

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)



Gandhidham Branch (WIRC)

E-Newsletter



November 2023 | Total Pages 20



Chairperson's Communique

Esteemed Professional Colleagues,



The month of November commences with the most auspicious occasion of Sankashti Chaturthi and the Karwa Chauth festival. It marks the beginning of yet another month replete with fasting and festivities, providing us with an opportunity to momentarily

escape our hectic schedules and celebrate a multitude of festivals with great grandeur and unbridled enthusiasm. However, for our students, these festive days shall invariably be spent toiling diligently, burning the midnight oil as they prepare for their examinations. We extend our most sincere wishes to all the students who are appearing for these examinations.

As we prepare to revel in the joyous festivities of Diwali, *it is imperative that we prioritize safety*. The widespread use of fireworks during this time may contribute to elevated Air Quality Index (AQI) levels. Consequently, it is essential to remain mindful of this concern and consider celebrating with eco-friendly, low-emission fireworks or alternative avenues, such as donating clothes and sweets to the less fortunate, enabling them to partake in the Festival of Lights. By making conscientious choices, we can collectively contribute to a Diwali that is cleaner and healthier for both our communities and the environment.

During the month of October, we organized the "*Seminar on GST - Reply to Show Cause Notice issued for FY 17-18,*" which was addressed by CA Deep Koradia. I take this moment to convey my heartfelt gratitude to our esteemed faculty for sharing his invaluable knowledge.

The seminar was subsequently followed by the *felicitation of KYE Quiz Winners, Newsletter Article Contributors*, and the Winners of various competitions held during the July to September quarter. My heartfelt congratulations extend to all the distinguished honorees.

Furthermore, the Gandhidham WICASA Team conducted *Mock Test Papers Series – II* for CA Students.

Additionally, our Managing Committee Members had the privilege of *meeting with the distinguished veteran and senior member of the fraternity*, CA Arun Kansara Sir. The profound insights from this visit have been comprehensively covered in this edition of our newsletter.

Managing Committee

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CA Chandni Tolani

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CA Jigar Thacker
CA Nikita Tejwani
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In addition to this, our **branch's half-yearly accounts were closed** in a timely manner, and the unaudited financial statements were submitted to the Head Office on the 31st of October, 2023.

As the **ICAI approaches its 1st ever GloPAC event**, it's quite remarkable that the event has garnered response from across the globe with approximately 3,700 delegates. The convention will delve deeply into the challenges and opportunities facing the profession today, and how accountants can continue to raise the bar and play a leading role in driving economic growth and development.

In the ongoing efforts of the ICAI to enhance the competence of firms in serving clients and to improve the quality of audit compliance, the Centre for Audit Quality Directorate has recently launched the '**Utility on Engagement Letters.**' Members may download this tool from <https://forms.gle/zB5Qzo5T5GnCZpzq8>

The forthcoming event at the Branch includes a **Seminar on Code of Ethics scheduled to be held on Wednesday, the 8th of November, 2023.** It is imperative for our members to take into account that as per the ICAI Guidelines, it is mandatory to complete 2 Structured CPE Hours on the topic of "Code of Ethics". Members are requested to register for the event via the following link: <https://gandhidham-icai.org/eventregistration.php?id=MjM0>

We would like to inform our members and students that the **Branch holds a few Blood Donation Certificates** (with the donor's consent) from the Blood Donation Camp organized in July. These certificates include the following blood types and units:

Blood Group	Unit/s
A+	1
B+	7
O+	3

If any member, student, their family members, close relatives, or friends are in **need of blood from the aforementioned categories, they may contact CA Mahesh Limbani at +91 – 9979910148** and obtain the donor card, the validity of which extends until the 31st of December, 2023.

As I conclude, I extend my heartfelt **wishes for a joyous and safe Diwali**, filled with love, laughter, and the most radiant of moments. May the warmth of this festival continue to illuminate our hearts and homes, and may the spirit of Diwali imbue us with kindness and compassion.

With Regards

CA Chandni Tolani

Chairperson – Gandhidham Branch of WIRC of ICAI



Editorial Message

Dear Members,

Finally, one the most awaited festival of the year is arriving in the month of Nov-23. The festival of Diwali symbolizes the victory of good over evil and the triumph of light over darkness. Not only the families that are looking forward to it, but from small shop owner to huge shopping malls and all the online markets seem to be perfectly ready to cater the requirements of a large consumer drive. Its economic importance can be seen from the fact that the month of Oct-23 showed the second highest GST collection for India and it is even expected to surge for the month Nov-23.

