



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)



FEBRUARY 2021
MARCH 2021

Page No. 1 to 46

**THE NEWSLETTER OF
NORTHERN INDIA REGIONAL COUNCIL**

About Us



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

(Statutory body under an Act of Parliament)

The Institute of Cost Accountants of India

The Institute of Cost Accountants of India (erstwhile The Institute of Cost and Works Accountants of India) was first established in 1944 as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy.

On 28th May 1959, the Institute was established by a special Act of Parliament, namely the Cost and Works Accountants Act 1959 as a statutory professional body for the regulation of the profession of cost and management country.

It has since been continuously contributing to the growth of the industrial and economic climate of the country.

The Institute of Cost Accountants of India is the only recognized statutory professional organization and licensing body in India specializing exclusively in Cost and Management Accountancy.

IDEALS THE INSTITUTE STANDS FOR

- To develop the Cost and Management Accountancy profession
- To develop the body of members and properly equip them for functions
- To ensure sound professionals ethics
- To keep abreast of new developments

About Northern Region

The Northern India Regional Council is located at New Delhi has jurisdiction over 9 States and UTs the states of National Capital Territory of Delhi, Uttar Pradesh, Uttarakhand, Rajasthan, Haryana, Punjab, Himachal Pradesh and Jammu & Kashmir.

Our Chapter Offices in Northern Region

Agra Mathura Chapter CMA Ahmad Qadeer	agra@icmai.in
Ajmer-Bhilwara Chapter CMA B D Agarwal	ajmer@icmai.in
Allahabad Chapter CMA Indrasen Singh	allahabad@icmai.in
Bikaner Jhunjhunu CMA Nand Kishore Goyal	bikaner@icmai.in
Biawar Chapter CMA Rupesh Kothari	biawar@icmai.in
Chandigarh Panchkula Chapter CMA B B Gupta	chandigarh@icmai.in
Dehradun Chapter CMA Naveen Kr. Gupta	dehradun@icmai.in
Faridabad Chapter CMA Sachin Kathuria	faridabad@icmai.in
Ghaziabad Chapter CMA S.S. Pandey	ghaziabad@icmai.in
Gorakhpur Chapter CMA S.S. Pandey	gorakhpur@icmai.in
Gurgaon Chapter CMA T N Panja	grugaon@icmai.in
Hardwar Rishikesh Chapter CMA Inder Kumar	hardwar@icmai.in
Jaipur Chapter CMA Swapnil Bhandari	jaipur@icmai.in
Jalandhar Chapter CMA Reetika	jalandhar@icmai.in
Jammu Chapter CMA Rajesh Kumar Sharma	jammu@icmai.in
Jhansi Chapter CMA Sanjay Kumar	jhansi@icmai.in
Jodhpur Chapter CMA K.K. Vyas	jodhpur@icmai.in
Kanpur Chapter CMA D.S. Mishra	kanpur@icmai.in
Karnal-Panipat Chapter CMA Vidhu	karnal@icmai.in
Kota Chapter CMA Akash Agarwal	kota@icmai.in
Lucknow Chapter CMA Honey Singh	lucknow@icmai.in
Ludhiana Chapter CMA Gurjant Singh	ludhiana@icmai.in
Meerut Chapter CMA Dinesh Kumar Sharma	meerut@icmai.in
Naya Nangal Chapter CMA Sawinder Singh Chug	nayanagal@icmai.in
Noida Chapter CMA Swati Chaturvedi	noida@icmai.in
Patiala Chapter CMA Ashwani Singla	patiala@icmai.in
Saharanpur Chapter CMA A K Jain	saharanpur@icmai.in
Srinagar Chapter CMA Bashir Masudi	srinagar@icmai.in
Shimla Chapter CMA B.L. Sharma	shimla@icmai.in
Sonipat Chapter CMA Dinesh Aggarwal	sonipat@icmai.in
Udaipur Chapter CMA C.K. Sancheti	udaipur@icmai.in



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

Northern India Regional Council of ICAI 2020-2021

Chairman : CMA Harkesh Tara

A-1-B/49, Paschim Vihar,
New Delhi-110063
E-mail : harkesh_tara2001@yahoo.com
Mobile : 09311959678

Vice Chairman : CMA Shailendra Kumar Paliwal

5/474, Viram Khand, Gomti Nagar,
Lucknow-226010
E-mail : shailendra_aicwa@yahoo.co.in
(M) 9838106838

Secretary : CMA Manish Kandpal

10 (D), Sector-7, Pocket-1, Dwarka
New Delhi-110075
E-mail : manishkandpal2009@yahoo.in
(M) 9873319834

Treasurer : CMA Santosh Pant

312, Nipun Plaza, Vaishali Sec-4
Ghaziabad-201010
E-mail : santoshcma8@gmail.com
(M) 9873343042

Member : CMA Anil Sharma

H. No.142, Sector-23 A,
Chandigarh - 160023
E-mail : anil_sharma01us@yahoo.com
(M) : 9872073456

Member : CMA Rajendra Singh Bhati

1st Floor, Plot No. 42,
Hari Om Tower,
Manji Ka Hata, Paota
Jodhpur-342001
E-mail : rsbcost@gmail.com
Mobile : 09929912555

Member : CMA Sandeep Goel

410, Pratap Bhawan,
5, Bahadur Shah Zafar Marg
New Delhi-110002
E-mail : masandeepgoel@gmail.com
(M) 9810741090

CENTRAL COUNCIL MEMBERS

CMA Balwinder Singh

F -125, Phase VIII - B
Industrial Area, Sector - 74,
Mohali, Chandigarh - 160071
(M) 9814168636
E-mail : balwinder@costaccountant.in

CMA Vijender Sharma

11, 3rd Floor Hargovind Enclave,
Vikas Marg, Delhi - 110092
E-mail : vijender.sharma@vsa.net.in
Mobile : +91 9810166877

CMA Rakesh Bhalla

#4551-C, Sector-70, SAS Nagar,
Mohali-160059
E-mail : nancybhalla@yahoo.com
(M) 9779010685

GOVERNMENT NOMINEES

Sh. Manmohan Juneja

OSD in O/o DGCoA
Ministry of Corporate Affairs
Shastri Bhawan
New Delhi-110001
Email :

Sh. Sushil Behl

2084/37, Gurudwara Road,
Karol Bagh,
New Delhi-110005
Email :

CA Mukesh Singh Kushwah

Practicing Chartered Accountant with
M/S. Kushwah & Company
III J 50, Nehru Nagar,
Ghaziabad - 2010001
Email :

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Editor: CMA Kalyani Karna
(On behalf of NIRC of the Institute of Cost Accountants of India)

Published by: NIRC of the Institute of Cost Accountants of India

Editorial Board:
CMA Harkesh Tara
CMA Deepika B. Prasad
CMA Santosh Pant
CMA Manish Kandpal

Periodicity: Bi-Monthly
Language: English

Disclaimer : *The views expressed by authors are personal and do not necessarily present the views of Institute. NIRC of the Institute of Cost Accountants of India is not in any way responsible for the result of any action taken on basis of articles/ advertisements published in the Newsletter.*

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Chairman's Communique

Dear Members,

Live life to the fullest, focus on positive

I am writing you this column amidst peak of Corona in our country and I wish and hope you all are safe and following all guidelines prescribed by the Government of India to fight the devil Corona. Indeed it's testing time for all of us and a time to show patience. I am very much sure, the things will improve very soon and we will be able to live our normal lives without any fear of such virus.

There is no doubt pandemic has effected all spheres of society. We CMAs are not exceptions. Our CMA family has lost some of our colleagues and many of us have recovered from Covid. Due to sudden spread of corona, our country faced shortage of infrastructure to deal with it. Many Government and private agencies came forward to help people, in whatever way they can.

We at NIRC also set up a CMA NIRC Covid Helpdesk consisting a group of persons to help our own members, students, staff members and their immediate family members. CMA Rajeev Makhija came forward to lead the team voluntarily. So far to my satisfaction they have helped many members. They are collecting authenticated information (regarding plasma, beds, oxygen etc) from our members and helping needy ones. You all are requested to kindly make sure your contribution too. You can reach CMA Rajeev Makhija at his mobile no. 9212131789.

Due to various corona related restrictions in our country, the economic environment is, and will continue to be, uncertain, at least, during 2020-21. The high rate of inflation and a depreciating rupee are a cause for concern to people in general and the business community in particular. In spite of these trying circumstances, CMAs are better equipped to help the industries to face business challenges and to continue to grow aggressively and profitably. In this regard NIRC conducted Northern India Regional Chapters meet on 8th May 2021. Around 24 chapters across Northern India participated and discussed various matters related to the growth of CMA profession. It was also discussed how to help the industries around in best possible way to overcome depressive state of business environment. It was also discussed how to increase the possibility of creating jobs for members and helping students to get industrial training. Various suggestions were shared and will take final shape in a very near future.

At the end, I would like to request you all once again to please take care of yourself and your nears n dears. Follow all guidelines of government by putting masks, keeping social distancing, Work from home as far as possible, taking vaccine etc. Let's hope the light is near to the end of tunnel.

FCMA Harkesh Tara
Chairman-NIRC OF ICAI



Secretary's Communique

Dear Professional Colleagues,

Warm Greetings to Our Members and Students!

"Strive not to be a success, but rather to be of value."-Albert Einstein

India is currently witnessing a massive surge in the number of cases of COVID-19. We are confronting challenges on many fronts and to tackle them we are entrusting tremendous efforts and drives giving positive vibes to all that the pandemic may finally bid adieu from us and expecting return to normalcy ahead. We all are testing our strengths to rebound, reorganize and reimagine. Amid all these, our thoughts have not stopped rather we are steering ourselves where we want to go.

"Take up one idea. Make that one idea your life – think of it, dream of it, live on that idea. Let the brain, muscles, nerves, every part of your body, be full of that idea, and just leave every other idea alone. This is the way to success." - Swami Vivekananda

We live in a quantitative age with measurability from our economies to our technologies. Technology, connection and complexity are defining this new era. NIRC is leading the way with new initiatives around sustainability, and indigenization. NIRC is making advances in various fields that are pertinent to our social, technological and economic development taking up various activities at NIRC and chapters. The summary of our programs held during the months of February and March 2021 is as follows:

MoU with BUSY Accounting Software: NIRC of the Institute of Cost Accountants of India has signed MOU with Business Software provider Busy Infotech Pvt. Ltd.

As part of the MoU, BUSY will be making its flagship product BUSY ACCOUNTING SOFTWARE available to the members of NIRC at 50% DISCOUNT.

Empanelment of NIRC with three premier hospitals (BLK/MAX/Yashoda Super Speciality Hospitals): NIRC of the Institute of Cost Accountants of India is now empanelled with BLK Super Speciality Hospitals, MAX Super Speciality Hospitals and Yashoda Super Speciality Hospitals (Kaushambi). Under this arrangement all the members, employees, students and their dependents can avail the benefits as per the agreement.

Webinar on Union Budget 2021: NIRC has been conducted webinar for brief discussion on Union Budget 2021 on 05.02.2021 where our experts shared beauty of knowledge, and diversity of thoughts.

Interview session by Jaipur Chapter of NIRC: We encourage our students to cultivate a broad, inclusive, inventive spirit. Jaipur Chapter organised interview session on 13th February, 2021 for selecting students for practical training.

Felicitation program by Kota Chapter of NIRC: By fusing academic excellence with entrepreneurial opportunity and research intensity, NIRC has a unique system and culture that makes innovative and enthusiastic spirit more likely among our students. Kota Chapter of NIRC organised a Felicitation Program for our students clearing Foundation and Intermediate CMA Examination in December 2020 and it was held on 27th Jan, 2021.

International Women's Day celebration: Jaipur Chapter of NIRC celebrated International Women's Day on Sunday the 7th March 2021.

Webinar by Women Committee: Women Committee of NIRC on 27.02.2021 conducted a webinar discussing Transaction Audit under IBC, Blocked credit u/s 17(5) of GST, Role of independent director/women director, and India Partnership Act/LLP.

NIRC-CMA COVID-19 Helpdesk: NIRC has introduced NIRC-CMA COVID-19 Helpdesk which will collect information related to oxygen, beds, medicines, plasma, ambulance services and other services for the benefit of our members, students, employees and their immediate family members. The document will have information that will be verified by us, complete with contact details and other information that our members might need during this tough time.

Through the implementation of our strategic plan, we are moving proactively and intentionally. Altruism, giving selflessly to empower one another through inclusiveness, appreciation, and stewardship, is a core value of our NIRC Team. I am thankful to our members, and students for their kind and consistent support. I always look forward to your valuable suggestions and feedback.

Yours Truly,

CMA Manish Kandpal
Secretary

GLIMPSES OF NIRC ACTIVITIES FEBRUARY-MARCH 2021



Interactive session on “Decoding Budget 2021” organised by Gas Authority of India Limited Study Circle (GAIL) chaired by CMA Sh. A.K. Tiwari, Director Finance and, in the presence of CMA Sh. Biswarup Basu, President, ICAICMA, CMA Sh. Chittranjay Chattopadhyay & CMA Sh. Harkesh Tara, Chairman, NIRC, CMA Sh Santosh Pant.



Interactive session on “Decoding Budget 2021” organised by Gas Authority of India Limited Study Circle (GAIL)

CMA Harkesh Tara, Chairman, NIRC of ICAI-CMA met CMA P.K. Aggarwal Chief Advisor Cost – MoF on 26.03.2021.

