

# The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)



## HYDERABAD BRANCH OF SIRC E-NEWSLETTER

[www.hydicai.org](http://www.hydicai.org)

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Felicitation to CA. Pankaj Kumar Trivedi, Newly Elected Chairman Hyderabad Branch for the Year 2020-21





**March, 2020**

**Members at the Helm of ICAI for the Year 2020-21**



**CA. Atul Kumar Gupta**  
President, ICAI



**CA. Nihar Niranjana Jambusaria**  
Vice- President, ICAI



**CA. Dayaniwas Sharma**  
Central Council Member, ICAI from Hyderabad

**Southern India Regional Council Members of ICAI from Hyderabad**



**CA. Chengal Reddy.R**



**CA. China Masthan Talakayala**



**CA. Naresh Chandra Gelli.V**

**Managing Committee Members of Hyderabad Branch of SIRC of ICAI 2020-21**



**CA. Pankaj Kumar Trivedi**  
Chairman



**CA. Machar Rao Meenavalli**  
Vice - Chairman



**CA. Deepak Ladda**  
Secretary



**CA. Chinna SitaRami Reddy. A**  
Treasurer



**CA. Rajambal MS**  
SICASA - Chairperson



**CA. Satish Kumar Mylavarapu**  
SICASA Co- Chairman



**CA. Bhanu Narayan Rao Y.V**  
Immediate Past Chairman



**March, 2020**

## ***Chairman Writes....***



**Dear Professional Colleagues and Students,**

Firstly, I convey my sincere gratitude to the Members of the Management Committee of Hyderabad Branch, SIRC Members and Central Council Member, CA. Dayaniwas Sharma ji, for elevating me to the post of Chairman of Hyderabad Branch. I am fully aware of the responsibilities and intend to do all that I can, in effectively discharging the same. We have had many illustrious personalities who have helmed this post in the past, who will be a source of inspiration for me.

As the unanimous elections for all the posts for 2020-21 have indicated, I have the good fortune of having a team that is united, dedicated, selfless and committed to our shared vision of touching the life of aspiring students and successful members, whether in practice or in service, whether working or retired, whether budding or established, positively and in any small which way we can. I seek your continued support, timely feedback and constructive criticism. I credit CA. Bhanu Narayan Rao for creating an excellent environment of team work and I shall strive to keep up the team spirit and momentum in the days to come.

My congratulations to CA. Machar Rao Meenavalli for getting elected as the Vice-Chairman, CA. Deepak Ladda as Secretary and CA. A. Chinna Sitarami Reddy as the Treasurer of Hyderabad Branch. I also congratulate CA. MS Rajambal on taking over as Chairperson of SICASA and CA. Satish Kumar Mylavarapu as Co- Chairman, SICASA.

### **INFRASTRUCTURE:**

I am happy to share with you that, within a fortnight of the new Committee taking over; we have enhanced the facilities at P. Brahmayya Hall so as to improve the delivery quality of various programmes being held, including the installation of a new sound system. Another notable change in the premises of the Institute is the renovation of the Cellar, which was being used as storage, and converting the same into an exclusive Study Circle area, thereby increasing the effective use of Branch premises. I am sure that, with the active support of staff and our Committee members, the other renovation works at the branch will be completed by 31<sup>st</sup> March 2020.

### **PROGRAMMES FOR MEMBERS:**

#### **CPE Programmes:**

Post the completion of renovation work at P. Brahmayya Hall, we started CPE meetings from 27<sup>th</sup> February 2020. I am very happy to share that every CPE programmes conducted by Branch had a minimum attendance of 80 members and for the Programme on 4<sup>th</sup> March on Benami Transaction Act by CA. Aswani Taneja, we had presence of more than 200 members.

What is pleasing to note is that many senior members are attending the evening programmes and are a shining example to all young members that learning is a continuous process that needs to be imbibed into each one of us.

Prerana, the annual seminar conducted to celebrate International Womens day saw good response and icing on the cake was address by Smt. P Madhavi Devi, Judiciary Member of ITAT Hyderabad. I congratulate CA. Rajambal and her team for success of the Conference.

Based on feedback of members and after internal deliberations, Bank Audit seminars were planned to be conducted over a series of meetings, instead of one or two, day-long seminars, with a view to achieve greater absorption of the delivery. We also planned to have a couple of day long programmes to suit the convenience of esteemed members. The evening programmes on Bank audit conducted on 2<sup>nd</sup>, 5<sup>th</sup>, 6<sup>th</sup> & 11<sup>th</sup> March evoked tremendous response and was well accepted by members.





