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VASAI BRANCH OF WIRC NEWSLETTER

March 2019



CHAIRMAN'S COMMUNICATION

Dear Professional Colleagues,

A hard beginning makes the good ending....

Members participated in the election held on 2nd February 2019 in large numbers and elected 7 member committee for the branch. I thank all members who had participated in the election process and helped the branch to constitute a vibrant managing committee. I congratulate and thank all newly elected committee members, CA. Pramod Dhamankar, the Election officer, CA Sumit Doshi, the immediate past chairman and other past chairpersons and previous committee members for their excellent contribution and dedicated service in bringing a new

committee which is going to steer the branch for the next three years.

The youthful dynamic committee members deserve gratitude and appreciation for electing me as Chairman of the branch for the first year term unanimously. Truth, Untiring Service, Liberty and Challenges represents Mahatma Gandhi, Bharat Ratna K. Kamaraj, Abraham Lincoln and Helen Keller. These leaders are the motivators of your chairman and I am sure that these values enhance the character, Competence and chemistry of our students and members to become leaders in profession, industry and society.

The New Year was a new beginning for everyone but the New Year for ICAI began on February 12th, 2019 when we are blessed with our New President & Vice-President of ICAI. CA. Prafulla Chhajed and CA. Atul Gupta are the faces of our esteemed institute and the torch bearers for the term 2019-20. We were also glad to witness the making of 2nd Woman WIRC Chairperson in the history of WIRC of ICAI. CA. Priti Savla and her team of Regional Council Members will lead the WIRC of ICAI and help the various branches like us under their umbrella to grow and work for the betterment of the institute for the term 2019-20. I congratulate all the leaders of today and wish them a great journey at ICAI.

Past Events

Branch had felicitated 190 newly qualified CA on 10th Feb 2019 in the presence of CA. Sunil Patodia (Past Chairman – WIRC of ICAI) and conducted an event on opportunities for new members in profession.

Forthcoming Events

The Branch has organized many programmes and events for the benefit of Members and students. The details of the same are given in this news letter.

For the benefit of the students, branch has started free reading room facilities for Foundation, IPCC & Final Students for May 2019 exam from 15/3/2019 to 17/5/2019 at Branch Premises, Bhayander (W).

Festivals play a significant role in our lives by making us more large-hearted and accepting. I extend my warm wishes to you on Maha Shivaratri and Holi. We will also celebrate *International Women's Day* in March in recognition of women's rights.

Leo Tolstoy had said: *We can know only that we know nothing. And that is the highest degree of human wisdom. With this awareness, let us get together and continue our journey of excellence towards - Celebrating the Past and Inspiring the Future.*

Thanks & Warm Regards,

CA. Xavier Rajan

Chairman – Vasai Branch of WIRC

MANAGING COMMITTEE

CA. Xavier Rajan Chairman	9371720027
CA. Ankit Rathi Vice Chairman	9029059911
CA. Amit Agarwal Secretary	9821374485
CA. Sorabh Agrawal Treasurer	9930357066
CA. Lokesh Kothari WICASA Chairman	8108484120
CA. Vijendra Jain Committee Member	9320942555
CA. Abhishek Tiwari Committee Member	9029326651
CA. Lalit Bajaj RCM & Ex Officio Member	9867692321
CA. Vimal Agarwal RCM & Ex Officio Member	9320617447

EDITORIAL BOARD

CA. Xavier Rajan Chairman	9371720027
CA. Abhishek Tiwari Committee Member	9029326651

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OUR GUIDE



CA. Prafulla Chhajed
President, ICAI



CA. Atul Gupta
Vice-President, ICAI

OUR TORCH BEARERS AT WIRC FOR THE YEAR 2019-20



CA. Priti Savla
Chairperson - WIRC



CA. Umesh Sharma
Vice Chairman - WIRC



CA. Rakesh Alshi
Secretary - WIRC



CA. Yashwant Kasar
Treasurer - WIRC



CA. Jayesh Kala
Chairman-(WICASA)

