

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



Gandhidham Branch of WIRC of ICAI

**E-NEWSLETTER
FEBRUARY - 2018**



CHAIRMAN'S MESSAGE



"Prayer is the soul's sincere desire.

Your desire is your prayer.

*It comes out of your deepest needs and
it reveals the things you want in life."*

– Joseph Murphy

MANAGING COMMITTEE

CA KARTIK VARAIYA Chairman	- 9825071722
CA ANIMESH MODI Vice Chairman	- 909937733
CA RAJENDRA SHAH Secretary	- 9426731560
CA KARAN THACKER Treasurer	- 9979878590
CA JYOTI HARSH Member	- 9825351565
CA RAJIV SINGH Past Chairman	- 9879841029

Dear Members,

I am fully aware of the fact that this is my last formal communication as Chairman of the Branch! The year has been a very eventful year for Gandhidham Branch of WIRC of ICAI. I am glad to share that Gandhidham Branch has generated 9,379 CPE Hours by conducting 74 CPE Events in the last calendar year. Besides Gandhidham Branch has also done many more events which includes Brand Building activities, Sports & Cultural activities and most importantly the Corporate Social Responsibility activities. All these activities would not have been possible without the proactive support, co-operation and involvement of all the members.

I feel proud, privileged and obliged to have qualified into this great and noble profession and also got an opportunity to represent the problems, ideas and innovations of today's young Chartered Accountants and professionals who will sculpt the future of our great profession. It is with this feeling that I try to undertake multiple changes in the functioning of the Branch, its infrastructure quality and quality & variety of events, constitution of Study Groups and much more.

Continuity gives us roots; change gives us branches, letting us stretch and grow and reach new heights. It is time for change the guard of the branch too. Yes, very soon you will have new Chairman, a new direction and a new surge of energy.



While leaving the office, I feel happy and contented since I have had your love and faith throughout my tenure. Being the Chairman of Branch, I never took the position for granted, since I know there was somebody in the position before me and there would be someone after me too. I have tried to transform my tenure into a worth reading chapter in the history of our Branch and wish all such chapters to be written in future turn out to be golden ones for the branch and its members.

I appreciate and acknowledge the valued support of Past President of ICAI CA Nilesh Vikamsey, Central Council Member CA Jay Chhaira, CA Anil Bhandari, CA Madhukar Hiregange and with special mention to Regional Council Member CA Vishnu Agarwal - Chairman WIRC, CA Aniket Talati – Secretary, WIRC, CA Balkishan Agarwal – Chairman WICASA, CA Purshottam Khandelwal for their active support and continuous guidance in branch activities. I would also like to thank all the past chairmen of our branch who have guided me in this role and helped us achieve so much in this span of one year.

It has been a great show during the entire year and this would have been next to impossible without the active support of the Managing Committee in every action and decision of the branch. I am so happy to share that every single decision was respected by the managing committee and we have never received any dissent. The managing committee meetings have been so cordial and all the resolutions were passed with unanimous consent. What more could I have expected as a Chairman of the branch. My special thanks to all my TEAM including vice chairman and WICASA chairman CA Animesh Modi, the back bone of the managing committee the secretary CA Rajendra Shah, the behind financial discipline Treasurer CA Karan Thacker, the man always pushing everyone hard with full of energy and vibrancy Imm. Past Chairman CA Rajiv Singh and managing committee Member CA Jyoti Harsh for her valuable suggestions. I would also convey special thanks to the unsung heroes, all the sub-committee members who have given great amount of time and energy to the success of each and every events. I also thank the Statutory Auditors of the branch for 2016-17 CA Kiran Sheth and 2017-18 CA Kanaiya Asnani for their guidance.

Last but not the least, I would like to thank my parents, my wife and children for their continuous support and understanding my commitments towards branch activities. Their sacrifice and support was the sole source of courage and inspiration during the whole tenure.

Thanking you once again all the members and students for imparting the wonderful opportunity to serve the profession.

Every Ending has a new Beginning. So I would not say Good-Bye, I say “*au-revoir*”.

With warm regards

CA Kartik Varaiya
Chairman,
Gandhidham Branch of WIRC of ICAI

Major Highlights of Activities

Highest number of activities for members and students with quality of relevant topics and expert faculties.

Highest CPE Hours generated during the year.