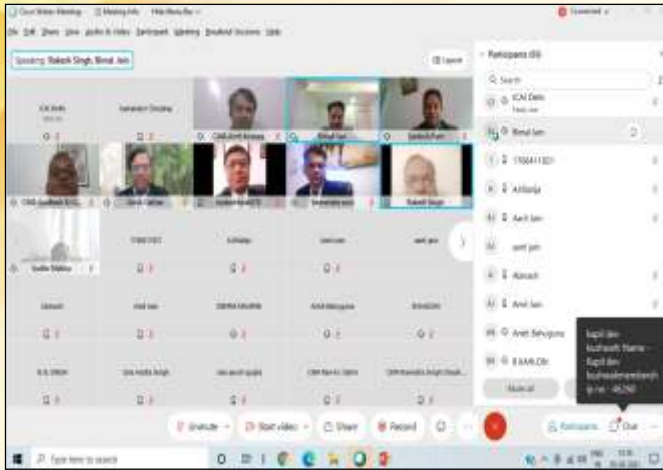


CMA Harkesh Tara, Chairman, NIRC of ICAI-CMA met CMA Amardeep Singh, Adviser (Cost)-MoF Cost on 26.03.2021.

CMA Harkesh Tara, Chairman, NIRC of ICAI-CMA met CMA I.P. Singh, Additional Chief Advisor Cost on 26.03.2021.

NIRC WEBINARS

Webinar on Union Budget 2021 -



Highlights

NIRC has been conducted webinar on union budget 2021 – Highlights on dated 05.02.2021 Friday from 1 Pm to 2:30 Pm. CMA Rakesh Singh, former President ICAI – CMA was Chief guest of the webinar. CA Bimal Jain (Gst& Indirect Tax Expert) and CMA Amit Kumar (Practicing Cost Accountant) were the



keynote speakers. The webinar was held through online mode.

Women Committee Conducting Webinar

Women committee of NIRC on 27.02.2021 Saturday from 3 Pm onwards on various topics i.e. (Transaction Audit under IBC,

Blocked credit u/s 17(5) of Gst, Role of independent director/women director, India Partnership Act/LLP) . CMA Deepika B Prasad, CMA Arti Agarwal, CMA ChaitraliGoswami, CMA through online mode.

Webinar on International Women's Day

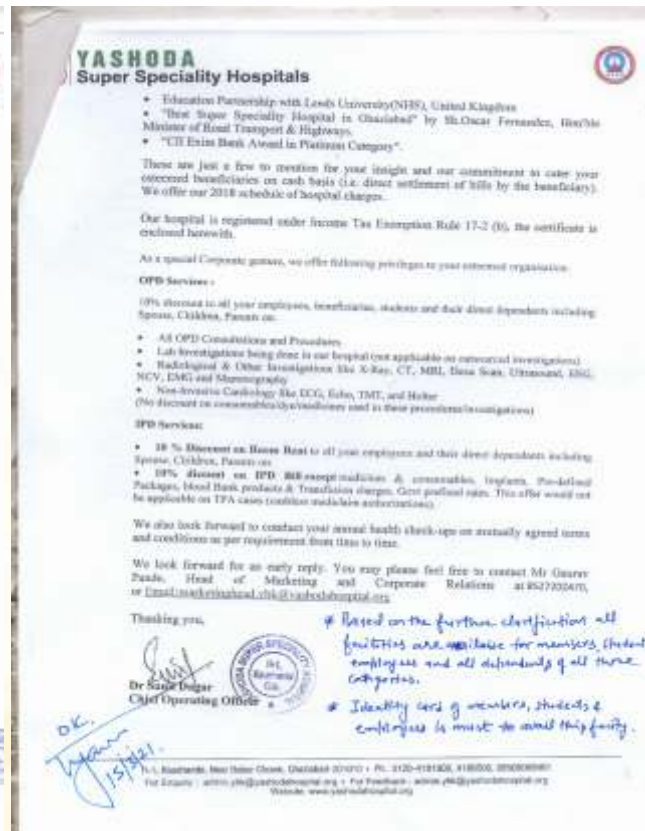
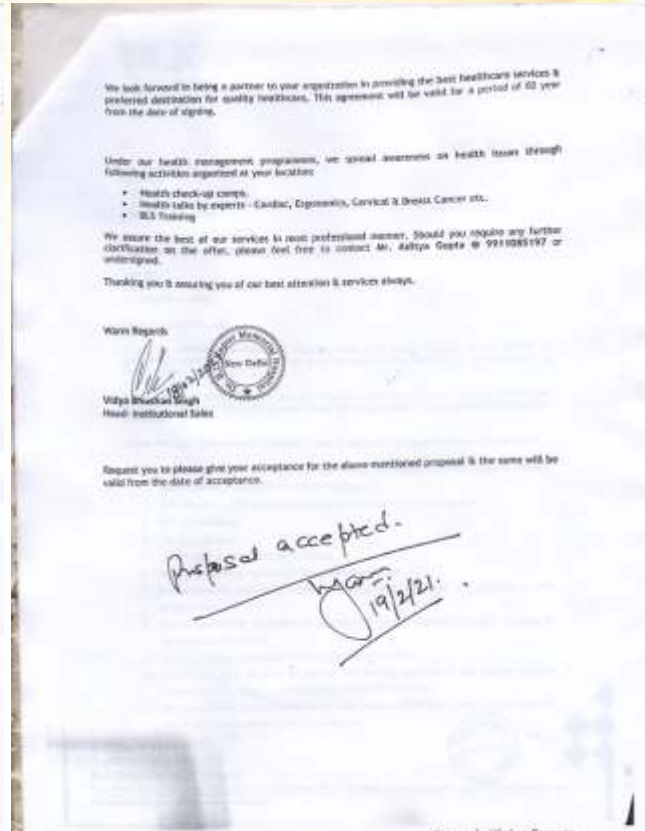
NIRC has been conducted a webinar on the occasson of International Women's day on 8.03.2021 Monday from 5 Pm to 7 Pm . Ms. RekhaPalli(Hon'ble Judge, Delhi High Court) was the guest of honor. CMA Deepika B Prasad (Practicing Cost Accountant) and CMA ChitraleeGoswami (GM – Head Finance, ONGC.) were the keynote speaker of the webinar. The Webinar was conducted through online mode on cisco webex.

CMAs won inaugural match of CMA Challenger Cricket Cup 2021



CMAs won inaugural match of CMA Challenger Cricket Cup 2021, organised by Northern India Regional Council, by beating SHOBIZ by 5 wickets. Man of the match CMA Vishwajeet who scored 92 unbeaten.SHOBIZ 146 in 20 overs, CMAs 150/5

Empanelment of NIRC : NIRC of the Institute of Cost Accountants of India is now empanelled with BLK Super Speciality Hospitals and Yashoda Super Speciality Hospitals(Kaushambi). Under this arrangement all the members, employees, students and their dependents can avail the benefits as per the agreement.



Busy

MEMBERS ACCOUNTING SOFTWARE

To

Date : March 11, 2021

The Chairman/ Secretary
Northern India Regional Council,
The Institute of Cost Accountants of India
Lodhi Road, New Delhi

Kind Attn: Mr. Manish Khandelwal, Secretary NIRC (ICAI)

Dear Sir,

This has reference to your e-mail and our subsequent discussion regarding rate proposal for members of Institute of Cost Accountants of India (NIRC). First of all we thank you for showing interest in associating with us. We are equally keen to have a formal tie-up with prestigious institute like The Institute of Cost Accountants of India. We hope that our association will provide an opportunity to both of us in empowering many professionals in delivering quality services to their clients.

With this letter, please find attached our Commercial Proposal for your reference and in case you need any information, kindly feel free to contact the undersigned at any time. We will be glad to furnish required details at the earliest.

Looking forward to a long association.

Respectfully,

S. S. Deyan
(General Manager)

Encl:

1. Commercial Proposal
2. Comparison between BUSY Variants

Page 1 of 2

Busy Infotech Pvt. Ltd.

(CIN: U72200DL1999PT028000)

Regd. Office : 208, N/O, Tower, 2 Conventry Centre, Westpark Industrial Area, Gurgaon
Ph: 011-27770882 / 0885 / 0884 | Fax: 011-27774284 | E-mail: sales@busy.in | URL: www.busy.in
Branch Office: 2nd Floor, Kumar Tower, 16 Conventry Centre, Westpark Industrial Area, Gurgaon | Ph: 011-27770882

Date : March 11, 2021

To

The Chairman/ Secretary
Northern India Regional Council,
The Institute of Cost Accountants of India
Lodhi Road, New Delhi

Kind Attn: Mr. Manish Khandelwal, Secretary NIRC (ICAI)
Subject: Rate Proposal for supply of BUSY to members of CMA

Dear Sir,

Kindly refer to our telephonic discussion, we are pleased to share our best offer for BUSY Accounting software for CMA. The offer is as below:

Sr. No.	Item Description	List Price	Discount	Effective Price
1	Enterprise Single User (Version 21)	18,000	50%	9,000
2	Standard Single User (Version 21)	13,500	50%	6,750

Terms & Conditions

1. Price: List Prices are subject to change without any prior notice however the discount of 50% will remain applicable for new licenses.
2. Tax: Extra as applicable.
3. License: Dual and Multi-user variant of above editions are available at 1.5x and 2.5x cost of their single user variant.
4. Updates: One year free updates, post one year, if a client needs update, they need to subscribe BUSY license subscription (BLS). Under the scheme, 50% discount will be offered on normal BLS prices prevailing at that time.
5. Payment: 100% advance along with purchase order.
6. Product Use: Products issued under this scheme is for practicing members only and for their professional use only.
7. Validity: This offer is initially applicable for one year from the date of MOU and subject to renewal based on mutual agreement.

In case of any clarification or further discussion, kindly feel free to get in touch with undersigned.

Thanking you and assuring you of our best services at all times.

For Busy Infotech Pvt. Ltd.

Auth: 
Secretary

For NIRC of The Institute of Cost Accountants of India

CMA Manish Khandelwal
Secretary (NIRC)

CMA Harshesh Tera
Chairman (NIRC)

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GLIMPSES OF CHAPTER ACTIVITIES



Ludhiana Chapter conducted Communication & Soft skill training sessions & IOTP Sessions in March for Students in Seminar Hall, GGNIMT Ludhiana.



Kota Chapter of Cost Accountants inaugurated the Oral Coaching session for the period June term on 20th Feb. 2021.



Seminar on Companies (Cost Records and Audit) Rules, 2014 (as amended) organised by Kota Chapter on 7th March 2021



CMA Harkesh Tara, Chairman, NIRC of ICAI-CMA met CMA A.K. Pal, Advisor (Ministry of Finance)



CMA Harkesh Tara, Chairman, NIRC of ICAI-CMA met CMA Ajoy Choudhary Ji, Director Finance-REC Ltd. on 12.02.2021 along with CMA Santosh Pant, Treasurer – NIRC of ICAI.



CMA Harkesh Tara, Chairman NIRC of ICAI-CMA met Shri Rajesh Verma Ji, IAS, Secretary Ministry of Corporate Affairs along with CMA Manish Kandpal, Secretary & CMA Santosh Pant, Treasurer NIRC of ICAI

CHAPTER ACTIVITY

Faridabad Chapter



Organized Holi Milan Samaroh 2021 On Saturday 27 march 2021 with Covid Guidelines.

CMA Varun Sukhija-Secretary of the chapter has initiated the programme for Get Together of CMA Members with approval of Managing Committee members.

Programme was started on 6 pm at Community Centre, Dabua Colony Faridabad

CMA Varun Sukhija –Secretary of the chapter invited Mr. Deepak Kumar Singh (Corporate Trainer) for Stress Free Activity & Fun Activities for the members on this Event.

CMA Sachin Kathuria –Chairman of Faridabad chapter & other Committee members welcome Deepak Kumar Singh at venue.

CMA Varun Sukhija –Secretary lead the event with other managing committee member & welcoming the Member at the Entry gate.

Approx 30 Members have joined this programme.

Members have engaged with the activities conducted by Deepak Ji like Ballon in Air, Sit one by one, Interaction with team, Laughter Yoga & much more.

Few of the members participated & sang songs, poetry, jokes etc. & members have enjoyed a lot &

participated in the activities actively & few of members requested that these activities will be arranged on occasions.

Programme was very organized & a grand success. All the members attended there appreciated the arrangement.

Programme was followed by the Dinner.

Certificate of Appreciation was given to Deepak Ji by Managing Committee members present at venue.

JAIPUR CHAPTER

INTERVIEW SESSION FOR PRACTICAL TRAINING



Jaipur Chapter organised interview session on 13th February, 2021 for selecting students for practical training in Genus Power, JCB India, Jain Sanjay Kumar and Co. and Harendra Kumar Pareek & Co. More than 40 students attended interview out of which around 15 students were selected for practical training in above organisation/ practicing firms. Interview were conducted by CMA Sanjay Jain, Ex Chairman, Jaipur Chapter and CMA Harendra Kumar Pareek, Treasurer, Jaipur Chapter.

Students showed keen interest in this program. The program was coordinated by CMA P.D. Agarwal, Director Coaching.

CHAPTER ACTIVITY

INTERNATIONAL WOMEN'S DAY CELEBRATION



Jaipur Chapter celebrated International Women's Day on Sunday the 7th March 2021 (8th March being Working Day might affect attendance). The program was basically for Get Together of ladies to create bond interaction which might help each other grow professionally. Chief Guest of the program was CMA Vinita Baraya, Ex Vice-Chairman of the Chapter.



In the beginning of the program Chairman CMA Swapnil Bhandari welcomed Chief Guest and all the participating ladies. Thereafter Chief Guest CMA Vinita Baraya addressed the Participants.

On this occasion CMA Harendra Kumar Pareek, Treasurer of the Chapter also addressed the participants.



All the lady Members were welcomed by Flower Bouqueand Cake cutting ceremony was organised. Games were also organised and crown were presented to all the lady Members.

More than 20 Lady Members took part in the celebration with great enthusiasm.

The program was coordinated and conducted by CMA Purnima Goyal, Executive Members of the Chapter.

KOTA CHAPTER

Celebration of Results:-

Celebration and Felicitation for Foundation passed students passed in CMA examination Dec. 2020 held on 27th Jan, 2021 at ; 6 CMA Bhawan, Kota. CMA Akash Agarwal (Chairman), CMA S.N. Mittal (Chairman-P.D.Committee), CMA A.K.



