

The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)



Visakhapatnam Branch e-Newsletter

MAY - 2025



CA. Sridhar Andhavarapu, Chairman, CA. Patnala Lokesh, Vice Chairman, CA. Ramu Naidu N, Secretary,
CA. Ujwala M L D, Treasurer, CA. D. Leela Vara Prasad, SICASA Chairman,

CA. Mogalapalli P GuruMurthy, Member & Editor, CA. K. Rambabu, Member, CA. Prasanna Kumar D, Ex-officio Member & Vice President, ICAI



From the Chairman's Desk



Dear Professional Colleagues,

సహనావవతు । సహనౌ భునక్తు ।
సహవీర్యం కరవావహై ।
తేజస్వినావధీతమస్తు । మా విద్విషావహై ॥

- May we both (teacher and student, or speaker and listeners) be protected together.
- May we both enjoy and benefit from our interaction together.
- May we work together with great energy and vigor.
- May our studies (or collaboration) be enlightening and brilliant.
- May we never develop hatred or misunderstanding towards each other.

(This sloka is a prayer for harmony, mutual effort, and enlightenment.)

Warm greetings to all of you! Invoking the profound prayer above, I am reminded of the strength we draw from learning and working together in unity. **April 2025** has been a vibrant and eventful month for the Visakhapatnam branch of ICAI. I am delighted to share some of the key highlights and express my gratitude for your active participation:

○ **DISA Course: An Initiative in High Demand:**

We are pleased to share that the much-awaited Diploma in Information Systems Audit (DISA) course commenced at our branch on 18th April, catering to the increasing demand from our members in Visakhapatnam and nearby locations. We had an enthusiastic participation of 58 members, highlighting the importance and relevance of this prestigious qualification in the contemporary professional landscape. The course sessions are being conducted successfully and are scheduled to conclude on 6th May, equipping our members with essential skills to navigate and excel in the specialized domain of Information Systems Audit. We thank all participants for their active involvement and wish them the very best in their pursuit of this valuable certification.

○ **48th Branch Formation Day Celebrations:**

Our branch marked its 48th Formation Day with great enthusiasm. On this occasion, we felicitated past Chairmen **CA. P. Vikram garu (2011-12)** and **CA. M.K. Kumar garu (2012-13)** for their distinguished contributions to the branch and profession. We also paid tribute to our visionary Founder Chairman,

CA B. V. Rama Rao, whose ideals continue to inspire us. It was heartening to acknowledge that the **state-of-the-art infrastructure** our branch now enjoys is the result of collective effort and the unwavering support of various past chairmen members over the years.

○ **CPE Seminars and Acknowledgments:**

Demonstrating our proactive approach towards the future, our branch hosted impactful Continuing Professional Education (CPE) seminars in April. These sessions, covering critical areas such as FDI, ECB and FEMA Compliances, and the transformative Impact of US Trade Policy changes on the Indian Economy and the potential avenues they unlock for our professionals, reflect our long-term vision for practice enrichment. We deeply appreciate the expertise shared by our distinguished speakers, CA Rama Krishna S, CA Niki Shah, and CA Durga Bharani. Their efforts are vital in preparing our members to navigate and capitalize on future opportunities.

○ **Career Counselling Programmes:** Next month, schools and colleges will reopen after vacation. It will be the right time for us to promote the CA course through career counselling in schools and colleges. The new and robust curriculum of our course needs to be shared with the students, especially since the articleship training period has been reduced from three to two years, and Intermediate and Final Examinations are now conducted three times a year.

The Branch is keen to share the prospectus and potential of the CA Course amongst our younger generation and encourage them to pursue it. We are in the process of setting up a panel of counsellors who will meet with the

students to share information about the course and career development. I request members to identify the institutions where such career counselling programs can be conducted. Please do share the details with the branch, and we shall take it forward to organize the events.

○ **Public Outreach Programs:** Under the Direct Taxes Committee (DTC) of ICAI our Branch is planning to organize **Public Outreach Programs on the Income-tax Bill, 2025** by inviting income-tax officials of high rank, trade associations, MSMEs businesses, members and general public in the respective places including nearby areas to the said program.

○ **Newsletter Contributions:** I would also like to **appreciate our young members** and students who contributed articles and creative pieces to this newsletter. Your enthusiasm, fresh perspectives, and writing talent have greatly enriched our branch newsletter. Keep up the good work!

Moving forward, one important topic discussed during the recent seminar on *“Unknown Aspects for Extra Ordinary Success”* were explained by CA. Madhukar N Hiregange, the Chairman of the Committee for Members in Practice (CMP) of ICAI. I strongly urge the members for **adoption of the prescribed ICAI fee structure** in our professional work.

CMP has issued a *Revised Minimum Recommended Scale of Fees* for various professional assignments. Adhering to this recommended fee structure is crucial for maintaining uniformity and fairness in our practices. It not only upholds the value of the services we provide but also protects the dignity of our profession by discouraging undue fee undercutting. I urge all practitioners to **implement**

the ICAI's prescribed fee scale in letter and spirit. For details, members can refer to the official ICAI document (available for download at <https://cmpbenefits.icai.org/wp-content/uploads/2020/02/Details-download.pdf>).

On another note, I encourage everyone to gear up for the **57th Regional Conference of SIRC** being held at **Chennai on 22-23 August 2025** after 10 years. This two-day mega event will be an excellent opportunity to learn from eminent speakers, engage in thought-provoking technical sessions, and network with professional colleagues from across the region. Let us participate wholeheartedly and represent our Visakhapatnam branch with pride at this regional conference.

Closer to home, we have some exciting programs lined up during **May, 2025** at our branch. I invite all of you to join these events and make them a grand success. Your active participation is the key to the vibrancy of our branch activities. Details of the programs will be shared soon, and I am confident that, as always, we will have an enthusiastic turnout and engaging sessions.

Certification Courses:

Recognizing the growing importance of forensic expertise in the years ahead, we have proactively sought approval to launch a cutting-edge certification course on Forensic Audit and Fraud Detection (FAFD). We expect formal approval shortly, paving the way for classes to be held over seven days in June 2025. This initiative underscores our long-term commitment to equipping our members with the specialized skills necessary to meet the future demands of the profession in combating financial irregularities. Detailed information regarding the schedule will be shared via our branch official WhatsApp groups. We encourage you to watch this space for the announcement.

Call for Enthusiastic Members: Shape Our Future Through Subcommittees

We are actively forming dynamic subcommittees to drive key initiatives and enhance member engagement. We invite interested members to contribute their expertise and passion by joining one of the following vital committees:

- Continuing Professional Education (CPE) Committee
- Taxation Committee
- Newsletter Committee
- Information Technology Committee
- Committee for Members in Industry
- Women Empowerment Committee

This is a valuable opportunity to actively participate in shaping the direction of our branch and contribute to the professional growth of our community. Please come forward to express your interest in joining a committee where your skills and insights can make a real difference.

Honouring the Chartered Accountant UPSC 2024 Examination:

We are very happy and proud of the milestone achievement by our young Chartered Accountant **CA. Durga V Nookaji Palaka** from Anakapalle who has got selected for the post of Assistant Director (Cost), Department of Expenditure, Ministry of Finance, Government of India.

The Branch congratulates the member on his achievement and will be honouring them on doing the profession proud.

Honouring the Coopted Chartered Accountants:

We are very happy and proud of the milestone achievement by our members CA. AV Chalam Garu

and CA. Rama Krishna Sangu garu for being coopted to the standing committee on Direct Taxes and Indirect Taxes of Institute of Chartered Accountants of India (New Delhi) respectively.

The Branch congratulates the members on their achievement and will be honouring them for making our branch proud.

Payment of Annual Membership Fees (One Time Scheme) for the year 2025-2026:

Visakhapatnam Branch is pleased to note that members have responded to our request to remit the membership/certificate of practice fee, which became due on 1st April. A gentle reminder for other members to remit the fees as soon as possible to take advantage of attending the CPE Programs conducted at the branch.

