



KOTA BRANCH OF CIRC OF ICAI

Edition-3 March 2020



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CA Devendra Kataria
Secretary

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Chairperson's Message...

Dear professional colleagues,

Warm Greetings

Hope you are reading this message in your good health.

ICAI has been playing a key role regionally, nationally and globally not only towards the growth of profession but also acting as catalyst in the growth of business, industry and commerce across all sectors.

Years of hard work, dedication and prudent approach of our visionaries, collective wisdom of council supported by over 3 lacs members and more than 7 lacs students have made ICAI as India's premier & world's second largest accounting body.

The month of March was very challenging for whole country rather for whole world. We all are locked in homes. Everything seems to be stopped. All of sudden the work load vanished. A terror developed in all brains. COVID 19 has infected people in more than 25 countries, has sent alarm bells ringing across global capital market.

The sentiments behind lockdown is to save lives but it may result in a significant number of people dying due to hunger and poverty. However Government is taking appropriate steps to absorb the shock due to disruption. ICAI is supporting government by contributing through ICAI COVID 19 RELIEF FUND in which members and students are contributing. Committed assistance of ICAI is 5 crores. I request all to contribute maximum to the fund.

I would like to appreciate **CA Darshan Piplani** for his extraordinary working at local level to fight against COVID 19.

Further at branch level we are trying our best to serve the members. Webinars have been planned on daily basis for first half of April 2020.

Month of March was full of energy and fun. I thank all the coordinators of Women Day, **Tilak Holi** for wonderful program. Study circle meeting was fabulous.

Further, I would like to appreciate the dynamic working of Women Empowerment Committee, Study Circle Committee, Newsletter Committee and Student Committee. In next issue of April we shall be sharing the dynamic teams of all our working committee.

With this newsletter you will be getting updates file by updates committee. Hats off to the excellent work of Conveners **CA Navneet Jajoo and CA Neeraj Jain**, **Compiler CA Mahesh Gupta**.

I would like to thank editors students magazine forum **CA Anjali Jain** and **CA Priyank Kabra** for their express working.

Above all I would like to give my heartfelt thanks to Branch Secretary **CA Devendra Kataria** for his unprecedented support.

Please take extra care of yourself and your family. Social distancing is the only way to fight against this virus. I am confident you are taking all relevant precautions. I pray for your well being.

Do something productive, increase your knowledge bank. LEARN SOMETHING NEW.

Lastly the only request to you all is STAY HOME, STAY SAFE.

We care for you. Thank you

CA Rajnee Mittal
M. : 86969-05577

Editorial ...



Welcome readers! hope you all are in a good health. We are delighted to announce the third edition of our newsletter. From the editorial board, we hope that our members are reading this edition at their home.

कुछ रोज आओ चलो घर में रह जाये...
लोगो को शिकवा है कि घर में नहीं मिलता...

These lines fits for the life of a Chartered Accountant, as in the fast pacing economy role of a CA becomes very crucial, which in turn gives a hectic life schedule to the professional either in practice or job. We are so indulge in work that our work-life is imbalanced weighing more toward the work.

Though this is the time of hardship but there is one good thing happened, we our getting some quality time to spend with our families. The lockdown which is imposed on us should be welcomed. Of course, the foremost benefit is to protect ourselves from the pandemic, but this time could be utilized to improve ourselves. Also, this has given us a small break from the busy schedule everyone is facing.

As we all know learning is an ongoing process, this time should be utilized to keep ourselves updated. We have tried to compile this edition to keep our fellow members in touch with the updates in our professional environment.

We also want to thank NGOs and social help groups who are looking after the needs of poor and daily wagers in the current scenario of lockdown, as they are the most affected. We urge our professional colleagues to see if someone in their surroundings is in need of food or help and extend their helping hand.

We are glad to inform you that updates committee of the branch is also ready with their contribution for the month of March. Now from this month onwards you will receive taxation and MCA updates along with the newsletter.

Lastly, we wish good health of our readers. Stay home, stay safe.

CA SHASHANK GARG
M. : 92140-90984

Key Highlights of Vivad Se Vishwas Scheme



Compiled by : **CA Kushal Soni**
M. : 94627 30437

On 01st February, 2020 Hon'ble Finance Minister in Budget Speech announce this scheme which is now seen as a golden opportunity to settle long pending tax disputes between income tax department and assessee. A dedicated legislature "THE DIRECT TAX VIVAD SE VISHWAS ACT, 2020" with a supportive Central Board of Direct Taxes Circular "CIRCULAR No. 7/2020" in the form of questions and answers, which address 55 questions in highly constructive and explanatory manner, to give executory wheels to this welcome scheme. To know more read on....

Complexity of taxation laws, specially Income Tax laws is sometimes beyond understanding of common man, this leads to professionals, tax practitioners to play a critical role in making intent and spirit of law to prevail. To end-up majority of tax litigation cases and to speed up recovery of tax revenue that got plugged due to time-taking litigation process, this scheme of Vivad Se Vishwas is now before us.

It is imperative to have insight to data of pending Income Tax law litigation at various levels:

Level at	No. of cases pending
CIT (Appeals)	3,41,000
ITATs	92,205
High Courts	43,224
Hon'ble Supreme Court	6,188
Total	4,82,617

Amount of Rs. 9.23 lakh crores stuck in these tax litigation cases.

