



The Institute of Chartered Accountants of India  
(Set up by an Act of Parliament)



# Visakhapatnam Branch (SIRC)

APRIL - 2024

*e-Newsletter*

Chairman  
**CA. ANIRBAN PAL**

Secretary  
**CA. LOKESH P**

Editor  
**CA. G. VASUDEVAMURTY**



## Table of Contents

▶ Chairman Writes.....	2
▶ Compliance Calendar.....	3
▶ ICAI Updates.....	4
▶ Articles	
• Amendments to Ind AS1 and the shift to material accounting policies .....	5
• Robotic process automation in CA Firms .....	7
• Technical guide on preparation of financial statements under cash basis of accounting as recommended by ICAI .....	9
▶ Legal Updates .....	13
▶ Appeal for One Time CPE .....	16
▶ Program Calendar for the Month .....	17
▶ “Snapshot of Memories: A Glimpse into Last Month’s Events”.....	17



## Chairman Writes ...



Dear Esteemed Members,

I hope this message finds you in good health and high spirits. As we step into the vibrant month of March, I am delighted to share some important updates and reminders with you.

The branch celebrated International Women's day on March 8<sup>th</sup> with much enthusiasm and fervour. I thank the past chairpersons, organisers and woman members for their zestful participation.

Our recent workshops and knowledge-sharing sessions have been enlightening, thanks to the dedication of our esteemed speakers and the insightful contributions from our members. I extend my heartfelt gratitude to each one of them. Their commitment to professional excellence enriches our community. I also extend my sincere gratitude to the contributors and resource persons of Articles for the New Letter.

I urge all our members to consider subscribing to the **One-Time Annual Payment Scheme**. This convenient option not only simplifies your financial transactions but also supports the efficient functioning of our branch. Additionally, let us continue our tradition of contributing to the **Chartered Accountants Benevolent Fund (CABF)**. Your generosity can make a significant difference in the lives of our fellow professionals facing challenging times.

Our newsletter provides a comprehensive list of upcoming seminars and workshops. For the month of April, we have curated a few programs keeping in mind the needs of the young members of the branch. I encourage you to review the schedule carefully. These events cover a wide range of topics, from technical updates to soft



skills development. Participate actively, engage with fellow members, and enhance your professional acumen.

**A Call for Excellence:** Bank Audit Allotments are almost over and you must be preparing for the upcoming Audits. To our members involved in bank audits, I emphasize the critical role you play in maintaining financial integrity. As guardians of transparency, compliance, and ethics, please ensure that your audit procedures are thorough and well-documented. Uphold the highest standards of professionalism and let transparency be your guiding principle.

Remember, our collective efforts shape the reputation of our profession. Let us continue to uphold the values of the ICAI and contribute meaningfully to the growth of our fraternity.

Wishing you a productive and fulfilling month ahead!

Warm regards,

**CA Anirban Pal**

Chairman, Visakhapatnam Branch

The Institute of Chartered Accountants of India (ICAI)

# Compliance Calendar .....

## For the month of April 2024

**CA. Rithik Agrawal**



SL. No.	Particulars	Compliance	Due date
1	Micro Small and Medium Enterprises Act, 2006	Half-yearly return for informing outstanding payment to micro and small-scale vendors	30 <sup>th</sup> April 2024
2	Income Tax Act, 1961	Monthly TDS and TCS payment	7 <sup>th</sup> April or 30 <sup>th</sup> April as the case may be.
3	Goods and Service Tax Act, 2017	GSTR-1 (normal tax payer)	11 <sup>th</sup> April 2024
		GSTR-3B (normal tax payer)	20 <sup>th</sup> April 2024
		Form IFF (QRMP scheme)	13 <sup>th</sup> April 2024
		GSTR-3B (QRMP scheme)	22 <sup>nd</sup> or 24 <sup>th</sup> April as the case may be
		Form CMP o8 (composition scheme)	18 <sup>th</sup> April 2024
		GSTR-4 (composition scheme annual return for FY 2023-24)	30 <sup>th</sup> April 2024
		GSTR-6 (Input service distributor)	13 <sup>th</sup> April 2024
		GSTR-7 (Taxpayer required to deduct TDS)	10 <sup>th</sup> April 2024
		GSTR-8 (E-commerce operator)	10 <sup>th</sup> April 2024
		Updation of IEC	1 <sup>st</sup> April 2024
4	SEBI (LODR)	Compliance Certificate in relation to share transfer facility (half yearly)	30 <sup>th</sup> April 2024
		Statement of Grievance Redressal Mechanism (quarter)	21 <sup>st</sup> April 2024
		Corporate Governance Report (quarter)	15 <sup>th</sup> April 2024
		Share Holding Pattern (quarter)	21 <sup>st</sup> April 2024
		Indian Depository Receipt Holding Pattern (quarter)	15 <sup>th</sup> April 2024
		Disclosure of Aggregate Shareholding (annual)	7 <sup>th</sup> April 2024
		Audit Report under SEBI (D&P) Regulation (quarter)	30 <sup>th</sup> April 2024
5	EPF, ESI and professional Tax	Annual Return for compliance with EPF Act – Form 3A and 6A	30 <sup>th</sup> April 2024
		Contribution to employee's account in respect of Employee states insurance (ESI) & Employee Provident fund (EPF) contribution and filing of monthly Challan	15 <sup>th</sup> April 2024
		Professional Tax compliances for state of Andhra Pradesh Monthly Payment of Professional Tax and filing of return	10 <sup>th</sup> April 2024
6	FEMA Act	ECB return	7 <sup>th</sup> April 2024