Seminar / Conferences

- ✓ Seminar & conferences on all topics with special focus on new and emerging opportunities like GST, RERA, Benami Properties Act, Demonetization, Equity Investment and Wealth Management, International Taxation etc.
- ✓ Special study group for GST
- ✓ Industrial Visit for sunrise industries like Agricultural and government Subsidies
- ✓ 2 mega conferences of 2 Days for the first time with renowned faculties all across the country.
- ✓ Series of workshop on industry specific impact after GST

Certificate / Diploma Courses

- ✓ Certificate Course on Forensic Audit and Fraud Detection (FAFD)
- ✓ Diploma Course on Information System Audit (ISA)
- ✓ Certificate Course on Goods & Services Tax (GST)

Brand Building and CSR Activities

- ✓ GST Awareness program for Students of Management and commerce students in association with universities and Management College
- ✓ GST Awareness program for general public with government official
- ✓ Distribution of stationery and food to the poor children
- ✓ Activities under Swachhh Bharat Abhiyan and International Yoga Day
- ✓ Felicitation of Income Tax Department on Income Tax Day
- ✓ Celebration of CA Day, Independence Day and Republic Day
- ✓ Celebration of International Commerce / Accounting Day
- ✓ Conducted Commerce Wizard Test for Class XI – XII and Graduate students.
- ✓ Career Counseling programs
- ✓ Women Health Awareness Program

Students Activities

- ✓ Revision Lecture Series for IPCC and Final Students
- ✓ Seminar on How to prepare CA Exams
- ✓ Quiz Competition
- ✓ Elocution Competition
- ✓ Live Webcast on variety of topics by National Speakers
- ✓ Industrial Visit to IFFCO and TUNA Port
- ✓ Cultural Festival
- ✓ Indoor Sports Competition
- ✓ Cricket Tournament

Infrastructure and IT Initiatives

- ✓ Shifting of branch to bigger and better premises with proper facility to conduct meetings
- ✓ Separate storage area for obsolete and old books
- ✓ Online Registration and payment facility through Branch Website
- ✓ Availability of all the presentation of past events on the website for anytime downloading by any member

Steps taken to improve Financial Discipline and Branch Administration

- ✓ Self sufficiency of program for the benefit of members with the support of Sponsorship
- ✓ Self Sufficiency of program for the benefit of members with the support of available grants from ICAI

Other Activities

- ✓ International Study Tour (RRC) to Bali, Indonesia
- ✓ Domestic Residential Refresher Course (RRC) to Jaipur, Rajasthan
- ✓ Holi Celebration with family
- ✓ Indoor Sports Competition
- ✓ Cricket Tournament with Income Tax Department
- ✓ Cricket Match with Bhuj Branch of WIRC of ICAI

CONCEPT OF AGGREGATE TURNOVER IN GST

Turnover, in common parlance, is the total volume of a business. The term 'aggregate turnover' has been defined in **GST law** as under :

“aggregate turnover” means the aggregate value of all taxable supplies (excluding the value of inward supplies on which tax is payable by a person on reverse charge basis), exempt supplies, exports of goods or services or both and inter-State supplies of persons having the same Permanent Account Number, to be computed on all India basis but excludes central tax, State tax, Union territory tax, integrated tax and cess.

The aggregate turnover is a crucial parameter for deciding the eligibility of a supplier to avail the benefit of exemption threshold of Rs. 20 Lakhs [Rs. 10 Lakhs in case of special category States except J & K] and for determining the threshold limit for composition levy. Let us dissect the definition in small parts to understand the meaning clearly. There are certain terms used in the definition which need a bit of elaboration. It may be noted that the inward supplies on which the recipient is required to pay tax under Reverse Charge Mechanism (RCM) does not form part of the 'aggregate turnover'. The law stipulates certain supplies like, Goods Transport Agency services, services received from outside India, to name a few, where the recipient of service is made to pay the tax. The value of such supplies on which tax is paid, would not form part of the 'aggregate turnover' of recipient of such supplies. However, the value of such supplies would continue to be part of the 'aggregate turnover' of the supplier of such supplies.

The second element of value which would not be included in the 'aggregate turnover' is the element of central tax, state tax, union territory tax and integrated tax and compensation cess.

The value of exported goods/services, exempted goods/ services, inter-state supplies between distinct persons having same PAN would be added to 'aggregate turnover'. Last but not the least, such turnover is to be calculated by taking together the value in respect of the activities carried out on all-India basis.

The aggregate turnover is different from turnover in a State. The former is used for determining the threshold limit for **gst registration** as well as eligibility for Composition Scheme. However, the composition levy would be calculated on the basis of turnover in the State.