Tribute to Pahalgam victims

It was a black day in the history of humanity when innocent tourists were gunned down in the pristine Pahalgam. Visakhapatnam Branch shares heartfelt tributes to the families of the victims and stands in solidarity with the victims and the nation.

Appeal for contribution to the Chartered Accountants Benevolent Fund:

Visakhapatnam branch acknowledges the response it receives from members regarding its appeal to contribute to the Chartered Accountants Benevolent Fund. As mentioned earlier, our branch will recognize contributions of ₹ 25,000 and above through our branch Newsletter and also showcase them on the exclusive Board maintained by the Branch. The augmentation of financial resources will help to meet the increasing number of requests for support from members and their dependents and also to increase the quantum of financial support.

I wish that, this year too, the branch will make an indelible mark in terms of contributions from its

members. Please, therefore, volunteer to make a significant contribution to the CABF.

I'm happy to interact with you for the third month in a row through this column. I will be pleased to receive your feedback on the branch activities and the content of the Branch Newsletter for any improvements.

I am available in the Branch office at ICAI Bhawan between 2.00 p.m to 7 p.m on all working days. Please do drop in for any specific issues to be sorted or clarifications etc. I will be happy to host you at our alma mater.

In conclusion, I want to remind each one of us of the power of **unity and collective effort** – the very spirit echoed in the sloka above. Our achievements in April stand as testimony to what we can accomplish when we work together with dedication and shared vision. As we look ahead, let us continue to support one another in our professional journeys, uphold the highest standards of integrity and excellence, and contribute positively to our Institute and our great nation.

Together, let us march forward with **strength, knowledge, and unity**. We are not just a professional body but a family that grows and thrives on mutual support and respect. Let the flame of learning and cooperation keep burning bright in our branch.

I wind up this month's communiqué with the quotes of Swamy Vivekananda, who said,

"Arise Awake and Rest not till the goal is reached,"

Jai Hind! Jai ICAI!

CA Sridhar Andhavarapu

Chairman,

Visakhapatnam Branch of ICAI(SIRC)

Branch then now and way forward:

Let us take a moment to acknowledge the legacy we are privileged to be a part of today. The infrastructure and resources we enjoy now are the result of the unwavering dedication and vision of our past Chairmen and senior members.

When the branch was first established, it began modestly—in a small room with just 4 to 5 managing committee members and very limited funds. Back then, the committee itself would often mobilize funds to organize programs and meetings. Their spirit and determination laid the foundation for everything we have today. For this, we must always remain grateful and deeply appreciative of their contributions.

Reflecting on our branch's remarkable history:

The Visakhapatnam Branch has had a proud legacy since its inception in 1977, under the leadership of the founding Chairman, Late **CA B.V. Ramarao Garu**.

- ❖ The foundation stone of our branch building was laid in 1994 by **Dr. M. Gopala Krishna Reddy Garu**, then Vice-Chancellor of Andhra University, with the **Bhoomi Pooja** performed by **CA K. Parvati Kumar Garu**, under the chairmanship of **CA C.V.S. Murthy Garu**.
- ❖ In 1998, the building was formally inaugurated by **CA Rahul Roy**, then President of ICAI, along with **CA S.P. Chhajed**, during the tenure of **CA A.V. Chalam Garu**.
- ❖ In 2005, the first-floor air-conditioned auditorium was inaugurated by **CA. Kamlesh S. Vikamsey**, then President of ICAI, and **CA T.N. Manoharan**, the then Vice President, under the chairmanship of **CA Gorthi Subba Rao Garu**.
- ❖ In 2006, the state-of-the-art library and computer centre on the second floor were inaugurated by **CA T.N. Manoharan**, then President of ICAI, in the presence of **CA M. Kandasamy**, then SIRC Chairman, under the leadership of **CA N. Vivekanand Garu**.

The development of our branch infrastructure has been made possible by the generous contributions and involvement of several distinguished members:

- **CA Parvati Kumar Garu of Rao and Kumar** – First-floor AC Auditorium,
- **Brahmayya & Co.** (in memory of Late **CA P. Brahmayya Garu**) – Second-floor Computer Centre/ Classroom,
- **CA Shantilal Daga Garu** – Lecture Hall at the ground floor for Study Circle Meetings,
- **CA C.V.N. Dikshitulu Garu** – Administrative Office Room,
- **CA A. Dasaradha Rami Reddy Memorial** – Committee Room,
- **CA S. Santana Krishnan Garu** – Digital Library,
- **CA. Sisir Kumar and CA. Ravi Kumar Garu** – Members' Library,
- **CA Vayetla Srinivasa Rao Garu** – Students' Library.

The commitment and vision of our past Chairmen and senior members are not only evident in the infrastructure but also in the strong systems, culture, and operational excellence they established.

Their successors, taking the baton forward, have ensured that the branch has consistently focused on academic excellence. A wide range of knowledge-sharing seminars and professional development programs have been conducted for both members and students. Thanks to this continuous effort and passion, our Visakhapatnam Branch has received numerous awards, including recognition as the Best Branch on multiple occasions.

Way forward:

Guided by the insightful leadership of our Honourable Vice President, **CA. Prasanna Kumar D Sir**, we are taking significant steps to ensure the long-term stability and growth of our branch. Our current priorities include the important process of renewing our lease with Andhra University and the exciting pursuit of land acquisition for our permanent home.

The Institute of Chartered Accountants of India

Visakhapatnam Branch

ONE TIME ANNUAL PAYMENT OF DELEGATE FEE (2025-26)

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 01.04.2025 to 31.03.2026.

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 2025-26 :

Rs. 3,000+GST 18% (Rs. 3,540/-) for New Members enrolled after 01.04.2022

Rs. 6,000+GST 18% (Rs. 7,080/-) for Members enrolled on or before 01.04.2022



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



Visakhapatnam Branch (SIRC)

Certificate Course

Forensic Accounting and Fraud Detection (FAFD) (Physical Batch)

Digital Accounting and Assurance Board, ICAI

Venue : Visakhapatnam Branch of SIRC of ICAI
ICAI Bhawan, D.No. 9-36-22/2, Pithapuram Colony, Visakhapatnam 530003

Course Dates :
07 Days (June 5th,
6th, 12th, 13th, 16th,
17th and on 18th)

Time :
10.00 am to 5.30 pm

Duration :
07 Days
(6 hours per day)

CPE 20 hours

(Structured 15 CPE Hours shall be granted to all the participants those
who have attained 90% of attendance in the Classes.

Remaining 5 CPE Hours shall be given after successful passing the
Assessment Test.)

Limited Registrations are allowed.

Please register at the earliest

Registration Link:

<https://learning.icai.org/committee/daab/fafd-vishakapatnm-25/>



CA. Sridhar Andhavarapu
Chairman

Fee :
Rs. 16,520/-
(Inclusive of all
applicable taxes)