## **ANNOUNCEMENT**

### **Revised Applicability of Peer Review Mandate (Phase II & III)**

Considering the requests from Practice Units, the Council decided that the applicability of the Peer Review Mandate for the Practice Units covered under Phase II and III is extended as under:-

Phase	Category of firms covered for Mandatory Peer Review	Date from which Peer Review is Mandatory
II	Practice Units which propose to undertake Statutory Audit of unlisted public companies having paid-up capital of not less than rupees five hundred crores or having annual turnover of not less than rupees one thousand crores or having, in aggregate, outstanding loans, debentures and deposits of not less than rupees five hundred crores as on the 31st March of immediately preceding financial year: For these Practice Units, there is a pre-requisite of having Peer Review Certificate. OR Practice Units rendering attestation services and having 5 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.	01.07.2024 (Grace period allowed upto 30.06.2024)
III	Practice Units which propose to undertake the Statutory Audit of entities which have raised funds from public or banks or financial institutions of over Fifty Crores rupees during the period under review or of any body corporate including trusts which are covered under public interest entities: For these Practice Units, there is a pre-requisite of having Peer Review Certificate. OR Practice Units rendering attestation services and having 4 or more partners: For these Practice Units, there is a pre-requisite of having Peer Review Certificate before accepting any Statutory audit.	01.01.2025

## AMENDMENTS TO Ind AS1 AND THE SHIFT TO MATERIAL ACCOUNTING POLICIES

### Introduction

In a significant move to enhance the transparency and relevance of financial statements, the Ministry of Corporate Affairs, through its notification on March 31, 2023, has brought into effect amendments to the Companies (Indian Accounting Standards) Rules, 2015. A pivotal change, applicable for the reporting periods commencing from April 01, 2023, is the transition from disclosing ‘significant accounting policies’ to ‘material accounting policy information’ in Ind AS 1 ‘Presentation of Financial Statements’. The amendment originates from a broader initiative to improve disclosure effectiveness, paralleling amendments to International Financial Reporting Standards (IFRS), specifically IAS 1 made effective from January 2023.

### The Rationale Behind the Change

The move from ‘significant’ to ‘material’ stems from a recognized need to standardize what is considered important across financial statements. ‘Significance’ often led to broad interpretations, resulting in disclosures that, while comprehensive, did not necessarily enhance the understandability of financial positions. Materiality, by contrast, is a well-established concept within Ind AS, offering a clearer threshold for disclosure and ensuring that what is shared with the stakeholders is of genuine importance. Recognizing this, the amendment aims to clarify and focus on material information - that which is truly critical for stakeholders to understand an entity’s financial position and performance.

### Key Aspects of the Amendment

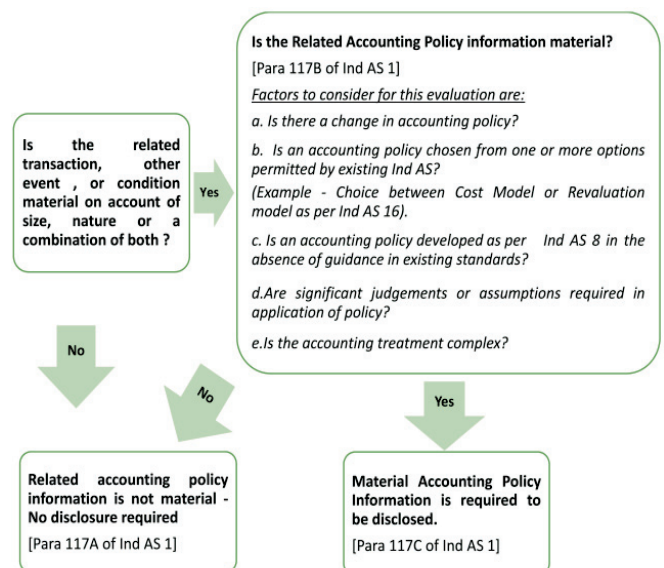
**Material Over Significant:** The change

emphasizes disclosing accounting policies that are material—information that could influence the economic decisions of users of the financial statements [Para 117 of Ind AS 1].