In this era of technology when the whole of international markets are at the tips of our fingers, it is the right time to remember the mantra of “vocal for local” and support the local market by preferring local vendors for various needs like sweets and savories, gifts, clothes, etc. Not only spending, but investing is also a part of this festival. The festival of Dhanteras is considered to be very auspicious for buying silver and gold. From the richest to the poorest, ensures to buy some portion of these precious metals in forms ranging from the most articulated jewelries to simplest of coins. We can hear countless examples of these small savings coming to people’s aid several years later due to significant increase in their value over time.

Our beloved president of ICAI, mentioned in his address for Nov-23, “In life, there can be a ‘Plan B’ but, there cannot be a ‘Planet B’ ”. In addition to this, when our beloved institute received the “UNCTAD ISAR Honours 2023 award” for initiatives on sustainability, one can also look at Diwali from the view of sustainability. And due to increased focus on the environment, ideas such as green crackers, campaigns promoting use of earthen diyas instead of plastic, natural colors for rangoli are getting the much required increased importance. As a sustainability conscious fraternity, we can do our bit by celebrating eco-friendly Diwali.

In all this hustle, we should also not forget to cleanse our homes and workplaces to welcome goddess Laxmi, who is believed to visit clean and well-lit homes. And same way, it is very important to declutter our minds the same way we focus on tidying up our homes and offices. Significance of this festival on accountancy profession can be seen from the tradition of opening new accounting books after performing pooja on Diwali, known as Chopda Poojan in Gujarat, Rajasthan and Maharashtra to seek blessings of Lord Ganesha and Goddess Laxmi for a profitable year ahead.

So, it’s time to relax, rejuvenate and open new accounting books of our lives as well. The editorial team wishes you safe and happy festivals and best wishes for the new year.

Editorial Board of Gandhidham Branch of WIRC of ICAI



Articles



The Evolution of Internal Audit

- **CA Mukund Jethanand Lakhwani**

Internal audit has undergone significant changes over the years, adapting to the evolving business landscape and the increasing complexity of organizations. One of the key modifiers to consider when discussing the evolution of internal audit is the technological advancements that have revolutionized the profession. With the advent of advanced data analytics tools and automation, internal auditors are now able to analyze large volumes of data more efficiently and effectively. This has not only improved the accuracy and reliability of audit findings but has also allowed auditors to focus on higher-value tasks such as risk assessment and strategic planning.

Another important modifier to consider is the regulatory environment in which internal audit operates. In recent years, there has been a heightened focus on corporate governance and risk management, leading to increased expectations for internal auditors. They are now required to provide more value-added services, such as proactive risk identification and mitigation, in addition to their traditional role of ensuring compliance with laws and regulations. This shift has necessitated a broader skill set for internal auditors, including strong communication and interpersonal skills, as they are now expected to engage with stakeholders at all levels of the organization.

Lastly, the globalization of businesses has had a significant impact on the evolution of internal audit. As organizations expand their operations across borders, internal auditors are faced with the challenge of understanding and addressing the unique risks associated with different jurisdictions and cultures. This requires them to possess a deep understanding of international standards and regulations, as well as the ability to adapt their audit approach to different business environments. Additionally, the increased reliance on outsourcing and the use of third-party service providers has necessitated the development of robust vendor management and monitoring processes to ensure the integrity and effectiveness of internal audit activities.

In conclusion, the evolution of internal audit has been shaped by various modifiers, including technological advancements, regulatory changes, and the globalization of businesses. These factors have not only transformed the way internal auditors perform their duties but have also expanded their role and responsibilities within organizations. As the business landscape continues to evolve, it is crucial for internal auditors to stay abreast of these modifiers and adapt their practices accordingly to provide effective and value-added assurance to their organizations.



Qualities of a Successful Internal Auditor

- **CA Jinesh Shah**



Successful internal audit plays a critical role in ensuring the effectiveness and integrity of an organization's financial and operational processes. To achieve success, an internal auditor must incorporate various important factors that go beyond the traditional audit procedures that Chartered Accountants have been following in compliance practice since ages.

Becoming successful Internal Auditor needs different mindset than the mindset we have while practicing compliance or other traditional areas. One need to step into the shoes of Business owners & think from ownership perspective than as a consultant.

With the help of experience, I have gained in my 15 year career working as Internal Auditor for many organizations across different sectors, I have listed out key factors for a successful internal auditor such as deep understanding of the business, Importance of fieldwork, Technology, Communication & Reporting.