Jethalia (Secretary), CMA Tapes Mathur (vice-Chairman), CMA S.P.Gupta (Treasurer), CMA M.B. Sonkhiya (Chairman-Students Committee), CMA Poorva Agarwal (Office Incharge), CMA Titiksha Jain (Executice Member), Ajay Kabra (Student Member) other members and passed students participated the program.

Inaugural of Oral Coaching (Jan. - June 2021 Semester):-

Kota Chapter of Cost Accountants inaugurated the Oral Coaching session for the period June term on 20th Feb.2021. CMA S.N. Mittal(Chairman P.D. Committee),CMA Tapes Mathur (Vice-Chairman),CMA A.K. Jethalis (Secretary),CMA M.B. Sonkhiya, CMA R.P Vyas, CMA J.P Sarda other members and students participated the inaugurated session.

Seminar on Corporate Laws ("Companies Act 2013- Role of Independent Directors/ Women Directors") on 21 Feb.



Kota Chapter organised Seminar on Corporate Laws (“Companies Act 2013- Role of Independent Directors/ Women Directors”) on 21 Feb. being celebrating Corporate Month. In which Key Speaker CMA R.P.Vyas deliberated about Companies Act-2013, Appointment, eligibility and responsibility of Independent Directors etc.

CMA S.N.Mittal (Chairman- P.D Committee), CMA Tapes Mathur (Vice- Chairman), CMA A.K.Jethalis (Secretary), CMA M.B. Sonkhiya, CMA S.P.Gupta, CMA M.B.Sonkhiya, CMA Titiksha Jain other members and students participated the seminar.

Companies (Cost Records and Audit) Rules, 2014 (as amended)

Seminar on Companies (Cost Records and Audit) Rules, 2014 (as amended) on 07th March, 2021 at CMA Bhawan, Kota. Key Speaker CMA S. N. Mittal, Practicing Cost Accountant and Chairman- P.D.Committee) Kota Chapter. Discussed about applicability & maintenance of Cost Records Rules, regarding appointment of Cost Auditor, applicability of Cost records and Cost Audit and preparation of Cost audit report in different industries.

In which Guest of honour- CS Rahul Jain (Company Secretary- Multimatels Group, Kota), CMA Tapes Mathur (Vice- Chairman), CMA A.K.Jethalis (Secretary), CMA S.P. Gupta (Treasurer), CMA Satyawan Sharma, CMA Jai Bansal, CMA Titiksha Jain (Executive members) other Members and Students participated in the programme.



Liaison Drive-

15 March, 2021 -Meeting with Shri K.K. Jindal Ji (General Manager F & A) CFCJ, Kota, by CMA S.N. Mittal (Chairman- P.D.Committee, Kota Chapter and CMA Rajendra Natani (Former Secretary- Kota Chapter) Discussed about various professional issues regarding placement and training to CMA Students and members in CFCL.

16 March, 2021 -Meeting with CMA Lalit Maheshwari ji (CFO, Allen, Kota) by CMA S.N. Mittal (Chairman- P.D.Committee, Kota Chapter and CMA Tapes Mathur (Vice- Chairman- Kota Chapter) Discussed about various professional issues regarding placement and training to CMA Students and members in Allen Career Institute.

They agreed for training and placement of CMA Students/CMA Members in their organizations



Ludhiana Chapter

Ludhiana Chapter conducted Communication & Soft skill training sessions & IOTP Sessions in March for Students in Seminar Hall, GGNIMT Ludhiana.

Approx. 50 Students participated in the session. The keynote speaker for the session was

- Dr Ramandeep Kaur, Asst. Professor, DCA
- Ms Priya Arora, Asst. professor, DBM

The Award of Honor was given to Prof. Manjit Singh Chhabra, Director, GGNIMT by CMA Harmet Bawa, Secretary & CMA Monika Duggal, Vice Chairperson

**दिसंबर में हुई थी परीक्षा
कॉस्ट मैनेजमेंट फाउंडेशन
परीक्षा में 70% छात्र पास**

कोटा | दी इंस्टीट्यूट ऑफ कॉस्ट एकाउंटेंट्स ऑफ इंडिया ने कॉस्ट एंड मैनेजमेंट कोर्स की फाउंडेशन परीक्षा का रिजल्ट घोषित कर दिया है। कोटा चैप्टर के चेयरमैन सीएमए आकाश अग्रवाल ने बताया कि फाउंडेशन में 70.59% छात्र पास हुए हैं। सीएमए मुकुट सोखिया ने बताया कि कोटा सेंटर से 34 स्टूडेंट्स ने परीक्षा दी थी, जिसमें से 24 पास हुए हैं। प्रोफेशनल डेवलपमेंट कमेटी चेयरमैन सीएमए एसएन मित्तल ने बताया कि पास हुए स्टूडेंट्स 31 जनवरी तक इंटरमीडिएट में रजिस्ट्रेशन करवा कर जून 2021 में होने वाली परीक्षा में शामिल हो सकते हैं।

कोटा सेंटर से 24 विद्यार्थी पास



**कॉस्ट एंड मैनेजमेंट कोर्स
की फाउंडेशन परीक्षा का
परिणाम घोषित**

कोटा @ पत्रिका . दी इंस्टीट्यूट ऑफ कॉस्ट एकाउंटेंट्स ऑफ इंडिया कोलकता की ओर से कॉस्ट एंड मैनेजमेंट कोर्स की दिसम्बर 2020 में आयोजित फाउंडेशन परीक्षा का परिणाम घोषित कर दिया गया। कोटा चैप्टर चेयरमैन आकाश अग्रवाल ने बताया कि फाउंडेशन में 70.59 प्रतिशत छात्र पास हुए हैं। स्टूडेंट्स कमेटी के चेयरमैन मुकुट सोखिया ने बताया कि कोटा सेंटर से 34 परीक्षार्थी ने परीक्षा दी थी। इसमें

से 24 स्टूडेंट्स पास हुए हैं। प्रोफेशनल डेवलपमेंट कमेटी चेयरमैन एसएन मित्तल ने बताया कि पास विद्यार्थी 31 जनवरी तक इंटरमीडिएट में रजिस्ट्रेशन करवा कर जून 2021 में होने वाली परीक्षा में शामिल हो सकते हैं। चैप्टर सेक्रेटरी अशोक जैथलिया ने बताया कि कोटा चैप्टर से पास सभी विद्यार्थियों का गुरुवार को सम्मान किया गया। इसमें स्टूडेंट्स एवं चैप्टर ट्रेजरर सुरेन्द्र प्रकाश गुप्ता, वाइस चेयरमैन तपेश माधुर, कमेटी मेंबर तितिक्षा जैन, स्टूडेंट मेंबर अजय कावरा, सीएमए पूर्वा अग्रवाल समेत अन्य सदस्यों ने भाग लिया।

**कम्पनीज कॉस्ट ऑडिट व
रिकॉर्ड रूल्स पर सेमिनार**



नवज्योति/कोटा

दी इंस्टीट्यूट ऑफ कॉस्ट अकाउंटेंट्स ऑफ इंडिया-कोटा चैप्टर द्वारा कम्पनीज कॉस्ट ऑडिट व रिकॉर्ड रूल्स पर रविवार को सेमिनार का आयोजन सीएमए भवन में किया गया।

कोटा चैप्टर प्रोफेशनल डेवलपमेंट कमेटी चेयरमैन और मुख्य वक्ता सीएमए एस.एन.मित्तल ने कम्पनीज कॉस्ट ऑडिट व रिकॉर्ड रूल्स, 2014 में अभी तक अमेन्डेड नियमों की विस्तार से जानकारी दी। उन्होंने बताया कि सभी कंपनियां जिनका गत वर्ष का वार्षिक टर्नओवर 35 करोड़ से अधिक है, उन्हें कॉस्ट रिकार्ड्स तथा 100 करोड़ से अधिक पर कॉस्ट अकाउंटेंट्स से रिकॉर्ड ऑडिट करना अनिवार्य है। मित्तल ने लागत लेखाकार की नियुक्ति से कॉस्ट ऑडिट रिपोर्ट तैयार कर भारत सरकार को भेजने तक के नियमों की विस्तार से जानकारी दी। उन्होंने कॉस्ट ऑडिट नियमों के साथ कॉस्ट रिकॉर्ड रखने तथा कॉस्ट ऑडिट करने सम्बन्धी प्रैक्टिकल समस्याओं को भी बताया। सेमिनार में गेस्ट ऑफ ऑनर सीएस राहुल जैन- सेक्रेटरी मल्टिमेटल्स ग्रुप थे। चैप्टर सेक्रेटरी सीएमए अशोक जैथलिया ने संचालन किया तथा सीएमए सत्यान शर्मा ने धन्यवाद दिया। चैप्टर वाइस चेयरमैन तपेश माधुर, ट्रेजरर सीएमए सुरेन्द्र गुप्ता, कमेटी मेंबर्स-जय बंसल, तितिक्षा जैन, अन्य सदस्यों एवं स्टूडेंट्स ने भाग लिया।

**Media Coverage of
Seminar**

**कम्पनीज कॉस्ट रिकार्ड एंड
ऑडिट रूल्स पर सेमिनार**

कोटा | कोटा की इंस्टीट्यूट ऑफ कॉस्ट अकाउंटेंट्स ऑफ इंडिया-कोटा चैप्टर द्वारा कम्पनीज कॉस्ट ऑडिट एवं रिकॉर्ड रूल्स पर सेमिनार सीएमए भवन में आयोजित की। सेमिनार में चैप्टर चेयरमैन सीएमए आकाश अग्रवाल ने स्वागत भाषण दिया। कोटा चैप्टर प्रोफेशनल डेवलपमेंट कमेटी चेयरमैन सीएमए एसएन मित्तल ने कम्पनीज कॉस्ट ऑडिट एवं रिकॉर्ड रूल्स, 2014 में आज तक अमेन्डेड की जानकारी दी।

सेमिनार में गेस्ट ऑफ ऑनर सीएस राहुल जैन- सेक्रेटरी मल्टिमेटल्स ग्रुप थे। चैप्टर वाइस चेयरमैन तपेश माधुर, ट्रेजरर सीएमए सुरेन्द्र गुप्ता, कमेटी मेंबर्स-जय बंसल, तितिक्षा जैन आदि सदस्य, स्टूडेंट्स ने भाग लिया। चैप्टर सेक्रेटरी सीएमए अशोक जैथलिया ने संचालन किया। सीएमए सत्यान शर्मा ने आभार जताया।

**कम्पनीज रूल्स
2014 पर सेमिनार**

कोटा 7 फरवरी | कोटा की इंस्टीट्यूट ऑफ कॉस्ट अकाउंटेंट्स ऑफ इंडिया-कोटा चैप्टर द्वारा कम्पनीज कॉस्ट ऑडिट एवं रिकॉर्ड रूल्स पर सेमिनार का आयोजन सीएमए भवन, कोटा में किया गया। सेमिनार में चैप्टर चेयरमैन सीएमए आकाश अग्रवाल ने स्वागत भाषण दिया।

कोटा | चैप्टर प्रोफेशनल डेवलपमेंट कमेटी चेयरमैन एवं मुख्य वक्ता सीएमए एस.एन.मित्तल ने कम्पनीज कॉस्ट ऑडिट एवं रिकॉर्ड रूल्स, 2014 में आज तक अमेन्डेड नियमों की विस्तार से जानकारी दी। उन्होंने बताया कि सभी कंपनियां जिनका गत वर्ष का वार्षिक टर्नओवर 35 करोड़ से अधिक है, उन्हें कॉस्ट रिकार्ड्स तथा 100 करोड़ से अधिक पर कॉस्ट अकाउंटेंट्स से कॉस्ट ऑडिट करना अनिवार्य है। सेमिनार में गेस्ट ऑफ ऑनर सीएस राहुल जैन सेक्रेटरी मल्टिमेटल्स ग्रुप थे। चैप्टर सेक्रेटरी सीएमए अशोक जैथलिया ने संचालन किया तथा सीएमए सत्यान शर्मा ने धन्यवाद देकर आभार व्यक्त किया।

Desh ki Dharti

Denik Bhaskar



Key Highlights Of Union Budget 2021-22

CMA Shubham Goyal
(Practicing Cost Accountant)

Part A

The Budget proposals for 2021-2022 rest on 6 pillars.

- i. Health and Wellbeing
- ii. Physical & Financial Capital, and Infrastructure
- iii. Inclusive Development for Aspirational India
- iv. Reinvigorating Human Capital
- v. Innovation and R&D
- vi. Minimum Government and Maximum Governance

“The growth and development of any nation depends on a healthy workforce. Health for all should be a guiding principle of the Government.”

1. Health and Wellbeing

Taking a holistic approach to Health, focus on strengthening three areas: Preventive, Curative, and Wellbeing.

Health Systems

A new centrally sponsored scheme, PM Atma Nirbhar Swasth Bharat Yojana, will be launched with an outlay of about ₹ 64,180 crores over 6 years. This will develop capacities of primary, secondary, and tertiary care Health Systems, strengthen existing national institutions, and create new institutions, to cater to detection and cure of new and emerging diseases. This will be in addition to the National Health Mission. The main interventions under the scheme are:

- a. Support for 17,788 rural and 11,024 urban Health and Wellness Centers
- b. Setting up integrated public health labs in all districts and 3382 block public health units' in 11 states;
- c. Establishing critical care hospital blocks in 602 districts and 12 central institutions;
- d. Strengthening of the National Centre for Disease Control (NCDC), its 5 regional branches and 20

metropolitan health surveillance units;

- e. Expansion of the Integrated Health Information Portal to all States/UTs to connect all public health labs;
- f. Operationalization of 17 new Public Health Units and strengthening of 33 existing Public Health Units at Points of Entry, that is at 32 Airports, 11 Seaports and 7 land crossings;
- g. Setting up of 15 Health Emergency Operation Centers and 2 mobile hospitals; and
- h. Setting up of a national institution for One Health, a Regional Research Platform for WHO South East Asia Region, 9 Bio-Safety Level III laboratories and 4 regional National Institutes for Virology.