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION
New Delhi, the 19th January, 2018

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(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)
NOTIFICATION

New Delhi, the 19th January, 2018

G.S.R. 44(E).—In exercise of the powers conferred by sub-section (1) of Section 139B of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following further amendments in the Tax Return Preparer Scheme, 2006, namely:—

Short title, commencement and application.

1. (1) This Scheme may be called the Tax Return Preparer (Amendment) Scheme, 2018.
(2) It shall come into force from the date of its publication in the Official Gazette.
2. In the Tax Return Preparer Scheme, 2006 (hereinafter referred to as the said Scheme), for paragraph 3, the following paragraph shall be substituted, namely:—
“3. An individual, who holds a bachelor degree from a recognised Indian University or institution, or has passed the intermediate level examination conducted by the Institute of Chartered Accountants of India or the Institute of Company Secretaries of India or the Institute of Certified Management Accountants of India, shall be eligible to act as Tax Return Preparer.”.
3. In the said Scheme, in paragraph 4,—
 - (1) for clause (i), the following clauses shall be substituted, namely:—
“(i) It shall invite application from persons,—
 - (a) having requisite educational qualifications specified in paragraph 3 or having appeared in the final year examination of the qualifying examination; and
 - (b) who is not below the age of twenty one years or more than forty-five years as on the 1st day of October of the year immediately preceding the date on which applications are invited.
 - (ii) It shall require that the application under clause (i) shall be accompanied by a fee of two hundred and fifty rupees, and failing which the application shall be invalid.”
 - (2) for clause (v), the following clauses shall be substituted, namely:—
“(v) It shall enrol the persons who qualify the test for enrolment for each training centre separately.
(va) It shall not enrol any person under clause (v), unless —
 - (a) he makes a deposit of an amount of seven hundred and fifty rupees, which shall be non-refundable; and
 - (b) he produces a proof of having passed the qualifying examination as specified in paragraph 3.”
 - (3) clause (ix) shall be omitted.”
4. In the said Scheme, in paragraph 9, for sub-paragraph (1), the following sub-paragraphs shall be substituted, namely:—
“(1) The Board may authorise the Resource Centre or the Partner Organisation to disburse to a Tax Return preparer, the following amount, namely:—

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- (a) five per cent. of the tax paid on the income declared in the return of income for First Eligible Assessment Year which has been prepared and furnished by him;
- (b) three per cent. of the tax paid on the income declared in the return of income for the Second Eligible Assessment Year which has been prepared and furnished by him;
- (c) two per cent. of the tax paid on the income declared in the return of income for the Third Eligible Assessment Year which has been prepared and furnished by him.

(1A) The amount of disbursement for any eligible person in relation to an eligible year shall not exceed,-

- (a) five thousand rupees in case of First Eligible Assessment Year;
- (b) three thousand rupees in case of Second Eligible Assessment Year; and
- (c) two thousand rupees in case of Third Eligible Assessment Year.”.

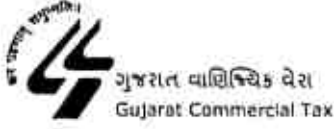
[Notification No. 04/2018/F.No. 142/16/2010 (SO)-TPL(Part)]

Dr T. S. MAPWAL, Under Secy.

Note :

The Tax Return Preparer Scheme, 2006 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), *vide* notification number S.O. 2039(E), dated the 28th November, 2006 and last amended *vide* notification number S.O. 2819(E), dated the 22nd November, 2010. Uploaded by Dte. of Printing at Government of India Press, Ring Road, Mayapuri, New Delhi-110064 and Published by the Controller of Publications, Delhi-110054.

ક્રમાંક: ગુજકા/વેટ-૧૫/૧૭-૧૮/જા.૨૦૫/૧૭૮



વાણિજ્યિક વેરા કમિશનરની કચેરી,
(કાયદા શાખા)
ગુજરાત રાજ્ય,
ઓ/પ, રાજ્ય કર ભવન, આશ્રમરોડ,
અમદાવાદ-૩૮૦૦૦૯
તારીખ : ૧/૨/૨૦૧૮

જાહેર પરિપત્ર

વિષય:નિયમ-૨૦ હેઠળ વાર્ષિક પત્રક નમુનો-૨૦૫ રજુ કરવાની સમય મર્યાદા લંબાવવા બાબત.