VASAI BRANCH OF WIRC OF ICAI MANAGING COMMITTEE MEMBERS 2019-20



CA. Xavier Rajan
Chairman



CA. Ankit Rathi
Vice Chairman



CA. Amit Agarwal
Secretary



CA. Sorabh Agrawal
Treasurer



CA. Lokesh Kothari
WICASA Chairman



CA. Vijendra Jain
Committee Member



CA. Abhishek Tiwari
Committee Member



CA. Lalit Bajaj
RCM & Ex Officio Member



CA. Vimal Agarwal
RCM & Ex Officio Member



FORTHCOMING PROGRAMMES FOR MEMBERS

Date	Seminar on	Timings	Venue	Speakers	Coordinator		Fees	CPE
9th March 2019	Celebrating Women Day's	3.00 pm to 6.00 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Near Bank of India, Opp. Temba Hospital, Bhayander (West)	Ms. Akshika Porwal Ms. Riti Chopra CA. Anu Agrawal	CA. Shweta Jain CA. Preeti Agarwal CA. Sybel Almeida	9920737198 9320059238 9011778092	Rs. 100 for Members & Free for CA Students	3 Hrs
10th March 2019	Nature Walk	7.00 am	National Park, Sanjay Gandhi Reshtriya Udyan, Borivali (East)	–	CA. Pramod Dhamankar CA. Nitesh Kothari CA. Anadi Bhasse CA. Sorabh Agrawal CA. Abhishek Tiwari Mr. Nikesh Madhani	9987155522 9833860870 9890121996 9930357066 9029326651	Rs. 120	–
24th March 2019	Seminar on Bank Branch Audit	9.30 am to 5.30 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Near Bank of India, Opp. Temba Hospital, Bhayander (West)	Mr. Bhupendra Mantry CA. Vinit Jain	CA. Ankit Rathi CA. Amit Agarwal CA. Sorabh Agrawal CA. Lokesh Kothari CA. Vijendra Jain CA. Abhishek Tiwari	9029059911 9821374485 9930357066 8108484120 9320942555 9029326651	Rs. 650 + 18% GST = Rs. 767	6 Hrs
13th April to 12th May 2019 (Every Sat & Sun)	Post Training Information System Audit (ISA)	9.30 am to 5.30 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Near Bank of India, Opp. Temba Hospital, Bhayander (West)	Eminent Speakers	CA. Ankit Rathi CA. Amit Agarwal CA. Sorabh Agrawal	9029059911 9821374485 9930357066	Rs. 20,000 + 18% GST = Rs. 23,600	25 Hrs
18th May to 8th June (Every Sat & Sun)	Certificate Course on Forensic Accounting & Fraud Prevention	9.30 am to 5.30 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Near Bank of India, Opp. Temba Hospital, Bhayander (West)	Eminent Speakers	CA. Lokesh Kothari CA. Vijendra Jain CA. Abhishek Tiwari	8108484120 9320942555 9029326651	Rs. 20,000 + 18% GST = Rs. 23,600	30 Hrs

FORTHCOMING PROGRAMMES FOR STUDENTS

8th to 30th March 2019	Mock test for Foundation, Intermediate & Final for May 2019 Exam	2.00 pm to 5.00 pm	Shanti Shopping Centre, Mira Road (East)	–	CA. Lokesh Kothari	8108484120	Rs. 100 per paper	–
17th March 2019	Lecture Meeting on Articlesship queries solving session	10.00 am to 1.00 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Near Bank of India, Opp. Temba Hospital, Bhayander (West)	CA. Kauser Meharli	CA. Lokesh Kothari	8108484120	Free	–



ICAI e-Pathshala - Live Virtual Classes
(Under the revised Scheme of Education and Training applicable from July 01, 2017)

Golden opportunity to enrol for Smart Live Virtual Classes

Salient features

- Expert faculty with rich experience
- Interactive – raise questions during live classes
- Exam focused approach
- Separate question answer sessions
- Review your performance through integrated tests
- Delivered on your computers and mobiles
- Attend live lectures or view recorded lectures
- Economical Fees.

Schedule

Intermediate	Starting from March 06, 2019. Classes will run for about six months. Students intending to appear in November 2019 or subsequent examinations are encouraged to register.
Final	Starting from April 03, 2019. Classes will run for about one year. Students intending to appear in May 2020 or subsequent examinations are encouraged to register.

Fees

	At the time of Registration for Intermediate / Final		After Registration	
	Single Group	Both Groups	Single Group	Both Groups
Intermediate	2,250	4,000	3,750	6,250
Final	2,500	4,750	4,500	7,500

Visit <https://icai.org/boslvc/> for further information and registration.

Happy learning!