Vaccines

The Pneumococcal Vaccine, a Made in India product, is presently limited to only 5 states will be rolled out across the country. This will avert more than 50,000 child deaths annually.

Government have provided ₹ 35,000 crores for Covid-19 vaccine in BE 2021-22. Government committed to provide further funds if required.

The Budget outlay for Health and Wellbeing is ₹ 2,23,846 crores in BE 2021-22 as against this year's BE of ₹ 94,452 crores and increase of 137 percentage.

Swachh Bharat, Swasth Bharat

For further swachhta of urban India, Government intend to focus on complete faecal sludge management and waste water treatment, source segregation of garbage, reduction in single-use plastic, reduction in air pollution by effectively managing waste from construction-and-demolition activities and bio-remediation of all legacy dump sites. The Urban Swachh Bharat Mission 2.0 will be implemented with a total financial allocation of ₹ 1,41,678 crores over a period of 5 years from 2021-2026.

Clean Air

To tackle the burgeoning problem of air pollution, Government propose to provide an amount of `2,217 crores for 42 urban centres with a million-plus population in this budget.

2. Physical and Financial Capital and Infrastructure

Sharp Increase in Capital Budget

In the BE 2020-21, Government had provided `4.12 lakh crores for Capital Expenditure. It was our effort that in spite of resource crunch Government should spend more on capital and Government are likely to end the year at around `4.39 lakh crores which Government have provided in the RE 2020-21. For 2021-22, Government propose a sharp increase in capital expenditure and thus have provided `5.54 lakh crores which is 34.5% more than the BE of 2020-21. Of this, Government have kept a sum of more than `44,000 crores in the Budget head of the Department of Economic Affairs to be provided for projects/programmes/departments that show good progress on Capital Expenditure and are in need of further funds. Over and above this expenditure, Government would also be providing more than `2 lakh crores to States and Autonomous Bodies for their Capital Expenditure.

It will also work out specific mechanisms to nudge States to spend more of their budget on creation of infrastructure.

Roads and Highways Infrastructure

More than 13,000 km length of roads, at a cost of `3.3 lakh crores, has already been awarded under the `5.35 lakh crores Bharatmala Pariyojana project of which 3,800 kms have been constructed. By March 2022, Government would be awarding another 8,500 kms and complete an additional 11,000 kms of national highway corridors.

To further augment road infrastructure, more economic corridors are also being planned.

Railway Infrastructure

Indian Railways have prepared a National Rail Plan for India – 2030. The Plan is to create a ‘future ready’ Railway system by 2030.

Bringing down the logistic costs for our industry is at the core of our strategy to enable ‘Make in India’. It is expected that Western Dedicated Freight Corridor (DFC) and Eastern DFC will be commissioned by June 2022.

Urban Infrastructure

Government will work towards raising the share of public transport in urban areas through expansion of metro rail network and augmentation of city bus service. A new scheme will be launched at a cost of `18,000 crores to support augmentation of public bus transport services. The scheme will facilitate deployment of innovative PPP models to enable private sector players to finance, acquire, operate and maintain over 20,000 buses. The scheme will boost the automobile sector, provide fillip to economic growth, create employment opportunities for our youth and enhance ease of mobility for urban residents.

A total of 702 km of conventional metro is operational and another 1,016 km of metro and RRTS is under construction in 27 cities. Two new technologies i.e., ‘MetroLite’ and ‘MetroNeo’ will be deployed to provide metro rail systems at much lesser cost with same experience, convenience and safety in Tier-2 cities and peripheral areas of Tier-1 cities.

Ports, Shipping, Waterways Major Ports will be moving from managing their operational services on their own to a model where a private partner will manage it for them. For the purpose, 7 projects worth more than `2,000 crores will be offered by the Major Ports on Public Private Partnership mode in FY21-22.

Increasing FDI in Insurance Sector

Propose to amend the Insurance Act, 1938 to increase the permissible FDI limit from 49% to 74% in Insurance Companies and allow foreign ownership and control with safeguards. Under the new structure, the majority of Directors on the Board and key management persons would be resident Indians, with at least 50% of Directors being Independent Directors, and specified percentage of profits being retained as general reserve

Recapitalization of PSBs

To further consolidate the financial capacity of PSBs, further recapitalization of `20,000 crores is proposed in 2021-22.

3. Inclusive Development for Aspirational India

Agriculture

Government is committed to the welfare of farmers. The MSP regime has undergone a sea change to assure price that is at least 1.5 times the cost of production across all commodities. The procurement

has also continued to increase at a steady pace. This has resulted in increase in payment to farmers substantially.

In case of wheat, the total amount paid to farmers in 2013-2014 was `33,874 crores. In 2019-2020 it was `62,802 crores, and even better, in 2020-2021, this amount, paid to farmers, was `75,060 crores. The number of wheat growing farmers that were benefitted increased in 2020-21 to 43.36 lakhs as compared to 35.57 lakhs in 2019-20.

For paddy, the amount paid in 2013-14 was `63,928 crores. In 2019-2020 this increased `1,41,930 crores. Even better, in 2020-2021, this is further estimated to increase to `172,752 crores. The number of farmers benefitted increased from 1.24 crores in 2019-20 to 1.54 crores in 2020-21. 99.

In the same vein, in case of pulses, the amount paid in 2013-2014 was `236 crores. In 2019-20 it increased `8,285 crores. Now, in 2020-2021, it is at `10,530 crores, a more than 40 times increase from 2013-14.

The receipts to cotton farmers have seen a stupendous increase from `90 crores in 2013-14 to `25,974 crores (as on 27th January 2021).

Early this year, Honourable Prime Minister had launched SWAMITVA Scheme. Under this, a record of rights is being given to property owners in villages. Up till now, about 1.80 lakh property-owners in 1,241 villages have been provided cards. Government now propose during FY21-22 to extend this to cover all states/UTs.

To provide adequate credit to our farmers, Government have enhanced the agricultural credit target to `16.5 lakh crores in FY22. Government will focus on ensuring increased credit flows to animal husbandry, dairy, and fisheries.

Government are enhancing the allocation to the Rural Infrastructure Development Fund from `30,000 crores to `40,000 crores.

The Micro Irrigation Fund, with a corpus of `5,000 crores has been created under NABARD, Government propose to double it by augmenting it by another `5,000 crores.

To boost value addition in agriculture and allied products and their exports, the scope of 'Operation Green Scheme' that is presently applicable to tomatoes, onions, and potatoes, will be enlarged to include 22 perishable products.

Around 1.68 crores farmers are registered and `1.14 lakh crores of trade value has been carried out through e-NAMs. Keeping in view the transparency and competitiveness that e-NAM has brought into the agricultural market, 1,000 more mandis will be integrated with e-NAM.

The Agriculture Infrastructure Fund would be made available to APMCs for augmenting their infrastructure facilities.

Financial Inclusion

To further facilitate credit flow under the scheme of Stand-up India for SCs, STs, and women, Government propose to reduce the margin money requirement from 25% to 15%, and to also include loans for activities allied to agriculture.

Government have taken a number of steps to support the MSME sector. In this Budget, Government have provided `15,700 crores to this sector, more than double of this year's BE.

4. Reinvigorating Human Capital

The National Education Policy (NEP) announced recently has had good reception.

School Education

More than 15,000 schools will be qualitatively strengthened to include all components of the National Education Policy. They shall emerge as exemplar schools in their regions, handholding and mentoring other schools to achieve the ideals of the Policy.

100 new Sainik Schools will be set up in partnership with NGOs/private schools/states.

Higher Education

In Budget 2019-20, Government had mentioned about the setting-up of Higher Education Commission of India. Government would be introducing Legislation this year to implement the same. It will be an umbrella body having 4 separate vehicles for standard-setting, accreditation, regulation, and funding.

Many of our cities have various research institutions, universities, and colleges supported by the Government of India. Hyderabad for example, has about 40 such major institutions. In 9 such cities, Government will create formal umbrella structures so that these institutions can have better synergy, while

also retaining their internal autonomy. A Glue Grant will be set aside for this purpose.

For accessible higher education in Ladakh, I propose to set up a Central University in Leh.

The other important projects to be taken up as part of NEP are listed.

5. Innovation and R&D

In my Budget Speech of July 2019, Government had announced the National Research Foundation. Government have now worked out the modalities and the NRF outlay will be of `50,000 crores, over 5 years. It will ensure that the overall research ecosystem of the country is strengthened with focus on identified national-priority thrust areas.

There has been a manifold increase in digital payments in the recent past. To give a further boost to digital transactions, I earmark `1,500 crores for a proposed scheme that will provide financial incentive to promote digital modes of payment.

Government will undertake a new initiative – National Language Translation Mission (NTLM). This will enable the wealth of governance-and-policy related knowledge on the Internet being made available in major Indian languages.

The New Space India Limited (NSIL), a PSU under the Department of Space will execute the PSLV-CS51 launch, carrying the Amazonia Satellite from Brazil, along with a few smaller Indian satellites.

As part of the Gaganyaan mission activities, four Indian astronauts are being trained on Generic Space Flight aspects, in Russia. The first unmanned launch is slated for December 2021.

Our oceans are a storehouse of living and non-living resources. To better understand this realm, we will launch a Deep Ocean Mission with a budget outlay of more than `4,000 crores, over five years. This Mission will cover deep ocean survey exploration and projects for the conservation of deep sea bio-diversity.

6. Minimum Government, Maximum Governance

Fiscal Position

Government opted for a series of medium-sized packages during the pandemic so that Government could calibrate and target our response according to an evolving situation. Once the health situation stabilised, and the lockdown was being slowly lifted, we switched to ramping up Government spending so

as to revive domestic demand. As a result, against an original BE expenditure of `30.42 lakh crores for 2020-2021, our RE estimates are `34.50 lakh crores. We have maintained the quality of expenditure. The capital expenditure, estimated in RE is `4.39 lakh crores in 2020-2021 as against `4.12 lakh crores in BE 2020-21.

The fiscal deficit in RE 2020-21 is pegged at 9.5% of GDP. Government have funded this through Government borrowings, multilateral borrowings, Small Saving Funds and short term borrowings. Government would need another `80,000 crores for which Government would be approaching the markets in these 2 months. To ensure that the economy is given the required push, our BE estimates for expenditure in 2021-2022, are `34.83 lakh crores. This includes `5.54 lakh crores as capital expenditure, an increase of 34.5% over the BE figure of 2020-2021. The fiscal deficit in BE 2021-2022 is estimated to be 6.8% of GDP. The gross borrowing from the market for the next year would be around `12 lakh crores. Government plan to continue with our path of fiscal consolidation, and intend to reach a fiscal deficit level below 4.5% of GDP by 2025-2026 with a fairly steady decline over the period. Government hope to achieve the consolidation by first, increasing the buoyancy of tax revenue through improved compliance, and secondly, by increased receipts from monetisation of assets, including Public Sector Enterprises and land. The Contingency Fund of India is being proposed to be augmented from `500 crores to `30,000 crores through Finance Bill.

A King/Ruler is the one who creates and acquires wealth, protects and distributes it for common good.

- Thirukkural 385

Part B

Direct Tax Proposals

Government introduced a series of reforms in the Direct tax system for the benefit of our taxpayers and economy. Few months prior to the pandemic, in order to attract investments we slashed our corporate tax rate to make it among the lowest in the world. The Dividend Distribution Tax too was abolished. The burden of taxation on small taxpayers was eased by increasing rebates. In 2020, the return filers saw a dramatic increase to 6.48 crore from 3.31 crore in 2014.

In the Direct Tax administration, Government had recently introduced the Faceless Assessment and Faceless Appeal. Government now seek to take further steps to simplify the tax administration, ease compliance, and reduce litigation

Proposals Proposed Amendments in brief:-

1. Relief to Senior Citizens In order to ease compliance burden on senior citizen pensioners who are of 75 years of age or above, it is proposed to exempt them from the requirement of filing of income tax if the full amount of tax payable has been deducted by the paying bank. This exemption is proposed to be made available to such senior citizens who have only interest income apart from the pension income.
2. Reduction in Time Limits In order to reduce compliance burden, the time-limit for re-opening of assessment is being reduced to 3 years from the current 6 years from the end of the relevant assessment year. Re-opening up to 10 years is proposed to be allowed only if there is evidence of undisclosed income of ` 50 lakh or more for a year. Further, it is proposed to completely remove discretion in re-opening and henceforth re-opening shall be made only in cases flagged by system on the basis of data analytics, objection of C&AG and in search/survey cases.

Further, in order to bring certainty in income tax proceedings at the earliest, it is also proposed to reduce the time limits for general assessment or processing of income tax return by three months and also for filing of returns.

3. Relief for Dividend In order to provide relief to taxpayers, advance-tax liability on dividend income shall arise only after the declaration/payment of dividend. The dividend paid to Real Estate Infrastructure Trusts or Infrastructure Investment Trusts (REIT/InvIT) shall be exempt from TDS. It is also proposed to clarify that deduction of tax on incomes including dividend income of Foreign Portfolio Investors may be made at treaty rate. It is also proposed to exempt dividend payment from levy of Minimum Alternate Tax (MAT) for foreign company if the applicable tax rate is less than the rate of MAT.
4. Setting up of Dispute Resolution Committee (DRC) for reducing litigation and to give an impetus to the dispute resolution for small taxpayers, a Dispute

Resolution Committee is proposed to be constituted. A taxpayer having taxable income up to ` 50 lakh and disputed income up to ` 10 lakh shall be eligible to approach the Committee. For ensuring efficiency, transparency and accountability, the procedure of the Committee will be conducted in a faceless manner.

Consequently, the Settlement Commission shall be discontinued from 01.02.2021. However, the pending cases shall be decided by an Interim Board if opted by the applicant.

