the valuation. Hence, stakeholder identification empowers the valuer to assess the impact of valuation on each one of them. He / she can factor it while preparing the valuation report.

**6. Documenting the findings of the study carried out**

Once the valuer and his / her team start applying his / her mind on the assignment, findings would emerge. The findings need to be carefully documented to formulate an opinion on arriving at appropriate valuation. These findings need to be collated harmoniously and analysed to assign a final value to the asset under consideration.

**7. Arriving at first stage valuation**

Once the findings are collated, they need to be analysed to arrive at first stage valuation. First stage valuation should be based on all the findings of study carried out in previous step. The first stage valuation must cover all the aspects such that very minimum or no modifications are required at a later date.

**8. Evaluating the valuation so arrived for secondary evidence and empirical testing**

This stage is the most important stage. This is the stage where the valuer and his team need to thoroughly test the valuation done by them and challenge every aspect of the finding, such that, their valuation should stand the test of purpose for which it is prepared. An experienced valuer would spend majority of his time in critical review and evaluation.

**9. Drafting the valuation report**

Once the valuation is arrived at, report needs to be prepared as a final deliverable for the client. The first draft of the report must be prepared extensively incorporating the specific elements of the particular assignment. Templatization in report creation should be avoided to kill creativity. Each report should be specific, relevant and to the point for the client.

**10. Finalizing the report by revisiting it for completeness and accuracy**

The draft report, if prepared by a junior, must be reviewed by the senior valuer or otherwise a peer review must be done. It helps in putting the valuation in the right perspective and ensures that not many perspectives are missed out during preparation.

If the steps mentioned above are followed religiously, there would be very little chances of errors in the valuation exercise. The best practice mentioned here must be followed as a policy of valuation practice, leading to a valuation firm with a global mindset.







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मैं एक नारी हूँ और नारी का वर्णन करने आई हूँ. अपनी एक छोटी सी कविता के माध्यम से मैं नारी शक्ति का परिचय कराने आई हूँ. ज्यादातर जो लोग दिखते हैं वह नारी के ऊपर जो बितता है वह लिखते हैं पर नारी में अब जो बदलाव आए हैं वह मैं कहने जा रही हूँ –

किसी पर बोझ नहीं हूँ मैं,  
फिर क्यों घुटी जाती हूँ हर रोज में,  
अब इस घुटन से नि कलने लगी हूँ मैं,  
क्यों कि खुद को समझने लगी हूँ मैं,  
क्या हूँ मैं क्या कर सकती हूँ मैं,  
इस बात से परिचित होने लगी हूँ मैं,  
क्या सोच रहे हो, वो पुराने वाली हूँ मैं,  
नहीं, आज की नारी हूँ मैं ||१||  
वह सती प्रथा में पति के साथ जलकर चीखने चिल्लाने वाली नहीं हूँ मैं,  
अब तो पति के साथ कंधे से कंधा मिला कर चलने वाली हूँ मैं,  
चार दीवारों में मुझे कैद नहीं कर सकते तुम,  
खुले आसमान में उड़ने वाली हूँ मैं,  
जो सितारे आसमान में चमकते हैं,  
उन्हें कंधों पर लाने वाली किरण बेदी हूँ मैं,  
अंतरिक्ष में जाने वाली कल्पना चावला हूँ मैं,  
कुश्ती के खाड़े में लड़कों को पछाड़ने वाली गीता हूँ मैं,  
कुछ लोग मुझे कमजोर समझते हैं  
शायद उन्हें नहीं पता कि उनकी सोच के भी बाहर हूँ मैं,  
क्या सोच रहे हो, वो पुराने वाली हो मैं,  
नहीं, आज की नारी हूँ मैं ||२||  
तुम क्या सोचते हो,  
मुझे मारकर, मुझे पीटकर, मुझे घसी टकर,  
यू सडेआम बदनाम कर दोगे,

तुम्हारी इसी सोच पर अल्पविराम हूँ मैं,  
जो मुझे कुछ नहीं समझते  
उनके लिए ? मार्क हूँ मैं,  
और जो मुझे समझते हैं,  
उनके लिए मिसाइल हूँ मैं,  
क्या सोच रहे हो, वो पुराने वाली हूँ मैं  
नहीं, आज की नारी हूँ मैं ||३||  
आओ, अब कर लो मुकाबला,  
किसी से कम नहीं हूँ मैं,  
चार दीवारों को घर बना ने वाली एक शक्ति हूँ मैं,  
तुम्हारे घर में तो क्या देश के बॉर्डर पर भी हूँ मैं,  
करोड़ों के देश का ध्यान रखनेवाली राष्ट्रपति भी हूँ मैं,  
जहां न्याय मिलता है उस अदालत में भी हूँ मैं,  
जहां जीवनदान मिलता है उस हॉस्पिटल में भी हूँ मैं,  
कंपनियों को चलानेवाली एक ऑडिटर भी हूँ मैं,  
अब मुझसे कोई मेरे अधिकार छीन नहीं सकता,  
अब मुझसे कोई मरने के लिए मजबूर नहीं कर सकता,  
अब मुझे दहेज के लिए कोई जला नहीं सकता,  
अब मुझे कोई यूँही राहों में अकेला देख मुझसे खेल नहीं सकता,  
क्योंकि उन सबको पता है कि उनके लिए सजा हूँ मैं,  
क्या सोच रहे हो, वो पुराने वाली हूँ मैं,  
नहीं आज की नारी हूँ मैं  
आज की नारी हूँ मैं ||४||.....\_\_



