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

Visakhapatnam Branch (SIRC)

OCTOBER - 2024

e-Newsletter

CA. U. RAMA KRISHNA

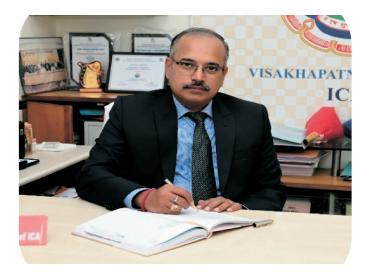## Table of Contents

Chairman Writes ...

Dear Members,

I hope this message finds you in good health and high spirits after the hectic season of Audits and Tax Filings. Although the extension of the time for certain filings is a welcome step, nonetheless it is important that we do not let the stress and anxiety effect our health.

The Elections to the 26th Council and 25th Regional Councils to be held on 6th & 7th December 2024 for the Leaders at ICAI have been announced and the code has commenced from September 3rd, 2024.

September Activities: We had a productive month with several enriching activities. On the 4th of September, we conducted a **Seminar on Company Law and Tax Audits**. The seminar was well-attended and provided valuable insights into the latest developments and best practices in these critical areas. **Teacher's Day** was celebrated at the Branch on September 5th, **CA U Ramakrishna Garu**, who has been a guru to several members graced the occasion as the Chief Guest and was felicitated. Students were encouraged to participate in several activities including Clay Modelling of Lord Ganesha. Prizes were distributed for the competitions held.

Upcoming Events: Looking ahead, we have some exciting programs lined up:

Residential Refresher Course at Gopalpur, Odisha: Scheduled for October 19th & 20th this course promises to be a rejuvenating experience, combining learning with relaxation in a serene environment. We hope that this break will bring in

the much-needed refreshment and reenergise your spirits.

Certificate Course on AI: We are pleased to announce two batches of this course during 7th to 9th and 20th to 22nd November. This is a fantastic opportunity to enhance your skills in one of the most cutting-edge fields today.

Acknowledgements: I would like to extend my heartfelt thanks to all the contributors to our newsletters and the speakers and resource persons for the CPE programs held during the month. Your dedication and expertise are what make our branch's activities successful and impactful.

Thank you for your continued support and participation. Let's keep the momentum going and strive for excellence in all our endeavours.

Warm regards,

CA Anirban Pal
Chairman, Visakhapatnam Branch
The Institute of Chartered Accountants of India (ICAI)

Compliance Calendar ....

For the month of October 2024

CA. Rithik Agrawal

SL. No.	Particulars	Compliance	Due date
1	Income Tax Act, 1961	Monthly TDS and TCS payment	7th October 2024
		Furnishing of return of income for the assessment year 2024-25 (ITR-3 to ITR-7)	31st October 2024
		Furnishing of TDS statement of tax deducted for the quarter ending September 30, 2024.	31st October 2024
		Furnishing of TCS statement for the quarter ending September 30, 2024 (Form-27EQ)	15th October 2024
2	Goods and Service Tax Act, 2017	GSTR-1 (normal tax payer)	11th October 2024
		GSTR-3B (normal tax payer)	20th October 2024
		Form IFF (QRMP scheme)	13th October 2024
		GSTR-6 (Input service distributor)	13th October 2024
		GSTR-7 (Taxpayer required to deduct TDS)	10th October 2024
		GSTR-8 (E-commerce operator)	10th October 2024
3	EPF, ESI and professional Tax	Contribution to employee's account in respect of Employee states insurance (ESI) & Employee Provident fund (EPF) contribution and filing of monthly Challan	15th October 2024
		Professional Tax compliances for state of Andhra Pradesh Monthly Payment of Professional Tax and filing of return	10th October 2024
4	FEMA Act	ECB return	7th October 2024

ICAI Updates ....

Professional Development Committee

The Institute of Chartered Accountants of India

3rd October, 2024

ANNOUNCEMENT FOR EXTENSION OF LAST DATE FOR SUBMITTING

MEF 2024-25 FROM 07th OCTOBER TO 21st OCTOBER, 2024

Considering the extension of tax audit filing period and to give adequate time to members to submit MEF thereafter, it has been decided to extend the last date for submitting the MEF from 07th October 2024 to 21st October 2024. Accordingly, **Last date for online submission of MEF is 21st October, 2024.**

It may kindly be noted that no further extension will be given for filing MEF 2024-25, as PDC has to submit the Branch Auditors' Panel to RBI within stipulated time.

Before filling the Multipurpose Empanelment Form (MEF) for the year 2024-25, applicants are advised to go through the **Advisory**. For any clarification /query / complaint regarding MEF 2024-25, the MEF applicants can write to PDC under the tab "MEF Complaint Entry" available at **https://meficai.org/** or mefpdc[at]icai[dot]in

Professional Development Committee

Members & Students Services Directorate
The Institute of Chartered Accountants of India

30th September, 2024

Important Announcement

Extension of last date for payment of Membership /COP fee for the year 2024-25 to 31st December, 2024.