5. Faceless Income Tax Appellate Tribunal (ITAT) In order to provide transparent tax appellate mechanism, it is proposed to make the Income Tax Appellate Tribunal faceless and jurisdiction-less. A National Faceless Income tax Appellate Tribunal Centre shall be established and all the communication between the Tribunal and the appellant shall be made electronically. Wherever personal hearing is needed, it shall be done through video-conferencing.
6. Tax Neutrality of conversion of Urban Cooperative Bank (UCB) into a Small Finance Bank (SFB) In order to facilitate the transition of UCBs to SFBs, it is proposed to provide tax neutrality for the transition of UCBs to SFBs. Hence, the UCB shall not be required to pay capital gains for the assets transferred to the SFBs
7. Tax incentives for Affordable Housing and Affordable Rental Housing Project In order to incentivise purchase of affordable house, it is proposed to extend the eligibility period for claim of additional deduction for interest of ` 1.5 lakh paid for loan taken for purchase of an affordable house to 31st March 2022.

In order to increase the supply of affordable house, it is proposed to extend eligibility period for claiming tax holiday for affordable housing project by one more year to 31st March, 2022.

In order to promote supply of Affordable Rental Housing for the migrant workers, it is also proposed to allow a new tax exemption for the notified Affordable Rental Housing Projects

8. Tax benefit for Start-ups In order to incentivise setting-up of more start-ups in the country, it is proposed to extend the eligibility period to claim tax holiday for the start-ups by one more year to 31st March, 2022.

- In order to incentivise investment in start-up, it is proposed to extend the eligibility period of claiming capital gains exemption for investment made in the start-ups by one more year to 31st March, 2022.
9. Relaxation to NRI for Income of Retirement Benefit Account In order to remove the genuine hardship faced by the NRIs in respect of their income accrued on foreign retirement benefit account due to mismatch in taxation, it is proposed to notify rules for aligning the taxation of income arising on foreign retirement benefit account.
 10. Exemption from Audit To incentivise digital transactions and to reduce the compliance burden of the person who is carrying almost all of their transactions digitally, it is proposed to increase the limit for tax audit for persons who are undertaking 95% of their transactions digitally from ` 5 crore to ` 10 crore.
 11. Relaxation of Condition for carry forward of loss for Disinvestment In order to promote strategic disinvestment of PSU, it is proposed to relax the condition regarding carry forward of loss for disinvested PSU in amalgamation.
 12. Relaxation of Condition for tax neutral Demerger for disinvestment In order to promote strategic disinvestment, it is proposed to deem the transfer of assets by the PSU to the resulting company as tax neutral demerger.
 13. Zero Coupon Bonds by Infrastructure Debt Fund (IDF) In order to allow funding of infrastructure, it is proposed to make Zero Coupon Bonds issued by notified IDF eligible for tax benefit.
 14. Rationalisation of taxation of Unit Linked Insurance Plan (ULIP) In order to rationalise taxation of ULIP, it is proposed to allow tax exemption for maturity proceed of the ULIP having annual premium up to ` 2.5 lakh. However, the amount received on death shall continue to remain exempt without any limit on the annual premium. The cap of ` 2.5 lakh on the annual premium of ULIP shall be applicable only for the policies taken on or after 01.02.2021. Further, in order to provide parity, the non-exempt ULIP shall be provided same concessional capital gains taxation regime as available to the mutual fund.
 15. Rationalisation of Tax free Income on Provident Funds In order to rationalise tax exemption for the income earned by high income employees, it is proposed to restrict tax exemption for the interest income earned on the employees' contribution to various provident funds to the annual contribution of ` 2.5 lakh. This restriction shall be applicable only for the contribution made on or after 01.04.2021
 16. Taxability of Surplus amount received by partners In order to provide certainty, it is proposed to rationalise the provisions relating to taxation of the assets or amount received by partners from the partnership firm in excess of their capital contribution.
 17. Clarification on Depreciation on Goodwill In order to provide certainty, it is proposed to clarify that no depreciation on Goodwill shall be allowed. However, the deduction for the amount paid for acquiring Goodwill shall be allowed on sale of Goodwill.
 18. Clarification for the Slump Sale In order to provide certainty, it is proposed to clarify that slump sale shall include all types of transfer.
 19. Fake Invoice/sham transaction In order to protect the revenue, it is proposed to provide that the penalty proceedings initiated for fake invoice/sham transactions of more than 2 crore shall also be eligible for provisional attachment of assets.
 20. Exemption for Small Trusts In order to reduce compliance burden on the small charitable trusts running educational institutions and hospitals, it is proposed to increase the limit on annual receipts for these trusts from present 1 crore to 5 crore for non-applicability of various compliances like approval etc.
 21. Carry Forward of loss by Charitable Organisations In order to provide certainty, it is proposed to clarify that charitable trusts shall not be permitted to claim carry forward of loss. However, the loan repayment and replenishment of corpus shall be allowed as application.
 22. Clarification for Equalisation Levy In order to provide certainty, it is being expressly clarified that transaction taxable under income-tax are not liable for equalisation levy. Further, it is also proposed to clarify regarding applicability of equalisation levy on physical/offline supply of goods and services.
 23. Timely deposit of Employees' contribution to labour welfare funds by Due Date Delay in deposit of the contribution of employees towards various welfare

- funds by employers result in permanent loss of interest/income for the employees. In order to ensure timely deposit of employees' contribution to these funds by the employers, it is proposed to reiterate that the late deposit of employees' contribution by the employer shall never be allowed as deduction to the employer.
24. Relaxation in conditions for exemption to Sovereign Wealth Fund & Pension Fund (SWF/PF) In order to incentivise more number of SWF/PF to invest in Indian Infrastructure, it is proposed to relax some of conditions for availing 100% tax exemption introduced in the last budget. The conditions which are proposed to be relaxed include prohibition on loans or borrowings, restriction on commercial activities, direct investment in entity owning infrastructure, etc.
 25. Tax incentives for IFSC In order to promote IFSC, It is proposed to provide more tax incentives which includes tax holiday for capital gains incomes of aircraft leasing company, tax exemptions for aircraft lease rental paid to foreign lessor, tax incentive for relocation of foreign funds in IFSC and tax exemptions to investment division of the foreign banks located in IFSC.
 26. Non-filing of Return by Deductee/Collectee In order to discourage the practice of not filing returns by the persons in whose case substantial amount of tax has been deducted/collected, it is proposed to provide that a person in whose case TDS/TCS of ` 50,000 or more has been made for the past two years and who has not filed return of income, the rate of TDS/TCS shall be at the double of the specified rate or 5%, whichever is higher. This provision shall not be applicable for the transactions where full amount of tax is required to be deducted e.g. salary income, payment to non-resident, lottery, etc.
 27. Levy of TDS on Purchase of Goods In order to widen the scope of TDS, it is proposed to levy a TDS of 0.1% on a purchase transaction exceeding ` 50 lakh in a year. In order to reduce the compliance burden, it is also proposed to provide that the responsibility of deduction shall lie only on the persons whose turnover exceeds ` 10 crore.
 28. Substitution of Authority for Advance Rulings with Board for Advance Rulings to ensure faster disposal of cases, it is proposed to replace the Authority for Advance Rulings with a Board for Advance Rulings. It is also proposed to provide appeal against the order of such Board to the High Court.
 29. Alignment of Minimum Alternate Tax (MAT) for Advanced Pricing Agreement (APA) and secondary adjustment In order to provide relief to the taxpayers in whose case MAT liability has arisen in the year of repatriation on account APA or secondary adjustment, it is proposed to provide relief by aligning the MAT provisions with the year of taxability of such income.
 30. Exemption for Leave Travel Concession (LTC) cash scheme In order to provide relief to employees, it is proposed to provide tax exemption to the amount given to an employee in lieu of LTC subject to incurring of specified expenditure.
 31. Increase in safe harbour limit for primary sale of residential units. In order to incentivise home buyers and real estate developers, it is proposed to increase safe harbour limit from 10% to 20% for the specified primary sale of residential units.
- ### 32 Miscellaneous
- It is proposed to make consequential amendment in the provisions relating to processing of returns for allowing certain deductions and to provide clarification for adjustment of income reported in Audit Report.
 - It is also proposed to enable issuance of notice for calling for returns by the prescribed authority.
 - It is proposed to empower the Board to relax the rule relating to defective return for a class of taxpayers and to align due dates of return for certain taxpayers,
 - It is proposed to clarify that Limited Liability Partnership shall not be eligible for presumptive tax for professionals.
 - It is proposed to define the term "liable to tax" to provide certainty.
- ### Indirect Tax Proposals
- #### GST
- The GST is now four years old, and Government have taken several measures to further simplify it. Some of the measures include:
- i. Nil return through SMS,
 - ii. Quarterly return and monthly payment for small taxpayers,

- iii. Electronic invoice system,
- iv. Validated input tax statement,
- v. Pre-filled editable GST return, and
- vi. Staggering of returns filing.

The capacity of GSTN system has also been enhanced. Government have also deployed deep analytics and Artificial Intelligence to identify tax evaders and fake billers and launched special drives against them.

Electronic and Mobile Phone Industry

Domestic electronic manufacturing has grown rapidly. Government are now exporting items like mobiles and chargers. For greater domestic value addition, Government are withdrawing a few exemptions on parts of chargers and sub-parts of mobiles. Further, some parts of mobiles will move from ‘nil’ rate to a moderate 2.5%

Iron and Steel

MSMEs and other user industries have been severely hit by a recent sharp rise in iron and steel prices. Therefore, Government are reducing Customs duty uniformly to 7.5% on semis, flat, and long products of non-alloy, alloy, and stainless steels. To provide relief to metal re-cyclers, mostly MSMEs, exempting duty on steel scrap for a period up to 31st March, 2022. Further, Government also revoking ADD and CVD on certain steel products. Also, to provide relief to copper recyclers, Government reducing duty on copper scrap from 5% to 2.5%.

Textile

The Textiles Sector generates employment and contributes significantly to the economy. There is a need to rationalize duties on raw material inputs to manmade textiles. Government are now bringing nylon chain on par with polyester and other man-made fibers. Government are uniformly reducing the BCD rates on caprolactam, nylon chips and nylon fiber & yarn to 5%. This will help the textile industry, MSMEs, and exports, too.

Gold and Silver

Gold and silver presently attract a basic customs duty of 12.5%. Since the duty was raised from 10% in July 2019, prices of precious metals have risen sharply. To bring it closer to previous levels, we are rationalizing custom duty on gold and silver.

Agriculture Products

To benefit farmers, we are raising customs duty on cotton from nil to 10% and on raw silk and silk yarn from 10% to 15%. Government are also withdrawing end-use based concession on denatured ethyl alcohol. Currently, rates are being uniformly calibrated to 15% on items like maize bran, rice bran oil cake, and animal feed additives.

There is an immediate need to improve agricultural infrastructure so that we produce more, while also conserving and processing agricultural output efficiently. This will ensure enhanced remuneration for our farmers. To earmark resources for this purpose, Government propose an Agriculture Infrastructure and Development Cess (AIDC) on a small number of items. However, while applying this cess, have taken care not to put additional burden on consumers on most items.

“Faith is the bird that feels the light when the dawn is still dark.”

- Rabindranath Tagore

“Amid the Covid-19 pandemic, not only doctors, nurses, and ward boys but our delivery persons, ration shop owners, and vegetable-fruits vendors, etc., have played a crucial role by providing us timely access to all the necessary items important for survival during all the months of the pandemic.

Since the outbreak of the Covid-19 pandemic, timely delivery of essential services by taking all precautionary measures to curb the spread of the virus. Therefore, let us thank these coronavirus helpers who have been making our lives smooth during the ongoing pandemic.”

Stay safe and healthy!

With warm regards,

Emailid-shubhamgoyal5001@gmail.com





Cost Optimization : Key to sustainability in changing business environment

CMA (Dr.) S K Gupta

Chief Executive Officer

IPA of Institute of Cost Accountants of India

The perspective

The entire world today is reeling under the threat and aftermath of unprecedented COVID 19 pandemic which is a Global Humanitarian Challenge. This has had a huge and significant impact on the businesses all over the world across sectors. The disruption to normal business models from the supply lines is likely to have long-lasting repercussions. This crisis has impacted every brand and organization across the globe. Given such a scenario, companies will need to operate differently to effectively manage the crisis. COVID-19 is changing the way we live, work and use technology. As the world adjusts to its new normal, this calls for a need to rethink strategies to drive resilience and emerge from this crisis stronger. Post COVID 19 business will have a new normal and the companies would need to look for strategic cost optimization initiatives and programs to ensure revival and sustainability.

As the world continues to combat COVID-19, having cost optimization strategies for navigating remediation is essential. The common reaction to the economic downturn tends to be reducing costs across the board. However, cutting costs without clear segmentation during an economic downturn is not the recipe for success. Cost adjustments

do need to be made, but the goal should be to strike the right balance between targeted, sustainable and smart spending to fuel your organization for growth. Initiate cost adjustments to streamline and simplify business operations. Concentrate your spending on areas of the business that drives the greatest value and differentiation.

What is Cost Optimization

In this rapidly changing global business and humanity environment — cost is a true strategic differentiator. One of the most impactful ways to enhance your business is to reduce the costs of operations. Reducing costs allows you to apply the savings to actions that enhance your core competencies and the pursuit of your business growth goals. Cost optimization is a business-focused, continuous discipline to drive cost rationalization based on total cost management approach for maximizing business value. This includes - Standardizing, simplifying and rationalizing processes , procedures and services, Automating and digitalizing business operations to continually explore new opportunities for bringing about sustainable value creation in the enterprise. cost optimization initiative will improve such criteria as cost optimization initiative will improve such criteria as: Business processes.

Productivity. Time-to-market. Unlike cost cutting, cost optimization isn't a one-time, immediate activity. Instead, it provides a long-term solution for your Business.

Determine Cost Optimization Approach

Several options exist for optimization, including reduction of costs, reduction of demand, and a balance of short- and long-term initiatives. Some categories of optimization functions include:

- Instituting emergency cost reductions.
- Applying selective cost reductions.
- Preserving costs and business value.
- Increasing costs for added business value

Levels of Strategic Cost Optimization :

To bring more clarity to the optimization decision-making process, companies should identify: the potential financial benefit; business impact; business risk; time requirement of candidate cost optimization projects. In terms of impact, the effectiveness of the cost optimization initiative is partly contingent on whether business leaders and their staff are capable of changing and adapting to new approaches and processes.