CA. Ramu Naidu N
Secretary

COMPLIANCE CALENDAR

Days to Remember May 2025

CA. P.S.V. Sai Kumar

Date	Department	Summary
5/5/2025	SEZ	Monthly Report of Investment & Employment
7/5/2025	FEMA	ECB 2 Return
7/5/2025	TDS/TCS	TDS/TCS Payment for Apr'2025
7/5/2025	TCS	Uploading of declarations received in Form 27C from the buyer in the month of Apr'2025
10/5/2025	Professional Tax	PT on Salaries for Apr'2025(Due date varies from State to State)
10/5/2025	STPI/SEZ	STPI - SERF; SEZ - SERF
10/5/2025	GST	GSTR - 7 (TDS) ; GSTR - 8 (TCS)
10/5/2025	GST	GST SRM-II (Monthly return - Special Procedure for taxpayers engaged in manufacturing pan masala or tobaccoproducts)
11/5/2025	GST	Monthly Return - GSTR 1 Apr'2025
13/5/2025	GST	GSTR-1 IFF for QRMP Apr'2025
13/5/2025	GST	GSTR - 5 (NRTP) ; GSTR 6 - Input Service Distributor
15/5/2025	PF & ESI	Monthly Payment for Apr'2025
15/5/2025	TDS/TCS	Due date for issue of TDS Certificate for tax deducted under section 194-IA,IB,M,S in the month of Mar, 2025
15/5/2025	TDS/TCS	Quarterly statement of TCS deposited for the quarter ending March 31, 2025
15/5/2025	SEBI	Annual Disclosure requirements for large entities(Circular No. SEBI/HO/DDHS/CIR/P/2018/144)
20/5/2025	GST	Monthly GSTR 3B;GSTR - 5A (OIDAR) - for Apr'2025
25/5/2025	GST	GST Challan Payment -Apr 2025 (QRMP Scheme filers)
30/5/2025	STPI/SEZ	STPI - SOFTEX; SEZ - SOFTEX
30/5/2025	MCA	Form 11 Annual return for LLP (FY 2024-25)

Date	Department	Summary
30/5/2025	MCA	Form PAS -6 -Reconciliation of Share Capital Audit Report (Half-Yearly) - as per Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014
30/5/2025	TDS/TCS	Due date for furnishing of challan-cum-statement (Form 26QB, QC, QD, QE in respect of tax deducted under section 194-IA , IB, M, S in the month of Apr, 2025)
30/5/2025	TCS	Issue of Form 27D (TCS Certificate) for the 4th Quarter of the Financial Year 2024-25
30/5/2025	Income Tax	Furnishing of statement required under Section 285B for the previous year 2024-25
30/5/2025	SEBI	Regulation 33 (3) (a) - Financial Results along with Limited review report/Auditor's report
30/5/2025	SEBI	Regulation 32 (1) - Statement of deviation(s) or variation(s) (read with Circular No. CIR/CFD/CMD1/162/2019, DATED 24-12-2019)
30/5/2025	SEBI	Regulation 24A- Secretarial Compliance Report
30/5/2025	SEBI	Regulation 33 (3) (d) - Financial Results along with Auditor's Report
30/5/2025	NBFC	NBFC-ND -Return NBS-8/ NBS-9 (asset size below ¹ 100 crore/ ¹ 100 crore - ¹ 500 crore)
31/5/2025	TDS	Quarterly statement of TDS deposited for the quarter ending March 31, 2025
31/5/2025	GST	ITC-03 (if applicable) FY 2025-26 ITC reversal form if newly opting into composition scheme
31/5/2025	Income Tax	Due date for furnishing of statement of financial transaction (SFT Form No. 61A) as required to be furnished under sub-section (1) of section 285BA of the Act respect for financial year 2024-25
31/5/2025	Income Tax	Furnishing of Form 10BD (Donation Statement) - Charitable Trusts
31/5/2025	Income Tax	Return of tax deduction from contributions paid by the trustees of an approved superannuation fund
31/5/2025	Income Tax	Due date for e-filing of annual statement of reportable accounts as required to be furnished under section 285BA(1)(k) (in Form No. 61B) for calendar year 2023 by reporting financial institutions

ICAI UPDATES



**Auditing and Assurance Standards Board
The Institute of Chartered Accountants of India**

10th April 2025

Exposure Draft of Standards on Auditing for Audits of Limited Liability Partnerships

Background

Section 34A of the Limited Liability Partnership Act, 2008 (LLP Act, 2008) prescribes that the Central Government may, in consultation with the National Financial Reporting Authority constituted under section 132 of the Companies Act, 2013, prescribe the standards of auditing as recommended by the Institute of Chartered Accountants of India constituted under section 3 of the Chartered Accountants Act, 1949, for a class or classes of limited liability partnerships.

The MCA had directed ICAI to prepare and present a separate set of Standards on Auditing for LLPs (SAs for LLPs). The Auditing and Assurance Standards Board (AASB) of ICAI has developed this Exposure Draft of SAs for LLPs by adopting the "SAs as approved by the Council of ICAI for companies" after making relevant amendments as considered necessary.

The SAs for LLPs will be notified for the first time under the LLP Act, 2008. As a result, the word "Revised" has been removed from the titles of these SAs.

The categories of amendments made, and the relevant actions as required for the purpose of exposure is as below:

Category	Details	Action required
Conforming Amendments	<p>The Exposure Draft incorporates the necessary conforming amendments resulting from the finalisation of six standards (SQM 1, SQM 2, SA 220(Revised), SA 250(Revised), SA 315(Revised), and SA 540(Revised)) by ICAI.</p> <p>These amendments involve updates to the text, paragraph numbering, referencing, and footnotes within the various SAs.</p>	<p>The changes are marked in track change mode and highlighted in blue colour.</p> <p>Comments are not sought on these conforming amendments and no comments need to be furnished.</p>



**Auditing and Assurance Standards Board
The Institute of Chartered Accountants of India**

10th April 2025

Changes made to make standards relevant for Audit of LLPs	<ul style="list-style-type: none">Necessary terminology related changes have been made in the context of LLPs.Limited text has been re-worded / deleted at some places from the perspective of LLPs related transactions.Illustrative formats (such as formats of independent auditor's report, format of engagement letter) in the SAs have been modified in the context of LLPs.	These limited changes made to the existing SAs in the context of LLPs are marked in track change mode and highlighted in yellow colour . Comments may be furnished for these changes.
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The downloadable version of the Exposure Draft is available at the following link:

<https://resource.cdn.icai.org/85382aasb-ed-saallp.pdf>

Request for Comment

AASB invites comments on the **limited changes** proposed in this Exposure Draft in the context of LLPs.

Comments are most helpful if they indicate the specific paragraph(s) to which they relate, contain a clear rationale and, where applicable, provide a suggestion for alternative wording.

How to Comment

Comments should be submitted using one of the following methods, so as to receive no later than 1st May 2025:

1. Electronically	Visit the following link to submit a comment letter (Preferred method): https://forms.gle/zxZ13RLnci6tru5k9
2. Email	Comments can be sent at: aasb@icai.in
3. Postal	Secretary, Auditing and Assurance Standards Board, The Institute of Chartered Accountants of India, ICAI Bhawan, Post Box No. 7100, Indraprastha Marg, New Delhi-110002



Notification for Online Eligibility Test (ET) for Post Qualification Course on Information Systems Audit on Saturday, May 10, 2025 (10:00 AM to 12:30 PM)

Organized by Digital Accounting and Assurance Board of ICAI

ISA Eligibility Test will be conducted under ISA 3.0 Syllabus.

Note:

- Please note that **last attempt for the ISA 2.0 Syllabus (Old)** has already expired, so members have to appear in ISA 3.0 Syllabus if they were not able to clear the ISA Eligibility Test in ISA 2.0.
- Members who have completed their Professional Training (PT) and meeting the eligibility criteria for ISA ET till **March 31, 2025**, will be eligible to appear in the ISA ET to be held on May 10, 2025.
- In case of any issue, kindly mail us at isa@icai.in.

2. The process for registering for online ISA Eligibility Test (ET) is as follows:

➤ **Members appearing for the first time:**

Step 1: Login at <https://learning.icai.org> using SSP login credentials.

Step 2: Go to My Dashboard and Click on the following Product-

“PQC- Information Systems Audit 3.0 --Eligibility_Test_May-2025”.

Step 3: Click on Launch Assessment and proceed for Face Registration as required.

Step 4: Close the window after submitting your response and appear for ISA ET by clicking Assessment node on the day of Eligibility Test i.e., May 10, 2025.

➤ **Members appearing for second or subsequent attempt(s):**

Step 1: Login at <https://learning.icai.org> using SSP login credentials.

Step 2: Go to My Dashboard and Click on the following Product-

“Information Systems Audit 3.0 - Re-assessment Eligibility May 2025 (Eligibility Product)”

Step 3: Click on Launch the Re-Assessment batch. Then click on the payment link given in the first node of the batch.