The Council of ICAI has decided to extend the last date for payment of Annual Membership/ COP fee for the year 2024-25 from 30th September, 2024 to 31st December, 2024 on account of hardship being faced by the Members in submission of "Know Your Member"

(KYM) Form and payment of Annual Membership/COP fee due to technical issues, in SSP.

Members, who have not paid their fee, are requested to pay online through Self-Service

Portal (SSP) at the link https://eservices.icai.org/

M&SS Directorate

Direct Taxes Committee

The Institute of Chartered Accountants of India

30th September, 2024

ICAI invites suggestions for Comprehensive Review of the Income-tax Act, 1961

The Hon'ble Finance Minister, while presenting the Union Budget 2024-25, announced that a comprehensive review of the Income-tax Act, 1961 for simplification of the language of the Act to make it concise, lucid, easy to read and understand is underway, and this will reduce disputes and litigation and also bring down the demand embroiled in litigation.

A committee at the level of CBDT has been set up and a stakeholder's consultation was held under the chairmanship of the Revenue Secretary, Ministry of Finance, on 18th September, 2024, wherein ICAI has submitted its

preliminary suggestions for the Comprehensive Review of the Income-tax Act, 1961.

For submitting its detailed inputs, the Direct Taxes Committee of ICAI invites suggestionsfor the Comprehensive Review of the Income-tax Act, 1961, under the following three

categories, namely,-

- Suggestions for simplifying the language of the Income-tax Act, 1961
- Suggestions for mitigating litigation and providing tax certainty
- Suggestions for reducing compliance burden

Members and other stakeholders are encouraged to submit their responses in the link given below, by selecting the category from the given drop-down menu.

https://appforms.icai.org/pre/index.html

Suggestions are useful if they indicate the relevant provision of the Income-tax Act, 1961/ Income-tax Rules, 1962 [specifying the section (along with sub-section/clause, if any)/ rule

(along with sub-rule, if any) / form no.], as the case may be, to which the suggestion relates, identify the specific issue(s) in respect thereof, and provide a clear suggestion withcoherent rationale for the change. This can be done by choosing one of the abovementioned three categories from the drop downs and thereafter, choosing therelevant section/rule/form in respect of which suggestion is to given.

Suggestions under any of the above categories are also invited in relation to the provisions of Income-tax Act, 1961 applicable to IFSC entities.

Suggestions for Pre-budget Memorandum, 2025

The Direct Taxes Committee is also in the process of identifying issues and suggestions in relation thereto for inclusion in the Pre-Budget Memorandum 2025 to be submitted to the Ministry of Finance. Suggestions are invited on the laws relating to direct taxes (including

international taxation) under the following heads:

- Suggestions for widening the tax base and increasing the tax revenue
- Suggestions for checking tax avoidance
- Suggestions for rationalizing the provisions of Direct Tax Laws
- Suggestions for removing administrative and procedural difficulties

The Pre-budget Suggestions may also be submitted at the same

link: https://appforms.icai.org/pre/index.html

All suggestions may be submitted latest by 15th October, 2024

Members & Students Services Directorate
The Institute of Chartered Accountants of India
19th September, 2024

KYM Form Processing and Membership/COP Fee

Members are requested to contact the KYM processing and Query Resolution team for any issue related to KYM and they can pay their membership/COP fee immediately after submitting the KYM form without waiting for its approval.

Name	Contact No.	Email
KYM Form Processing / Query Resolution Team		
WRO		
Mr. Swapnil Sonje	8657409336	swapnil.sonje@icai.in
Mr. Machindra Shelke	9004141408	shelke@icai.in
Ms. Kripa Pillai	9769745274	wro.kym@icai.in
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M&SS Directorate

Last updated on 23rd September, 2024

Articles ....

LOOPS

CA A.V.S.R. Kushwanth
ACA, ACMA, DISA(ICAI), M.Com(FT)

Introduction:

In this article, let's decode the Loop Concept. Loop is used to execute a set of statements continuously("). The operations that we intend to specify in the loop, need to be intended which means a tab or 4 spaces need to be specified at the beginning of each line within the loop so that these operations will be executed continuously within the loop.