1. Business Understanding:

A deep understanding of the business and industry in which the organization operates is paramount for internal auditors. This entails familiarity with the organization's strategy, business model, risks, and competitive landscape. When Internal Auditor possess this knowledge, they can better tailor their audit procedures to focus on the most critical areas and provide value-added insights to management.

Furthermore, understanding the business environment allows auditors to identify emerging risks and align the audit plan with the organization's strategic objectives. This strategic alignment ensures that the internal audit function is a proactive partner in risk management and decision-making.

2. Importance of Fieldwork:

This is my favorite & according to me most important aspect in execution of successful Internal Audit.

Fieldwork is the hands-on, on-site examination of the processes, controls, and documents within an organization. It is a critical element of internal audit, as it allows auditor to assess the actual implementation of controls and the accuracy of financial and operational data. Fieldwork provides auditors with the opportunity to test, observe, and gather evidence to support their findings and recommendations.

Fieldwork helps auditors identify weaknesses, control deficiencies, and potential fraud or mismanagement issues that may not be apparent through documentation alone. It also allows auditors to engage with employees, gaining insights and perspectives that contribute to a more comprehensive audit.

3. Technology Integration:

In the digital age, internal auditor must harness the power of technology to improve efficiency and effectiveness. Leveraging audit software, data analytics, and automation tools can help auditors conduct more thorough and risk-focused audits. Technology allows for the analysis of larger data



sets and the identification of patterns and anomalies that may be missed through traditional audit methods.

Apart from audit software & other audit tools, one also needs to gain deep understanding of structure, process, logics & controls of operational & accounting softwares used by client for their businesses. When one does Internal Audit of mid-size or larger organizations, Tally – with which we CAs are most comfortable will be very rare to find.

Technology can also facilitate remote auditing and real-time monitoring, which has become increasingly important in today's dynamic business landscape. With the help of technology, I am able to audit my overseas clients while sitting in my home or office at Gandhidham.

P.S.: I have taken help of AI tool for prepare this write-up with better vocabulary & grammar in which I lack otherwise.

4. Effective Communication:

Communication is a cornerstone of successful internal audit. Clear and open lines of communication between the audit team and various stakeholders are vital. This includes regular interaction with management, staff, and audit committees. Effective communication fosters trust and collaboration, allowing the internal audit function to better understand the organization's objectives, risks, and controls.

The audit team should actively engage with management to gain insights into the business environment and to ensure that audit findings and recommendations are understood and accepted. Additionally, auditors should possess strong interpersonal and communication skills to convey complex audit issues in a comprehensible & non-offending manner.

5. Robust Reporting:

Representing your work as important as hard work you have done. We CA work very hard but fail to present it effectively to clients. According to me this factor weighs 50% in successful Internal Audit viz-a-viz above 04 factors weighing 50% together.

Timely, comprehensive, and insightful reporting is very crucial factor for success. Audit reports should be well-structured, objective, and supported by evidence. They should highlight not only areas of concern but also commend good practices. To be effective, reports should include actionable recommendations for addressing identified weaknesses or inefficiencies.

The reporting process should also encompass a feedback loop, enabling auditors to discuss findings with management and receive responses. This fosters an environment of mutual understanding and allows for better problem-solving and corrective actions.

In conclusion, successful internal audit relies on several key factors that extend beyond traditional audit procedures. When combined, above factors enable the internal auditor to provide valuable insights and contribute to an organization's success by safeguarding its assets, improving operational efficiency, and supporting strategic decision-making. Internal auditors who embrace these factors can help organizations adapt to the ever-changing business landscape and achieve long-term success.



Evaluating the Effectiveness of Internal Audit

- CA Hency Shah



Evaluating the effectiveness of an internal audit function is a crucial aspect of ensuring that an organization's financial, operational, and compliance controls are functioning as intended. It involves assessing whether the internal audit function is achieving its objectives and providing value to the organization. Here are some key steps and criteria to consider when evaluating the effectiveness of internal audit:

- 1. Objective and Scope Alignment:** Ensure that the internal audit function's objectives and scope are aligned with the organization's strategic goals and risks. The audit plan should address the most significant risks facing the organization.
- 2. Independence and Objectivity:** Verify that the internal audit team operates independently and objectively. They should not have any conflicts of interest that could compromise the integrity of their work.
- 3. Competence and Qualifications:** Assess the skills and qualifications of the internal audit staff. They should possess the necessary knowledge and expertise to perform their duties effectively.
- 4. Audit Plan and Risk Assessment:** Review the audit plan and risk assessment process. The audit plan should be based on a thorough assessment of risks and should be flexible enough to adapt to changing circumstances.
- 5. Quality of Work:** Evaluate the quality of audit work, including the adequacy of audit procedures, documentation, and reporting. Auditors should adhere to recognized auditing standards.
- 6. Timeliness:** Consider whether audits are conducted and reported in a timely manner. Delays in audit reporting can diminish the effectiveness of the internal audit function.
- 7. Communication:** Examine how well the internal audit function communicates its findings and recommendations to management and the board of directors. Effective communication is essential for driving change and improvement.
- 8. Follow-Up and Resolution:** Assess whether audit findings and recommendations are tracked, and if management takes appropriate actions to address identified issues. Timely follow-up is critical to ensure that audit recommendations are implemented.
- 9. Resource Allocation:** Ensure that the internal audit function is adequately resourced to carry out its responsibilities effectively. This includes having the necessary budget, staff, and technology.
- 10. Continuous Improvement:** Check whether the internal audit function engages in a process of continuous improvement, learning from past audits and adjusting its methods and focus as necessary.



11. Stakeholder Feedback: Seek feedback from key stakeholders, including senior management and the board, to gauge their satisfaction with the internal audit function's performance and value.

12. Compliance with Standards and Regulations: Verify that the internal audit function complies with relevant professional standards and regulatory requirements.

13. Benchmarking: Compare the performance of the internal audit function with industry benchmarks and best practices to identify areas for improvement.

14. Risk Management Integration: Ensure that the internal audit function plays a role in the organization's overall risk management process and provides valuable insights into risk mitigation.

15. Cost-effectiveness: Assess the cost-effectiveness of the internal audit function, considering the value it adds compared to its operating costs.

In conclusion, evaluating the effectiveness of internal audit involves a comprehensive assessment of various factors, including alignment with organizational goals, independence, competence, and the ability to provide timely and high-quality insights. Regular assessments and a commitment to continuous improvement are essential to ensure that the internal audit function remains a valuable asset to the organization.



Exploring the Connection between Diwali Festival and Year-End Accounting Cut-off Procedures in India

- CA Hency Shah

Diwali, the Festival of Lights, holds great significance in India, celebrated by millions of people from various religious and cultural backgrounds. This festival marks the triumph of light over darkness and good over evil. While seemingly unrelated, the preparation and celebrations of Diwali and the cut-off procedures in accounting in India are closely intertwined

Diwali: A Time for Renewal and Preparation:

Diwali is a time of joy and renewal. Families across the country come together to clean and decorate their homes, illuminate them with lamps, and share traditional sweets and gifts. These preparations signify the ushering in of prosperity and good fortune in the coming year.

Likewise, the accounting profession in India observes a similar tradition - the year-end cut-off procedures.

Year-end Cut-off Procedures in Accounting:

In accounting, cut-off procedures are essential to ensure that financial statements accurately represent a company's financial position at the end of a financial year. These procedures involve the careful delineation of transactions that belong to the current year and those that should be allocated to the next year. By doing this, accountants aim to provide a true and fair view of the company's financial health.

The preparation for Diwali and the year-end cut-off procedures share some intriguing parallels:

- 1. Cleansing and Renewal:** Just as homes are thoroughly cleaned and tidied in preparation for Diwali, accountants engage in a process of financial cleansing. They review and clean up the accounts, ensuring that all transactions are correctly recorded and allocated to the appropriate accounting period.
- 2. Elimination of Darkness:** Diwali signifies the triumph of light over darkness. Similarly, in accounting, cut-off procedures are intended to eliminate any dark areas of financial ambiguity. Accountants aim to bring clarity and transparency to financial statements by ensuring that all financial activities are properly accounted for and allocated.
- 3. Setting the Stage for Prosperity:** The decorations and lights during Diwali are symbolic of inviting prosperity and good fortune. In accounting, cut-off procedures set the stage for a prosperous financial year ahead. Accurate financial statements help businesses make informed decisions and attract potential investors.
- 4. Family and Community Unity:** Diwali brings families and communities together. In the accounting world, unity is achieved through teamwork. Accountants, auditors, and financial experts collaborate to ensure that financial records are accurate and complete.
- 5. Planning and Preparation:** Both Diwali and cut-off procedures involve meticulous planning and preparation. Families plan their Diwali celebrations well in advance, while accountants and auditors start preparing for year-end procedures weeks before the financial year-end.