Step 4: After Payment, the following product will be added in My Products:

“PQC- Information Systems Audit 3.0 --Eligibility_Test_May-2025”

Step 5: Complete face registration by launching the above product.

Step 6: Close the window after face registration and appear for ISA ET by clicking Assessment node on the day of Eligibility Test.

Candidates appearing for the first time in the ISA ET are not required to pay any fees. Candidates appearing for **2nd attempt/ subsequent attempt(s)** have to pay the ISA ET Fee of **Rs. 500/-** (Rupees Five Hundred only) through <https://learning.icai.org> as per procedure given above.

3. Face Registration to commence at <https://learning.icai.org> from 11:00 AM of April 15, 2025, till May 2, 2025, 5:00 PM for appearing in ISA Eligibility Test. The guidelines are attached as Annexure-1.



The Institute of Chartered Accountants of India

Note:

- Face registration approval may take 24 to 48 hours.
- No Further extension shall be provided for completing the process of Face Registration, please complete the face registration process within the time limit.
- Members who have already done the face registration earlier at DLH portal for ISA ET or any other exam are not required to do the same again.
- FAQs for Face Registration are available at <https://learning.icai.org/per/g21/pub/1666/iDH/instance/1/template/20/temp/template/pdf/Face%20Registration.pdf>

4. Prerequisites for the ISA Eligibility Test:

- Active ICAI membership number.
- Desktop/ Laptop with good internet connectivity.
(**Note: - Use of Mobile Phones/ Tabs/ iPads etc. is strictly prohibited, if the member appearing in exam through these devices, then his/her result may be withheld.**)
- Camera attached with Desktop/Laptop.
- Active login at Digital Learning Hub (DLH) of ICAI (<https://learning.icai.org>).
- Completion of Face Registration Activity at <https://learning.icai.org> by 5:00 PM of May 2, 2025.
- General Instructions for ISA Eligibility Test as per **Annexure-2**.

5. **Mock Test scheduled on May 7, 2025, from 10:00 AM to 12:30 PM** will be conducted for those members who registered in ISA ET May 2025 and completed their face registration by May 2, 2025 (**Please note for Mock Test, result will not be declared, duration of Mock Test will be 50 minutes**). It is not mandatory to attend the Mock Test, it is just to provide look and feel of the system to the candidates. The Questions may/ may not be related to ISA 3.0.

Members would be able to access the mock test by visiting My Products at DLH portal (<https://learning.icai.org>) and launch the following Product- **“PQC- Information Systems Audit 3.0 -- Eligibility_Test_May-2025”** on May 7, 2025 only between 10 am to 12:30 pm.

6. Members are required to ensure that they are able to login in the Digital Learning Hub of ICAI (<https://learning.icai.org/>) using their SSP Portal credentials. Please check this latest by April 10, 2025 and in case of any issue with the login, please write to us at isa@icai.in and elarning@icai.in. We would not be able to help any Member if they are not able to login at the day of the Eligibility Test.
7. In case you are not registered at Digital Learning Hub, follow the instructions as per the link: User Manual for “Fresh Login creation for Members Already Registered with ICAI” (<https://resource.cdn.icai.org/61636sspfaq-50147member-login.pdf>).
8. Members can download the **study material** for ISA 3.0 Syllabus from <https://www.icai.org/post/isa-background-material>.

Secretary, Digital Accounting and Assurance Board,
The Institute of Chartered Accountants of India, 7th Floor, Hostel Block, ICAI Bhawan, A-29,
Sector-62, Noida - 201309, India.



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

Board of Studies - Operations
The Institute of Chartered Accountants of India
17th April, 2025

Invitation for Expression of Interest (EOI) for Empanelment of Resource Personnel for IT and Soft Skills Program

The Institute is pleased to invite expressions of interest (EOI) from qualified and experienced professionals for the empanelment of resource personnel for the ICITSS (Information Technology and Soft Skills) and AICITSS (Advanced Information Technology and Communication Skills) regulatory program of the Chartered Accountancy curriculum.

We are seeking highly skilled trainers, educators, and subject matter experts who are committed to enhancing the learning experience and equipping students with essential skills for their professional journey.

Why Should You Join?

- (a) Get ready to be captivated! The Institute of Chartered Accountants of India (ICAI) has unveiled an exhilarating new course curriculum, infused with the transformative spirit of the National Education Policy (NEP) and more, promising an enriching journey for every aspiring CA!
- (b) Enhance Your Expertise, Skill & Attitude— Gain deeper insights into emerging trends and best practices.
- (c) Professional Recognition – Get acknowledged as a subject-matter expert within ICAI and beyond.
- (d) Expand Your Influence – Contribute to the growth of CA students fraternity across India and outside.
- (e) Structured Learning & Development – Selected faculty members will receive specialized training to fine-tune their content delivery.
- (f) Remuneration & Rewards – Your contribution will be appropriately recognized with remuneration. The revised structure for hourly remuneration is currently under active consideration, with a view to ensuring that empanelled faculty members are fairly and appropriately honoured for their valuable time and expertise. The forthcoming model aims to be both rewarding and encouraging for all contributors.

Eligibility Criteria:

- (1) Relevant academic qualifications and professional experience in IT and Soft Skills or related fields.
- (2) Proven track record in conducting training or educational sessions.
- (3) Knowledge of the latest industry trends and technologies like Artificial Intelligence (AI) and Machine Learning (ML), ERP, Simulation, Data Mining and Analytics, Cloud Computing and Edge Computing, FinTech, Cybersecurity and Robotics and Automation etc.
- (4) Professionals with expertise in finance, taxation, commerce, economics technology or engineering, coupled with strong analytical, problem-solving, and regulatory compliance skills, are eligible to contribute to and excel in dynamic roles within these fields.

The details of syllabus and the desired Educational/Professional qualifications can be seen at: <https://drive.google.com/file/d/1Wkjge1MyxT560MLVdEVQH4l8eo8Knkf/view?usp=sharing>

The selection process involves a thorough review, shortlisting, and finalization by the Board of Studies-Operations.

If you have a passion for mentoring, and a commitment to strengthening the CA profession, this is your chance to make a difference.

All currently empanelled faculties for the ICITSS and AICITSS regulatory programs are kindly requested to ensure the mandatory submission of the updated empanelment form at the earliest.

Submit Your Expression of Interest now: <https://forms.gle/TDEWNzsrF8hMKHdT6>

We look forward to your valuable contribution in shaping the future of Chartered Accountancy education.

Best regards,

Chairman
Board of Studies-Operations

Vice-Chairman
Board of Studies-Operations

Please click here for details



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

Board of Studies
The Institute of Chartered Accountants of India
24th April 2025

Expression of Interest for the Resource Persons/Faculty/Experts

Subject: Invitation for Expression of Interest - Empanelment of Resource Persons/Faculty/Experts for Board of Studies, ICAI

Dear Sir/Madam,

BoS serves to approximately 8.5 lakh students across Foundation, Intermediate, and Final levels, offering them educational resources, mentorship, and guidance.

BoS offers theoretical and practical education through meticulously curated study materials, physical as well as virtual classes, and e-books, Live Virtual Online Classes for all subjects at Foundation, Intermediate and Final Levels.

The Board of Studies is excited to announce the opportunity for experienced professionals/ academicians like you to join us as faculty members for our prestigious Live Virtual Classes (LVC).

The Board of Studies (Academics), academic wing of ICAI, seeks to empanel distinguished **Resource Persons/Faculty/Experts**, who are keen to contribute to shaping the next generation of CA students.

Why Join Us as Faculty?

- 1. Contribute to Professional Development:** Share your expertise and contribute to the professional development of aspiring Chartered Accountants.
- 2. Recognition:** Gain recognition and visibility within the chartered accounting community as a respected educator and mentor.
- 3. Enhance Your Skills:** Strengthen your presentation, communication, and leadership skills through teaching and mentoring.