**Clarity on disclosure of Immaterial Information:** There’s a specific directive that immaterial accounting policy information if disclosed, should not obscure the material information, ensuring clear and focused disclosures [Para 117D of Ind AS 1].

**Compliance of Other Disclosure Requirements:** Other disclosure requirements in the existing standards (Ind AS) and other events or conditions related to the transaction apply, regardless of whether management assesses accounting policy information to be material or immaterial [Para 117E of Ind AS 1].

**Guidance on Materiality:** Additional paragraphs offer guidance on identifying material accounting policy information and when such information is likely to be material. The same is illustrated below:





## Implications for Auditing Standards and Practices

We as auditors, now, will need to evaluate the appropriateness of management's disclosures of material accounting policy information, considering the amendments' effect on the entity's financial reporting process and the nature and extent of changes in disclosures.

The amendments have direct implications for various Standards on Auditing (SAs) particularly those relevant to the auditor's identification and assessment of risks of material misstatement related to disclosures in the financial statements which may include but not limited to:

- Identification and assessment of risks related to material accounting policy information disclosures [SA 315].
- Assessment of risks and evaluation of the impact of any misstatements in the context of the amended disclosure requirements [SA 330 and SA 450].
- Effective communication with governance bodies about the implications of the amendments on financial statement disclosures [SA 260].
- Reflection of the entity's compliance with the new disclosure requirements in the auditor's report, particularly concerning material accounting policy information [SA 700].

## Conclusion

The amendments to Ind AS 1 marks a significant shift in the landscape of financial reporting and auditing, with a clear move towards enhancing the relevance and utility of financial statement disclosures. The amendments necessitate a re-evaluation of what entities consider necessary for

disclosure. This involves not just a quantitative assessment but a qualitative one as well, urging entities to consider the nature of their transactions and how they influence the financial statements.

Such a paradigm shift may initially pose challenges in determining the materiality of the accounting policy information. As the financial year draws to a close, to handle such challenges, we need to have early discussions with management and those charged with governance to facilitate timely adjustment to the entity's disclosure processes and Audit procedures may need to be adjusted to address the revised focus on material accounting policy disclosures, including enhanced procedures for evaluating the materiality and appropriateness of disclosed information which will play into the auditor's report.

By CA Raghuram V



# ROBOTIC PROCESS AUTOMATION IN CA FIRMS

## The Way of the Future .....

### **Introduction:**

Robotic Process Automation(RPA) is the use of software to mimic the actions a human user would perform on a PC at scale to Automate Business Process. The CA Firm, has various repetitive business processes on a PC that can be automated using a software to mimic the actions and these processes can be automated using the software.

### **Understanding RPA:**

Robotic Process Automation will automate the repetitive tasks that we might perform on day-to-day or regular basis. The RPA will utilize a software to automate the repetitive tasks, however the same has to be done in a repetitive, audited and controlled manner with limited/minimal human participation. The RPA will take simple logical decisions that we take in our day-to-day life which does not require a complex decision making instead a simple logic like whether the values are equal or less than or greater than the other.

### **Need of RPA:**

In our day-to-day activities at our office, we do various repetitive tasks and some of these are:

- Reconciliation of GSTR 2A/2B with Books
- Reconciliation of GSTR 2A with Table 8A of GSTR 9
- Downloading the GST Returns of Single/multiple clients for single/multiple financial years
- Verification of notices on the Income Tax Portal and assisting in complying with the same within the due dates

- Analyzing the financial data
- Importing data from excel or any other file of such sort, into tally software or any other accounts management software (which is capable of importing data).
- Mimicking the keyboard and mouse movements to interface with other applications
- Validating the data structure
- Analyzing the vouchers/invoices/bills using the OCR

These types of works need more time but require less skill as most of these are just a couple of clicks or copy-paste of data or comparing numbers using a pre-determined logic. Hence, these works can be automated to the extent feasible so that the human power available can be utilized for any other critical processes rather than using for routine work. At the same time, the probability of occurrence of errors will reduce and the efficiency of the work performed will be increased.