The correlation between Diwali festival preparation and year-end cut-off procedures in Indian accounting is a testament to the cultural and spiritual significance of Diwali and the professional commitment of accountants. Both events signify a fresh start, a renewal of commitment to prosperity and clarity, and the importance of community and unity. Understanding this correlation can offer a unique perspective on the cultural context of accounting practices in India. As we work diligently to ensure financial transparency, they, in a way, mirror the spirit of Diwali by illuminating the path to financial success and well-being.



Investment Opportunities During Diwali:- Making the most of Festive Season Investment

- **Mr. Ansh Gupta**

Diwali is the time for a lot of sweets, gifts, crackers and light. It is a time-honoured tradition to invoke the Goddess of Wealth during this time. The Festival of Light is an auspicious occasion to hasten our prayers with wise fiscal planning. Investment options have become less lucrative with falling interest rates. Let us focus on some all-round investment options.

Stocks: Diwali Muhurat Trading is a cultural and financial tradition that symbolizes hope, prosperity, and new beginnings. It offers investors a unique opportunity to kickstart the new financial year with positive energy by investing in top Diwali stock picks. Investors should take into account a company's financial health, development potential, and market trends while selecting stocks for Muhurat Trading on Diwali. It's crucial to carry out extensive research and choose shares that match their investment objectives and risk tolerance. Muhurat Trading is a special one-hour trading session that takes place on the Diwali day in the Indian stock market. This tradition has been followed for decades and is considered highly auspicious for making investments. It usually occurs in the evening and is believed to invoke wealth and prosperity for investors. Here's a table that highlights the importance of Muhurat Trading

Year	Sensex Movement During Muhurat Trading
2022	+525.60
2021	+295.55
2020	+194.90
2019	+192.55
2018	+245.77

Real Estate: According to a report by Knight Frank, the residential real estate market in India is expected to grow at a compound annual growth rate (CAGR) of 9.2% between 2023 and 2028. The demand for housing is expected to outpace supply, which could lead to higher prices.

Housing prices across 8 major Indian cities increased by an average of 7% year-on-year during the second quarter of 2023, according to a joint report by CREDAI, Colliers India, and Liases Foras. Kolkata recorded the highest appreciation in average residential prices at 15% YoY, followed by Delhi NCR and Hyderabad with 14% and 13% increase, respectively. Despite rising property prices and interest rates, the momentum in housing demand across India's top cities is expected to continue in the fiscal year 2023-24, supported by favorable demographics and urbanization. The rating agency estimates that housing demand rose a solid 33-38% in the last fiscal year surpassing pre-Covid-19 levels.

Investing in property during Dussehra (which is close to Diwali) combines auspicious timing, financial benefits, discounted rates, fresh project launches, and improved liquidity. Diwali presents a great opportunity for real estate investments. However, it is important to consider liquidity and not allocate over 25-30% of your total portfolio towards real estate investments.



Catastrophe bonds: Catastrophe bonds are a type of debt instrument that transfer a specified set of risks from a sponsor to investors. These bonds are inherently risky and have maturities less than 3 years. If no catastrophe occurs, the insurance company would pay a coupon to the investors. However, if a predefined disaster risk is realized, such as a hurricane causing \$500 million in insured losses or an earthquake of a certain magnitude, the bond would not pay the coupon and the investors would lose some or all of their principal. Catastrophe bonds can be difficult for investors to access directly, so most will allocate to the asset class via a cat bond fund manager. The minimum investment amount varies depending on the fund, but some cat bond funds have an initial minimum investment of \$1,000. Catastrophe bonds are typically more suitable for sophisticated investors with long investment horizons and no immediate liquidity needs. Institutional investors such as hedge funds or private equity firms can invest in catastrophe bonds. Individual investors can invest in catastrophe bonds through cat bond fund managers. There are a range of cat bond funds available, from UCITS and mutual funds which are more widely available, to closed-end strategies for sophisticated investors only. The fees associated with these bonds vary depending on the fund and the manager. It is important to read the prospectus and understand the fees before investing. The regulation of catastrophe bonds varies by country and region. In India, the International Financial Services Centers Authority (IFSCA) has recommended developing a framework to enable a captive insurance offering and to regulate insurance-linked securities (ILS) and catastrophe bonds. The process of investing in catastrophe bonds involves selecting a cat bond fund manager, reviewing the prospectus, and making an investment through the fund manager