Source: Economic Times

Eligibility of the Scheme:

- Cases where appeal pending as on 31st Jan 2020 before:
 - CIT (Appeal)
 - ITAT
 - High Court
 - Hon'ble Supreme Court
- Cases where order has been passed but time limit for filing appeal as per the I.T. Act, 1961 has not expired as on 31st Jan 2020.

For Example:

All orders passed by Assessing Officers on or after 1st Jan 2020 (considering 30 days time limit for filing appeal before CIT(A))

All order passed by CIT (Appeals) on or after 2nd December 2019 (considering 60 days time limit for filing appeal before ITAT)

- Cases where objections filed assessee against draft order of DRP (Dispute Resolution Panel)
- Cases where DRP has issued directions but AO has not yet passed the order
- Cases where revision application u/s 264 of the I.T. Act, 1961 is pending before Pr. CIT or CIT

Benefit and amount payable under the Scheme with due dates:

(In case of appeals/writs/SLP filed by assessee)

Nature of tax arrear	Amount payable on or before 31 st March, 2020	Amount payable after 31 st March, 2020	Benefit under the Scheme
Tax arrears is aggregate amount of disputed tax, disputed interest or interest charged on disputed tax, and penalty on such disputed tax	100% of disputed tax (125% in search cases)	110% of disputed tax (135% in search case)	Complete waiver of disputed interest and disputed penalty which is connected with disputed tax. Complete immunity from future prosecution (like reopening u/s 148)
Tax arrears relate to disputed interest or disputed penalty or disputed fees	25% of disputed interest, penalty or fees	30% of disputed interest, penalty or fees	Waiver of 75% (70% if paid after 31 st March 2020) of disputed interest, penalty or fees. Complete immunity from future prosecution (like reopening u/s 148)

(In case of appeals/writs/SLP filed by department)

Nature of tax arrear	Amount payable on or before 31 st March, 2020	Amount payable after 31 st March, 2020	Benefit under the Scheme
Tax arrears is aggregate amount of disputed tax, disputed interest or interest charged on disputed tax, and penalty on such disputed tax	50% of disputed tax (62.5% in search cases)	55% of disputed tax (67.5% in search case)	Partial waiver (50% or 45%) of disputed tax and Complete waiver of disputed interest and disputed penalty which is connected with disputed tax
Tax arrears relate to disputed interest or disputed penalty or disputed fees	12.5% of disputed interest, penalty or fees	15% of disputed interest, penalty or fees	Partial waiver (87.5% or 85%) of disputed interest, penalty or fees

Following are some cases/class of taxpayers who are kept outside the purview of this scheme:

Cases/Class of Taxpayers	Reason for keeping out of the Scheme
Search and Seizure cases where demand is more than Rs. 5 crores	These cases are high tax demand cases, highest amount of tax revenue plugged in this category. Department may not want to loose possibility of gaining revenue in such high tune cases.
Where source of income located outside India or undisclosed assets located outside India.	In majority of these cases provisions of The Benami Transactions (Prohibition) Amendment Act, 2016 may got attracted. This scheme does not provide immunity from the said Act. These cases are also high demand cases. Department have to put lot of intelligence and resources in identifying such cases.
Prosecution initiated but pending for order	Quantification of disputed amount not possible.

Important Points:

- Where no appeal is pending but the case is pending in arbitration, such cases are also eligible in for the scheme. Disputed tax on the disputed income for which arbitration has been filed.
- Scheme is not applicable for pending disputes before AAR (Authority for Advance Ruling). In case, writ has been filed against an order of AAR, such cases are covered.
- Excess amount in comparison to amount payable under the scheme will be refundable

- In case writ has been filed to challenge validity of any notice, such cases are not covered as quantification of demand is not possible.

How to apply for the Scheme:

- Login to <https://www.incometaxindiaefiling.gov.in/home>
- A new tab of Vivad Se Vishwas appears on the main dashboard.
- Go to Prepare and Submit DTVS Form, select AY and Filing type as Original or Revised
- Fill Form-1 which is a declaration having Part A and Part B with Schedules A to F (last date to file is 30th June 2020)
- Fill Form-2 which is an undertaking under the Act for final submission
- You may require, Assessment Order with calculation of demand, Copy of appeal filed, challan of tax already paid towards recovery made for disputed amount
- File it with DSC or EVC as the case may be
- Within 15 days Form-3 issued by tax authority which states final amount payable/refundable by/to assessee to settle dispute.
- Assessee have to make payment within next 15 days from the date of issuance of Form-3
- In Form-4 the declarant shall be required to intimate the details of Payment with proof of withdrawal of appeal, writ, arbitration, etc.
- In Form-5 the designated authority shall issue the order regarding full and final settlement of Dispute.
- The declarant in Form-1, the undertaking in Form-2 and intimation of payment in Form-4 are to be verified by digital signature or electronic verification code.

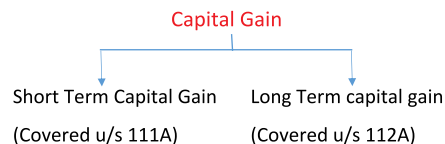
Conclusion:

To opt or not to opt for the scheme is a question depends on facts and circumstances of each case, it's a subjective question. If a case is supported by any legal precedent in favour of assessee or assessee have strong evidences available or there is some technical default in issuance of notice or in conclusion of assessment by assessing officer. Carefully consider these points and think twice before availing the scheme. A cost benefit analysis needs to be conducted for both the options of availing the scheme and not availing the scheme. One must also consider liquidity position or ability to pay amount required to settle the scheme in this challenging times of stock market crash, COVID-19 pandemic and economic slowdown.