**March, 2020**

In the wake of spread of Covid 19, in view of the advisory from the Government and as per directive received from Head Office, we have suspended all programmes, classes, seminars and any event where there shall be a gathering of people. ICAI firmly believes that safety of members is of Paramount importance and cannot be compromised. Accordingly, all events have been called off till April 15, 2020. However, we are making all out efforts to get the video presentations from speakers and the same shall be telecasted every day from 6 pm to 8 pm. I request members to please watch the lectures and email the questions so that we can request the speakers to respond to same.

### **VOLUNTEERING**

I am happy to share with you that Hyderabad branch of SIRC of ICAI has provided for Volunteer Registration at its website in the following activities

1. Evening Lecture Meetings
2. Coordinator for Conference/ Seminar
3. Sports and Cultural Events
4. Faculty at Seminars
5. Faculty for Foundation
6. Faculty for Intermediate
7. Faculty for Final

We propose to tap into the passion, in diverse areas, of members who wish to support the various initiatives of the branch for the common good of the profession. Members who are interested in volunteering in the above areas are requested to register themselves at the earliest by visiting the website [www.hydicai.org](http://www.hydicai.org) and provide details under Volunteers. This will help us plan the activities ahead of time.

### **PROGRAMMES FOR STUDENTS**

#### **Crash Courses:**

SICASA of Hyderabad Branch has conducted/planned for short-term coaching classes for Final, IPCC & Foundation students to cover the major areas of the respective subjects well before the CA examinations. However, in the interest of health and safety of the students, all classes have been cancelled till 15<sup>th</sup> April 2020.

I urge all the members and students to stay strong, take necessary safeguards and contribute their bit in the fight against Covid 19, so that we all can bounce back with greater vigour and achieve all that we had targeted before the spread of the virus.

**Let's all work towards greater glory of the profession of Chartered Accountancy!**

Yours Sincerely,

**CA. Pankaj Kumar Trivedi**

Chairman

[chairman.hydr@icai.in](mailto:chairman.hydr@icai.in)



**March, 2020**

**Programme Sheet for the Month of March 2020**

Day & Date	Programme Topic	Description & Areas of Coverage	Speaker	CPE	Fee	Venue	Participants Restricted
Monday 02nd March,2020 06.00 PM to 8.00 PM	Bank Audit in T20 Environment	Approach Documentation	CA. Dayaniwas Sharma & CA. V. Jawahar	2hrs	150/-	P. Brahmayya Memorial Hall	150 Members
Wednesday 04th March,2020 06.00 PM to 8.00 PM	Benami Transaction ACT	Prevention of Money Laundering Act interplay with Income Tax ACT- Role of Chartered Accountant	CA. Aswani Taneja	2hrs	150/-	P. Brahmayya Memorial Hall,	150 Members
Thursday 05th March,2020 06.00 PM to 8.00 PM	Analytical Approach to Financial Statements	Balance Sheet (other than Advances) , Profit & Loss Items, Contingent Liabilities	CA. Ranganath & CA. Sunder	2hrs	150/-	P. Brahmayya Memorial Hall,	150 Members
Friday 06th March,2020 06.00 PM to 8.00 PM	Reports in Bank Audits	Long Form Audit Report (LFAR) , Independent Auditors Repot & Key Audit Matters	CA. Vijay Totapally	2hrs	150/-	P. Brahmayya Memorial Hall,	150 Members
Saturday 07th March,2020 09.30 AM to 5.30 PM	Prerana 2020	Details given in website		6hrs	900	TSTDC Haritha Hotel The Plaza Begumpet,	150 Members
Wednesday 11th March,2020 06.00 PM to 8.00 PM	Bank Branch Audit	Expectations of Bank & Statutory Auditors from Branch Auditors	CA. Gopal Krishna Raju	2hrs	150	P. Brahmayya Memorial Hall	150 Members
Thursday 12th March,2020 06.00 PM to 8.00 PM	GST Study Circle			2hrs	150	P. Brahmayya Memorial Hall	76 Members

**March, 2020**

## *prerana 2020*

**Organised by: Hyderabad Branch of SIRC of ICAI****Date: 7<sup>th</sup> March, 2020****Venue: TSTDC Haritha Hotel The Plaza Begumpet, Hyderabad****Registration Fee: Women Member Rs.900/- Incl GST****CPE: 6 hours**

Timings	Session/Topics	Resource Person
09.00 - 09.15 AM	Registration	
09.15 - 10.00 AM	Inauguration, Lighting of the Lamp	Cheif Guest <b>Mrs. Patolla Madhavi Devi</b> Judicial Member of Income Tax Appellate Tribunal
<b>Technical Session-I</b>		
10.00 - 11.30 AM	Digital Presence for Professional service firms within the ambit of ICAI Regulations	<b>CA. Susheel Saboo,</b> CEO, of Mindmap Consulting
11.30 - 11.45 AM	Tea Break	
<b>Technical Session-II</b>		
11.45 - 01.15 PM	Synergies with Institute Professionally	<b>CA. Rajambal MS</b> SICASA-Chairperson
01.15 - 02.15 PM	Lunch Break	
<b>Technical Session-III</b>		
02.15 - 03.45PM	CARO	<b>Mrs. Sandhya Sama</b> CFO, Vijaya Diagnostic Centre
03.45 - 04.00 PM	Tea Break	
<b>Special Session-IV</b>		
04.00 - 05.30 PM	Work life Balance	<b>Mrs. Bhagyashree</b>