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1. Which of the following is not a deduction allowed under Section 80E of the Income Tax Act?
  - A) Interest paid on education loan
  - B) Principal repayment of education loan
  - C) Processing fee for education loan
  - D) None of the above
2. What is the maximum amount of deduction allowed for payment of rent under Section 80GG of the Income Tax Act for individuals who do not receive HRA?
  - A) Rs. 10,000 per month
  - B) Rs. 15,000 per month
  - C) Rs. 25,000 per month
  - D) Rs. 50,000 per month
3. Which of the following is not a deduction allowed under Section 80G of the Income Tax Act?
  - A) Donation to Prime Minister's Relief Fund
  - B) Donation to National Defence Fund
  - C) Donation to political parties
  - D) None of the above
4. What is the maximum amount of deduction allowed for contributions made to the National Pension System (NPS) under Section 80CCD(1B) of the Income Tax Act?
  - A) Rs. 50,000
  - B) Rs. 75,000
  - C) Rs. 1 lakh
  - D) Rs. 1.5 lakh
5. Which of the following is not a deduction allowed under Section 80DDB of the Income Tax Act?
  - A) Medical expenses for specified diseases
  - B) Medical insurance premium paid for self and family
  - C) Medical expenses for senior citizens
  - D) Medical expenses for dependent parents
6. When was E-invoicing made mandatory for taxpayers with turnover exceeding Rs. 50 crores?
  - a) October 2020
  - b) January 2021
  - c) April 2021
  - d) July 2021
7. What is the time limit for filing an appeal against an order passed in adjudication proceedings under GST?
  - a) 30 days from the date of receipt of the order
  - b) 60 days from the date of receipt of the order
  - c) 90 days from the date of receipt of the order
  - d) There is no time limit for filing an appeal
8. What is the penalty for claiming Input Tax Credit (ITC) incorrectly?
  - a. No penalty
  - b. 10% of the amount claimed as ITC
  - c. 50% of the amount claimed as ITC
  - d. 100 % of the amount claimed as ITC
9. What is the maximum punishment for certain offenses under GST, such as willful tax evasion or fraudulent refund claims?
  - a) Imprisonment up to 6 months and/or fine
  - b) Imprisonment up to 1 year and/or fine
  - c) Imprisonment up to 3 years and/or fine
  - d) Imprisonment up to 7 years and/or fine
10. Can ITC on Rent-a-cab services be claimed by a registered person under GST?
  - a) Yes, ITC on Rent-a-cab services can be claimed by a registered person
  - b) No, ITC on Rent-a-cab services is a Block Credit and cannot be claimed
  - c) ITC on Rent-a-cab services can be claimed, but only if the cab is used for business purposes
  - d) ITC on Rent-a-cab services can be claimed, but only if the cab is used for personal purposes

**March Quiz Link : <https://forms.gle/7H4CXGXWEEyUaNiv9>**

### February 2023 Quiz Contest Winner

TOP 3	NAME	MEM. NO.
1	Pooja Sagar Jajal	164360
2	Kajal morvadia Morwadia	605836
3	Karishma Keshari	199741





**Women’s Day Celebration on the theme of “SHAKTI” was organized by the Vasai Branch of WIRC on 5th March, 2023 at Vasai Branch Premises, Bhayandar (West)**



Inauguration ceremony of the occasion was accompanied by the Vasai Branch Committee members.



CA Female Members for the Women’s Day Celebration



CA. Amit Agarwal, Chairman – Vasai Branch greeted CA. Priti Savla, Central Council Member, ICAI with a bouquet.



CA. Tarun Dhandh, Vice Chairman – Vasai Branch greeted CA. Shweta Jain, Immediate Past Secretary, WIRC - ICAI with a bouquet.



CA. Priti Savla, Central Council Member, ICAI & CA. Amit Agarwal, Chairman – Vasai Branch celebrated Women’s Day by honouring Mrs. Urmila Patil the first Women Auto Rickshaw driver in Mira Bhayandar by a Memento.  
 (L-R):- CA. Daya Bansal, Secretary – Vasai Branch of WIRC, CA. Shrikrishna Purohit, Treasurer – Vasai Branch of WIRC – ICAI, CA. Amit Agarwal, Chairman – Vasai Branch, Mrs. Urmila Patil, CA. Priti Savla, Central Council Member, ICAI, CA. Shweta Jain, Immediate Past Secretary, WIRC – ICAI, CA. Tarun Dhandh, Vice Chairman – Vasai Branch, CA. Aba Parab, Chairman – Vasai WICASA.