ગુજરાત મૂલ્ય વર્ધિત વેરા નિયમો, ૨૦૦૬ના નિયમ-૨૦ ની જોગવાઈ મુજબ જે વેપારીઓએ કલમ-૬૩ અને નિયમ-૪૪(૨) મુજબ ઓડીટ રીપોર્ટ રજુ કરવાનો થતો હોય તેવા વેપારીઓએ તા.૩૧/૩/૨૦૧૭ ના રોજ પૂરા થતાં વર્ષના વાર્ષિક પત્રક રજુ કરવાની સમય મર્યાદા તા.૩૧/૧૨/૨૦૧૭ છે.

સમગ્ર દેશમાં ગુડઝ એન્ડ સર્વિસ ટેક્સ એક્ટનો અમલ તા.૧/૭/૨૦૧૭ થી થયેલ છે. આ કાયદા તથા તેના નિયમોની જોગવાઈઓથી વેપારીવર્ગ અવગત થઈ રહેલ છે તેમ જણાવી વર્ષ ૨૦૧૬-૧૭ નું ઉક્ત વાર્ષિક પત્રક રજુ કરવા માટે વધુ સમયની માંગણી વિવિધ વેપારી મંડળો તથા ટેક્સ પ્રેક્ટીશનર્સ એસોસિએશન દ્વારા કરવામાં આવેલ છે.

આથી વર્ષ ૨૦૧૬-૧૭ નું ઉપર મુજબનું વાર્ષિક પત્રક સંબંધિત ઘટક કચેરીઓમાં તા.૨૮/૨/૨૦૧૮ સુધીમાં રજૂ કરી શકાશે અને તે બદલ ગુજરાત મૂલ્ય વર્ધિત વેરા નિયમો-૨૦૦૬ અન્વયેની દંડકીય કાર્યવાહી કરવામાં આવશે નહીં.

આ પરિપત્રની સંબંધિત સર્વેએ નોંધ લેવી.

સહી/-

(પી.ડી.વાઘેલા)

વાણિજ્યિક વેરા કમિશનર

ગુજરાત રાજ્ય, અમદાવાદ

નકલ સવિનય રવાના : (માર્ગદર્શન તથા જરૂરી કાર્યવાહી સારૂ)

૧. સંયુક્ત સચિવશ્રી (કર), નાણાં વિભાગ, સચિવાલય, ગાંધીનગરને બે નકલમાં
૨. વાણિજ્યિક વેરા કમિશનરશ્રીના રહસ્ય સચિવશ્રી, ગુ.રા., અમદાવાદ
૩. ખાસ વાણિજ્યિક વેરા કમિશનરશ્રીના રહસ્ય સચિવશ્રી ગુ.રા., અમદાવાદ
૪. અધિક વાણિજ્યિક વેરા કમિશનરશ્રી(ત/મ)ના અંગત મદદનીશશ્રી, ગુ.રા., અમદાવાદ
૫. સઘના વિભાગીય અધિક/સંયુક્ત વાણિજ્યિક વેરા કમિશનરશ્રીઓને જરૂરી કાર્યવાહી સારૂ
૬. તમામ નાયબ વાણિજ્યિક વેરા કમિશનરશ્રીઓને જરૂરી કાર્યવાહી સારૂ
૭. સઘની વાણિજ્યિક વેરા કચેરી તરફ
૮. આ કચેરીની તમામ શાખાઓ તરફ
૯. મહામાત્ર તાલીમ / દફતર શાખાને ૧૦ નકલમાં
૧૦. ૧૦ નકલ જનસંપર્ક શાખાને
૧૧. એકાઉન્ટ જનરલ અમદાવાદ તરફ
૧૨. ઈ-ગવર્નન્સ સેલને વેબસાઈટ પર મૂકવા અર્થે
૧૩. સઘના નોંધાયેલ એસોસીએશન તરફ(ઉપરોક્ત બાબત આપના મંડળના સભાસદોના ધ્યાન પર લાવી આભારી કરશો)

(આર.બી.મંકોડી)

સંયુક્ત વાણિજ્યિક વેરા કમિશનર (કાયદા)

ગુજરાત રાજ્ય, અમદાવાદ

1] Question of law v/s. Question of fact CIT v/s. K.R.N. Prabhakaran (HUF) (2017) 393 ITR 175 (Mad)

Issue:

When does a question of Fact become a question of Law?

Held:

A question of fact becomes a question of law if the finding is either without any evidence or material or if the finding is contrary to the evidence or is perverse or there is no direct nexus between the conclusion of fact and the primary fact upon which that conclusion is based. But it is not possible to turn a mere question of fact in to a question of law by asking whether as a matter of law the authority came to the correct conclusion on a matter of fact.

Note: Also See.