- **Level 1 (Reduce):** Cut costs and prioritize spend. Companies tend to prioritize cost optimization initiatives by simply considering short-term cash savings. While cash savings are important, prioritizing cost optimization initiatives with only short-term goals in mind can cause unanticipated problems

- **Level 2 (Optimize):** Remove waste and increase efficiency. Cost-cutting can have unforeseen negative consequences. The focus should be on eliminating excess waste while increasing the efficiency of current systems. Speed-to-market, quality and utilization have become exceedingly important. Suitable metrics to measure performance should be implemented
- **Level 3 (Rationalize):** Seek business relevance, flexibility and agility. It is imperative to focus on business goals and ensure that performance metrics should be closely tied to business metrics so that their alignment can be measured appropriately. Some of the metrics that could help with the measurement of an organization's business agility include addition of new customers /users, ability to meet current and future functional needs and reduction in time to market of new products and services
- **Level 4 (Transform):** Invest more to optimize more. As economic conditions improve, companies can focus their cost optimization efforts on implementing long-term business and process improvements, enabling business growth and innovation, and repositioning the business to sustain a competitive advantage

Approaches for Sustainable Cost optimization

Cost optimization initiatives and actions should be considered in line with the strategic sustainable goals for an organization. The following approaches would provide an optimum launch pad for attempting to initiate and sustain cost optimization:

- Set ambitious targets and obtain top management buy-in : Perform a high level, cost due diligence across functions, divisions, activities and peers, to set a cost optimization target, and then stick with it and communicate the same across all hierarchical levels within the organization.
- Plan which areas to optimize by using pragmatic methodologies: Follow a structured and systematic approach to identify key areas for improvement and potential quick wins. One pragmatic and rational approach is to develop a profitability tree mapping the key cost drivers and identifying the areas to focus on. Moreover, it's important not to get locked into a "one size fits all" approach, where costs are cut equally across the board, as this may hinder the company's ability to achieve long-term savings
- Align the organization and implement a cost performance culture :To ensure cost optimization targets are met its important to involve all levels of the organization, particularly "operational" teams that have key insights on where and how to optimize costs.
- Ensure delivery through a robust performance management and communication : Cost optimization initiatives and targets should be tracked and monitored on continuous basis
- Sorting the good costs from the bad : The key to realizing this opportunity is making sure that maximum resources are targeted at the drivers of profitable growth (good costs), while freeing up and minimizing bad costs
- Leverage technology : to automate certain types of work processes to reduce labor costs. The ability to automate workflows that run across numerous platforms to decrease manual, repetitive tasks is valuable in every industry
- Improving data management :Use enterprise information management to treat information as a company wide asset. This means people from across the enterprise will have access to data, and will be able to share and use that data to create business value through better and faster decisions.
- Improving inventory management :Inventory is a challenge for business leaders since it exists paradoxically as both a supply operating lever and balance sheet financial asset. However, since inventory is a working capital asset, reducing inventory will contribute directly to the bottom line.
- Re looking at suppliers and vendors : One of the best ways to reduce costs without rocking the boat, so to speak, is to let each of your vendors know that you're going to be price shopping their products or services. Vendors know that the cost to replace a lost client is much higher than the discount they may need to provide to keep you around. You'll likely find that your vendors are willing to reduce the costs of their products or service to maintain their account with your business.You may also find that some of your vendors are willing to upgrade your service, giving you more for your current price.

- **Improving business efficiency through analytics :** Don't underestimate the value of analytics beyond conventional business intelligence. Not only can advanced analytics save businesses, reduce customer churn and make equipment safer, utilizing the provided information to gain even single-digit percentage improvements in areas like customer retention or marketing responses can have a big impact on the business.
- **Business process outsourcing :**Managing business process outsourcing (BPO) for companies is challenging, particularly when services are not contracted with a strategic business service or partnership in mind. Focus on business outcomes, such as customer satisfaction, to impactfully manage BPO services. Outsource non-core operations to reduce its cost base and focus on core business
- **Reduce Employee Turnover :** The impact of regular employee turnover is greater than most businesses realize. The cost of hiring and training new employees is considerable. Not to mention, the decrease in productivity that occurs each time a new team member has to be integrated and brought up to speed on your systems. Boosting employee retention is such an important issues that we have a full guide on the subject. Be sure not to miss it!
- **Go Green :** This tactic may seem straightforward enough, but countless companies around the world are still wasting natural resources and their budgets every month. Going paperless reduces

costs and typically makes for more efficient business systems and record-keeping. Installing energy efficient lighting, shutting down unused workstations and machinery, and programming thermostats can all reduce utility costs significantly.

- **Continuous improvement culture :** Enterprises sometimes become trapped by the attitude of “this is what we've always done,” which can create waste. Business leaders need to work collaboratively with employees all across the organization to identify and remove this waste, which is typically in the form of reworks or delays due to issues further up the line, to focus on lean improvement efforts.
- **Set direction and show leadership:** Be bold, be brave and be creative – use technology, innovation and new ways of working to radically optimize the cost base. Deliver cost optimization as a strategic, business transformation program.

Conclusion

Organizations should approach cost optimization as an expansive effort that can have both immediate and long-term significance for business performance. To truly serve the enterprise, cost optimization demands a mix of improvements that touch every part of the enterprise. The survival and success of your business depends on a transformation in your competitive capabilities and underlying cost base. The only way to make this work is to think strategically and think big from the outset – be radical, don't tinker.



Economic Participation And Opportunity For Women In India-bridging The Divide!

CMA Kalyani Karna
(Practicing Cost Accountant)



Mantri Matru Vandana Yojana, Scheme for Adolescent Girls Scheme and Ujjawala have not been allocated anything in budget 2021.

De facto, women lead a stalwart life and play a consequential role outside the realm of their household. They are capable to maintain a perfect balance in their professional and personal life. The empowerment of women is augmenting parity with men to boost their confidence level so as to contribute to the development of country and participate in political, social and economic life of country. India accounts for only 17% share of women's contribution to GDP than the global average of 37%. Only 14% of Indian businesses are run by women. Increase in women's participation in the work force will help to build inclusive and sustainable growth and development for India.

"Thoughts are Things." Indeed, mere formulation and implementation of plethora of plans, laws, rules and regulations will not be sufficient to empower women. Proper respect for women will be the true essence of empowering women. We need families to see their girls as capable future professionals. We need safe transportation and zero tolerance of sexual harassment at workplace. Each woman, in her own way, is an invaluable part of our economy contributing to its inclusive growth, and dynamism.

INTRODUCTION:

India stands at 112th position with 66.8% gender gap parity out of 153 countries on the global gender gap index 2020. The Gender Gap Index ranks countries on basis of equality of men and women in four key areas, health, education, economy and politics.

Rank	Country	Score (Out of 1)
1	Iceland	0.877
53	United States	0.724
106	China	0.676
112	India	0.668

Source: World Economic Forum

ABSTRACT:

"Each woman is an invaluable part of our economy contributing to its inclusive growth, dynamism and strengthening plural society. Increase in economic participation of women will definitely be an impetus to mission "Atma Nirbhar Bharat" and 2030 Agenda of Sustainable Development. Economic participation of women at parity with men could add USD 2.9 trillion to India's annual GDP by 2025. However, mere formulation and implementation of plethora of plans, and regulations will not be sufficient to empower women and boost economic participation. Proper respect for women will be the real sense for panorama of women empowerment. Yatra Naryastu Pujyante Ramante Tatra Devata."

"Faith is the bird that feels the light and sings when the dawn is still dark"-quoted by Finance Minister of India, Nirmala Sitharaman while starting her Budget 2021-22 speech on February 1, 2021. Amidst the slew of measures announced as part of the Budget, there were not too many that focused on women. If women participate in the economy at parity with men, it could add USD 2.9 trillion to India's annual GDP by 2025. In Union budget 2021-22, the amount allocated for Mission Protection and Empowerment of Women has been drastically reduced from Rs 726 crore to Rs 48 crore. The schemes like One Stop Centres, Swadhar Greh, Child Protection, Pradhan



Iceland (87.7%) remains the world's most gender-equal country.

Comparison of four tenets of gender gap ranking with Iceland

	Iceland 2020		India 2020	
	Score	Gender gap parity	Score	Gender gap parity
Global Gender Gap Index	1	0.877	112	0.668
Economic participation and opportunity	2	0.839	149	0.354
Education attainment	36	0.999	112	0.962
Health and survival	123	0.968	150	0.944
Political empowerment	1	0.701	18	0.411

Source: World bank

The estimates have revealed that current rate of gender gap parity progress will take approximately 99.5 years to achieve full gender parity in India.

STUMBLING BLOCKS FOR ECONOMIC PARTICIPATION OF WOMEN IN INDIA:



The female labour force participation rate (FLFPR) in India has been one of the lowest among the emerging economies and has been falling over time. World bank estimates that India could boost its growth by 1.5 percentage points to 9 percent per year if around 50% of women could join the work force.

Female labour force (% of total labour force)

	India	China	US
1990	25.015	45.176	44.309
2000	25.567	45.088	45.563
2010	22.958	44.081	46.184
2015	20.624	43.986	45.863
2020	19.941	43.607	46.008

Source: World bank

LFPR for women in urban and rural area is very low as compared to men. LFPR for male in urban area and rural area is 56.7 and 55.1 respectively.

	Female		
	Rural	Urban	Total
LFPR	19.7	16.1	18.6
WPR	19.0	14.5	17.6
UR	3.5	9.9	5.2

Source: PLFS report 2018-19:

According to a recent working paper by Centre for Science and Environment, a Delhi-based non-profit organisation only 16 percent of women employed in December 2019 were able to keep their jobs during and after the lockdown as opposed to 60 per cent men. G-20 gender goal targets to reduce the gender gap in labour force participation by 25 percent till 2025.

DECLINE IN WOMEN LABOUR FORCE PARTICIPATION:

Data from the National Sample Survey Office (NSSO) and the India Human Development Survey (IHDS) show that education and employment have a U-shaped relationship due to substitution and income effect. The substitution effect implies that educated women command higher wages that would encourage them to substitute participation in the labour force for leisure or home work. Income effect on the other hand posits that educated women tend to marry educated men with higher incomes so the higher (unearned) family incomes would further discourage women's participation in the labour market.

Decline In Rural Women Workforce:

The number of women working in rural India is declining at a greater pace than that among women in the urban workforce. This lack of formal jobs, coupled with shrinking availability of agricultural work, has led to declining numbers of women in the rural workforce.

Low wage rate as compared to men: Women continue to battle for pay parity. Women bear the burden of getting paid with low wages compared to men. Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers for the works of similar nature without any discrimination. But the actual scenario of wage rate is different and women are not paid at par.

Average casual wage rate per day in INR for rural areas

	Male	Female
Works other than public works	253-282	166-179
MGNREG public works	141-171	131-165
Other than MGNREG public works	138-158	119-144

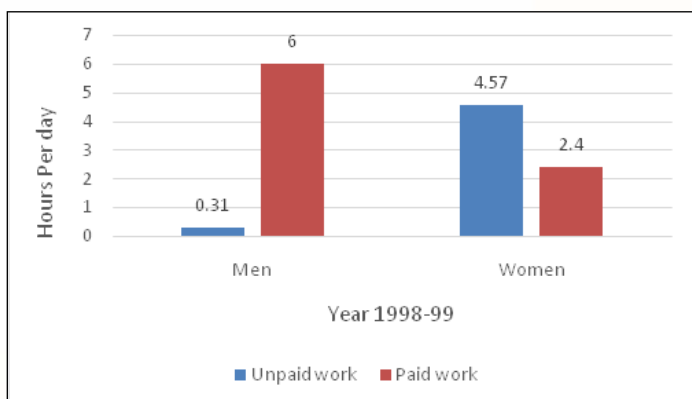
Source: PLFS Report 2019

Lack of placement under skill development program: Skill development training is vital for rural women to promote sustainable development. Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 2.0 (2016-20) provided short term training to the youth and women including agriculture sector but the placement remained less than 50%.

Year	Percentage of Certification	Percentage of Placement
2016-17	27	1.9
2017-18	75	40.1
2018-19	106	77
2019-20	68.07	48.7

Source: Data.gov.in

TIME SPENT IN UNPAID CARE WORK:



Unpaid care work is not considered as economically productive and women spent nearly seven times on unpaid work as compared to men. It has been estimated that total value of time spent on such unpaid work constitutes 39 percent of GDP of India.

Higher time spent on unpaid work reduces income earning potential and opportunities for

uptake of skills, education, socialization, leisure, entertainment. Some of the barriers of unpaid work include absence of basic utilities, lack of safety infrastructures at labour market and limited job opportunities in neighbourhood.

Activities	Time spent by men	Time spent by women
Fetching of water	0.05	1.64
Fetching of fruits and vegetables	0.09	1.49
Fetching of fuels and wood	0.08	1.59
Fetching of fodder	0.18	1.38

Source: IW Wage

According to the consulting firm Dalberg, COVID-19 pandemic has added to the burden of unpaid work by an estimated 30%. It is needed to recognise, reduce and redistribute time spent by women on unpaid work hours and convert it economically productive hours.

SEXUAL HARASSMENT AT WORK PLACE:

Under Budget 2021, women will be allowed to work in all categories and also in night shift with adequate protection and following POSH Act. But there is no money earmarked in the budget for the implementation of the POSH Act. India's Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, (POSH) 2013 requires employers to post a notice about the law and put together an internal-complaints committee to field complaints of harassment, one member of which must be an independent outside advisor with relevant expertise. Under the POSH Act, every employer is required to constitute an Internal Committee (IC) at each office with 10 or more employees.