Tax On Capital Gain in Respect of Certain Assets



Compiled by :
CA DIMPLE THADHANI
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Let us examine the above mentioned sections through the following difference summary:-

PARTICULARS	SECTION 111A	SECTION 112A
Introduction	In order to provide a concessional rate of tax on short term capital gains arising from certain assets, section 111A was introduced.	In order to minimize economic distortions and curb erosion of tax base, The Budget 2018 introduced section 112A by withdrawing section 10(38), applicable from Assessment year 2019-20.
Assets Covered	i) An equity share in a company or ii) A unit of an equity oriented fund or iii) A unit of a business trust.	i) An equity share in a company or ii) A unit of an equity oriented fund or iii) A unit of a business trust.
Period of Holding	Period of Holding is less than or equal to 12 months.	Period of Holding is more than 12 months.
Rate of Tax	It provides for a concessional rate of tax @ 15%.	Notwithstanding anything contained in section 112, It provides for a concessional rate of tax @ 10% on Long Term Capital Gains exceeding ₹ 1 Lakh.
Conditions	The conditions for availing the benefit of this concessional rate are- i) The transaction of sale of such equity share or unit should be entered into on or after 1.10.2004, being the date on which Chapter VII of the Finance (No. 2) Act, 2004 came into force; and ii) Such transaction should be chargeable to securities transaction tax under the said chapter. <i>However, short-term capital gains arising from transactions undertaken in foreign currency on a recognized stock exchange located in an International Financial Services Centre (IFSC) would be taxable at a concessional rate of 15% even though STT is not leviable in respect of such transaction.</i>	The conditions for availing the benefit of this concessional rate are- i) In case of equity share in a company, STT has been paid on acquisition and transfer of such capital asset ii) In case of unit of an equity oriented fund or unit of business trust, STT has been paid on transfer of such capital asset. <i>However the central government has notified via Notification No. 60/2018 dated 1st October, 2018 the nature of acquisition of equity share in a company on which the condition of payment of STT on acquisition would not be applicable.</i>
Cost Of Acquisition for Assets acquired before 1st February, 2018	No special provisions will apply. Cost of the asset will be the cost of acquisition.	If acquired before 1 st February, 2018, cost of acquisition shall be the higher of i) Cost of acquisition of such asset; and ii) Lower of (a) The fair market value of such asset as on 31 st January, 2018; and (b) The full value of consideration received or accruing as a result of the transfer of the capital asset. <i>However, if asset is acquired after 1st February, 2018, No special provisions will apply, cost of the asset will be the cost of acquisition.</i>
Indexation Benefit	Short terms capital gains are not allowed to take indexation benefit.	Benefit of Inflation Indexation of the cost of acquisition would not be available.
Adjustment of Unexhausted Basic Exemption Limit	In the case of resident individuals or HUF, if the basic exemption is not fully exhausted by any other income, then the short-term capital gain will be reduced by the unexhausted basic exemption limit and only the balance would be taxed at 15%. <i>However, the benefit of availing the basic exemption limit is not available in the case of non-residents.</i>	In the case of resident individuals or HUF, if the basic exemption is not fully exhausted by any other income, then such long-term capital gain exceeding ₹ 1 lakh will be reduced by the unexhausted basic exemption limit and only the balance would be taxed at 10%. <i>However, the benefit of adjustment of unexhausted basic exemption limit is not available in the case of non-residents. It is also not available in case of resident AOPs and BOIs.</i>
Deduction under chapter VI-A	Deductions under chapter VI-A cannot be availed in respect of such short-term capital gains.	Deductions under chapter VI-A cannot be availed in respect of such long-term capital gains.
Rebate under section 87A	Rebate under section 87A is available in respect of tax payable @15% on STCG under this section.	Rebate under section 87A is not available in respect of tax payable @10% on LTCG under this section.

Wishes Section



1. Congratulations to **CA Vinita Jain** and **CA Poonam Jain** for wonderful coordination of womens day seminar.
2. Congratulations **CA Kanika Bazari** and **CA Sudha Patel** for coordinating Pink Run 2020.
3. Congratulations **CA Mahesh Gupta** and **CA Arpita Purohit** for coordinating beautiful fulfilled tilak holi.

Public Charitable Trust - NGO



Compiled by : CA S K Vijay
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Non-Government Organisation are in general formed are in general, formed for the purpose of cultural, educational, charity , economical, social or religious advancement and promotion thereof.

Charity is a voluntary help either in money or kind to the needy. Collective efforts are always more fruitful. Hence, there are various Non-Governmental Organizations (NGOs) and non-profit entities constantly working on charitable activities by raising funds all over the world by forming either an institution or trust.

Efforts of such institutions play a significant role in promoting economic development and the social welfare objectives of the Government. Their outreach and more localised approach helps to identify the needy and lend a supporting hand. For this reason, Indian government has provided various tax incentives and exemptions to charitable institutions, Section 80G being a significant one for the Donors also .