### **Options available for implementing RPA:**

RPA can be implemented either by utilizing any ready-made software or the developing a customized software. The ready-made software's that are already doing the same in the market are such as assisting in filing income tax returns such as generation of xml, generating computation of income based on the return filed, generation of MIS reports, integrating the data between the 3CD and ITR form and while in filing of GST returns are such as reconciling the data with GST returns,

downloading the data from GST portal, generation of json files.

### **Steps in Implementing RPA:**

In simple terms, the RPA can be implemented by following these steps:

- Identification of the target Process that needs to be automated
- Formulating the Steps involved in the identified process
- Deciding on whether to use a readily available software or an in house developed software
- If there is a requirement of in house developed software, then developing the same based on requirement
- Testing the software procured/ developed in a controlled environment
- Regularly reviewing and optimizing the automation process at periodic intervals

### **Selection of the Right Tool:**

The selection of right tool plays a key role while implementing the robotic processing automation in an organization as utilizing a ready-made software or an in house developed software, both has its pros and cons. Ready-made software's are cost effective but only caters to specific needs of the industry as designed by the developer. However, utilizing a customized software might be tired some work but caters to our organizational specific needs. The most popular and commonly used customized automation tool is excel within which by using the macros, the automation can be achieved. However, using programming languages such as C, C++, Java or Python can be more effective within which the Python programming language has lower and easy syntax with a drawback of lower execution speed compared to other programming languages,

however the same can be ignored unless it requires multi-tasking or large amount of data.

### **Conclusion:**

In summary, the adoption of RPA signifies a paradigm shift in how the CA Firm approaches business process optimization. As the famous saying goes, "Change is the only constant," and RPA embodies our commitment to embracing change for the betterment of our organization. By automating repetitive tasks and embracing efficiency, we lay the foundation for a more agile and responsive firm.

*CA A.V.S.R. Kushwanth, is a practicing Chartered Accountant in Visakhapatnam.*





# TECHNICAL GUIDE ON PREPARATION OF FINANCIAL STATEMENTS UNDER CASH BASIS OF ACCOUNTING AS RECOMMENDED BY ICAI

## 1. Basis of Accounting

There are two basis of accounting commonly followed and are acceptable under the Income-Tax Act, 1961:

### (a) Accrual Basis of Accounting (also called Mercantile System of accounting):

Accrual basis of accounting is the method of recording transactions by which revenue, expenses, assets and liabilities are recognised in the accounts in the period in which they accrue. The accrual basis of accounting includes considerations relating to deferral, allocations, depreciation and amortization.

### (b) Cash Basis of Accounting: The cash basis of accounting recognizes transactions and events only when cash is received or paid by the entity. Under the cash basis of accounting, transactions are recorded when the related cash receipts or cash payments take place. The revenue is recognised when cash is actually received.

## 2. Applicability

- Companies - Mandatory under the Companies Act, 2013 to follow the accrual basis of accounting.
- LLPs- Section 34(1) of the LLP Act, 2008 gives an an option to follow either a mercantile system of accounting or a cash basis of accounting.
- Sole proprietorships or HUFs or Partnership -No stipulation as to whether they should follow accrual system or cash

system.

Income-Tax Act, 1961 recognises both accrual as well as cash basis of accounting for the purposes of computing profits and gains from business or profession. However, there is no legal compulsion for non-company entities to follow accrual basis of accounting.

## 3. Authoritative Guidance

- Accrual Basis: There is ample guidance in accounting standards for non-company entities opting to follow accrual basis of accounting.
- Cash Basis: There is no such comprehensive authoritative guidance on cash basis of accounting. The only authoritative guidance hitherto available on cash basis of accounting was Supreme Court's decision in CIT v. A. Krishnaswami Mudaliar [1964] 53 ITR 122 (SC)

To fill this void of absence of authoritative guidance on cash basis of accounting, ICAI has recently issued the "Technical Guide on Preparation of Financial Statements under Cash basis of Accounting" (hereinafter referred to as "the Technical Guide")

### 1. Merits of Accrual basis

- Financial effects of the transactions and other events of an entity are recorded in the period in which they occur.
- Aims at relating the accomplishments (revenue) and the efforts (costs) so that the reported net income measures an entity's

performance during a period.

- Recognises assets, liabilities or revenue and expenses for amounts received or paid in cash in past, and expected to be received or paid in cash in future.
- Non-cash items such as, depreciation and impairment losses, get recognised .
- Also, opening and closing stocks get recognised in financial statements.
- Financial statements give complete and true and fair view.