Sexual Harassment	2017	2018	2019
At workplace	479	401	505
In shelter homes	544	707	473
Other places	19326	19124	16750

Source: Crime Report of India, 2019

Indian Government failed to properly enforce its sexual harassment law leaving millions of women in the workplace exposed to abuse. Seven years after the 2013 law was enacted, the government has not published any data or information on the functioning or effectiveness of Local Committees that are responsible for dealing with sexual harassment complaints in the informal sector. There is no awareness about the Local Committees

because the central government has not given any money to state governments to spread awareness.

LACK OF SAFE TRANSPORTATION:

POSH Act defines ‘workplace’ as including transportation provided by the employer to cover travel “arising out of or during” the work. Women’s access to safe public transportation is key to sustainable development. Lack of safety in public spaces affects women’s human rights and their ability to participate equally in the city. This is due to the dearth of reliable and affordable public transport solutions. Safe, comfortable, and convenient transport not only contributes to fulfilling women’s practical needs, including access to schools and markets but also contributes to their strategic empowerment by facilitating access to social and economic opportunities

Sexual Harassment	2017	2018	2019
Public transport	599	730	606

In Union budget 2021, Delhi Police has been allocated 8,644.12 crore and around 10 crore has been set aside for Nirbhaya Fund which is lower than previous year allocation of Rs. 11.23 crore.

FINANCIAL AND DIGITAL LITERACY

Women are “underbanked” as they depend on alternatives to bank accounts. National Family Health Survey revealed that more than 60% of women have never used internet. The gender gap in financial inclusion is high and only 20 per cent of women are financially literate. Even working women depend on spouses and parents for their financial decisions and investments. Of the 77 per cent of Indian women who have a bank account, about half of these women 50 per cent do not use it at all or use it in a limited manner. Enhancing the scope of digital penetration to rural communities would help in expanding the scope of the various initiatives that are already in place to help develop greater prosperity.

LAG IN WOMEN ENTREPRENEURSHIP

Women are making incredible strides in the field of entrepreneurship. However, India ranked at 49th position out of 58 economies in Master Card Index of Women Entrepreneurs 2020.

Rank	Country	Index points
1	Israel	74.66
2	United States	74.00
3	Switzerland	71.51
4	India	50.99

According to a joint report released on Tuesday by Bain and Co. and Google titled Women Entrepreneurship in India, women entrepreneurs in India can generate 150-170 million jobs by 2030. As per report published in 2019, India has 13.5–15.7 million women-owned enterprises, representing 20% of all enterprises which provide direct employment for an estimated 22 to 27 million people. Unlocking entrepreneurship among women in India will provide an unprecedented opportunity to change the economic and social trajectory of the country and for women.

As per World Bank, lack of finance is a major constraint to the growth of female-owned enterprises. And, the Master Card Report finds the major deterrents of women entrepreneurship are lack of funding, lack of motivation and fear of failure. Budget 2021 does not focus more on women entrepreneurship. The credit flow under the scheme of Stand-Up India for SCs, STs, and women will be injected by reducing the margin money requirement from 25 percent to 15 percent, and to also include loans for activities allied to agriculture.

CONCLUSION:

According to G7 Gender Equality Advisory Council, women’s economic empowerment is a “transformational process” achieved with skills training, a positive workplace that allows for work-life balance, and access to public services including childcare. Societies with greater gender equality not only offer better socioeconomic opportunities for women, but also tend to grow faster and more equitably. World Bank found that in Latin America and the Caribbean, women played vital role in decline of poverty. Fostering the creation of better jobs, providing support for child and elder care, and ensuring mobility to and from work can remove significant structural barriers for women to access employment. Swami Vivekananda had said ‘There is no chance for welfare of the world unless the condition of women is improved.’ The economic participation of women will definitely be an impetus to mission “Atma Nirbhar Bharat” and 2030 Agenda of Sustainable Development.

References:

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- E-mail id: cwakalyani@gmail.com



Harmonised System of Nomenclature (HSN) & Services Accounting Code (SAC) declaration in Tax Invoices under GST

CMA Neeraj Upreti
(Practicing Cost Accountant)

ABSTRACT:

Businesses with turnover more than INR 5 crore are required to furnish 6 digits HSN/SAC code on invoice issued for supplies of taxable goods and services from 1st April 2021.

Introduction

Harmonized System of Nomenclature, or HSN, was conceived and developed by the World Customs Organization (WCO) with the vision of classifying goods from all over the World in a systematic and logical manner. It is a six-digit uniform code that classifies more than 5,000 products and is accepted worldwide. These set of defined rules is used for taxation purposes in identifying the rate of tax applicable to a product in a country.

Similar to the International HSN Codes, India has adopted a Service Accounting Code (SAC) for all its services for recognition, measurement and taxation. Like goods, services are also classified uniformly for recognition, measurement and taxation. Codes for services are called Services Accounting Code or SAC.

HSN in India

India is a member of World Customs Organization (WCO) since 1971. It was originally using 6-digit HSN codes to classify commodities for Customs and Central Excise. Later Customs and Central Excise added two more digits to make the codes more precise, resulting in an 8 digit classification. HSN codes for goods at 6 digits are universal. Therefore, common HSN codes apply to Customs and GST. Accordingly, codes prescribed in the Customs tariff are used for GST purposes too. In Customs Tariff, HS code is prescribed as heading (4 digits HS), sub-heading (6 digits HS) and tariff items (8 digits).



Declaration of HSN/SAC in Tax Invoices Under GST

The concept of HSN/SAC is widely used for common understanding of the goods and services being traded in pre and post GST regime.

As per Rule 46 of Central Goods and Services Tax Rules, 2017, for a valid Tax Invoice HSN codes must be mentioned in every tax invoice issued by the taxpayer under GST.

The number of digits of HSN/SAC code that should contain in the invoices has been notified by the government from time to time, now there are certain changes that would be applicable from 1st of April, 2021 and onwards in this regard. (vide Notification No. 78/2020 – Central Tax dated 15th of October 2020). A review of before and after this notification is as follows:

HSN codes to be declared up to 31st March 2021:

Turnover (Previous FY)	No. of digits of HSN to be declared
Upto 1.5 crores rupees	0
1.5 crore- 5 crores rupees	2
More than 5 crores rupees	4

HSN codes to be declared from 1st April 2021:

Turnover (Previous FY)	Type of Invoice document	No. of digits of HSN to be declared
Up to 5 crores rupees	Mandatory for B2B tax invoices	4
	Optional for B2C tax invoices	4
More than 5 crores rupees	Mandatory for all invoices	6
In case of export and imports	Mandatory	8

Consequences of Non-Compliance

Any non-compliance in this regard can make the invoice invalid and may lead to the General Penalty under Section 125 and Penalty for certain offences under Section 122 as well.

E-mail id: cmaupreti@gmail.com

Guidelines to submit articles:



Articles on the Industry analysis, case studies, direct and indirect taxation, SEBI, corporate governance, financial and cost management and other related topics are invited from readers and authors along with scanned copies of their recent passport size photograph and their current designation. The articles should be their own and original and have not been considered for publication anywhere else. Authors are requested to e-mail their articles to nirc@icmai.in by the 10th of the every month.



Direct Tax Updates For The Month Of February, 2021

Neha Kainth
(Qualified CMA)

1. The Faceless Assessment (1st Amendment) Scheme, 2021

Effective Date – February 17, 2021

CBDT vide its notification dated February 17, 2021 notified the Faceless Assessment (1st Amendment) Scheme, 2021 which seeks to amend Faceless Assessment Scheme, 2019, by way of substituted Procedure for assessment. The following procedure has been introduced in the Amendment:

- National e-Assessment Centre : The National e-Assessment Centre shall serve a notice on the assessee under sub-section (2) of section 143 of the Act and the assessee may, within fifteen days from the date of receipt of notice shall file his response to the National e-Assessment Centre. The National e-Assessment Centre shall intimate the assessee that assessment in his case shall be completed under this Scheme.
- Regional e-Assessment Centre : The National e-Assessment Centre shall assign the case selected for the purposes of e-assessment under this Scheme to a specific assessment unit in any one Regional e-Assessment Centre through an automated allocation system.
- Automated Allocation System : where a request for conducting of certain enquiry or verification by the verification unit or for seeking technical assistance has been made by the assessment unit, the request shall be assigned by the National e-Assessment Centre to a verification unit or a technical unit, as the case may be, in any one Regional e-Assessment Centre through an automated allocation system.
- Draft Assessment Order : The assessment unit shall make a draft assessment order, either accepting the income or sum payable by, or sum refundable to, the assessee as per his return or making variation to

such income or sum and send a copy of such order to the National e-Assessment Centre. The National e-Assessment Centre shall examine the draft assessment order in accordance with the risk management strategy specified by the Board

- Duty of National e-Assessment Centre : The National e-Assessment Centre shall, upon receipt of draft assessment order, finalise the assessment within the time allowed under sub-section (13) of section 144C of the Act and serve a copy of such order and notice for initiating penalty proceedings, if any, upon the assessee, along with the demand notice, specifying the sum payable by, or refund of any amount due to, the assessee on the basis of such assessment. The National e-Assessment Centre shall, after completion of assessment, transfer all the electronic records of the case to the Assessing Officer having jurisdiction over the said case for such action as may be required under the Act.

2. Revised Procedure for Faceless Assessment 2021

Date of Notification – February 17, 2021

In exercise of the powers conferred by sub-section (3B) of section 143 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby makes the following amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue), Central Board of Direct Taxes, published in the Gazette of India, Extraordinary, vide number S.O 3265 (E), dated the 12th September, 2019, namely: In the said notification, in clause 1,

- (i) for sub-paragraph (1) of item A, the following sub-paragraph shall be substituted, namely: (1) The assessment under this Scheme shall be made as per the following procedure, namely:

- (i) the National e-Assessment Centre shall serve a notice on the assessee under sub-section (2) of section 143 of the Act;
- (ii) the assessee may, within fifteen days from the date of receipt of notice referred to in clause (i), file his response to the National e-Assessment Centre.

3. Extends Date for Filing Declarations and Payment of Tax under Vivad Se Vishwas Scheme

Date of Notification – February 26, 2021

In exercise of the powers conferred by section 3 of the Direct Tax Vivad se Vishwas Act, 2020 (3 of 2020), the Central Government hereby makes the following amendments in the notification of the Government of India, Ministry of Finance, (Department of Revenue), number 85/2020, dated the 27th October, 2020, In the said notification, (i) in clause (a), for the figures, letters and words “28th day of February, 2021” the figures, letters and words “31st day of March, 2021” shall be substituted; (ii) in clause (b), for the figures, letters and words “31st day of March, 2021” the figures, letters and words “30th day of April, 2021” shall be substituted; and (iii) in clause (c), for the figures, letters and words “1st day of April, 2021” the figures, letters and words “1st day of May, 2021” shall be substituted.

INDIRECT TAX- GST UPDATES FOR THE MONTH OF FEBRUARY, 2021

1. Notify persons to whom provisions of sub-section (6B) or sub-section (6C) of section 25 of CGST Act will not apply

Date of Notification – February 23, 2021

Seeks to notify persons to whom provisions of sub-section (6B) or sub-section (6C) of section 25 of CGST Act will not apply to a person who is a) Not a citizen of India or b) a Department or establishment of the Central Govt or State Govt or c) a local authority or d) a statutory body or e) a Public Sector Undertaking or f) a person applying for registration under the provisions of subsection (9) of section 25 of the said Act.

2. Extends the time limit for furnishing the Annual Return for the Financial Year 2019-20

Date of Notification – February 28, 2021

In exercise of the powers conferred by subsection (1) of section 44 of the Central Goods and Services Tax Act, 2017 (12 of 2017), read with rule 80 of the Central Goods and Services Tax Rules, 2017, the Commissioner, on the recommendations of the Council, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 95/2020 - Central Tax, dated the 30th December, 2020. In the said notification, for the figures “28.02.2021”, the figures “31.03.2021” shall be substituted.

3. Standard Operating Procedure (SOP)

Circular date February 11, 2021

Circular No. 145/01/2021-GST: Standard Operating Procedure (SOP) for implementation of the provision of suspension of registrations under sub-rule (2A) of rule 21A of CGST Rules, 2017. The said provision provides for immediate suspension of registration of a person, as a measure to safeguard the interest of revenue, on observance of such discrepancies /anomalies which indicate violation of the provisions of Act and rules made thereunder; and that continuation of such registration poses immediate threat to revenue.

1. The Income-Tax (2nd Amendment) Rules, 2021

Effective Date – Date of Publication in the Official Gazette

CBDT vide its notification dated March 09, 2021 has notified the Income-tax (2nd Amendment) Rules, 2021. Vide this amendment a new proviso has been added to provide that the provisions of sub-rules (3) to (12) of rule 10VA shall, mutatis mutandis, apply to the application made under the second proviso as they apply to application made under sub rule (2) of the said rule.

Also, the provisions of sub-rule (3) of rule 10VA shall not apply to an application made under the second proviso, if it is for the previous year beginning on April 01, 2021 and made on or before February 01, 2021.

2 Residential Status of Certain Individuals under Income-Tax Act, 1961

Effective date: March 3, 2021

CBDT vide its circular dated March 03, 2021 clarified that if any individual is facing double taxation even after taking into consideration the relief provided by the respective DTAA's, he/ she may furnish the information in Form -NR annexed to this, circular by 31st March, 2021. This form shall be submitted electronically to the Principal Chief Commissioner of Income-tax (International Taxation) at the web address provided in the circular.

3. CBDT defers reporting in Clause 30 C & 44 of Tax Audit Report till 31.03.2022

Circular date: March 25, 2021

Order under section 119 of the Income-tax Act, 1961: Section 44AB of the Income tax Act, 1961 ('the Act') read with rule 6G of the Income-tax Rules, 1962 ('the Rules') requires specified persons to furnish the Tax Audit Report along with the prescribed particulars in Form No. 3CD. The existing Form No. 3CD was amended vide notification no. GSR 666(E) dated 20th July, 2018 with effect from 20th August, 2018. However, the reporting under clause 30C and clause 44 of the Tax Audit Report was kept in abeyance till 31st March, 2019 vide Circular No. 6/2018 dated 17.08.2018, which was subsequently extended to 31st March, 2020 vide Circular No. 912019. Vide circular no. 10/2020 dated 24.04.2020, it was further extended to 31st March, 2021. In view of the prevailing situation due to COVID-19 pandemic across the country, it has been decided by the Board that the reporting under clause 30C and clause 44 of the Tax Audit Report shall be kept in abeyance till 31st March, 2022.