Gold or Silver: The gold rates in India have witnessed considerable fluctuations over the past year, with a significant drop of 12% from January to September 2023. The Israel-Hamas conflict has introduced an added layer of complexity in the price of gold in India. It positions gold as a safe-haven asset and could reverse the declining trend. Gold and silver are the most common investment options during the festive season. The cost of 1 gram of both 22k and 24K gold is up 1 rupee from last year. Investors can also consider digital gold investment, which is a relatively new way to buy gold online. Buying gold during Diwali is a time-hallowed tradition. Buying gold has long been considered as the best way to welcome Goddess Laxmi. Tradition now gets a boost of modernity as several gold-based investment schemes have been proffered. Both GOLD ETF's (Exchange Traded Fund) and E-Gold have changed the face of the industry.

GOLD ETF's or Gold Exchange Traded Funds have become very popular. These are mutual fund schemes which only invest in gold. These units are then held in electronic form by the investors. The value of one unit of ETF has been set as equivalent to one gram of gold. These can be bought and sold like ordinary stocks on the market.

E-GOLD was recently launched by the National Spot Exchange Ltd (NSEL). The main difference it has with Gold ETF's is that the investor becomes the owner of the gold and not any Asset Management Company (AMC). In this way, we avoid the maintenance charges and other fees levied by the AMC's.

Systematic Investment Plan (SIP): With the SIP proving a runaway hit in the mutual fund market, it is reasonable that you jump on the bandwagon. SIP means that you keep on investing bite-sized amounts into the mutual fund of your choice periodically. The greatest is that it encourages financial discipline. Many mutual fund companies and investment platforms offer special Diwali-themed SIP campaigns to attract investors. For example, ICICI Prudential offers a "Har Diwali SIP Wali" campaign to encourage investors to start a SIP during the festive season. Investing in SIP during Diwali can have several benefits



SIP investments can be a great gift option during Diwali. It can help your loved ones secure their financial future and create wealth over the long term. SIP investments can help investors develop a disciplined approach to investing and make it easier to save regularly. This is especially important for millennials and GenZ who find it difficult to save. Investing in mutual funds through the direct plan route can help investors earn higher returns by avoiding paying brokerage to fund managers.



Wisdom from Veteran – CA Arunkumar Kansara Ji

The members of the managing committee of Gandhidham Branch of WIRC of ICAI convened to meet the esteemed veteran Chartered Accountant, CA Arunkumar Kansara. He has rendered remarkable service to IFFCO for a period spanning approximately 35 years and retired in the year 2012. Following his retirement, he embarked upon his independent professional practice in 2013 and ultimately concluded his illustrious professional journey in 2021.



Date: 14.10.2023

Place: Gandhidham

Time: 11:00 a.m.

Managing Committee: What prompted your decision to pursue the CA course? Was it a deliberate, conscious choice, or more of a serendipitous occurrence?

CA Arunkumar Kansara Sir: Intriguingly, my initial inclination was towards the field of law, which led me to study LLB for two years. Nevertheless, one fateful day, I happened upon a job opening in the realm of accounting with a certain company. I decided to explore this opportunity. It was at this juncture that my brother, whom I hold in high regard as my mentor, strongly urged me to forego the job offer and instead embark on the CA journey.

Thus, although not a meticulously premeditated decision, it appears that destiny steered me towards pursuing the CA course.

Managing Committee: After dedicating nearly 35 years of your professional life to a single company, we are curious to hear your perspective on the notion of changing jobs for evolving or for personal and professional growth.

CA Arunkumar Kansara Sir: In my view, changing or transitioning between jobs should not be regarded as the sole means of fostering personal and career development. The crucial factors at play here are one's individual interests and the capacity for personal growth. Furthermore, the extent to which one can advance within the same organization is contingent upon the opportunities and support provided by the employer.

Managing Committee: Could you provide an insight into your experiences with managing and mentoring junior staff members, as well as the strategies you employed to facilitate their professional growth?

CA Arunkumar Kansara Sir: My approach to this role adhered to the principle of balancing reward and consequences. I would acknowledge and reward their hard work while also addressing any mistakes with appropriate punishment. However, I firmly held the belief that it is essential to critique and rectify the errors rather than criticizing or rejecting the individual.