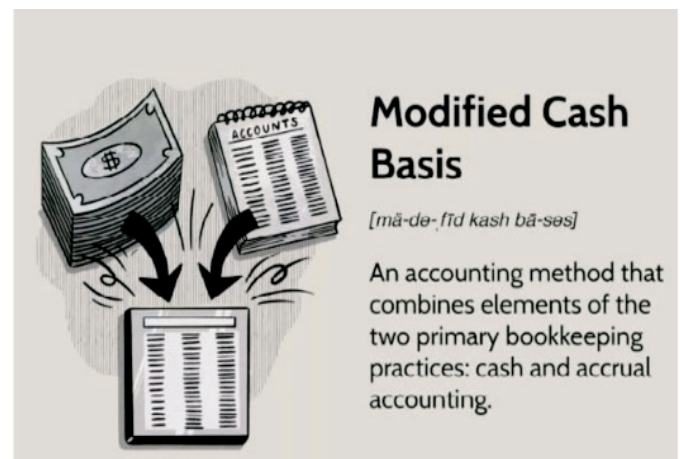
In view of the above, it can be said that the objectives of financial reporting can best be achieved by adoption of the accrual basis of accounting.

The only merit of pure cash basis of accounting is its simplicity.

#### **5. Modified Cash basis of accounting recommended by Technical Guide**

Recognition and measurement of all the elements of financial statements under pure cash basis of accounting would provide information about cash received or spent during the year even though it may relate to different period. While this provides some relevant information, it may not meet all the information needs of the stakeholders. Therefore, such entities also prepare income and expenditure account and the balance sheet and recognise non-cash items also, for example, depreciation, impairment of assets, write down of inventories, bad-debts, etc. Thus, to make the information relevant and to present a fair picture of the financial affairs of the entity, these non-cash items are also required to be recognised in the financial statements. Therefore, the Technical Guide recommends a Modified cash basis of accounting which recognises such non-cash items and complies with accounting standards to the extent applicable

to cash basis of accounting.



#### **6. Principles of Modified basis of cash accounting**

The significant principles of modified cash basis accounting as recommended by the Technical Guide are set out below:

##### **General Principles**

- Entities shall comply with accounting standards to the extent applicable to cash basis of accounting.
- Elements of financial statements are to be recognised on receipt and payment basis subject to meeting definitions of the relevant items and meeting the relevant recognition criteria under Framework and the Accounting Standards.
- The measurement of elements of financial statements similar to cash basis of accounting would be at the amount of cash paid or received.

##### **Revenue not received on which TDS has been deducted by payer**

It may happen that revenue has not been received in cash. However, tax has been deducted at the source and deposited by the payer. In such a case, revenue shall be recognised as equivalent to the

amount of tax deducted at source.

#### **Government Grants (AS-12)**

- Government Grant shall be recognised when it has been received.

#### **Borrowing Costs (AS-16)**

- Borrowing costs shall be capitalised or expensed in the period in which they are paid.
- The following disclosures shall be provided
  - accounting policy adopted for borrowing costs; and
  - the amount of borrowing costs capitalised during the period.

#### **Foreign currency transactions and Losses or gains arising due to exchange rate variation on de-recognition of monetary assets or liabilities (AS-11)**

- Foreign currency transaction shall be accounted for in the reporting currency by applying to the foreign currency amount, exchange rate between the reporting currency and the foreign currency at the date of receipts and payments.
- Losses or gains arising due to exchange rate variation on de-recognition of monetary assets or liabilities recognised under cash basis of accounting.

#### **Recognition of depreciation and impairment of assets [(AS-10) and (AS-28)]**

- While following cash basis of accounting, entities shall also recognise depreciation and impairment of assets as expense in profit and loss account.

#### **Bad debts written off**

- Entity following cash basis should recognise bad debts in P&L account though it is a non-

cash item.

#### **Differences arising on valuation of inventories (AS-2)**

- Value inventories at lower of cost and net realisable value and recognise difference between the two in the profit or loss account.

#### **Recognition of income-tax paid (AS-22)**

- If tax paid is more than the current tax for the financial year, and the entity is reasonably certain that the additional tax paid will be received as tax refund, then, it shall expense off the amount in the profit or loss to the extent of actual current tax and recognise the balance amount as 'tax refund receivable' in the balance sheet.

#### **Disclosure regarding fundamental accounting assumption of accrual (AS-1)**

f& AS 1 also requires disclosure if fundamental accounting assumptions, i.e., Going Concern, Consistency and Accrual are not followed.