**Vasai Branch of WIRC organized Walkathon for CA Female Members on the occasion of Women's Day on 5th March, 2023 at Bhayandar (West)**



**Vasai Branch of WIRC & Vasai WICASA of WIRC organized Holi Festival for CA Members & Students on 5th March, 2023 at Hi Score Turf, Bhayandar (West)**







**The Vasai Branch of WIRC Sub Committee Meeting Members was schedule on 18th March, 2023 at Vasai Branch Premises, Bhayandar (West)**





**Vasai Branch of WIRC of ICAI hosted a Workshop on Bank Branch Audit organized by Auditing and Assurance Standards Board, ICAI on 19th March, 2023 at Vasai Branch Premises, Bhayandar (West)**



Inauguration Ceremony



Participants in the Seminar



CA. Amit Agarwal, Chairman – Vasai Branch of WIRC greeting CA. Arpit Kabra, Chairman – WIRC of ICAI with bouquet. (L-R):- CA. Daya Bansal, Secretary – Vasai Branch of WIRC, CA. Shweta Jain, Immediate Past Secretary – WIRC of ICAI, CA. Arpit Kabra, Chairman – WIRC of ICAI, CA. Amit Agarwal, Chairman – Vasai Branch of WIRC, CA. Hrudyes Pankhania, Regional Council Member & Branch Nominee, CA. Shrikrishna Purohit, Treasurer - Vasai Branch of WIRC.



CA Lokesh Kothari, Committee Member - Vasai Branch of WIRC, CA. Brajendra Talesara, Committee Member - Vasai Branch of WIRC, CA. Shrikrishna Purohit, Treasurer - Vasai Branch of WIRC, CA. Tarun Dhandh, Vice Chairman - Vasai Branch of WIRC presenting Memento to CA. Abhijit Sanzgiri, Speaker.



CA Lokesh Kothari, Committee Member - Vasai Branch of WIRC, CA. Aba Parab, Chairman – Vasai WICASA of WIRC, CA. Shrikrishna Purohit, Treasurer - Vasai Branch of WIRC, presenting Memento to CA. Bhupendra Mantri, Speaker



CA. Hrudyes Pankhania, Regional Council Member & Branch Nominee, CA. Amit Agarwal, Chairman – Vasai Branch of WIRC, CA. Tarun Dhandh, Vice Chairman - Vasai Branch of WIRC presenting Memento to CA. Suyesh Jain, Speaker



CA. Hrudyes Pankhania, Regional Council Member & Branch Nominee, CA. Amit Agarwal, Chairman – Vasai Branch of WIRC, CA. Tarun Dhandh, Vice Chairman - Vasai Branch of WIRC, CA. Shrikrishna Purohit, Treasurer - Vasai Branch of WIRC, CA. Aba Parab, Chairman – Vasai WICASA of WIRC presenting Memento to CA. Pankaj Tiwari, Speaker





## Launching of Publication on Reference Manual of Statutory Bank Branch Audit – 2023



(L-R): CA. Shrikrishna Purohit, Treasurer - Vasai Branch of WIRC, CA. Vijendra Jain, Past Secretary – Vasai Branch of WIRC, CA. Tarun Dhandh, Vice Chairman - Vasai Branch of WIRC, CA. Abhijit Sanzgiri, Speaker, CA. Daya Bansal, Secretary – Vasai Branch of WIRC, CA. Shweta Jain, Immediate Past Secretary – WIRC of ICAI, CA. Arpit Kabra, Chairman – WIRC of ICAI, CA. Amit Agarwal, Chairman – Vasai Branch of WIRC, CA. Hrudayesh Pankhania, Regional Council Member & Branch Nominee, CA. Aba Parab, Chairman – Vasai WICASA of WIRC, CA. Kishor Vaishnav, Past Chairman - Vasai Branch of WIRC, CA. Ramanand Gupta, Past Chairman – Vasai Branch of WIRC, CA. Brajendra Talesara, Committee Member - Vasai Branch of WIRC, CA. Unmesh Narvekar, Past Chairman – Vasai Branch of WIRC, CA. Bhupendra Mantri, Speaker

## Meeting with the Past Chairmen’s of Vasai Branch of WIRC was schedule on 19th March, 2023 at Vasai Branch Premises, Bhayandar (West)



## Students Annual General Meeting for the Nomination of WICASA Committee was schedule on 19th March, 2023 at Vasai Branch Premises, Bhayandar (West)





## Obituaries

# भावपूर्ण श्रद्धांजली



**CA Dinesh Amrutlal  
Kotecha**



**CA Ravindra kumar  
Chapawat**



**CA. Dhaneshchandra  
Revawala**



We express our deep condolence and grief on the sad demise of our members.

May the departed souls rest in peace.

Editor: CA. Amit Agarwal Published by Vasai Branch of Western India Regional Council of The Institute of Chartered Accountants of India at Finesse Graphics and Prints Pvt. Ltd., 309, Parvati Ind. Est., Sun Mill Compound, Lower Parel, Mumbai 400 013. Tel. : 4036 4600

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The Institute of Chartered Accountants of India,

**Vasai Branch of WIRC**

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