Your Expression of Interest (EoI) for empanelment of faculty is warmly welcomed.

Requirements for Empanelment for faculty for Live Virtual Classes (LVC)

- 1. Minimum Qualification:** The details of various courses, minimum qualification as well as teaching experience required for empanelled faculty for each course is given in **Annexures I**.
- 2 Advanced Degrees:** A Ph.D. in a relevant field such as Commerce, Business Administration, Management, Organizational Communication, Law, or a related discipline would be an added advantage.
- 3. Communication Skills:** (a) Clear and effective communication skills, both verbal and written; (b) Ability to convey complex concepts in an accessible and understandable manner.

4. Industry Experience: (a) Practical experience and a strong background in the industry related to the skill being taught; (b) Knowledge of real-world application and industry trends will be an added advantages.

5. Facilitation and interpersonal skills: Excellent interpersonal skills to build rapport with participants and create a positive learning environment.

6. Technological Proficiency: (a) Familiarity with relevant technologies to enhance learning experience and (b) Capability to integrate technology into skill development activities.

Thank you for considering this partnership opportunity. We look forward to the possibility of working together to shape the future of accounting education.

Interested faculty are requested to submit their EoI in the Google form available in the undermentioned links:

<https://forms.gle/yTgSGqcVnrUp1CVo9>

Chairman, Board of Studies (A)

Vice Chairman, Board of Studies (A)

Minimum Qualification for Foundation Level Papers:

Accounting	Chartered Accountant having at least 3 years of teaching/work experience or Post-graduate in Commerce having at least 3 years of teaching/work experience
Business Laws	Chartered Accountant /CS/LLB having at least 3 years of teaching/work experience or Post-graduate in Commerce (having Business Laws/Mercantile Laws as a subject) having at least 3 years of teaching/work experience
Quantitative Aptitude	Chartered Accountant having at least 3 years of teaching/work experience or Post-graduate in Mathematics/Statistics having at least 3 years of teaching/work experience
Business Economics	Chartered Accountant having at least 3 years of teaching/work experience or Post-graduate in Economics / Commerce having at least 3 years of teaching/work experience

Minimum Qualification for Intermediate Level Papers:

Advanced Accounting	Chartered Accountant having at least 4 years of teaching/work experience or Post-graduate in Commerce having at least 4 years of teaching/work experience
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Corporate and Other Laws	Chartered Accountant/ LLB/ Company Secretary having at least 4 years of teaching/work experience or Post-graduate in Commerce with 4 years of teaching/work experience
Cost and Management Accounting	Chartered Accountant or Cost Accountant having at least 4 years of teaching/work experience or Post-graduate in Commerce having at least 4 years of teaching/work experience
Taxation	Chartered Accountant having at least 4 years of teaching/work experience
Auditing and Assurance	Chartered Accountant having at least 4 years of teaching/work experience
Financial Management	Chartered Accountant having at least 4 years of teaching/work experience
Strategic Management	Chartered Accountant having at least 4 years of teaching/work experience Or MBA having at least 4 years of teaching/work experience

Minimum Qualification for Final Level Papers:

Financial Reporting	Chartered Accountant having at least 5 years of teaching/ work experience or Post-graduate in Commerce having at least 5 years of teaching/ work experience
Advanced Financial Management	Chartered Accountant or Cost Accountant having at least 5 years of teaching/work experience or Post-graduate in Commerce/MBA having at least 5 years of teaching/ work experience
Advanced Auditing, Assurance and Professional Ethics	Chartered Accountant having at least 5 years of teaching/ work experience
Direct Tax Laws & International Taxation	Chartered Accountant having at least 5 years of teaching/ work experience
Indirect Tax Laws	Chartered Accountant having at least 5 years of teaching/ work experience
Integrated Business Solutions	Chartered Accountant having at least 5 years of teaching/ work experience



CA. Hemalatha

CASELAW DIGEST - APRIL 2025

AO of another ward can't issue notice to assessee if no order was passed to transfer jurisdiction: ITAT

Raipur ITAT in the case of Rahul Tyagi V. ACIT reported in [2025] 173 taxmann.com 981 (Raipur - Trib.)

Where first notice under section 143(2) was issued by Assessing Officer-4(5), Raipur and assessment was framed by jurisdictional Assessing Officer-3(1), Raipur without any order of transfer as required under section 127 by Principal Commissioner, assessment order passed by Assessing Officer-3(1) Raipur without issuance of valid notice under section 143(2) to assessee was to be quashed.

No concealment penalty if loss claimed on account of mutuality was inadvertently set off against income: ITAT

Mumbai ITAT in the case of Brindaban III Co-operative Housing Society Ltd. V. ITO reported in [2025] 173 taxmann.com 262 (Mumbai - Trib.):

Where assessee-co-operative housing society had inadvertently claimed loss on account of mutuality but same was corrected while filing return in response to notice under section 148, since assessee had duly complied with Explanation 1 to

section 271(1) by offering all possible explanations substantiating it by documentary evidences to establish that there was no concealment of particulars of income on its part, penalty levied under section 271(1)(c) was to be deleted

Reassessment based on info from investigation wing along with other material is valid: HC

Delhi High Court in the case of PCIT V. Ganesh Ganga Investments (P.) Ltd. reported in [2025] 173 taxmann.com 878 (Delhi)

Where Assessing Officer issued a reopening notice on ground that information was received from Investigation Wing that assessee had received accommodation entries in form of share capital, since report of Investigation Wing only prompted Assessing Officer to scrutinize return of income and reassessment power was thereafter exercised basis commonality of entities which were found in return as submitted and report of Investigation Wing, invocation of section 148 was justified

Trust not eligible for sec. 12AB registration if objects are meant only for members of society: ITAT

Ahmedabad ITAT in the case of Dwarika Greens Foundation V. CIT(E) reported in [2025] 173

taxmann.com 744 (Ahmedabad - Trib.)

Where objects of assessee-trust were for benefit of residents and members of specific society and were not meant for public at large, assessee-trust was not eligible for registration under section 12AB

Where reassessment was initiated under section 148 based solely on third-party transactions without any material implicating assessee in alleged penny stock manipulation, and reasons recorded failed to disclose such linkage, impugned notice and order rejecting objections were liable to be quashed

High Court of Delhi in the case of Abha Gupta reported in [2025] 173 taxmann.com 834 (Delhi)

Where reassessment was initiated under section 148 based solely on third-party transactions without any material implicating assessee in alleged penny stock manipulation, and reasons recorded failed to disclose such linkage, impugned notice and order rejecting objections were liable to be quashed

Co-ownership in new house doesn't disqualify Sec. 54 relief if no double deduction is claimed: ITAT

Mumbai ITAT in the case of Smt. Tejal Kaushal Shah reported in [2025] 173 taxmann.com 844 (Mumbai - Trib.)

Where assessee purchased a residential house property along with her husband and sold same and invested capital gain into a new residential house as co-owner jointly alongwith her husband, since for purpose of section 54, there was no any embargo for assessee to claim deduction under this provision as a co-owner, or on sale of one or two residential properties or on purchase of old residential property as a co-owner, Assessing Officer should verify that there was no double deduction claimed by assessee and her husband on capital gain on sale of property claimed by assessee and to allow deduction under

section 54 to extent of investment made by assessee on purchase of new property

Exp. incurred on repairs maintenance of rented property to be allowed as revenue exp: HC

High Court of Madras in the case of Shivsu Canadian Clear International Ltd. reported in [2025] 173 taxmann.com 843 (Madras):

here assessee entered into a rental agreement for taking on rent a property which comprised of land with a superstructure and incurred expenditure on repairs and maintenance of said property, since repair works that were routinely carried out in business premises were to keep premises in proper shape for conduct of business, expenditure incurred by assessee on repairs and maintenance of property was to be allowed as revenue expenditure

Cash payments made to milk producers not covered under Rule 6DD if they were companies: HC

Madras High Court in the case of Arasappan Madhivanan reported in [2025] 173 taxmann.com 876 (Madras):

Where assessee, a milk distributor, made cash payments to a company for purchase of pasteurised milk, he was not entitled to exemption under Rule 6DD(e)(ii), and disallowance under section 40A(3) was justified

Reassessment initiated at direction of higher authorities is bad in law: HC

High Court of Bombay in the case of Agfa India (P.) Ltd reported in [2025] 173 taxmann.com 875 (Bombay):

Where Assessing Officer acted on directions of superiors without forming independent belief that income had escaped assessment, as mandated

under section 147, reassessment was invalid.