#### **7. Books of Account to Be Maintained under Cash Basis of accounting**

According to the Technical Guide, Every entity following cash basis of accounting should maintain proper books of account with respect to:

- (a) all sums of monies received and the matters in respect of which receipts took place, showing distinctly the amounts received from income-generating activities and through grants and donations;
- (b) all sums of money expended and the matters in respect of which expenditure is incurred;
- (c) all assets and liabilities.

#### **8. Financial Statements under Cash Basis**

With regard to the Financial Statements to be



prepared and presented under cash basis of accounting, the Technical Guide recommends as under:

- The basic financial statements relevant to non-company entities are balance sheet, statement of profit and loss and notes, other statements and explanatory material that are an integral part of the financial statements.
- They may also include supplementary schedules and information based on or derived from, and expected to be read with such statements.
- Financial Statements also include cash flow statement.

#### **9. Formats of Financial Statements under Cash Basis**

As regards formats of financial statements, the Technical Guide recommends as under:

- The ASB of ICAI has prescribed the Formats of Financial Statements for Non- Corporate Entities and Limited Liability Partnerships separately through Guidance Notes and for NPOs through Technical Guide.
- The entities following cash basis of accounting may follow the formats prescribed to the extent applicable.

#### **10. Conclusion**

CAs who are appointed as tax auditors u/s ~~44AB~~ of Income Tax Act, 1961 of non-company entities will have to ensure that such entities comply with the Technical Guide if they are following the cash basis of accounting. If entity follows pure cash basis of accounting, tax auditor may have to express an adverse opinion in Form 3CB that accounts do not give a true and fair view. If entity follows modified cash basis but makes departures from the Technical Guide, tax auditor will have to modify his opinion

expressed in Form 3CB by making suitable qualifications or by expressing adverse opinion, as appropriate.

**CA. Mayuri Tatiya**



# Legal Updates .....

## Caselaw Digest – March 2024

### **HC justified reassessment as assessee himself admitted that he didn't disclose heavy transaction in ITR**

HIGH COURT OF RAJASTHAN in [2024] 160 taxmann.com 628 (Rajasthan) Mahaveer Jain v. Income Tax Officer, Ward-1(2): Where a reopening notice was issued for reason that an information was received that assessee had taken accommodation entries of certain amount in form of unsecured loan from an entity, since materials, which had been disclosed, could neither be said to be patently false, much less irrelevant or extraneous to relevant assessment year and transactions made by assessee and also it was admitted that heavy transaction had been made between assessee and said entity, impugned reopening was justified

### **AO can't pass order u/s 148A(d) if assessee gave evidence that info. uploaded on INSITE portal was incorrect**

HIGH COURT OF BOMBAY in [2024] 160 taxmann.com 559 (Bombay) - Banas Finance Ltd. v. Assistant Commissioner of Income-tax, Central Circle-8(3)- Where pursuant to a search and seizure operation in case of a group company, assessee received a notice issued under section 148A(b), in which it was alleged that as per information uploaded on Insite Porta, assessee had carried out transactions in penny script and booked fictitious losses, however, assessee gave evidence that information was incorrect and in fact it had made a profit, since Assessing Officer had not reflected on information submitted by assessee and passed orders, impugned order under section 148A(d) and notice under section 148 were to be quashed and set aside

### **CSR donations eligible for sec. 80G deduction if donee-institution is registered under section 80G: ITAT**

ITAT Delhi in [2024] 160 taxmann.com 599 (Delhi - Trib.) - Ericsson India Global Services (P.) Ltd. v. Deputy Commissioner of Income-tax, Circle-7(1) - Only condition for claiming deduction under section 80G as per existing provision is institute to which donation is made must have been registered under section 80G and once aforesaid condition is fulfilled, donor is entitled to avail deduction

### **CIT(A) can't dismiss appeal for non-prosecution; it has to decide appeal on merit:**

ITAT, Panaji in [2024] 160 taxmann.com 416 (Panaji - Trib.) Meda Raja Kishor Raghuramy Reddy v. Assistant Commissioner of Income-tax - Commissioner (Appeals) has to decide appeal on merit by passing a speaking order and does not have any power to dismiss appeal for non-prosecution

### **HC set-aside order passed by CIT(E) as SCN was only reflected on e-portal of Dept. & not served upon assessee**

HIGH COURT OF PUNJAB AND HARYANA In [2024] 160 taxmann.com 629 (Punjab & Haryana) - Munjal BCU Centre of Innovation and Entrepreneurship v. Commissioner of Income-tax (Exemptions) - Where show cause notice for initiating proceedings under section 12A(1)(ac)(iii) was only reflected on e-portal of department and was not served upon assessee, he would be entitled to file his reply and department would be entitled to examine same and pass a fresh order