Board of Studies
The Institute of Chartered
Accountants of India



Direct Taxes - Law Update



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SECTION 160 OF THE INCOME-TAX ACT, 1961 - REPRESENTATIVE ASSESSEE - GENERAL - CLARIFICATION REGARDING LIABILITY AND STATUS OF OFFICIAL ASSIGNEES UNDER THE INCOME-TAX ACT

CIRCULAR NO. 4/2019 [F.NO.225/472/2018/ITA.II], DATED 28-1-2019

Under provisions of the Presidency Towns Insolvency Act, 1909 and the Provincial Insolvency Act, 1920, where an order of Insolvency is passed against a debtor by the concerned Court, property of the debtor gets vested with the Court appointed Official Assignee. The Official Assignee then realizes property of the insolvent and allocates it amongst the creditors of the insolvent. Consequentially, Official Assignee has the responsibility to handle income-tax matters of the estate assigned to him. In this regard, a clarification has been sought regarding applicability of clause (iii) of section 160(1) of the Income-tax Act, 1961 (Act) which applies on a 'Representative Assessee' in the case of an Official Assignee. Further, clarity regarding status of the Official Assignee's i.e. their fallibility in the appropriate category of 'persons', as defined in section 2(31) of the Act, has also been sought. As per provisions of section 160(1)(iii) of the Act, a 'Representative Assessee' amongst other situations specified therein, becomes liable in respect of any income which the Assignee receives or is entitled to receive while managing the property for benefit of any person. As per the two insolvency Acts, Official Assignee manages the property of the debtor for the benefit of the creditors. Further, the Insolvency Act, 1909, in unambiguous terms, provides that an insolvent ceases to have an ownership interest in the estate once an order of adjudication is made under section

17 of the Insolvency Act. Thus, it is hereby clarified that since Official Assignee does not receive the income or manage the property on behalf of the debtor, they cannot be considered as a 'Representative Assessee' of the debtor under the Act while computing the tax liability arising from the estate of the debtor. As property of the insolvent is vested with the Official Assignee as per specific provisions of the Act/Law regulating functioning of the Official Assignee's, they have to be treated as a 'juristic entity' for purposes of the Income-tax Act. Hence, it is clarified that for purpose of discharge of tax liability under the Act, the status of Official Assignees is that of an 'artificial juridical person' as prescribed in section 2(31)(vii) of the Act, not being one of the 'persons' falling in sub-clauses (i) to (vi) of section 2(31) of the Act. Therefore, Official Assignee is required to file Income-tax return electronically in the ITR Form applicable to 'artificial juridical person' separately for each of the estate of the insolvent and the income shall be taxed as per the rates applicable in a particular year to an 'artificial juridical person'. In view of the above position, Official Assignees would have to obtain a separate PAN for each of the estate of the insolvent.

INCOME-TAX (FIRST AMENDMENT) RULES, 2019 - SUBSTITUTION OF RULE 12D

NOTIFICATION NO.G.S.R. 76(E) [NO.4/2019 (F.NO.370142/22/2017-TPL)], DATED 30-1-2019

AS CORRECTED BY C O R R I G E N D U M
G.S.R. 93(E) [NOTIFICATION NO. 10/2019/F.
NO. 370142/22/2017-TPL], DATED 5-2-2019

In the Income-tax Rules, 1962, for rule 12D, the following rule shall be substituted, that shall come in force on the date of their publication in the Official Gazette namely:—

"12D. *Prescribed income-tax authority under section 133C.*— The prescribed income-tax authority under section 133C shall be an income-tax authority not below the rank of Assistant Commissioner of Income- tax who has been authorised by the Central Board of Direct Taxes to act as such authority for the purposes of that section."



Sub Committee for the years 2019-20

Sr. No.	Sub Committee Name	Chairman
1	ITT / Orientation / MCS/ Advanced ITT	CA. Xavier Rajan
2	Members in Industry	CA. Abhishek Tiwari
3	Program & CPE Committee	CA. Vijendra Jain
4	Administration Committee	CA. Amit Agarwal
5	Students Committee (WICASA)	CA. Lokesh Kothari
6	Members Committee	CA. Lokesh Kothari

Sr. No.	Sub Committee Name	Chairman
7	Grant and Research & Representative Committee	CA. Sorabh Agrawal
8	Editorial Board (Newsletter Committee)	CA. Abhishek Tiwari
9	Direct Tax Committee	CA. Vijendra Jain
10	Indirect Taxes Committee	CA. Ankit Rathi



Interim Budget 2019



CA Jayesh Dadia

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An overview

The Finance Minister has presented a very bold interim budget of Modi Government on 1st February 2019. This is the first time a Finance Minister has given concession in the direct tax provisions in the interim budget. The interim budget has given

relief to farmers, poor persons, unorganized sector, salaried employees and middle class families. Some of the major issues are discussed as under:

Direct tax proposals

(a) Salary income

Standard deduction available to salaried employees, which was introduced in the last budget, has been increased from Rs.40,000/- to Rs.50,000/-with effect from 1.4.2019. This will benefit all the salaried employees and pensioners.

