

# The Institute of Chartered Accountants of India

(Set up by an act of Parliament)



Southern India Regional Council (SIRC)

**Thiruvananthapuram Branch**

News Letter

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*Wishing you all a very*  
**HAPPY ONAM**



# Chairman's Communique....



Dear Members,

At the outset I wish all of you a Happy and Prosperous Onam. As the festive occasion of onam is round the corner, and the atmosphere is filled with the spirit of mirth and love, hoping this festival of beauty brings your way, bright sparkles of contentment, that stay with you through the days ahead.

August was a happening month for the branch. We had organized a one day Information Technology Summit under the Digital Assurance Board Committee spear headed by CA Dayaniwas Sharma. The seminar was indeed an insight into where our profession is being headed. Digital Accounting and Assurance Board is making wide ranging efforts to ensure that expertise in all the dimensions of technology becomes an essential part of professional skill set of our members. The objective of this one day program was to give a brief introduction of these emerging technologies and their impact on the Chartered Accountancy Profession. I profusely thank all the members who turned up in large numbers for the event.

The Managing Committee also had the privilege of meeting CA.Dhiraj Kumar Khandelwal, Chairman, Committee on Public Finance and Accounting Standards for Local Bodies (CPF&ASLB) on 13th August, 2019. During his visit we had the opportunity to meet the top IAS officials of the state and have a one to one discussion on the implementation of accounting standards for the local bodies in Kerala.

All of us will be gearing up for the hectic tax audit season ahead of us. The tax audit seminar is scheduled for September 16. Looking forward to see all of you there. Let us all gear up to undertake and complete the tax audit within the prescribed time frame. Being the guardians of financial probity, let us proactively work to keep up the trust bestowed in us by the Government and society.

Wish you a Happy and Prosperous Onam....

Regards,

CA Roopesh R

Chairman, Thiruvananthapuram Branch of SIRC



Dear Professional Colleagues,

At the outset I offer my sincere Advance Onam Greetings to you. Time and tide wait for no man, and my one-year tenure as Secretary of Thiruvanthapuram branch of ICAI has already passed six months. Let me assure you on my behalf and on behalf of the Managing Committee of your branch that we are taking all out effort to give best services to the members and students. The feedback from the members that the seminars, workshops etc so far conducted have been excellent covering a wide range of contemporary and important subjects – GST, Direct Tax, Audit, Corporate Affairs, Technology etc. The best faculties available in the country were arraigned to make these events – part of continuing education programme- meaningful and fruitful. In this respect the effort of our Chairman CA. Roopesh and the valuable support given by The Central Council Member from Kerala, CA. Babu Abraham Kallivayalil and SIRC Chairman CA. Jomon K George are commendable. The Managing Committee is also taking efforts to improve the Infrastructure facilities of the branch including installation of a lift and we are closely following up the same with CA. Babu Abraham Kallivayalil and CA. Jomon K George and that they have given assurance that the same will be taken up with the Central Office at New Delhi for early smooth sanction. On the students' front comprehensive coaching is being given from Foundation to Final level and the feedback on the efficacy of the coaching is highly positive. CA. Cherianji Samuel, the young, dynamic colleague of mine in the Managing Committee, who is in charge of the SICASA has left no stones unturned to make this remarkable progress.

On the professional front, the introduction of UDIN with the main aim to prevent impersonation as CAs by nonprofessionals, has been hailed as a major reform. It is indeed a matter of pride that already 3million UDINs have been created. With the deadline for the completion of audit of Companies fast approaching, I am sure the number would increase many folds. Also, the launch of Self-Service Portal (SSP) which allows members seamless communication and transactions with the Institute is indeed an epochal decision. Your branch has set up help centre to assist members who find it difficult to get registered in the above portal. It is heartening to note that few members did make use of this help centre and successfully logged into the Self Support Portal (SSP) of the institute. As regards GST, the due date for filing of Annual Return and GST audit has been extended to 30<sup>th</sup> November 2019. The institute is aware of the concerns of members about the representation made by the Cost Accountants and Company Secretaries to amend the definition of Accountant in the Income Tax Act, 1961, to include them also as Accountant. The Central Council of the Institute has given a representation vehemently opposing any such move.