<b>Programme Director: CA. Dayaniwas Sharma, Central Council Member</b>		
<b>Programme Co Directors</b>		
<b>CA. Chengal Reddy . R</b> Regional Council Member	<b>CA. China Masthan Talakayala</b> Regional Council Member	<b>CA. Naresh Chandra Gelli V</b> Regional Council Member
<b>Programme Coordinators</b>		
<b>CA. Pankaj Kumar Trivedi</b> Chairman Hyderabad Branch of SIRC	<b>CA. Deepak Ladda</b> Secretary Hyderabad Branch of SIRC	<b>CA. Rajambal MS</b> SICASA, Chairperson Hyderabad Branch of SIRC



## GST UPDATE

-Compiled by CA. SATISH SARAF  
Can be reached at - ss@ssnc.in

S. No	Notification No	Issued under	Effective from	Brief particulars
01	01/2020	Central Tax	01-01-2020	Sec. 92 to 112 except Sec. 92, 97, 100 & 103-110 of Finance Act 2019 shall come into force WEF 01-01-2020
02	02/2020	Central Tax	Multiple dates	Amendment of Form REG-01 & GST INV-01
03	03/2020	Central Tax	01-01-2020	Amendment of CTN 62/2019, Dt: 26-11-2019
04	04/2020	Central Tax	10-01-2020	Waiver of late filing fee for GSTR-1 is extended till 17-01-2020 for the period from July, 2017 to November, 2019
05	05/2020	Central Tax	13-01-2020	CBIC authorizes the officers for performing functions of revision U/s. 108 of CGST Act, 2017
06	06/2020	Central Tax	03-02-2020	Due date for furnishing Annual Return for the year 2017-18 in staggered manner.
07	07/2020	Central Tax	03-02-2020	Notifying the due dates for filing GSTR-3B Returns for the months of January, 2020, February, 2020 & March, 2020 in staggered manner.
08	08/2020	Central Tax	01-03-2020	Notifying the value of lottery by way of CGST (Second Amendment) Rules, 2020
09	01/2020	CT - Rate	01-03-2020	Rate of tax on lotteries notified @ 14% - CGST Component
10	01/2020	CT – Order	07-02-2020	Extension of time limit for submitting the declaration in Form GST-TRAN-1 under Rule 117(1A) of the CGST Rules, 2017 in certain cases.
11	131/1/2020	CT – Circular	23-01-2020	Standard Operating Procedure (SOP) to be followed by Exporters.
12	01/2020	IGST	01-01-2020	Sec. 114 of Finance (No. 2) Act, 2019 come into force WEF – 01-01-2020
13	01/2020	IGST – Rate	01-03-2020	Rate of tax on lotteries notified @ 28% - IGST

**Survey, Search and Seizure Update****Compiled by: CA. Hari Agarwal,****1. Sushil Golecha v. ACIT: ITA (SS) Nos. 176 & 177/Ind/2015**

AO, pursuant to search conducted in case of certain group, initiated proceedings under section 153C in case of other person, i.e., assessee and made addition. Assessee challenged this on the ground of non-recording of satisfaction by AO of searched person. Held: No satisfaction note was prepared by AO of the searched person setting out properly the details of various incriminating material/document belonging to 'other person', i.e., assessee in the instant case at the time of handing over such incriminating material/documents related to the other person to the AO having the jurisdiction of such 'other person'. Therefore, proceedings initiated under section 153C over the assessee were void ab initio.

**2. Pankaj Sharma v. Dy. CIT: ITA Nos. 3556 & 3557/Del/2015****Serving of assessment order beyond limitation period**

Assessee received notice under section 153A dated 18-9-2012. On 17-1-2013 assessee filed return in compliance thereto. AO while completing assessment made various additions and completed the assessment vide his order, dt. 28-3-2015 passed under section 143(3). No assessment order was received by assessee before 31-3-2013. On 17-4-2013 assessee filed a application stating that no assessment order was served on the assessee and requested to supply certified copy of assessment order. On 18-4-2013, AO supplied certified copy of assessment order allegedly passed on 28-3-2013. Assessee challenged the assessment order as time barred. Held: Though assessment order was dated 28-3-2013, however, it was served on assessee on 18-4-2013, i.e., after expiry of period on which assessment order was liable to be time-barred as per section 153, i.e., 31-3-2013. The assessment order had been even dispatched on 1-4-2013 therefore, assessment was barred by limitation and thus, null and void.