Charitable Purpose (section 2(15) of the Income Tax Act,1961

“Charitable purpose” is defined in section 2(15) :

- i) Relief of poor
- ii) Education
- iii) Yoga
- iv) Medical relief
- v) Preservation of the environment (including watersheds , forests and wildlife and preservation of monuments or places or object of artistic or historic interest and
- vi) The advancement of any other object of general public utility.

In order to incorporate an NGO , any person competent to contract be an individual, a body of individual, or an artificial person or an association of person or an institution or a company or HUF , may associate to form an organisation under any of the following forms :

- i) Society
- ii) Trusts
- iii) Company
- iv) Club
- v) Any other organisation /association /institution.

Formation of Society :

A society can be described as an organisation / association of person united together by mutual consent . The Societies Registration Act, 1860 deals with the registration and related aspects of welfare , literacy , scientific and charitable societies .

The various state has prepared Society Registration Act , In the state of Rajasthan :-

Rajasthan Societies Registration Act, 1958- Society is an organized group of people with an aim and objective of providing non-profitable service. Rajasthan Societies Registration Act, 1958, lays down the procedure for society registration and operation in Rajasthan. Society can be registered with the concerned Registrar in which district the Society is intended to be established. After registration, the Society will have legal recognition.

There are no separate provisions for for income assessment of a society under the Income Tax act,1961. Therefore , the provisions of the Act applicable to associations of person and Trusts will apply to a Society also.

Formation of Trusts

The Indian Trusts Act,1882 expressly govern the Trust , however in the State of Rajasthan --- The Trust expressly govern under Trusts Public Trust Act,1959 deals by the Devasthan Department of Rajasthan

Public Charitable Trust- NGO

Non-Government Organisation are in general formed are in general, formed for the purpose of cultural, educational, charity , economical, social or religious advancement and promotion thereof.

FORMATION AS A COMPNAY

A Company which has main objective as Promotion of arts, science, commerce, sports, education, religion, charity or such other objectives, uses its profit for promotion of its objectives and doesn't pay any dividend to its members. In simple words it is a Company with no intention to make a profit. may be incorporated as company under Section 8 of Companies Act 2013

FORMATION AS CLUB

It may be non registered organisation or may be incorporate under the Companies Act,2013 or the Societies Registration Acts.

FORMATION AS ANY OTHER ORGANISATION /ASSOCIATION / INSTITUTION

Formation of an NGO can take place in the form of any other organisation or association . Such organisation or association may be registered under the provisions of the Income Tax Act,1961 as --- Scientific Research Organisation , News Agency, Professional Institutes, Educational/Medical Institutes etc..

REGISTRATION UNDER INCOME TAX ACT,1961

APPLICATION FOR REGISTRATION OF CHARITABLE OR RELIGIOUS TRUST OR INSTITUTION UNDER SECTION 12A(a) OF THE INCOME TAX ACT 1961	Form No. 10 A [See Rule 17A]
Application for Grant of Exemption or Continuance thereof Under Section 10(23C)(vi) and (via) for the year 2014-2015(Ass.Year2015-16) and onwards	Form No. 56D [See Rule 2CA]
APPLICATION FOR GRANT OF APPROVAL OR CONTINUANCE THEREOF TO INSTITUTION OR FUND UNDER SECTION 80G(5)(vi) OF THE INCOME-TAX ACT, 1961.	FORM NO. 10G (See rule 11AA)
<i>the acceptance and utilization of foreign contribution or foreign hospitality by certain individuals or associations or companies and to prohibit acceptance and utilization of foreign contribution or foreign hospitality for any activities</i>	FCRA, 2010 has been enacted by the Parliament . Home Ministry Deals .
NOTES:	Specially -Section 11 ,12 and 13 of Income Tax Act,1961, major deals with the NGO .

Income tax on Charitable Institution or Trust

Category of income	Income subject to tax	Taxability
Donations/voluntary contributions	Voluntary contributions with a specific direction to form part of corpus of trust or institution	Exempt*
	Voluntary contribution without such specific direction	Forms part of income from property held under trust
	Anonymous donation received by trust established wholly for religious and charitable purpose on	Taxable in the same manner as voluntary contributions (without specific direction) as above
Income from property held under trust for charitable or religious purpose	Income applied for charitable or religious purpose in India	Exempt*
	Income accumulated or set aside for the application towards charitable or religious purpose in India	Exempt* to the extent of 15% of such income. This means at-least 85% of income from property to be applied for charitable and religious purpose in India as above and balance 15% can be accumulated or set aside. [See below comment on 85%]
Income from property held under trust created for charitable purpose which tends to promote international welfare in which India is interested	CBDT either by general or special order has directed that such income shall not be included in the total income of trust	Exempt*
Capital gain from asset held under trust in whole	Net consideration is utilised fully for acquiring another capital asset	Entire capital gain is deemed to have been applied for charitable and religious purpose and hence is exempt*
	Net consideration is utilised partially for acquiring another capital asset	Capital gain utilised in excess of cost of old asset transferred is considered to have been applied for charitable and religious purpose and is exempt*

What if 85% of income is not applied?

If a trust or institution is unable to apply 85% of its income from property held under them, the income is still exempt if the following conditions are met.