Types of Loop:

The two types of Loop Statements are:

1. While Loop
2. For Loop

While Loop:

The While loop is used in such scenario's where the operations need to be executed continuously as long as the condition is true. For example, from the ICAI point of view, a practicing chartered accountant subjected to the guidelines, a CA can sign on various certificates without any upward limit. In this case, we can use the while loop to verify such as:

    While ICAI_Guidelines is True:

        Print("We can Sign on this documents")

For Loop:

The For loop is used in such scenario's where the operations need to be executed upto a limit or a certain series or a range. For Example, for an assessment year, a Practicing Chartered Accountant can undertake 60 Tax Audits. In such case, we can use the for loop such as –

    For x in range(0,60):

        Print('Within the Stipulated Limit')

These loops play a key role while writing a code, as we want to execute same set of operations continuously and in such cases, we can use while loop, if there is no certain limit and the limit would be determined as the code is being executed, such as if we want to verify more than 10000 cash payments of a client, and we cannot give a fixed limit such as 1k or 5k or 10k transactions. In such case, we can use while loop to verify the transactions as long as there are transactions. However, if we want to verify whether on any day there is cash negative balance, then we can give a finite limit as there only 365/366 days in a financial year.

In the for loop, the outer value, is the max value and as soon as the value got looped into that outer value, then the code will stop executing.

Conditional Statements:

In addition to the loops, we might have a need to use conditional statements which uses to logic. The Conditional Statements play a key role as while the code is getting executed, we might have to verify certain conditions such as in the case of while, we have to verify whether the transaction amount was made in cash to a single person in a day and in case of for loop, we might need to verify whether the cash balance is less than zero.

Similar to excel, the conditional statement will be 'If'. However, in excel, the if formula consists of three parameters such as Logical Test, Value if true and Value if False. However, in traditional programming, the if condition only stands for value if true and if we want to write some thing that need to be executed, if the condition is not getting satisfied, then we can use 'Else' after the if Statement.

However, in Excel if we want to add another sub condition in if statement if the logical test was not satisfied, then we are going to use another If statement in Value if false. In the case of programming especially in Python, instead of writing another if in else statement, we can directly combine these two as 'Elif' which means that if the condition was not satisfied, then instead of directly going into value if false, it is going to verify whether some other condition is getting satisfied, and if such other condition got satisfied, then the output in such condition will be executed.

In our own terms, for example, if a student had not got aggregate or failed in any of the subjects, we cannot directly treat such student as Unsuccessful, as there is a concept of Exemption and due to that, we have to verify if a student was unsuccessful, then whether he had appeared for all subjects and scored not less than sixty, then such student might be treated as secured exemption and even if this condition was not satisfied, then we might treat such student as unsuccessful.

An example of simple if else condition is going to be:
```
If number_of_tax_audits <= 60:
        Print('Within the Limit')
Else:
        Print('Beyond the Limit')
```
Similarly, an example of simple if, Elif and else condition is going to be:
```
If number_of_tax_audits <= 50:
        Print('Within the Limit')
Elif number_of_tax_audits <= 60:
        Print('Verify the Limit')
Else:
        Print('Beyond the Limit')
```

Lists:

A list is a collection of things, which can be multi-dimensional array. List stores values/things in square brackets[] and each value would be separated by a comma(,) and the value can be called using the square brackets itself.

For example if there is a list as x = [10,20,30,40,50] and if I want to call the fourth value of this list then the same can be called using x[3]. Here we are calling the, the 3rd value, if we need the fourth value as in the coding the numbers start from 0 instead of 1, hence as we need the fourth value, we are calling for the third value which typically mean the fourth value only as the numbers starting from 0, the third number is the fourth number.

Usage of If in loops:

For Example, if we want to verify whether the cash balance is negative for 365 days out of the given values, we can write the code like this.

Let's assume that, the financial year consists of 365 days and the daily cash balance is stored in the list daily_bal. In such case, the code will be:

```
For x in range(0,365):

    If daily_bal[x] < 0:

        Dayvalue = str(x)

        Print('On the ' + Dayvalue + ' the cash balance is negative')
```

Hence, in the aforesaid code, if the value on any day is less than zero, then the day will be printed and the remaining days will be ignored.

Conclusion:

Though the loops are fascinating, there is a need to take due care on the limit for which the code need to be looped as the loop like while will loop the code continuously and in such case, the code might be looped continuously without any break which might pressure the PC.

CASE LAW DIGEST – SEPTEMBER 2024

HC quashes reassessment notice as jurisdictional AO didn't have power to issue notice under section 148

Bombay High Court in the case of Godrej and Boyce Manufacturing Co. Ltd reported in [2024] 166 taxmann.com 686 (Bombay)

Bombay High Court In the case of Abhin Anilkumar Shah reported in [2024] 166 taxmann.com 679 (Bombay)

Bombay High Court In the case of Future Generali India Insurance Co. Ltd reported [2024] 166 taxmann.com 657 (Bombay)

In view of provisions of section 151A read with Notification No. 18/2022/F.No. 370142/16/2022 - TPL, dated 29-3-2022, Jurisdictional Assessing Officer has no jurisdiction to issue notices under section 148

HC allowed late Form 10B filing as trust met conditions for exemption under section 11 for several years

High Court of Gujarat in in the case of Shri 108 Parshwanath Bhakti Vihar Jain Trust V. CIT(E) reported in [2024] 166 taxmann.com 732 (Gujarat)

Where petitioner-trust for past many years had substantially satisfied conditions for claiming exemption and had also explained reason for delay in filing Form No. 10B due to illness of Accountant who was on leave for long time, matter was to be remanded to respondent to condone delay in filing Form 10B

ITAT quashed assessment order as notice was issued by AO who was not having authority of law to issue such notice

ITAT, Raipur Bench in the case of ITO V. G.P.