(b) House property income

At present an individual is entitled to claim exemption in respect of one self-occupied house property. Now in this budget it is proposed that an individual will be entitled to exemption in respect of two residential houses.

Further, Assessee who is holding the house property as stock-in-trade such as builders, developers, etc. it has been provided that such Assessee will have to pay tax on the basis of notional income of the house property which is not let out after two years from the date of completion of the construction. Earlier it was provided only for one year.

(c) Interest on housing loan

Interest upto Rs.2,00,000/- shall be allowed as deduction in respect of two houses, which are claimed to be of self use and not let out. Earlier only one house was entitled for interest.

(d) Capital Gain

At present Section 54 of the Income Tax Act provide for exemption in respect of Long Term Capital Gain on sale of any residential house by an individual or HUF. This exemption is available if such Assessee sales any residential house and reinvest the capital gain in purchase of another residential house within 2 years of sale or constructs such residential house within 3 years of such sale. This Section is now amended effective from financial year 2019-20 to provide that if the Long Term Capital Gain does not exceed Rs.2,00,00,000, the individual or HUF can purchase or construct two houses within the prescribed time limit to claim the exemption from tax. However, this concession will be available once in life time.

(e) Affordable Housing Projects

Tax incentive under section 80IBA of the Income Tax Act for developers of affordable housing scheme has been extended by 1 year for projects registered upto 31.3.2020.

(f) Withholding tax

The threshold limit for deduction under section 194A of the Income Tax Act for interest on bank deposit, deposit with co-operative bank and Post Office deposit has been increased from Rs.10,000/- to Rs.40,000/-. Therefore there will be no TDS on fixed deposit if interest does not exceed Rs.40,000/-.

Also the threshold limit for tax deduction under section 194I of the Income Tax Act for payment /credit of rent has been increased from Rs.1,80,000/- to Rs.2,40,000/-. Thus, no tax will deductible if the yearly rent is less than Rs.2,40,000/- from 1.4.2019.

(g) Rebate in computing Income Tax

Section 87A of the Income Tax Act, at present, provides that if the total income of a Resident Individual does not exceed Rs.3,50,000/- he shall be entitled to a deduction from tax on his total income of Rs.2,500/- or actual tax payable on such income whichever is less. This section is now amended to provide that if the total income of an individual does not exceed Rs.5,00,000/-, he shall be entitled to rebate of Rs.12,500/- or actual tax payable on such income, whichever is lower. This amendment is effective from the financial year 2019-20. The effect of this amendment can be explained by the following illustrations.

Particulars	Salaried Employee Income for F.Y. 2019-20	Other Individual
Salary Income	6,00,000	--
House Property Income	--	1,00,000
Interest on Bank Deposits	75,000	1,00,000
Other Interest	85,000	7,25,000
	7,60,000	9,25,000
Deduction		
Standard Deduction	50,000	--
PF/PPF/LIP	1,50,000	1,50,000
Bank Interest	10,000	10,000
Mediclaime Insurance- for self	25,000	25,000
Mediclaime Insurance u/s 80D for senior parents	--	50,000
Interest under section 24 (SOP)		2,00,000
Donation u/s 80G (Rs.50,000)	25,000	---
	2,60,000	4,35,000
Total Income	5,00,000	4,90,000
Tax Payable	12,500	12,000
Rebate u/s 87A	12,500	12,000
Net Tax Payable	NIL	NIL

(h) Administrative

- Process of all Income Tax Returns within 24 hours of uploading with refund (being issued immediately).
- No personal interface between the Assessee and the Assessing Officer in the case of scrutiny assessment



Practice Management – Time to Re-think and moving forward



CA. Samir kasvala

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Dear Readers, Today the time has come to re-thing about the traditional areas of practice and the way we do our practice.

The question is whether I am satisfied with my existing practice areas and passionate about the areas in which practicing? The answer is clearly NO.

The few reasons are Intense Competition in the **Traditional** areas (like Income Tax, Account Writing etc.), lower standard of fees, standardization of work. These are all areas where people like professionals, accountants; Industry is already very well settled. The issue is not only with traditional areas but the way we take work (we take all types of work but passionate about none) . We do only work which is **compliance** oriented like Registration, Returns, Audit, Account Writing etc. The professionals must concentrate in the field where **we as Chartered Accountants are exclusively permitted**. For example, Audit, Appearing before Authorities, Consultancy. This can be possible by increase the knowledgebase (personal as well as firm).