**3. Roshan Lal Verma v. DCIT: ITA No. 1934/Del/2015****153A--Requirement as to notice under section 143(2)**

Assessee challenged assessment framed under section 153A on the ground that notice under section 143(2) was not issued within stipulated time. Held: There is no specific provision in the Act requiring assessment under section 153A to be made after issuance of notice under section 143(2). The words "so far as may be" in clause (a) of sub-section (1) of section 153A cannot be stretched to the extent of mandatory issue of notice under section 143(2). As per section 153A, simple notice has to be given to the assessee. Therefore, assessee's contention that order passed under section 153A was without jurisdiction, did not stand.

**4. Bondugula Krishna Reddy v. Dy. CIT: ITA Nos. 1116, 1117, 1118 & 1119/Hyd/2016  
2018 TaxPub(DT) 2630 (Hyd-Trib)****Assessment under section 153C Non-recording of satisfaction**

As evident from assessment records, AO had not recorded any satisfaction while initiating proceedings under section 153C. There was any linking up of documents nor any finding that certain seized documents pertained to assessee, therefore, assessment framed under section 153C was void ab initio and impugned addition could not be sustained.--AO based on documents found during search in case of one [B], made addition to assessee's case. Held: As evident from assessment records, AO there was any linking up of documents nor any finding that certain seized documents pertained to assessee, therefore, assessment framed under section 153C was void ab initio and impugned addition could not be sustained.



**5. Bhansali Fincom (P) Ltd. v. DCIT: ITA Nos. 59&60/Kol/2018**

AO based on search conducted at assessee's premises, framed assessment under section 153A and made addition in respect of completed assessment, however, without any incriminating material found during search. Held: Unabated/concluded assessment, on the date of search, deserved to be undisturbed in the absence of any incriminating material found during search and accordingly impugned addition was deleted.

**6. Rajasthan Cable Industries Limited and ORS. Vs. Deputy Commissioner of Income Tax and ORS.: ITA 1121, 1189 & 1052/JP/2018  
(2019) 55 CCH 0296 Jaipur Trib****Opportunity to cross examine witness**

Search and seizure operation u/s 132 was carried out at business premises of assessee—Thereafter, in compliance to notice u/s 153A, assessee filed return of income—During assessment proceedings, AO observed that assessee had received unsecured loan from registered NBFC and other companies—Therefore, AO issued notice to assessee and reply was also filed—However, AO was not satisfied with reply filed by assessee and made addition u/s 68, but without giving any opportunity of cross examination of witness—On appeal, CIT(A) called remand report from AO and directed him to provide copy of various documents relied by him and to provide opportunity of cross-examination of witness—Thereafter, AO submitted remand report to CIT(A) and at such stage also, opportunity of cross-examination of witness was not given to assessee—Based on such remand report, CIT(A) upheld decision of AO—Held, coordinate Bench in its decision in case of Kota Dall Mill Vs. DCIT had deleted similar addition made with respect to amount taken from M/s J—It was that “when assessee had specifically asked for cross examination of witnesses whose statements were relied upon by AO, then denial of opportunity to cross examine would certainly be in violation of principles of natural justice and consequently rendered assessment order based on such statement as not sustainable in law—Tribunal had carefully gone through such order of Tribunal with respect to very same search and seizure action taken with respect to amount taken from M/s J—As facts and circumstances during both AY under consideration i.e. A.Y. 2015-16 and 2016-17 were pari material, following order of Tribunal in group cases, Tribunal did not find any merit in addition so made in respect of loan taken from M/s J—Assessee's appeal allowed.

**7. Ekdanta Land (P) Ltd. v. ITO: ITA No. 1400/PUN/2015**

Papers seized from the premises of Group company to which assessee company also belonged could not be relied upon for making additions in the hands of the land aggregators whose names appeared in the said documents. Thus, addition made by AO on the basis of seized material was not justified. Assessee was engaged in the business of land deals. During search at one of the group companies, certain documents were seized relating to land transactions in 62 companies and the assessee was one among them. Further, such documents indicate the unaccounted cash payments for acquisition of lands. AO found that the contents of said loose papers were recorded in the books of accounts except the transactions mentioned in column 'cash payment'. Therefore, he invoked the provisions of section 69C and made addition as unexplained expenditure. Held: It was a settled issue that the papers seized from the premises of Group company to which assessee company also belong could not be relied upon for making additions in the hands of the land aggregators whose names appeared in the said documents. On similar facts, the Jurisdictional High Court in the case of CIT v. Arpit Land Pvt. Ltd., as well as in the case of M/s. Ambit Reality Pvt. Ltd., held that the said seized documents could not be held to be belonging to the assessee. Accordingly assessee's appeal was allowed on technical grounds.