1. The income is deemed to have been applied for charitable purposes in specified scenarios
2. 85% of income is neither applied nor deemed to have been applied, the trust is allowed to accumulate such unapplied portion of income under specified conditions to claim the exemption.

Let us understand the 2 scenarios a little more in detail

a) Income deemed to have been applied

1. the whole or any part of the income has not been received during the previous year; or
2. for any other reason;

the assessee has an option to:

1. apply such income referred to in clause (i) for such purposes during the previous year in which it is received or during the previous year immediately following the said previous year
2. apply such income referred to in clause (ii) for such purposes during the previous year immediately following the previous year in which the income was derived.

Such option is to be exercised in Form 9A to be furnished electronically with or without digital signature by the trust within the time allowed for filing return of income u/s 139(1).

Where should accumulated income be invested?

As mentioned already, income not exceeding 15% can be accumulated or set aside for its application in India. Further, one can even accumulate or set aside 85% of the income, not applied for the specified purpose for its application in India. Such accumulations must be through the following modes of investment:

- Investment in government saving certificate/UTI
- Deposit in post office savings bank/scheduled bank/co-operative bank
- Investment in immovable property
- Investment in any security for money created and issued by the Central or State Government
- Company debentures fully and unconditionally guaranteed by Central or State Government
- Investment or deposit in public sector company
- Deposit with or investment in bonds of a financial corporation or public company (registered in India) engaged in providing long term finance for India's industrial development

Budget 2020 –Changes in Charitable Trust and Exempt Institution Taxation

1. All existing charitable trusts/institutions to apply for re-registration

The Finance Bill, 2020 has proposed far reaching amendment in respect of all charitable trusts/institutions claiming exemption

under section 10(23C) or under section 11 of the Income Tax Act. At present a charitable trust or institution is required to obtain registration under section 12A at the time of its inception and once such registration is granted, the same is valid till such time it is withdrawn or cancelled under section 12AA(3) or section 12AA(4) of the Act. It has now been proposed in the Finance Bill, 2020 that the provision of section 12AA shall not be applicable on or after 1st June, 2020. Further, a new clause (ac) has been inserted in section 12A w.e.f. 1st June, 2020 providing that where the trust or institution is registered under Section 12A or under Section 12AA, it shall be required to make an application in the prescribed form to the Principal Commissioner or Commissioner for registration of trust within three months from 1st June 2020 and such trust or institution should obtain registration under section 12AB. Thus, all existing trusts or institutions which are registered under Section 12A or Section 12AA will mandatorily be required for re-registration within a period of three months starting from 1st June, 2020 i.e. upto 31st August, 2020 and obtain registration under Section 12AB. However, it has been provided under section 12AB that in such cases where the trust/institution is already registered under section 12A or section 12AA and such application is made as is required under the above clause, registration shall be granted by the Principal Commissioner or the Commissioner by passing an order within a period of three months from the end of the month in which the application was received and such registration shall be valid for a period of 5 years. This amendment will require every trust or institution which are already registered to apply again and in case such application is not made, then, by implication, the registration shall stand cancelled on the expiry of three months i.e. 31st August, 2020, with the result that such trust or institution shall not be eligible for claiming exemption in respect of its income under section 11 of the Act. Further, as per section 115TD of the Act, such trust or institution shall be required to pay tax on the aggregate fair market value of the total assets of the trust or the institution as on 31st August, 2020 which exceeds the total liability of such trust on that date. The tax payable on such value shall be at the

In this backdrop the finance bill 2020 propose to insert a new proviso in section 11 of the IT Act which provides that PCT can either claim exemption under section 11 & 12 of the IT Act or under section 10(23C) of the IT Act. The PCT has the discretion to choose only one of the above exemptions.

Kota Branch of CIRC of ICAI is going to start its webinars with eminent speakers of profession. Members are requested to download zoom app as soon as

possibleLink<https://play.google.com/store/apps/details?id=us.zoom.video>

meetings Pls give your confirmation to Secretary Devendra Kataria after downloading the zoom app.



The COVID-19 pandemic marks an unprecedented time in modern history that will require the best of humanity to overcome. Little would have we realised the unfolding of epidemic like this, which situation is yet unfolding, and have brought the economic momentum to a much lower trajectory. Situation like this would need support to collaborate with the government initiatives to scale up governmental efforts to help those in distress. At this moment, the affected people in India will need help to tide over the viral disease, and in this scenario, ICAI has decided to stand with our distressed fellow countrymen, and actively participate in the national effort to support them at this difficult time. Due to the ongoing lockdown, much needed on the ground of social distancing and therefore 'stay home' advisory from the government; some of our fellow countrymen will need extensive support from the government. Further, we need to contribute to the government initiatives to bolster necessary infrastructure and human ware to fight this epidemic.

To provide much-needed relief for the people affected by the viral disease and those who are in distress; ICAI appeals to all its Members and Students to donate generously for this noble cause through the link (click here).