**Delhi HC dismissed 'Congress' plea against block assessments as it challenged notice at fag end of proceedings**

HIGH COURT OF DELHI in [2024] 160 taxmann.com 606 (Delhi) - Indian National Congress v. Deputy Commissioner of Income-tax, Central-19 - Where assessee political party filed writ petition challenging validity of notice issued under section 153C on ground that assessment which was proposed to be undertaken for assessment years 2014-15, 2015-16 and 2016-17 would be barred by period of limitation as raised by virtue of first proviso to section 153C, however, writ petition was filed only a few days before time for completion of assessment would expire, there was no justification to interdict assessment proceedings at this belated stage by invoking jurisdiction under article 226 of Constitution

**SetCom couldn't grant immunity from prosecution if proceedings were initiated before filing of application; SLP dismissed**

SUPREME COURT OF INDIA in [2024] 160 taxmann.com 418 (SC) - S.S. Hyderabad Biriyanai (P.) Ltd. v. Deputy Director of Income-tax (Investigation) - SLP dismissed against order of High Court that where prosecution proceedings under section 277 were launched against assessee two years prior to date of filing application before Settlement Commission under section 245C and moreover factum of pending prosecution was not brought to notice of Settlement Commission, provisions under section 245-I was not applicable and, thus, proceedings under section 277 could not be quashed

**Assessment order manually signed due to technical issues with digital signature is valid: ITAT**

ITAT Cochin in [2024] 160 taxmann.com 630 (Cochin - Trib.) - Mytheenkunju Muhammed Kunju Kandathil Jewellers v. Deputy Commissioner of Income-tax, IT

(I) Where assessment order and intimation bearing DIN were uploaded on revenue's portal, assessee could not challenge validity of assessment order for lack of DIN

(II) INCOME TAX : Whereon account of technical issues departmental authorities were prevented from making digital signatures, prompting manual signing of assessment order, however, said orders were uploaded and sent to assessee's registered email ID, it was deemed to be authenticated and therefore, assessment order was valid

**No denial of sec. 80G approval just because trust started activities before grant of provisional registration**

ITAT Kolkata in [2024] 160 taxmann.com 624 (Kolkata - Trib.) - Anudip Foundation for Social Welfare v. Commissioner of Income-tax (Exemption) - Where assessee had been granted provisional approval under



clause (iv) to first proviso to section 80G(5), application for final approval under clause (iii) to first proviso to section 80G(5) could not be rejected on ground that institution had already commenced its activities even prior to grant of provisional registration

**HC stayed demand without depositing 20% pre-deposit as matter was pending before CIT(A) HIGH COURT OF PUNJAB AND HARYANA in [2024] 160 taxmann.com 594 (Punjab & Haryana) Anheuser Busch InBev India Ltd. v. Commissioner of Income-tax (TDS)-2**

In view of Instruction No. 1914 issued under section 220 as read with OM [F. No. 404/72/93-ITCC], where appeal is pending before Commissioner (Appeals), Commissioner (Appeals) is to decide appeal expeditiously without insisting on recovery of demand and demand shall be deemed to be stayed without depositing pre-deposit of 20 per cent

**No sec. 263 revision if AO allowed Sec. 80P deduction on interest income earned from deposits after examining facts**

ITAT Chandigarh in [2024] 159 taxmann.com 1253 (Chandigarh - Trib.) -Jagadhri Co-operative Marketing Cum Processing Society Ltd v. Principal Commissioner of Income-tax: Where assessee a co-operative society claimed deduction under section 80P(2)(d) on interest income earned from deposits placed with a co-operative bank and Assessing Officer after due examination of facts allowed said claim, Principal Commissioner was not justified in invoking revisionary jurisdiction merely on ground that interest income was not earned from any other co-operative society but from scheduled commercial banks

**Delay in appeal filing to be condoned if it resulted due to unfortunate and unforeseen circumstances**

ITAT Visakhapatnam - [2024] 160 taxmann.com 1252 (Visakhapatnam - Trib.) - Vattikuti Veera Venkata Prasad v. Income-tax Officer

Where assessee filed appeal before Tribunal with a delay of 58 days and submitted that delay in filing appeal belatedly was not as a result of any negligence or lack of diligence but solely due to unfortunate and unforeseen circumstances surrounding his health and he attached doctors certificate in support of his petition, delay was to be condoned

Where assessee failed to respond to notices for prosecution of his appeal with evidences and hence appeal was dismissed ex parte by Commissioner (Appeals), keeping in view principles of natural justice, matter was to be remanded back to file of Commissioner (Appeals) and he was to be directed to afford assessee another opportunity of being heard.