When my junior staff members made mistakes, I made it a point to promptly identify and address these shortcomings and offer them structured training and guidance to rectify those errors. The



emphasis was always on the actions and not the person. Furthermore, I recognized the importance of considering their needs and perspectives. This approach consistently proved effective in nurturing their development and fostering improvement.

Managing Committee: Could you share a facet of your life that currently brings you immense satisfaction?

CA Arunkumar Kansara Sir: I have come to realize that there exists an opportune time and a suitable stage in life for each endeavor. I dedicated a considerable portion of my career to serving in a professional capacity, transitioning subsequently to my own practice. However, I hold the conviction that the timing of one's exit from a particular pursuit is of paramount significance. I find solace and contentment in my decision to retire at the right juncture. Had I persisted with my professional practice, my life would have remained consumed by its demands.

In the wake of my retirement, I have embarked on a path of spiritual exploration, relishing the newfound dimensions it has brought to my life. I am actively engaging in activities that had eluded me during my earlier years, and this brings me profound contentment and a sense of fulfillment.

Managing Committee: What are the prevailing challenges confronting the younger generation these days?

CA Arunkumar Kansara Sir: I posit that, in practice, the younger generation finds itself embroiled in an intense competition, often from the individuals lacking the necessary qualifications. This situation exerts immense pressure on them, necessitating to adopt various means of sustenance, irrespective of their ethical correctness.

Moreover, I am of the opinion that honing effective communication skills is of paramount importance. While it is undeniable that clarity of concepts and technical proficiency hold significant value, it is equally imperative to acknowledge that written communication skills, while valuable, may not suffice in all situations.

Managing Committee: A short message that you wish to convey to our young members

CA Arunkumar Kansara Sir: Fate unfolds its script only in response to your diligent efforts. It is vital to bear in mind that destiny is unresponsive to idle wishes; it requires the sweat and toil of hard work. Moreover, a crucial realization is that you possess the power to mold and reshape your destiny through your actions and choices.

Disclaimer: *The provided text encapsulates a brief overview of the communication that took place and not the verbatim transcription.*



Law Updates

Compiled by – CA Nikita Tejwani

Direct Taxes

91/20
23

1. Central Board of Direct Taxes, issued a significant notification: No. 91/2023 – Income-Tax dt 19-10-2023 : This notification introduces amendments to the Income-tax Rules, 1962. The primary focus of these amendments is to provide clarity and updates concerning the deduction claims under section 10AA of the Income-tax Act, 1961.

88/20
23

CBDT amends rule 114B, rule 114BA, rule 114BB & Form No. 60 Notification No. 88/2023-Income Tax | Dated: 10th October, 2023 :The CBDT announced that non-resident individuals and foreign companies opening bank accounts in GIFT IFSC no longer require a PAN if they have no other taxable income in India. They can use Form 10F for Tax Residency Certificate and TDS relief, or provide Form 60 for transactions, enhancing opportunities for overseas firms and investors in GIFT IFSC.

Indirect Taxes

202/1
4/202
3

1. Circular No. 202/14/2023-GST, dated 27th October, 2023, issued by the Central Board of Indirect Taxes and Customs :sheds light on the conditions for considering the supply of services as an export of services under the Integrated Goods & Services Tax Act, 2017 (IGST Act). The focus of this circular is on the payment aspect, specifically pertaining to the use of INR (Indian Rupees) in export remittances.

DRC -
01

GSTN Advisory on DRC-01C Compliance for ITC Discrepancies 06-10-2023: GSTN has recently issued an advisory regarding the implementation of compliance related to DRC-01C. This advisory addresses the discrepancy in Input Tax Credit (ITC) between GSTR-2B and ITC claimed in GSTR-3B, as per the new Rule 88D introduced under CGST Rule, 2017.

204/1
6/202
2

The Central Board of Indirect Taxes and Customs, has issued Circular No. 204/16/2023-GST on 27th October, 2023: This circular addresses key concerns related to the taxability of personal guarantees and corporate guarantees under the Goods and Services Tax (GST) regime.