We should focus on **New areas of practice** such as helping to SME sector, CSR, GST, Customs, international Taxation, Insolvency and Bankruptcy law etc. Here since these fields themselves are new or on developing stages, there are challenges but it will take time to settle and the opportunities lies here because less competition will be here. It will require a lot of studies and patience.

Few Important points :

1. Work better and differently for existing client rather than just searching for new clients. There can be new opportunities

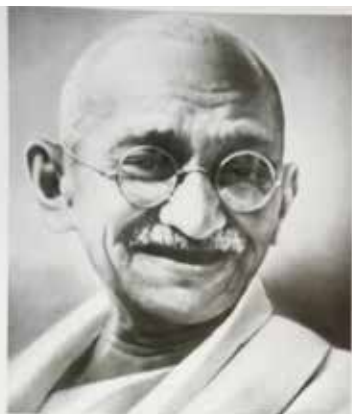
with existing clients. The should be continuous process of Improvement and Innovation. Learn from the past challenges faced and try to improve on this.

2. Make the standardization and delegation of work – Majority of compliances are standard. This can be delegated to junior.
 3. Concentrate on “Value Addition” rather than just making compliance. Address difficulties of clients.
 4. Cross referrals with our own colleague members and other professional (where permissible)
 5. Evaluate each client – work wise and fees-wise.
 6. Make Billings regular and follow up.
 7. Visiting the client and discussing can help us in knowing much better about business process, information etc. It can help to frame our work planning.
- After the work is completed it is advisable to inform to client and provide valuable input by way of Suggestion letter.
8. Use Technology extensively. Technology has far reaching impact on the work which is very standard. The Compliance practice will get reduced drastically. Today also a lot work like Registration, Returns are already standard and in the near future, accounting software will take over this work.
 9. Find time to read, remain updated, and meet new people.
 10. Since all fields are becoming dynamic and changes taking place very fast, a professional should decide about his passionate filed rather than practicing in all fields. Cross referring amongst our members can be very good option.

Happy Reading, More on next article



Leader's Leader



TRUTH



UNTIRING



LIBERTY



CHALLENGED



March 2019

Handover Meeting from Old Committee Members to New Committee Members held on 26th February 2019 at Branch Premises, Bhayander (West)





Felicitation of Newly Qualified CA held on 10th February, 2019



(L-R):- CA. Ankit Rath (Vice Chairman), CA. Xavier Rajan (Chairman), CA. Pramod Dhamankar (Past Chairman), CA. Aneel Gambhir (Speaker), CA. D P Revawal (Ex Officio Member), CA. Lokesh Kothari (WICASA Chairman), CA. Sorabh Agrawal (Treasurer), CA. Shweta Jain (Past Chairperson), CA. Tarun Dhandh (Member), CA. Ramanand Gupta (Past Chairman) & CA. Sumeet Doshi (Immediate Past Chairman)



Group Photo taken at felicitation of Newly Qualified CA



Lecture Meeting - Opportunities for CA held on 10th Feb 2019 at Branch Premises, Bhayander (West)



(L-R):- CA. Vijendra Jain (Committee Member), CA. Sorabh Agrawal (Treasurer), CA. Ankit Rathi (Vice Chairman), CA. Xavier Rajan (Chairman Vasai Branch), CA. Sumeet Doshi (Immediate Past Chairman), CA. Sunil Patodia (Past Chairman, WIRC of ICAI), CA. Aneel Gambhir (Speaker), CA. Lokesh Kothari (Chairman – WICASA), CA. Shweta Jain (Past Chairperson) & CA. Nehal Upadhaya (Speaker) at the inauguration session



CA. Sumeet Doshi (Immediate Past Chairman- Vasai Branch) presenting bouquet to CA. Sunil Patodia (Past Chairman, WIRC of ICAI)



CA. Xavier Rajan (Chairman - Vasai Branch) presenting bouquet to CA. Nehal Upadhaya (Speaker)



CA. Shweta Jain (Past Chairperson – Vasai Branch) presenting bouquet to CA. Aneel Gambhir (Speaker)



Participants



Lecture Meeting on Articlesship queries solving session held on 3rd Feb 2019 at Branch Premises, Bhayander (West)



CA. Kauser Meherali



Participants

Silent rally for Tribute to the Martyrs on 17th Feb 2019 at Bhayander (West)



Editor: CA. Xavier Rajan Published by Vasai Branch of Western India Regional Council of The Institute of Chartered Accountants of India at Finesse Graphics and Prints Pvt. Ltd., 309, Parvati Ind. Est., Sun Mill Compound, Lower Parel, Mumbai 400 013. Tel. : 4036 4600

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The Institute of Chartered Accountants of India,
Vasai Branch of WIRC

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