Infraventures reported in [2024] 166 taxmann.com 723 (Raipur - Trib.):

Where assessee filed its return of income with ITO-1(4) but notice under section 143(2) was issued by ITO-1(1) who was not having authority of law to issue such notice and thereafter, case was transferred to ITO-1(4) who passed order under section 143(3), since assessment order passed by ITO-1(4) without issuing any valid notice under section 143(2) was without valid assumption of jurisdiction, same was liable to be quashed

HC can't go into issue of veracity of material evidence forming opinion of AO suggesting income escaped assessment

Madhya Pradesh High Court in the case of Police Welfare Filling Station 1st Battalion

v. ACIT reported in [2024] 166 taxmann.com 727 (Madhya Pradesh)

High Court dismissed writ petition against issue of notice under section 148 on ground that issue regarding veracity and genuineness of material/evidence forming opinion of Assessing Officer suggesting that income of assessee had escaped assessment could not be gone into while exercising writ jurisdiction; there was no error apparent on face of record warranting interference in order

No limitation period can be prescribed for filing writ petition before HC: Delhi HC

High Court of Delhi in the case of Hari Kishan Sharma reported in [2024] 166 taxmann.com 688 (Delhi)

Where assessee received compensation under Land Acquisition Act but TDS deducted was not reflected

in Form 26AS, assessee could not be penalized for said discrepancy and accordingly, High Court directed authorities to process refund claim and no circular could override Court's jurisdiction under Article 226 of Constitution.

Reassessment initiated after conclusion of first reassessment on same set of reasons is to be quashed: HC

High Court of Gujarat in in the case of Jaswant Singh Juneja reported in [2024] 166 taxmann.com 661 (Delhi)

Where reassessment proceedings had already been concluded on 26-3-2022, initiation of reassessment proceedings under section 148A(b) and passing of order under section 148A(d) on same set of reasons would not be sustainable

No additions in respect of 'on-money' if no incriminating docs were found during search on person whose cash was seized

ITAT Mumbai Bench in the case of D G Land Developers (P.) Ltd. Reported in [2024] 166 taxmann.com 620 (Mumbai - Trib.):

Where pursuant to search cash of certain amount seized from director of assessee company while he was travelling a survey was also conducted upon assessee and addition was made on account of 'on-money' computed on basis of diaries seized during survey and money seized from his director, cash found during search could not be automatically considered as undisclosed income of assessee, and further, addition on account of 'on-money' was made without any incriminating material found in search, thus, impugned addition was to be deleted

Investment in multiple residential units to be considered as one if purchased through single sale deed: ITAT

ITAT Cuttak Bench in the case of Suruchi Jena

reported in [2024] 166 taxmann.com 632 (Cuttack - Trib.):

Where assessee sold a land and purchased four flats which were situated at one floor of building, since all four flats constituted as single residential unit and allotted by builder as one single residential unit though having four identification numbers they could be termed as one residential unit for purpose of claiming deduction under section 54F.

ITAT slams CPC for denying sec. 11 exemption claim as Form 10B was available before issuing intimation u/s 143(1)

ITAT, Hyderabad Bench in the case of Touchalife Foundation India reported in [2024] 166 taxmann.com 634 (Hyderabad - Trib.):

Where while filing return, assessee failed to file Form 10B due to delay of auditors in filing audit report and same was filed belatedly before assessment was finalised, since Form 10B was available when Assessing Officer passed intimation under section 143(1), exemption under section 11 was to be allowed.

————By CA K Hemalatha

Program Calendar for the Month ....

S.No	Date & Time	Topics
1	19/10/2024 to to 20/10/2024 Saturday & Sunday - 9 hrs.	Physical - Residential Refresher Course (RRC) at ZONE by the Partk, Gopalpur, Odisha
2.	26/10/2024 10.30 am to 05.30 pm Saturday - 6 hrs.	CPE Seminar on GST and Income Tax Topics : Update on 54th GST Council Understanding of Vivad Se Vishwas Scheme 2024

"Snapshot of Memories: A Glimpse into Last Month's Events"

Seminar on Company Audit & Tax Audit, Navigating Company Audits held on 4th September 2024