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The most important annual event, The SIRC Conference, is on 18<sup>th</sup> and 19<sup>th</sup> November 2019 is to be held at Bolghaty Island, Kochi and as in the past, I am sure members in large number from our branch will participate in this important conference to make it a grand success.

To be a successful professional we must constantly learn and update. Let me conclude with this quote: “I have never met a man so ignorant that I couldn’t learn something from him” – Galileo Galilei

Wishing your Tax and Companies Audit season all Success!!!

Yours Sincerely,

CA. H. Ramakrishnan

Secretary, Thiruvananthapuram Branch of SIRC

It is an amnesty scheme to clear the old tax disputes pending before various legal forums. It also provides an opportunity to the tax payer to pay the unpaid tax. The scheme provides substantial benefit to the tax payer including immunity from interest, penalty and prosecution. The tax payer shall make a declaration indicating the tax payable under the scheme. There shall be a designated committee who shall verify the declaration so made. After verification, the committee shall issue statement indicating the amount to be paid and upon payment of such amount discharge certificate shall be issued.

## ***The salient feature of the scheme is as under.***

1. The scheme is applicable to the following enactments;
  - (a) the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or Chapter V of the Finance Act, 1994 and the rules made thereunder;
  - (b) Following Acts, namely;
    - (i) the Agricultural Produce Cess Act, 1940;
    - (ii) the Coffee Act, 1942;
    - (iii) the Mica Mines Labour Welfare Fund Act, 1946;
    - (iv) the Rubber Act, 1947;
    - (v) the Salt Cess Act, 1953;
    - (vi) the Medicinal and Toilet Preparations (Excise Duties) Act, 1955;
    - (vii) the Additional Duties of Excise (Goods of Special Importance) Act, 1957;
    - (viii) the Mineral Products (Additional Duties of Excise and Customs) Act, 1958;
    - (ix) the Sugar (Special Excise Duty) Act, 1959;
    - (x) the Textiles Committee Act, 1963;
    - (xi) the Produce Cess Act, 1966;
    - (xii) the Limestone and Dolomite Mines Labour Welfare Fund Act, 1972;
    - (xiii) the Coal Mines (Conservation and Development) Act, 1974;
    - (xiv) the Oil Industry (Development) Act, 1974;
    - (xv) the Tobacco Cess Act, 1975;
    - (xvi) the Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976;
    - (xvii) the Bidi Workers Welfare Cess Act, 1976;
    - (xviii) the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978;
    - (xix) the Sugar Cess Act, 1982;
    - (xx) the Jute Manufacturers Cess Act, 1983;
    - (xxi) the Agricultural and Processed Food Products Export Cess Act, 1985;
    - (xxii) the Finance Act, 2007;
    - (xxiii) the Finance Act, 2015;
    - (xxiv) the Finance Act, 2016;
  - (c) any other Act, as the Central Government may, by notification in the Official Gazette, specify

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## 2. Tax dues means;

- a. Where appeal/appeals is/are pending as on 30.06.2019 before the appellate forum, the total amount of duty involved in the said appeal/appeals.
- b. Where a show cause notice under an indirect tax enactment is received before 30.06.2019, the amount of duty demanded in such notice.
- c. Where an enquiry/investigation/audit is pending, the amount of duty payable under any of the indirect tax enactment which has been quantified on or before 30.06.2019.
- d. Any duty amount voluntarily declared by the declarant.
- e. The amount which is in arrears relating to the declarant.

‘Amount in arrears’ means the amount of duty recoverable as arrears on account of (i) no appeal has been filed against an order or order in appeal before the specified time for appeal, (ii) order in appeal attaining finality (iii) declarant has filed the return admitting the tax liability but tax has not been filed.