AO can't pass best judgment assessment without assigning reasons for rejecting voluminous reply: HC

Gujarat High Court in the case of HIGH COURT OF GUJARAT reported in [2025] 173 taxmann.com 842 (Gujarat):

Where assessee filed a detailed reply to show cause notice, though delayed by two days due to voluminous documentation, but Assessing Officer rejected reply without assigning any reasons, Best Judgment Assessment order passed under section 144 was not tenable in eye of law

Provisions of Sec. 40A(7) would override Sec. 43B in case of an approved gratuity fund: Madras HC

High Court of Madras in the case of Sanmar Speciality Chemicals Ltd. reported in [2025] 173 taxmann.com 884 (Madras):

Where assessee-company made provision towards approved gratuity fund with LIC, since provisions of section 40A(7)(b) were specific to a claim of deduction based on provision for payment towards an approved gratuity fund, same would take precedence over general provision of section 43B and claim of deduction towards said gratuity fund was to be allowed

SLP dismissed against HC's order denying exemption to trust charging capitation fee from students

Supreme Court in the case of Maharaji Education Trust. reported in [2025] 173 taxmann.com 883 (SC):

Where High Court had proceeded ex-parte to hold that where assessee, charitable trust charged capitation fee from student for admission in its educational courses, it would not be entitled to

exemption under section 11, assessee having preferred a review petition against order of High Court, trying to make good his case that in fact, there was no service effected of notice issued by High Court, SLP was to be disposed of letting High Court to look into review petition

Interest on enhanced compensation for agricultural land acquired to be treated as capital asset: HC

High Court of Kerala in the case of Anvar Ali Poolakkodan reported in [2025] 173 taxmann.com 633 (Kerala):

Interest amounts received by assessee in respect of delayed payment of compensation/enhanced compensation under Land Acquisition Act, 1894 would partake character of principal compensation and would be classified as capital gains and consequently, would also get benefit of section 10(37) if land compulsorily acquired was agricultural land

Jewellery seized during search to be released if no additions were made in assessee's hands: HC

Gujarat High Court in the case of Nayanaben Hasmukhbhai Patel reported in [2025] 173 taxmann.com 519 (Gujarat):

Where assessee had already paid tax on addition made for seized jewellery, in absence of any outstanding liability to be discharged for relevant assessment year, jewellery could not be retained for recovery of outstanding demand for any subsequent assessment years.

ARTICLES



CA. Kiran Kumar
Partner - JRS & Associates

AI AND AUTOMATION IN ACCOUNTING : THREAT OR OPPORTUNITY FOR CHARTERED ACCOUNTANTS?

In today's fast-evolving professional landscape, one question is making rounds across boardrooms, training halls, and audit rooms alike – is Artificial Intelligence (AI) and automation a threat to Chartered Accountants, or does it open up new doors of opportunity?

As someone actively engaged in practice and witnessing the transition of traditional accounting systems to digital-first environments, I believe this is not a one-dimensional answer. Let's not get swayed by the headlines that scream "AI to replace jobs" or "Automation to take over finance". The reality is far more nuanced, and perhaps, far more promising for us professionals than what the fear-mongering narratives suggest.

Understanding the Disruption:

The use of AI in accounting has grown from being a theoretical discussion to a practical reality. Today, bots can automate invoice processing, reconcile bank transactions in seconds, and even draft financial reports with minimal human intervention. Cloud-based ERP systems like Zoho Books, QuickBooks, and Tally Prime have built-in

automation features that many firms now use without even realizing the tech at play.

In this context, many young CAs and even seasoned practitioners fear redundancy. They worry whether their manual skills, years of audit experience, or command over standards and compliances will soon be "digitally outdated". And let's admit it – some parts of our work, especially repetitive and rule-based tasks, are already being taken over.

But here's the catch – AI is not a CA. And it's not going to become one anytime soon.

Where AI Ends and Human Judgment Begins:

While automation can certainly handle the mechanical side of accounting, it still lacks something core to our profession – judgment.

Can AI understand the nuances behind a director's circular resolution? Can it sniff out a fraud hidden behind layers of journal entries the way a seasoned auditor can? Can a bot weigh in on ethical implications of a transaction? These are value areas where human intelligence, professional scepticism, and experience reign supreme.

Moreover, the ability to interpret complex tax laws, offer customized advisory based on business goals, or represent a client before authorities is not something AI can do in its current or near-future form. These are not just services; they're a product of **context, reasoning, and trust** – qualities CAs have built through years of training and practice.

The Opportunity Most are Missing:

While the fear of displacement is real, I see a larger opportunity most CAs are missing – the chance to **redefine our roles**.

With automation taking over routine tasks, we now have more time to move into strategic spaces – CFO services, business consulting, analytics-driven decision-making, startup advisory, and even forensic audits. Clients no longer just want books maintained and taxes filed – they want **insights**. And CAs who evolve from number-crunchers to value-creators will be the real winners in this AI age.

It's also an opportunity for smaller firms and solo practitioners. Tools that were once only affordable for Big 4s are now accessible to everyone. This levels the playing field. You can now run a tech-powered, efficient practice with minimal staff, thanks to AI-based tools. And if we upskill ourselves, we can serve more clients, better, and at a lower cost – without compromising quality.

Adaptability is the Key:

The core strength of our profession has always been adaptability. From handwritten ledgers to Tally, from physical vouchers to e-invoicing, from paper returns to GSTN

– we've adapted every time. AI is just the next wave.

Let's invest in understanding tools like RPA (Robotic Process Automation), data visualization (Power BI,

Tableau), AI-assisted audit tools, and cloud accounting systems. Let's collaborate with software developers to tailor solutions for our clients. Let's bring the CA's insight into the tech space – not fight against it.

Conclusion: From Threat to Ally:

To conclude, I see AI not as a threat, but as a **powerful ally** – provided we know how to use it.

It will not replace CAs. But CAs who embrace AI will definitely replace those who don't.

We must rise above the fear of automation and instead lead the digital transformation of finance. After all, technology can assist, but **trust is built by people** – and that's where we still have the upper hand.

Let's not just survive this shift. Let's **lead it**.



CA. Midhun Kumar Peddina

ALL ABOUT FCRA

The Foreign Contribution (Regulation) Act (FCRA), 2010, along with the Foreign Contribution (Regulation) Rules, 2011, governs the acceptance and utilization of foreign contributions and hospitality by certain individuals, associations, or companies in India. The primary objectives are to regulate such activities and prohibit any actions detrimental to national interests.

Definition of Foreign Contribution:

Foreign contribution refers to any donation, delivery, or transfer of:

- Any article, currency (Indian or foreign), security, or company shares made by a foreign government or its agencies, foreign companies or their subsidiaries, multinational corporations, trusts or societies registered outside India, or foreign citizens to an Indian person.
- Interest earned or accrued in India on the aforementioned contributions is also considered a foreign contribution.

However, articles gifted for personal use up to a value of ₹1 lakh are excluded. Additionally, amounts received as fees, including educational institution fees, or through business transactions conducted in the ordinary course of business are not subject to the FCRA.