Donations can be made through Demand Draft, Cheque, RTGS and online mode; offline collections in form of cheques/demand draft should be given in the name of "ICAI COVID 19 Relief Fund". All such offline contributions can be made in the ICAI Bank Account having the following details:

Bank: HDFC Bank

Account No.: 50100098409265

IFSC No: HDFC0000590

The collected amount will be given to PRIME MINISTER'S NATIONAL RELIEF FUND. All contributions towards this Fund are exempt from Income Tax under Section 80G. The donors are requested to give their name, membership number /student registration number, address, amount and date of contribution, PAN details (if any) for the offline transfers, so that receipts could be obtained from Prime Minister's National Relief Fund for onward transmission to the donors. The letter/email can be sent to:

The Additional Secretary

M&C-MSS

The Institute of Chartered Accountants of India

ICAI Bhawan

A-29, Sector-62 Noida-201309

Email: msshead@icai.in

Looking forward for your generous contribution in these special circumstances in the interest of mankind.

(CA. Atul Kumar Gupta)
President ICAI

CONTRIBUTION FOR COVID 19 FROM MEMBRRS OF KOTA BRANCH up to 31.3.20

₹ 228545

Thank you to Donors from Kota Branch

Request to members pls contribute to ICAI fund, it will go to PM National relief only but via institute. Please share the receipt with any of managing committee member.

CA Ramesh Khatauwal	1100.00
CA Mohit Jain	2500.00
CA B.P Garg	3100.00
CA Ankur R Vijay	1100.00
CA Padam Jain	1100.00
CA Harshil Bansal	1100.00
CA Siddharth Rajnee Mittal	5100.00
CA Yogendra Gupta	5100.00
CA Preeti Bhagwani	1100.00
CA Rajendra Kr. Jain	1100.00
CA Prafull Gupta	11111.00
CA Manish Patni	2100.00
CA A. K Shringi	1100.00
CA Abhilasha Jain	2100.00
CA Megha Manmani	5100.00
CA Pramod Lahoty	2100.00
CA Himani Garg	2100.00
CA DD swapnil Agarwal	11000.00
CA Girish Agarwal	1100.00
M/s RK Bazari & Co.	21000.00
CA Ankur Nagar	5100.00
CA Sanjeev Pulkit Bazari	11000.00
CA Jitendra Patidar	1100.00
CA K.K Jindal	2500.00
M/s Spark & Co.	51000.00
CA Ritu GP Das	5100.00
CA Jitendra Sopra	2100.00
CA Ajay Sanjay Jain	2200.00
PM Cares	
CA Kapil Udaiwal	11000.00
CA Gaurav Jain	11000.00
CA Dharmendra Sharma	1234.00
CM Birla & Co.	21000.00
CA Rishabh Radhika Mittal	21000.00
CA Ankush Khandelwal	3100.00

Secret Diary

of an Entrepreneur



Ravi Jaipuria
founder
RJ Corp

Only man whose advice I sought	Bauji
Love of my life	Devyani, my little girl
Love the line	Yeh dil maange more !
Worst period of my life	Mala's demise
My way	Pursue what i want. Rely on gut feel
Favourite poison	Scotch, but nowadays, only wine !
Absolutely love	Friends, food, Thailand! La Petite Maison in London... awesome food, perfect presentation. Hindi movies where you know the end in the beginning !
My religion	Gain some, give some
Stupidest thing I have ever done	Ignored health. Trying to rectify now
Scariest moment	In Angola, when I went with an associate who had a well- entrenched business there, and he was shot dead in his room the next day. Never went back.
Most embarrassing moment	Caught snoring in a swimming pool!
Best days of my life	Now !

*"Walk Together Or
Walk Out"*

Managing Difficult People at Work



Compiled by :
CA Pritam K Goswami
M. : 9352600623



Every organization, every workplace has people with diverse backgrounds, religions, educational qualifications, experiences etc. Most importantly, they differ in their personalities and attitudes. Most people are polite, easily accessible and cooperate with others. But every organization has a few people who are simply difficult to deal with or difficult to manage. "Difficult people" as they are generally referred, exists in every workplace. They can be in the form of a bad boss, a difficult co-worker or a non-corporative vendor or customer.

Difficult people become the problem employees for an organization very soon. From the organization's point of view, difficult people in a workplace is a problem because not only do they themselves perform feebly, but also affect other employee's productivity, and often become a bottleneck for the people around them to perform efficiently on their jobs. A negative person can affect and hinder the organizational processes like change.

Types of difficult people in an organization:

Difficult people in an organization can be characterized and categorized into the following types or categories:

- **Uncooperative** - These are the people who are concerned only about their needs and work, often creating troubles and conflicts for others. They don't cooperate with others and have the tendency to create tension at workplace.
- **Power Seekers** - There are few people who can be categorized basically as power seekers. They always look for some chance or the other to seek more authority and power over others and show their superiority. To seek the spotlight (attention), or to be in the good books of the boss, they can even become the 'yes man' of their boss and go to the extent demoting or creating problems for others.
- **Complainer** - This category is for the people who keep complaining about the organization and its systems, their co-workers etc. Although there are complainers who complain against the genuine issues and do good for the organization. The most dangerous type of complainers is the "malcontent complainer" who offers no valid suggestions but problems, and they drain out the energy from the organization and have a demotivating impact on others.
- **Pessimists** - Another category of difficult people in the organization is of pessimists. They are the set of negative people in the organization who can find fault in almost everything and everybody. With their negative mindsets, they can create negativity in their surroundings.
- **The aggressive employee** - Aggressive employees, especially an aggressive boss, is the most difficult set of people in an

organization to deal with. They are the people who refuse to accept their faults and flaws, and consider them to be always right. They are found to be dominating in nature and believe that they "know-it-all".