Due Date Calendar

Compiled by CA Virag Acharya

Date	Particulars	Return/Form	For the Period
• INCOME TAX •			
07-11-2023	Due date for deposit of Tax collected/Tax deducted by an office of the government	CHALLAN NO./ITNS 281	Oct-23
14-11-2023	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB & 194IM	FORM 16B, FORM 16C & FORM 16D	Sep-23
15-11-2023	Quarterly TDS certificate in respect of tax collected by any person	FORM 16A	Q-2 OF FY 2023-24
30-11-2023	Furnishing of challan-cum-statement in respect of tax deducted under section 194-IA - 194IB - 194M	FORM 26QB - 26QC - 26QD	Oct-23
30-11-2023	Return of income for the assessment year 2023-24 in the case of an assessee if he/it is required to submit a report under section 92E	-	FY 2022-23 (AY 2023-2024)
• GOODS AND SERVICE TAX •			
10-11-2023	Summary of Tax Deducted at Source (TDS) and deposited under GST laws	GSTR- 7	Oct-23
10-11-2023	Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST laws	GSTR- 8	Oct-23
11-11-2023	Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme	GSTR- 1	Oct-23
13-11-2023	Summary of outward supplies where taxpayer opted QRMP scheme	GSTR- 1/IFF	Oct-23
13-11-2023	Details of ITC received and distributed by an ISD	GSTR - 6	Oct-23
13-11-2023	Summary of outward taxable supplies and tax payable by a nonresident taxable person	GSTR- 5	Oct-23
20-11-2023	Summary of outward taxable supplies, and tax payable by a person supplying OIDAR services	GSTR- 5A	Oct-23
20-11-2023	Summary of outward supplies, ITC claimed, and net tax payable for taxpayers with turnover more than Rs.5 crore in the last FY or have not chosen the QRMP scheme for the quarter of July-Sep 2023	GSTR- 3B	Oct-23
• ESI, PF ACT •			
15-11-2023	PF Payment & Return Filing	-	Oct-23
15-11-2023	ESIC Payment	-	Oct-23
15-11-2023	Payment of Professional Tax of Employee	-	Oct-23

**The due dates mentioned are subject to changes notified by the concerned department.*



Glimpses of October Events



**Lecture Meeting on “Seminar on GST - Reply to Show Cause Notice issued for FY 17-18” on
October 12, 2023
(Speaker – CA Deep Koradia, Bhuj)**

Followed by felicitation of KYE Quiz Winners, Newsletter Article Contributors



KYE Quiz

Top 3 Winners (October 15, 2023)

1. CA Mukesh Vora | 2. CA Girish Agarwal | 3. CA Manisha Bharwani

Other participants who have answered correctly for 80% or more questions.

CA Pooja Kewalramani, CA Hardik Mehta, CA Jainish Patel, CA Hardevi Jeswani, CA Ram Nagshi, CA Bhavesh Gusai, CA Shivanshi Dhalwani, CA Hitendra Agarwal

Question and Answer

1. Whether a Chartered Accountant in practice can accept audit in case the undisputed audit fee of the previous auditor remains unpaid?

- a. No
- b. Yes

Correct Answer: a

Explanation: No, in case the undisputed audit fees for carrying out the statutory audit under the Companies Act, 2013 or various other statutes have not been paid, the incoming auditor should not accept the appointment unless such fees are paid. In respect of other dues, the incoming auditor should in appropriate circumstances use his influence in favour of his predecessor to have the dispute as regards the fees settled.

2. Which of the following mode is sufficient to establish communication with previous auditor?

- a. Intimation over the phone
- b. Communicating through SMS/Messaging Application
- c. By hand against a written acknowledgement
- d. All of the above

Correct Answer: c

3. What are the professional reasons for not accepting Audit?

- a. Non-payment of undisputed audit fees by auditees
- b. Issuance of a qualified report for good and valid reasons
- c. Both a and b

Correct Answer: c



Explanation: The professional reasons for not accepting an audit are: (i) Non-compliance of the provisions of the Companies Act as mentioned in Clause (9); (ii) Non-payment of undisputed audit fees by auditees other than in case of sick units; and (iii) Issuance of a qualified report.

4. Which of the following statement is true?

- a. A member can use glow signs or lights on large-sized boards for his office signboard
- b. A member can have a name board at the place of his residence with the designation of a Chartered Accountant

Correct Answer: b

5 Whether the office of a Chartered Accountant is permitted to go in for ISO certification and use the expression like "ISO Certified" on his professional documents, visiting cards?

- a. Yes, there is no bar to go in for ISO Certification and using the expression "ISO Certified"
- b. Yes, there is no bar to go in for ISO Certification. However, the expression "ISO Certified" cannot be used on professional documents.
- c. No, it is not permissible to go for ISO Certification.

Correct Answer: b

Explanation: Yes, there is no bar for a member to go in for ISO certification or other similar certifications. However, the member cannot use the expression like "ISO Certified" on his professional documents, visiting cards, letterheads or sign boards, etc.

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