**Complied by CA. Hemalatha K**  
B.Com, FCA

**The Institute of Chartered Accountants of India**  
**Visakhapatnam Branch (SIRC)**  
**ONE TIME ANNUAL PAYMENT OF DELEGATE FEE (2024-25)**

**Registration Form**

To  
The Secretary,  
The Institute of Chartered Accountants of India  
Visakhapatnam Branch (SIRC)  
ICAI Bhawan,  
VISAKHAPATNAM -530 003

Dear Sir,

I/We have enclosed Cheque No..... of ..... Bank dated  
..... for Rs ...../- in favour of **VISAKHAPATNAM BRANCH OF SIRC OF ICAI,**  
**VISAKHAPATNAM** towards my/our **ONE TIME ANNUAL DELEGATE FEE PAYMENT** for CPE Seminars at Visakhapatnam  
Branch for the period from 01.04.2024 to 31.03.2025.

**Details of the Member/Members**

S.No	Name of the Member	Date of Enrolment	M. No	Mobile No.	E-mail ID

Thanking You,

Yours Truly,

Signature



GST No. : .....

**Online Payment Details :**

**ACCOUNT NAME:** VISAKHAPATNAM BRANCH OF SIRC OF ICAI  
**ACCOUNT NO :** 024510011011521  
**BANK NAME :** Union Bank of India  
**BRANCH NAME :** PITHAPURAM COLONY  
**IFSC CODE :** UBIN0802450

Please forward the UTR No. , Name and Membership No. to the following **mail ID : icaivskpbranch@gmail.com**

**One Time Annual Fee Structure for 2024-25 :**

Rs. 2,500+GST 18% (Rs. 2,950/-) for New Members enrolled after 01.04.2021

Rs. 5,000+GST 18% (Rs. 5,900/-) for Members enrolled on or before 01.04.2021

# Program Calendar for the Month .....

S.No	Date & Time	Topics
1	20/04/2024 – 05:00 pm-08.00 pm (Saturday) - 3Hrs	Commonly found errors in presentation of Financial Statement Audit trail Concept & Compliance
2	23/04/2024 – 05:00 pm-08.00 pm (Tuesday) - 3 Hrs	CPE Seimiar on 47th Branch Formation Day Felicitation to Past Chairmen Practice development and office management strategies for SMP CAs Followed by Dinner
3	27/04/2024 – 10:00 am-05.30 pm (Saturday) - 6 Hrs	Full Day CPE Workshop on GST Drafting & Representation Silks Introduction to GST Notices & Analysis of Common SCNs demanding GST Responding to GST Notices Representing before authorities Practical approach to Client representation

## “Snapshot of Memories: A Glimpse into Last Month’s Events”

Nation wide Pledge Taking Ceremony for Branch Staff held on 28th February, 2024



Seminar on Strategic Approaches to Foreign Exchange, Management Act (FEMA) Compliance for Individuals, Global Income, Local Taxes: Mastering NRI Taxation Nuances held on 2nd March, 2024



Seminar on Invest in Women - Accelerate Progress, Accounting on Cash Basis, Impact of Section 43B(h) on MSME held on 7th March, 2024







Seminar on LFAR - Focus on appropriate disclosure and Documentation, IRAC Norms - Relevant to Small & Medium Branches, Audit of Loans to Agricultural & Allied Activity Sectors held on 16th March, 2024



Seminar on Bank Audit - Auditing & Assurance Std for Bank Audit, Audit Certificates -Critical Areas and Audit Consideration held on 20th March, 2024



Workshop on Audit Sampling - Hands on experience, Working Paper Management - Hands on experience held on 23rd March, 2024



Published by **CA. Anirbal Pal**, Chairman on behalf of Visakhapatnam Branch of SIRC of The Institute of Chartered Accountants of India, Visakhapatnam and Designed at Maruthi Printers, Plot No. 193, Sector-3, MVP Colony, Visakhapatnam - 17, Cell : 92469 32859, email : balajiavprasad@gmail.com and Published for Visakhapatnam Branch of SIRC of ICAI, D.No.9-36-22/2, Pithapuram Colony, Visakhapatnam - 530 003, **Ph : 0891-2755019**, email : visakhapatnam@icai.org.  
**Editor : CA. G. Vasudevamurthy**, Visakhapatnam Branch of SIRC of ICAI.

**The Views expressed by contributors in this Newsletter do not necessarily reflect the opinion of the Branch or the Institute**