Such people fail to mature and acknowledge other's valuable ideas and suggestions. Such employees are often referred as "The hyena" indicating rude, aggressive, authoritarian and negative people, always blaming others for their failures.

• **The wild cat** - is the category of people who are generally found very irregular at their work. Also, they are known to create and spread rumors in the workplace, always making excuses and blaming others for their inadequate performance. They have the tendency to create stress at their workplace.

MANAGING DIFFICULT PEOPLE AT WORK:

Difficult people can be irrational, abusive, creating problems persistently or simply difficult to get along with. Every organization has to decide whether and how to deal with them without having an adverse effect on the organization's environment, employee's productivity and their morale. A few ways of dealing with them are:
Talk to them: Be patient and polite, talk to them with a personalized touch explaining them the situation. Don't confront or blame them, and listen to them. Give them a piece of your own mind, understand if there is some problem they are facing. Reinforce the good part of their behavior.

Don't be a difficult person for them! Don't rush things and explain your point of view with care. Don't point fingers or try to judge them as a person. Be unbiased and systematic in your approach.
Always agree to disagree: Talk to the person with an open mind and positivity. No two individuals are alike and there can always be disagreements. Personally disliking towards a co-worker or boss should be dealt with care. Always try to find the positive way out. And last but not the least

Take concrete action: Once you are completely aware of the problem, through with all the possible solutions and the situation doesn't get any better, don't shy away from taking any concrete action for the good of the organization and to stop the problem from aggravating, even if it requires to confront the person directly.
Establish parameters and hire "right": One of the most important and effective solutions is to frame and practice the recruitment policies and procedures to judge the attitude of the person at the time of the interview and hire only the right people.

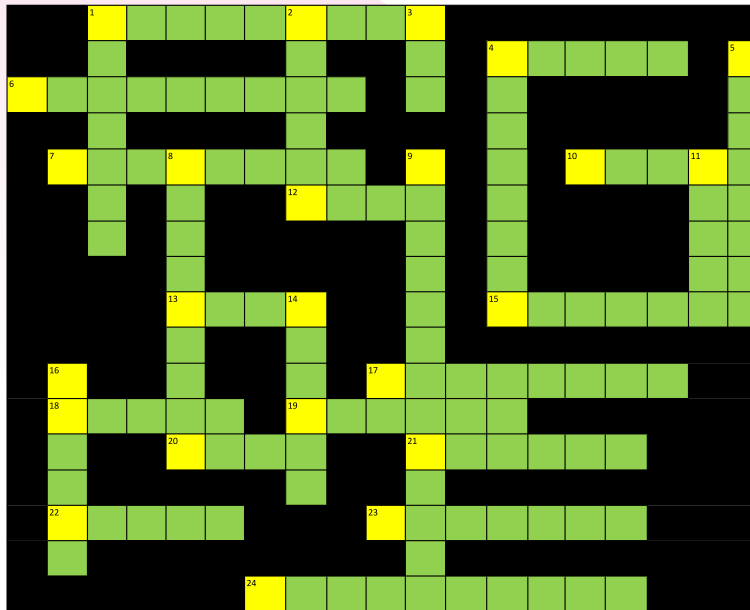
CONCLUSION:

Dealing with difficult people is a challenge. However firing them or separating them from the organization should be the last resort, as it is always possible to help them be more productive and effective in doing their job.

CROSS WORD NO. 3



Designed by : **CA sanjay khandelwal**
M. : 9929422950



CLUES ACROSS (LEFT TO RIGHT)

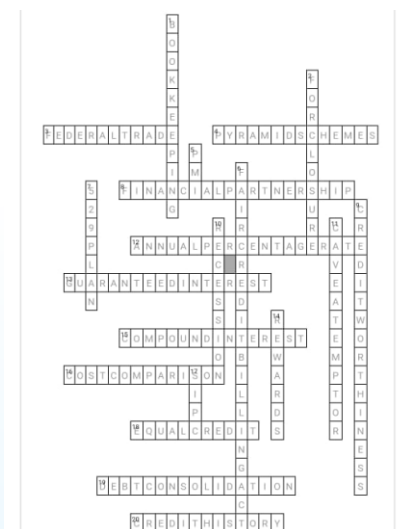
- 1 Practice of taking advantage of a price difference between two or more markets (9)
- 4 Ratio used to establish an arm's length profit.(5)
- 6 Measure of the non-linear relationship of bond prices to changes in interest rates (9)
- 7 Amount by which the face value of a debt obligation exceeds its issue or selling price (8)
- 10 Global reference rate for unsecured short-term borrowing in the interbank market.(5)
- 12 Commonly-followed accounting rules and standards for financial reporting (4)
- 13 Currency of an Asian country (4)
- 15 A form of financial aid or support extended by Govt.to an economic sector (7)
- 17 Decrease in existing ownership after issuing new equity. (8)
- 18 Not a liability (5)
- 19 To convert something into intelligible form (6)
- 20 Law related to real estate(4)
- 21 An Antivirus (6)
- 22 Mutual fund type,which allocate their fund in the ratio of financial market index.(5)

- 23 Proceeding before decision-making body (7)
- 24 Person who lives (temporarily or permanently) outside their native country.(10)

DOWN (UP TO DOWN)