“Amount of duty’ means the amount of central excise duty, the service tax and the cess payable under the indirect tax enactment.

## 3. The amount of relief available under the scheme is as under;

S. No.	Particulars	Quantum of relief (%)
A	Where tax dues relatable to show cause notice or appeal/appeals pending as on 30.06.2019.	If the duty amount is; Rs. 50 lakhs or less - 70% More than Rs. 50 lakh – 50%
B	Where tax dues are relatable to a show cause notice for late fee or penalty only (where duty has already been paid)	Whole amount of late fee or penalty
C	In case of arrears of tax dues	If the duty amount is; Rs. 50 lakhs or less - 60% More than Rs. 50 lakh – 40%
	Where the declarant has indicated the tax dues in the returns but not paid	If the duty amount is; Rs. 50 lakhs or less - 60% More than Rs. 50 lakh – 40%
D	Where tax dues are linked to an enquiry/investigation/ Audit and the amount is quantified on or before 30.06.2019	If the duty amount is; Rs. 50 lakhs or less - 70% More than Rs. 50 lakh – 50%
E	Where tax dues are voluntarily declared by the declarant	No relief with respect to tax dues

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## ***Conditions to avail the relief***

4. The amount paid as pre-deposit before any appellate authorities or during enquiry/investigation/ Audit shall be deducted from the amount to be payable under the scheme. If the above amounts paid is more than the amount to be payable under the scheme, the excess paid shall not be refunded.
5. ***Following persons are not eligible for the amnesty scheme:***
  - a. Who have filed an appeal before the appellate forum and appeal has been heard finally on or before 30.06.2019.
  - b. Who have been convicted for any offence punishable under the provisions of indirect tax enactment for the matter for which he intends to file a declaration.
  - c. Who have been issued show cause notice under indirect tax enactment and the final hearing has been taken place on or before 30.06.2019.
  - d. Who have been issued show cause notice for erroneous refund.
  - e. Who has been subjected to enquiry/investigation/audit, but amount of duty has not been quantified on or before 30.06.2019.
  - f. A person making voluntary disclosure after being subjected to any enquiry/investigation/ audit or having filed the return under indirect tax enactment indicating the amount payable but has not paid it.
  - g. Who have filed an application for settlement before settlement commission.
  - h. Who intends to make declaration with respect to excisable goods covered in Fourth Schedule to the Central Excise Act (ie tobacco products and petroleum products)

## ***Verification by the designated committee***

6. The declaration made under this amnesty scheme shall be verified by the designated committee. No such verification shall be made for a voluntary disclosure of an amount of duty made by the declarant.

## ***Issue of statement by the designated committee***

7. Where the amount payable as declared by the declarant is found correct, the designated committee shall issue an electronic statement within 60 days of the receipt of the declaration confirming the amount payable.
8. Where the amount estimated by the designated committee exceeds the amount declared as payable by the declarant, the designated committee shall issue an estimate of amount payable within 30 days. After issuing the estimate, the designated committee shall give an opportunity of being heard to the declarant before issuing the statement of amount payable by the declarant. One adjournment may be given on showing the sufficient cause. After hearing the declarant, a statement of amount payable shall be issued within 60 days of receipt of the declaration.
9. The declarant may pay electronically through internet banking the amount payable as indicated in the statement within a period of 30 days of issue of such statement.

10. Where the declarant had filed an appeal before any forum other than Supreme Court or High Court or submitted reply to show cause notice, then such appeal/reply shall be deemed to have been withdrawn.
11. Where declarant had filed writ petition or appeal/reference before Supreme Court or High Court, an application for withdrawal of such writ petition or appeal/reference shall be made with the leave of the Court and the proof of such withdrawal shall be furnished to the designated committee as may be prescribed.
12. On payment of the amount indicated in the statement of the designated committee and production of the proof of withdrawal of appeal wherever applicable, the designated committee shall issue a discharge certificate within 30 days of the said payment and production of proof.
13. The designated committee may, within 30 days of issue of statement indicating the amount payable, modify its order only to correct an arithmetical error or clerical error which is apparent on the face of record.