Entities Prohibited from Receiving Foreign Contributions:

The FCRA specifies that certain individuals and entities are prohibited from accepting foreign contributions. These include:

- Candidates for elections.
- Correspondents, columnists, cartoonists, editors, owners, printers, or publishers of registered newspapers.
- Judges, government servants, or employees of any corporation or any other body controlled or owned by the government.
- Members of any legislature.
- Political parties or their office bearers.
- Organizations of a political nature as defined by the central government.
- Associations or companies engaged in the production or broadcast of audio news, audio-visual news, or current affairs programs through any electronic mode or any other mode of mass communication.

Eligibility Criteria for FCRA Registration:

For an organization to be eligible for FCRA registration:

- It should be registered under existing statutes such as Section 8 of the Companies Act, 2013 (formerly Section 25 of the Companies Act), the Indian Trusts Act, 1882, or the Societies Registration Act, 1860.
- It must have been in existence for at least three years and have undertaken significant activities in its chosen field for the benefit of society.
- The organization should have spent at least ₹ 10 lakh over the last three years on its aims and objectives, excluding administrative expenses.
- Statements of Income & Expenditure, duly audited by a Chartered Accountant, for the last three years should be submitted to substantiate these claims.

Eligibility Conditions for Prior Permission under FCRA:

Organizations not meeting the criteria for regular registration can apply for prior permission to receive foreign contributions for a specific purpose from a specific donor. The conditions include:

- The NGO should be registered under the relevant Indian laws.
- A commitment letter from the donor indicating the amount and purpose of the contribution must be submitted.
- The organization should not have been prosecuted or convicted for any offence under any law, including the FCRA.

Application Process for FCRA Registration:

To apply for FCRA registration:

- Submit Form FC-3A for registration or Form FC-3B for prior permission online, along with

a fee of ₹ 10,000 for registration and ₹ 5,000 for prior permission.

- The registration is valid for five years and should be renewed six months before its expiry by submitting Form FC-3C.
- It is mandatory to have an FCRA-designated bank account with the State Bank of India, Main Branch - Delhi. However, an account can be opened with any nationalised banks as operational account.

FCRA Compliance Requirements:

Post-registration, organizations must adhere to the following compliance requirements:

- Maintain proper books of account and records.
- Submit an annual return in Form FC-4, along with a statement of receipt and payment account and balance sheet, duly certified by a Chartered Accountant, by December 31st of each year.
- Even if there is no receipt or utilization of foreign contributions, a nil return must be filed.
- Non-compliance can lead to imprisonment, penalties, or both, as per FCRA provisions.

Banks are required to report two kinds of transactions to the government:

- Receipt of foreign contributions.
- Utilization of foreign contributions.

Key FCRA Forms and Their Purposes:

The following are the some important FCRA forms that need to be filed under the FCRA 2010:

Form	Due Date	Nature	Purpose
Form FC- 3 (Part – B)	Not applicable (Normally takes 3 to 6 months to get Prior permission)	Permission	Persons who cannot get FCRA registration should apply for prior-permission. (Prior permission is linked to specific project of NGOs and for a specified sum of Foreign
Form	Due Date	Nature	Purpose
			Contribution. Via Foreign contribution may be received in instalments)
FC-3 (Part – A)	Not applicable (Normally takes 4 to 6 months to get registered)	Permission	Persons who want to accept foreign contribution regularly should apply in form FC-3 for registration. (Normally NGOs having a proven track record of 3 years & have spent INR 10 Lakhs or more for the object of the trust)
Form FC-3 (Part – C)	6 months before expiry	Permission	The FCRA registration is valid for Five Years only so need to apply for renewal in FC -3 Part C
FC-5	Before transferring such contribution	Permission	Any FCRA registered person who intends to transfer foreign contribution to any unregistered person.
FORM FC-4 (Includes Auditor's report)	31st Dec Following the end of the year.	Annual Return	Form FC-4 is an annual report on how much foreign contribution has been received and used during the financial year. This includes contribution in money as well as in kind.– To be filed by FCRA registered person or having prior permission persons
FC-6	Within 15 days of change	Intimation	Any FCRA registered person who wants to change Association name or Designated bank account or Utilization Bank Account or more than 50% of Key members.

Application Procedure:

1. **DARPAN ID Registration:** Before applying, register on the DARPAN Portal of NITI Aayog to obtain a unique DARPAN ID.
2. **Access FCRA Online Portal:** Visit the Ministry of Home Affairs' FCRA online portal at fcraonline.nic.in.
3. **Create a User Account:** Sign up to create a user ID and password on the FCRA portal.
4. **Complete Form FC-3A:** Log in and select the option for FCRA registration. Fill out Form FC-3A with accurate details about the organization.
5. **Upload Required Documents:** Submit the necessary documents in the specified formats and sizes.
6. **Pay the Application Fee:** The registration fee is ₹10,000, payable online through the portal.
7. **Final Submission:** After completing all sections and uploading documents, review the application thoroughly before final submission.

Required Documents:

- **Registration Certificate:** A self-certified copy of the organization's registration certificate.
- **Memorandum of Association/Trust Deed:** A self-certified copy detailing the organization's aims and objectives.
- **Activity Report:** A comprehensive report of the organization's activities over the past three years.
- **Audited Financial Statements:** Audited statements of accounts for the last three years, including balance sheets, income and expenditure statements, and receipts and payments accounts.
- **AUdavits:** An AUdavit from each key functionary of the organization.
- **Signature and Seal:** Digital images of the chief functionary's signature and the organization's seal in the specified dimensions and file sizes.

Note: For any queries, help, or feedback, you may get in touch with CA Midhun Kumar Peddina at ca.midhun@satyasushil.com or call/WhatsApp at 9948733312.



CA. Venkatesh P
Partner - Ravishankar & Co.,

Ind AS 116 : LEASES

Lease is a transaction where lessee acquires a right to control the use of an asset from lessor in exchange of consideration. Hence following are necessary for a contract to qualify as a lease:

- right to control underlying asset
- identified asset

MCA vide its notification dated 30th March, 2019 has notified a new standard on leases Ind AS 116 which is fully converged with IFRS 16 replacing the erstwhile Ind AS 17.

To begin with the major transition, this standard requires the lessee to recognize its leasing transaction in the balance sheet in form of **Right of use asset** and **Lease liability** in case of both operating and finance leases.

In other terms, lessee computes the present value of entire future cash flows payable to the lessor using the appropriate discount rate and creates a lease liability and corresponding asset. The liability along with the interest accretion is extinguished by actual payments and the RoU asset is amortized over the lease term.

Right of use asset – Depreciation:

➔ Ownership is transferred to lessee at the end of term or ROU reflects purchase option – from commencement date until end of useful life of underlying asset.

➔ In other cases – from commencement date until earlier of

- lease term or useful life of RoU asset (different from life of underlying asset)

*Life of RoU asset is period over which lessee expects to use the asset and cannot exceed lease term.

A small example for **operating lease** is given below to provide a gist on comparison between new and erstwhile standard.

Ex: Assume a lease contract is entered into for a term of 3 years with an annual lease rental of INR 200,000. Lessee considers 10% as its incremental borrowing rate.

Accounting under erstwhile standard:

- An amount of INR 200,000 is recognized as expense each year.
- No impact on balance sheet.

Accounting under new standard:

INR

	RoU Asset	Lease liability	P&L***
Year 1	497,370** (-) Dep (165,790)	(497,370) + Interest (49,737) (-) Payment 200,000	215,527
Year 2	331,580 (-) Dep (165,790)	(347,107) + Interest (34,711) (-) Payment 200,000	200,501
Year 3	165,790 (-) Dep (165,790)	(181,818) + Interest (18,182) (-) Payment 200,000	183,972

****** The RoU is calculated using formula of NPV discounted @10%.

******* Comparison of P&L in old vs new: Its very clear that the overall P&L is INR 600,000 both scenarios; however P&L in new standard is front loaded i.e., higher expense is charged in initial periods and lower expense in subsequent period.