- 1 Investment plan that can provide set payouts in retirement. (7)
- 2 Grade assigned to a financial instrument or an entity to indicate its riskiness.(6)
- 3 Acronym for mode of funds transfer from one bank account to another (3)
- 4 Activity of buying and selling goods and services (8)
- 5 Insufficiency or shortness of supply against demand (8)
- 8 Transfer of tax credit to next year (9)
- 9 Method used to allocate income and expenses between related enterprises (13)
- 11 Relating to, or belonging to oneself or itself (5)
- 14 World's first electronic market place for buying and selling securities.(6)
- 16 Difference between the total value of securities held in an investor's account and the loan amount from the broker. (6)

Solution : Cross word No. 2



You may please take the printout and fill the same, and scanned copy may please be sent at the Mail id: spectrum.icaikota@gmail.com by 20th of March, 2020. Answers along with first two correct entries shall be published in next news letter with names of the members and a surprise gift is also ready for you.

We are glad to inform that we are having good response to the cross word and the runner up position is secured by two members, so the result was decided by draw of lots.



Winner
CA Saurabh Agarwal



Runner-up
CA Priyanshi Hirani

Case Study



Case-1

M/S XYZ constructs a Plant & Machinery costing of Rs. 13 lacs during F.Y. 2018-19. Out of 13 lacs, 10 lacs paid through RTGS and Rs. 3 lacs paid through cash. This P&M put to use as on 30.09.2018. Except this no assets exists in block. It is depreciable @15% as per IT Act. This P&M sold for Rs. 14 lacs as on 30.09.2019. Compute the Income and loss in respect of this P &M as per Income Tax Act,1961 for A.Y. 2020-21. Also specify the head of Income.

Case-2

M/S XYZ buys a second hand tanker costing of Rs. 3 lacs during F.Y. 2018-19. whole payment has been done in cash. This tanker put to use as on 30.09.2018. Except this no assets exists in block. It is depreciable @15% as per IT Act. This tanker sold for Rs. 3.20 lacs as on 30.09.2019. Compute the Income and loss in respect of this P &M as per Income Tax Act,1961 for A.Y. 2020-21. Also specify the head of Income.

Answers of the above questions are invited from the members at the Mail id: spectrum.icaikota@gmail.com by 20th of April, 2020. First two replies with correct answers shall be published in next news letter with names of the members



Compiled by: **CA Abhishek Jain**

M. : 9667814829

Solution to the Case Studies of February Edition

1. On both the invoices, Mr. B will have to charge GST as reimbursements will form part of service. Even though separate invoices are being raised but what is important here is that these reimbursements are related to a service on which GST is being charged in separate invoice and reimbursements are on lump sum basis and thus the reimbursements are not in nature of pure agency.
2. As per Section 12(3)(a), place of supply of service in case of a service directly in relation to an immovable property (including services provided by architects), shall be the location at which the immovable property is located. As per Section 7(3), where location of supplier of services and the place of supply of services are in different states/UTs, the same shall be treated as a Inter-State Supply. Hence IGST will be charges on both the invoices.
3. Logically, Yes, Mr. A shall be able to claim ITC of IGST. But since "Place of Supply" in the given case is "Delhi" and the recipient is registered in "Rajasthan", a technical difficulty arises as the IGST collected and deposited by "Mr. B" would be ultimately distributed in following manner: 50% : Retained by Central Government and 50%: Delhi Government.

Now, in the given case, since the recipient is located in Rajasthan, he is claiming the ITC of IGST paid which was never received by Rajasthan Government and hence the AO of the recipient may decline the IGST credit (50% only) citing technicality about distribution of IGST in the first place.

In fact, in all the cases where "location of recipient" and "place of supply" is in different states/union territories, AO may not allow the credit of 50% portion of the IGST.

Above situations are not dealt in the law and in future may be decided by courts if any litigation arises. Hence, in all the above cases, in order to avoid any future litigation, the recipient may get itself registered in the state/UT where the "place of supply" falls.

4. Both the invoices will be shown in GSTR-1 under B2B section mentioning GSTIN of Mr. A and selecting place of supply as "Delhi". The portal will allow to enter IGST even though both GSTINs are of persons registered in Rajasthan.
5. The above invoices shall be shown under B2B section in ANX-1 mentioning GSTIN of Mr. A and Place of Supply as "Delhi".

Additional Information regarding new return formats:

Since Mr. B is supplying B2B Services, he will not be eligible for Quarterly Return "Sahaj" but may opt to file Sugam (Quartely)-RET-2 or Normal (Quaterly)-RET-1 if turnover in preceding financial year is upto Rs.5 Crores. He may also opt to file Normal (Monthly)-RET-1. The abovementioned supply will be shown in ANX-1.



Winner of the Case Study
CA Pulkit Bazari



Runner Up
CA Saurabh Agarwal

Photo Gallery



Women's day seminar & Sarasvati Vandana



Women's day seminar dais from left -
CA Devendra Kataria, CA Nitu Khandelwal, CA Dinesh Kumar Jain,
CA Rajnee Mittal, Ms. Ekta Dhariwal, Ms. Mitali Garg



MOC womens day seminar



Women's day attendees



Pink run 2020



Pink run 2020



Water stall in pink run



Tilak holi



Tilak holi with chandan



Members dancing in tilak holi