### ***Immunity to the declarant***

14. The discharge certificate with respect to amount payable under this scheme shall be conclusive as to the matter and time period stated there in.
15. The declarant shall not be liable to pay any further duty, interest or penalty with respect to the matter and time period covered in the declaration.
16. The declarant shall not be liable to be prosecuted with respect to the matter and time period covered in the declaration.
17. No matter and time period covered by such declaration shall be reopened in other proceedings.
18. However, the issue of discharge certificate with respect to a matter for a time period shall not preclude the issue of show cause notice (i) for the same matter for a subsequent period or(ii) for a different matter in the same period.
19. In case of voluntary disclosure, where any material information furnished is subsequently found to be false within a period of one year of issue of discharge certificate, then it shall be presumed that no discharge certificate has been issued and the proceedings under indirect tax enactment shall be initiated.

### ***Restriction***

20. The amount paid under the scheme shall not be paid through input tax credit, shall not be refundable, shall not be eligible as input tax credit.
21. The Central Government shall be empowered to make the rules, issue orders to remove any difficulties and CBIC shall be empowered to issue instructions, in connection with the implementation of the scheme.

***Feedback : [vasant.bhat@hiregange.com](mailto:vasant.bhat@hiregange.com)***



**CA. Dheeraj Khandelwal (Chairman, Committee of Public finance and Accounting Standards of local bodies) meeting with heads of local bodies, State of Kerala.**



**Meeting with Shri. Manoj Joshi IAS  
(Additional Chief Secretary Finance)**



**Meeting with Smt. Sudharmini IA & AS  
Accountant General**



**Meeting with Shri. T K Jose IAS  
(Additional Chief Secretary)**

## One day IT Summit organised by Digital Accounting & Assurance Board (DAAB) of ICAI at our branch 16 August 2019



Inauguration of website Thiruvananthapuram branch by CA. Dayaniwas Sharma Central council member & Vice Chairman Digital Accounting and Assurance Board (<https://thiruvananthapuramicai.org/>)

CPE Seminar on Taxation of Charitable Trust conducted on 24 Aug 2019, CA Suhas Malankar



Day	Name
16 <sup>th</sup> September	GN NAIR
21 <sup>st</sup> September	Pankaj C Govind
22 <sup>nd</sup> September	Mahesh M Nair
23 <sup>rd</sup> September	Venkitachalam.R
25 <sup>th</sup> September	Satyavageesvaran
28 <sup>th</sup> September	Kiran S
02 <sup>nd</sup> October	Gautham Sreekumar
02 <sup>nd</sup> October	Shamerce Philip
03 <sup>rd</sup> October	Joy Issac T
04 <sup>th</sup> October	Sreenivasacharya G
09 <sup>th</sup> October	Unnikrishnan M
09 <sup>th</sup> October	Roshan Venugopal
09 <sup>th</sup> October	Bruno Periera
10 <sup>th</sup> October	Thomas Kutty PC
11 <sup>th</sup> October	Sameera Rose
12 <sup>th</sup> October	Hemachandran Nair R
14 <sup>th</sup> October	Gowri S Nair
14 <sup>th</sup> October	Susan Varghese
15 <sup>th</sup> October	Sarath R Krishnan
15 <sup>th</sup> October	Sanil Kumar S



Venue : Suri Centenary Hall, ICAI Thiruvananthapuram

Time : 10.00 AM to 05.00 PM

Inauguration : CA. Jomon K George, SIRC Chairman

Topic 1 : In-depth Analysis of Audit under Section 44AB

Faculty : CA. Himanshu Krishnadwala (Mumbai)

Topic 2 : Analysis of Important clauses of 3CD

Faculty : CA. Jagadish Punjabi (Mumbai)

CPE Credit : 6 hrs