Why such change is brought in? Ind AS 116 views leases as a financing transaction where lessee is acquiring an asset (right of use) for a longer period of time while the payment is made over the lease term involving an element of finance charge.

Also, grossing up of lease payments in balance sheet ensures a faithful presentation

and a greater transparency on firms' leasing activities.

Ex: If we consider the above example assuming it to be a finance lease.

No major change except that the lease asset under erstwhile standard is recognized at lower of present value of minimum lease payment or fair value; however there is no differentiation between operating and finance lease under new standard.

Option of application: Ind AS 116 also provides that lessee can elect not to apply recognition criteria for

- Short term leases (term ≤ 12 months and does not include purchase option to lessee)
- Low value assets

What are included in lease Payments? It includes payments made by lessee to lessor comprising of

- fixed payments less lease incentives
- variable payments that depends on an index only (*Amendment effective April 1, 2024 variable lease payments even those not based on index or rate shall be considered when remeasuring sale and lease back transactions*).

- exercise price of purchase option
- termination penalties if any

Right of use asset along with initial measurement of lease liability includes:

- Initial direct costs incurred
- any payments made to lessor before commencement less lease incentives received
- estimate of costs for restoration of underlying asset

Subsequent measurement: The lease liability and corresponding asset has to be re-measured to reflect any modifications/re-assessment of lease contract.

Amendment to Ind AS 116 due to COVID 19:

As a result of deadly pandemic, there would be many cases where lessors give rent concessions/waivers. Typically in such cases the standard requires the lessee to re-determine the discount rate and adjust the lease liability as mentioned above.

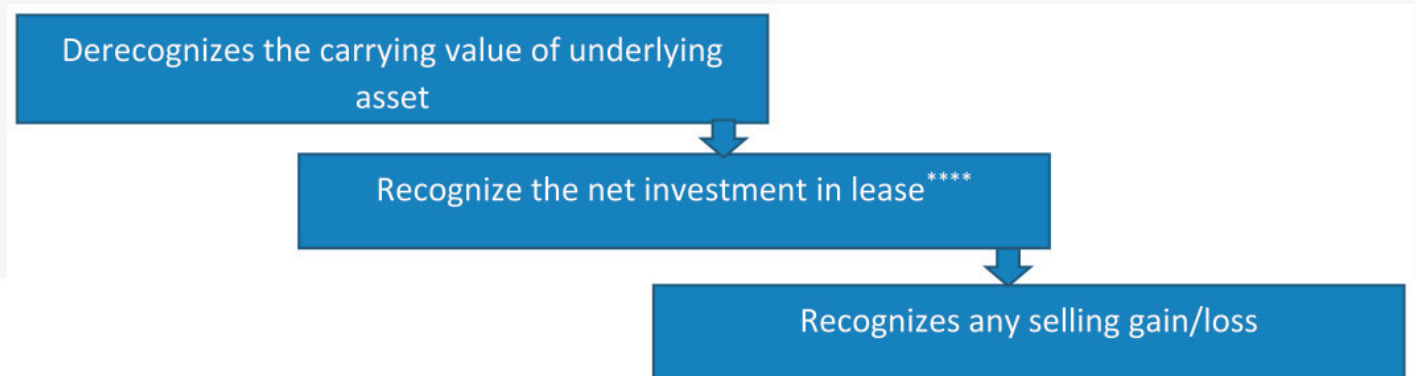
However, ICAI has come up with an exposure draft stating in case of any rent waivers/concessions obtained as a direct consequence of covid 19 pandemic; lessee to opt a practical expedient of not accounting as a modification instead charge to P&L directly.

Leases denominated in foreign currency:

- Lease liability to be re-measured using exchange rate at each reporting period
- Right of use asset being a non-monetary asset to be measured at historical cost and unaffected by change in exchange rates.

Lessor accounting

In case of **finance lease**:



**** Net investment in lease is calculated as discounted value of lease payments receivable + unguaranteed residual value.

In case of operating lease:

Lessor continues to account the underlying asset in his books and recognize the lease income on a straight-line basis or other systematic manner.

Few differences between Ind AS 116 and Ind AS 17:

Pointer	Ind AS 116	Ind AS 17
Scope-out	Lessee can elect not to apply standard for short term leases and low value assets.	No such mention.
Lease classification	Single recognition approach for all leases from lessee point of view.	Dual recognition to classify leases into finance or operating.
Income from operating leases	Lessor recognizes income on either straight line basis or other systematic manner.	No need to straight line income if it aims to compensate expected inflation/index.

References:

- Study material for CA final issued by ICAI
- ICAI announcement on exposure draft dt 4th June, 2020.

PROGRAM CALENDAR FOR THE MONTH

S.No	Date & Time	Topics
1	10/05/2025 – 10:00 am-5.00 pm (Saturday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : Hands on Workshop on Tally 6.0 New Features Explained
2	14/05/2025 – 5:00 pm-8.30 pm (Wednesday) - 3 Hrs	Physical - CPE Seminar Topics : Responding to Income Tax Notices and Communicating with ITD
3	17/05/2025 – 10:00 am-5.00 pm (Saturday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : Presumptive Taxation, Taxation of Firms and other Non-corporate Entities
4	21/05/2025 – 5:00 pm-8.30 pm (Wednesday) - 3 Hrs	Physical - CPE Seminar Topics : Decoding Reassessment 2.0 - An overview of Sec.147, Transformations, Timelines and Landmark Rulings.
5	22/05/2025 – 10:00 am-5.00 pm (Thursday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : ZOHO Books - Workshop
6	23/05/2025 – 10:00 am-5.00 pm (Friday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : ZOHO Books - Workshop
7	24/05/2025 – 10:00 am-5.00 pm (Saturday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : Demystifying TDS Provisions
8	31/05/2025 – 10:00 am-5.00 pm (Saturday) - 6 Hrs	Physical - Full Day CPE Seminar Topics : NRI Taxation - Practice Perspective

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

48th Branch Formation Day Celebrations held on 23rd April, 2025



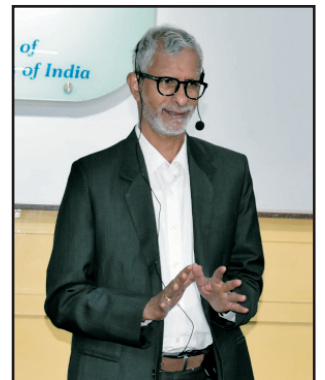


CPE Seminar on CMIP, FDI and ECB held on 26th April, 2025





INFORMATION SYSTEM AUDIT (DISA 3.0) (Physical Batch) Digital Accounting and Assurance Board, ICAI





Congratulations



The Visakhapatnam Branch of ICAI extends hearty congratulations to **CA. AV Chalam Garu** on his esteemed co-option to the Standing Committee on Direct Taxes of The Institute of Chartered Accountants of India, New Delhi. This prestigious appointment reflects his unwavering dedication, exceptional expertise, and ongoing contributions to our profession and the Chartered Accountants' fraternity.

The Visakhapatnam Branch of ICAI (SIRC) takes immense pride in CA. AV Chalam Garu's commendable achievement and is honored to celebrate this significant milestone.



The Visakhapatnam Branch of ICAI warmly congratulates **CA. Rama Krishna Sangu Garu** on his distinguished co-option to the Standing Committee on Indirect Taxes of The Institute of Chartered Accountants of India, New Delhi. This prestigious recognition highlights his remarkable dedication, profound expertise, and sustained contributions to the Chartered Accountancy profession and community.

The Visakhapatnam Branch of ICAI (SIRC) takes great pride in CA. Rama Krishna Sangu Garu's noteworthy accomplishment and is delighted to honor and celebrate this significant achievement.



CA. Prasanna Kumar D
Ex-Officio Member & Vice President of ICAI



CA. Sridhar Andhavarapu
Chairman



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Vice Chairman



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CA. D.Leela Vara Prasad
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Member



CA. K. Rambabu
Member

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