CIT v/s. ISC Investments and Finance (P) Ltd (2017) 393 ITR 195 (Mad)

2] Method of Accounting consistently followed by assessee: To be accepted: CIT v/s Vidarbha Tobacco Products (P) Ltd. (2017) 393 ITR 218 (Bom)

Issue:

Can department change the method of accounting consistently followed by assessee for a particular assessment year?

Held:

Tribunal had found that the assessee did not follow the first in and first out method of valuation only for the relevant assessment year but was following that system of valuation from year to year and in the preceding years that system of valuation was accepted. Even in the subsequent year the same method of accounting was accepted by the Revenue. The Tribunal recorded a finding of fact on the basis of the material on record that no fault could be found with the method of valuation, by applying the “average price principle”. The Tribunal found that in some years, by adopting the method of average price principle, even the assessee would have been adversely affected. The Tribunal found that during the last years where the said method of accounting had affected the assessee, the assessee did not change the method of valuation and even the Revenue did not point out the fact to the assessee. The Tribunal rightly held that merely because the change of the method would help the Revenue in a particular year, the Assessing Officer was not at liberty to change the method of valuation that was followed by the assessee for a considerably long period. The findings of fact recorded by the Tribunal do not give rise to any substantial question of law.

3] Stock given to bank v/s. Stock as per Books CIT v/s. Patel Proteins (P) Ltd. (2017) 393 ITR 274 (Guj)

Issue:

Whether addition to income can be made when the statement of stock given to the bank was to procure higher loan as against stock as per Books of Account?

Held:

Having heard learned advocates appearing on behalf of the parties and the question posed for consideration before us reproduced hereinabove and considering the decisions of this court, the question which is raised in the present appeal is required to be answered in favour of the assessee. We are not giving further elaborate reasons for the same as in the case of Riddhi Steel and Tubes (supra) it is held by this court that only on account of inflated statements furnished to the banking authorities for the purpose of availing of larger credit facilities, no addition can be made if there appears to be a difference between the stock shown in the books of account and the statement furnished to the banking authorities. Accordingly, the question is answered in the affirmative, i.e. against the appellant Revenue and in favour of the assessee. We hold that the tribunal was right in law in deleting the addition made on account of difference in stock statement as furnished before the bank as compared to shown in books of account for availing higher credit facility.

Considering the ratio laid down in the above decision and in the facts of the present case we are of the view that the issues raised in the above tax appeals need to be answered in favour of the assessee and against the Department.

4] Reopening beyond four years : Conditions Navkar Share and Stock Brokers (P) Ltd. v/s. Asst. CIT (2017) 393 ITR 362 (Guj)

Issue:

What are the conditions to be fulfilled for reopening of an assessment beyond four years?

Held:

There did not appear to be any failure on the part of the assessee in disclosing true and correct facts and therefore, the condition stipulated under section 147 of the Income Tax Act, 1961, to reopen the assessment beyond the period of limitation of four years was not satisfied. There was no allegation in the reasons recorded by the Assessing Officer that there was any non – disclosure on the part of the assessee, which had resulted in escapement of income. In its objection against the reasons recorded by the Assessing Officer, the assessee had submitted that since August, 2004, it did not have any transaction with the Ahmedabad Stock Exchange, more particularly during the assessment year in question. There was nothing on record to show that the Assessing Officer on facts had formed an opinion that, during the assessment year in question, the assessee had transactions with the Ahmedabad Stock Exchange and therefore, bye law 218 was either attracted or applicable. The notice and reassessment proceedings were invalid.

Note: Also See:

Micro Inks P. Ltd. v/s. Asst. CIT (2017) 393 ITR 366 (Guj)

OBITUARY



We express our heartfelt condolence to the bereaved family on sad demise of **CA Deepak Rathi**. May God grant his soul, peace and eternal rest.

OBITUARY



We express our heartfelt condolence to the bereaved family on sad demise of **CA Banvarilal Yadav**. May God grant his soul, peace and eternal rest.

RESIDENTIAL REFRESHER COURSE AT JAIPUR, RAJASTHAN



RESIDENTIAL REFRESHER COURSE AT JAIPUR, RAJASTHAN



REPUBLIC DAY CELEBRATION - JANUARY 26, 2018



**ICAI COMMERCE
WIZARD 2018
TEST AT
GANDHIDHAM**



SEMINAR ON UNION BUDGET 2018



SEMINAR ON E-WAY BILL UNDER GST



GANDHIDHAM BRANCH OF WIRC OF ICAI

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