4. TDS on cash withdrawal under section 194 N

Notification date: March 9, 2021

Government of India has amended section 194N of the Income Tax Act, 1961 through Finance Bill

2020 for deduction of TDS @ 2% on aggregate cash withdrawals in excess of Rs. 20 Lakh in a year and deduction of TDS A 5% on aggregate cash withdrawals in excess of Rs. 1 Crore in a year in case of a recipient who has not filed the returns of income for all the three assessment years relevant to the three previous years. These new provisions in section 194N are applicable from 01.07.2020.

INDIRECT TAX- GST UPDATES FOR THE MONTH OF MARCH, 2021

1. Seeks to implement E-invoicing for taxpayers Date of Notification- March 8, 2021

Seeks to implement e-invoicing for the taxpayers having aggregate turnover exceeding Rs. 50 Cr from 01st April 2021. In exercise of the powers conferred by sub-rule (4) of rule 48 of the Central Goods and Services Tax Rules, 2017, the Government, on the recommendations of the Council, hereby makes the following further amendment: In the said notification, in the first paragraph, with effect from the 1st day of April, 2021, for the words "one hundred crore rupees", the words "fifty crore rupees" shall be substituted.

2. Waive penalty payable for non-compliance of provisions

Date of Notification- March 30, 2021

In exercise of the powers conferred by section 128 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Government, on the recommendations of the Council, hereby makes the following amendments: (i) in the first paragraph, for the figures, letters and words, "31st day of March", the figures, letters and words "30th day of June", shall be substituted; (ii) in the first paragraph, for the figures, letters and words, "1st day of April", the figures, letters and words "1st day of July", shall be substituted.

E-mail id: Nehakainth89@gmail.com



MCA Updates For The Month Of February, 2021

Tanya Mendiratta
(Qualified CMA)

1. The Companies (Specification of Definitions Details) Amendment Rules, 2021

Effective Date – April 01, 2021

MCA vide its circular dated February 01, 2021 notified the Companies (Specification of Definitions Details) Amendment

Rules, 2021. The amendments are carried out to extend the scope of the term ‘Small Companies’. The amendment provides that from now on, companies with paid-up capital and turnover not exceeding rupees two crores and rupees twenty crores

respectively shall be considered as small companies.

2. The Companies (Compromises, Arrangements and Amalgamations) Amendment

Rules, 2021

Effective Date – Date of Publication in the Official Gazette

MCA vide its notification dated 1st February 2021 notified the Companies (Compromises, Arrangements, and Amalgamations) Amendment Rules, 2021 by amending the Companies (Compromises, Arrangements, and

Amalgamations) Rules, 2016.

Key highlights of the amendment are:

- A scheme of merger or amalgamation under section 233 of the Act may be entered into between two or more start-up companies or one or more start-up company with one or more small company.

- Further, the “start-up company” means a private company incorporated under the Companies Act, 2013 or Companies Act, 1956 and recognised as such in accordance with the notification number G.S.R. 127 (E), dated February 19, 2019 issued by the Department for Promotion of Industry and Internal Trade.”

3. The Companies (Share Capital and Debentures) Rules 2014

Effective Date – April 01, 2021

MCA Vide its notification dated 11th February 2021 notified the Companies (Share Capital and Debentures) Amendment Rules, 2021 by amending the Companies (Share Capital and Debentures) Rules, 2014. The amendment brings in a new rule 12A which provides that for the purposes of sub-clause (i) of clause (a) of sub-section (1) of section 62, the time period within which the offer shall be made for acceptance shall be not less than seven days from the date of offer.

Section 62 deals with Further Issue of Share Capital.

4. MCA Initiates Process of De-Criminalisation of Compoundable Offences under Limited

Liability Act, 2008

With the object of unleashing the entrepreneurial spirits of our youth and to remove the fear of criminal prosecutions for

non- substantive minor and procedural omissions and commissions in the normal course of their business transactions, the

Government of India in the Ministry of Corporate Affairs (MCA) decided to initiate the process of decriminalization of

compoundable offences under the limited liability partnership (LLP) Act, 2008, for greater ease of doing business for law

abiding LLPs. MCA has adopted 3 Principles for Decriminalization of Compoundable Offences, which includes Offences that relate to minor/ less serious compliance issues, involving predominantly objective determinations are proposed to be shifted to the In-house Adjudication Mechanism (IAM) framework instead of being treated as a criminal offence. Offences that are more appropriate to be dealt with under other laws, are proposed to be omitted from the LLP Act, 2008 and For

non-Compoundable offences that are very serious violations entailing an element of fraud, intent to deceive and caused injury to the public interest or non-compliance of the order of statutory authorities impinging on effective regulation, Status Quo would be maintained. In all, twelve (12) offences are proposed to be decriminalized and one (1) provision (Section 73) entailing criminal liability is proposed to be omitted. The 12 de-criminalized offences would then get shifted to IAM thereby de-clogging the criminal courts from routine cases. Further, it is proposed to create a class of LLP called as “Small LLP” in line with the concept of Small Companies.

Such Small LLPs would be subject to lesser compliances, lesser fee or additional fee and lesser penalties in the event of default. Thus, lower cost of compliance would incentivize unincorporated micro and small partnerships to convert into the organized structure of an LLP and derive its benefits.

5. The Producer Companies Rules, 2021.

Effective Date –Date of publication in the official gazette.

These Rules shall be applicable to all producer company as referred in clause (l) of Section 378A.

A Producer Company shall make investments from and out of its general reserves in approved securities, fixed deposits, units, and bonds issued by the Central Government or State Governments or co-operative societies or scheduled bank; or in a co-operative bank, State co-operative bank, co-operative landdevelopment bank or Central co-operative bank; or with any other scheduled bank; or in any of the securities specified in section 20 of the Indian Trusts Act, 1882.

Further, rules 27, 30, and 31 of the Companies (Incorporation) Rules, 2014, including the forms stated therein, shall be applied for the purpose of change of place of the registered office of a Producer Company from one State to another.

6. The Companies (Specification of Definitions Details) Second Amendment Rules, 2021

Effective Date –April 01, 2021

A new Rule 2A has been inserted which excludes following companies from the definition of ‘listed company’: Public companies which have not listed their equity shares on recognized stock exchange but have listed there:

- NCDS issued on private placement basis in terms of SEBI (Issue and Listing Debt Securities) Regulations, 2008;’
- NCRPS issued on private placement basis in terms of SEBI (issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;
- Both categories of (i) and (ii) above;
- Private companies with listed NCDS in terms of SEBI (Issue and Listing Debt Securities) Regulations, 2008;
- Public companies which have not listed their equity shares on recognized stock exchanges but whose equity shares are listed on a stock exchange in a jurisdiction as specified under Section 23(3) of Companies Act, 2013.

SEBI UPDATES FOR THE MONTH OF FEBRUARY, 2021

1. Setting up of Limited Purpose Clearing Corporation (LPCC) by Asset Management Companies (AMCs) of Mutual Funds

Effective Date - February 02, 2021

SEBI Vide its circular dated February 02, 2021 announced that AMCs shall contribute INR 150 Cr. towards share capital of LPCC in proportion to the Asset Under Management (AUM) of open ended debt oriented mutual fund schemes (excluding overnight, gilt fund and gilt fund with 10 year constant duration but including conservative hybrid schemes) managed by them. The setting up of LPCC and making the aforesaid contribution shall be in compliance with the net worth requirements, other conditions and timelines, if any, as per SECC Regulations and circulars issued there under from time to time AMCs shall ensure that the net worth as prescribed under Regulation 21(f) of SEBI (Mutual Funds) Regulations, 1996 shall be maintained over and above the contribution made towards setting up of the LPCC.

2. Revised Disclosure Formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015

Effective Date : February 09, 2021

SEBI vide its circular dated February 09, 2021, in light of amendments to the PIT Regulations effecting the inclusion of member of the promoter group, and designated person in place of employee, in Regulation 7 of PIT Regulations; revised the disclosure formats

(Forms B to D). The updated/revised formats are annexed to the aforesaid.

3. Extension of facility for conducting meeting(s) of unitholders of REITs and InvITs through Video Conferencing (VC) or through other audio-visual means (OAVM)

Effective Date : February 26, 2021

RBI vide its circular dated February 26, 2021 has been decided to extend the facility to conduct meetings of unitholders, through VC or OAVM for REITs/ InvITs, as under:

a. Annual meetings of unitholders in terms of Regulation 22(3) of SEBI (Real Estate Investment Trusts) Regulations, 2014 and Regulation 22(3)(a) of SEBI (Infrastructure Investment Trusts) Regulations, 2014, (which becomes due in the calendar year 2021) to be conducted till December 31, 2021.

b. For meetings other than annual meeting of unitholders till June 30, 2021.

MCA UPDATES FOR THE MONTH OF MARCH, 2021

1. The Companies (Management and Administration) Amendment Rules, 2021

Effective Date – Date of Publication in the Official Gazette

MCA vide its notification dated March 05, 2021 notified Section 23(i) of the Companies (Amendment) Act, 2017.

Every company shall file its annual return in Form MGT-7 except One Person Company (OPC) and Small Company. One Person Company and Small Company shall file annual return from the financial year 2020-2021 onwards in Form MGT-7A. It shall be noted that the notification has also provided the format of Form MGT-7 and Form MGT-7A.

1. The Companies (Incorporation) Third Amendment Rules, 2021.

Effective date: Date of publication in the Official Gazette

MCA vide its notification dated March 05, 2021 notified the Companies (Incorporation) Third Amendment Rules, 2021 amending the Companies (Incorporation) Rules, 2014.

It shall be noted that now the stakeholders would be in the position to perform the aadhar authentication for GSTIN registration in Form INC-35 AGILE-PRO.

2. Amendments to Schedule V of the Companies Act, 2013

Effective Date – March 18, 2021

MCA vide its notification dated March 18, 2021 notified amendments to Schedule V of the Companies Act, 2013

Schedule V provides for the conditions to be fulfilled for the appointment of a managing or whole-time director or a manager without the approval of the central government appointments. As per the amendment, in case the Board of Directors of a company are willing to further increase the remuneration of both the non-executive and executive directors beyond the upper limit, special resolution will have to be passed for the same.

3. Establishment of a Central Scrutiny Centre (CSC)

Effective Date – March 23, 2021

MCA vide its notification dated March 18, 2021 established a Central Scrutiny Centre (CSC) for carrying out scrutiny of Straight Through Processes (STP) e-forms filed by the companies under the Act and the rules made thereunder.

The CSC shall function under the administrative control of the e-governance Cell of the Ministry of Corporate Affairs. The CSC shall carry out scrutiny of the aforesaid forms and forward findings thereon, wherever required, to the concerned jurisdictional Registrar of Companies for further necessary action under the provisions of the Act and the rules made thereunder.

4. The Companies (Audit and Auditors) Amendment Rules, 2021

Effective Date – April 01, 2021

The Ministry of Corporate Affairs (MCA) has notified the Companies (Audit and Auditors) Amendment Rules, 2021 so as to broaden the scope of reporting by Auditors in the Audit Report.

Firstly, Whether the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Whether the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

Secondly, whether the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

5. The Companies (Accounts) Amendment Rules, 2021

Effective Date – April 01, 2021

The Ministry of Corporate Affairs (MCA) vide its notification dated 24th March, 2021 and 1st April 2021 amended the Companies (Accounts) Rules, 2014.

Under Rule 3(1) related to “Manner of books of account to be kept in electronic mode”, following proviso shall be inserted and made applicable from 01.04.2022-

“Provided that for the financial year commencing on or after the 1st day of April, 2021, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.”

In Rule 8(5) which states “Matters to be included in Board’s report”, new clauses Rule 8(5)(xi) and Rule 8(5)(xii) has been inserted with effect from 01.04.2021, namely:

- the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

- the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.”

6. Amendments to Schedule III of the Companies Act, 2013

Effective Date – April 01, 2021

MCA vide its notification dated March 24, 2021 amended the Schedule III of the Companies Act, 2013.

Schedule III provides for general instructions for preparation of balance sheet and statement of profit and loss of a company.

Key highlights of the amendments are:

- Companies are now required to round off the figures appearing in the financial statements.

- Criteria for rounding off shall be based on “total income” in place of “turnover”.

- All Companies now have to disclose shareholding of promoters, current maturities of long term borrowings, trade payables & trade receivables ageing schedule to be given, details of all the immovable whose title deeds are not held in the name of the company, disclosures to be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and related parties, capital-work-in progress & intangible assets under development ageing schedule shall also be given, disclosure of any proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.

- Balance sheet to mention if a company is a declared wilful defaulter by any bank or financial Institution or other lenders, Disclosure of any transactions with companies struck-off, and where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof.

7. The Companies (Amendment) Act, 2020

Effective Date – March 18, 2021 and March 24, 2021

The Ministry of Corporate Affairs (MCA) has amended the Schedule V of the Companies Act, 2013 through notification dated 18th March, 2021.

In Section I of the Schedule V of the Companies Act, 2013, after the words “managerial person or persons”, the words “or other director or directors” shall be

Where the effective capital (in rupees) is	Limit of yearly remuneration payable shall not exceed (in Rupees) in case of a managerial person	Limit of yearly remuneration payable shall not exceed (in rupees) in case of other director
Negative or less than 5 crores.	60 Lakhs	12 Lakhs
5 crores and above but less than 100 crores.	84 lakhs	17 Lakhs
100 crores and above but less than 250 crores.	120 lakhs	24 lakhs
250 crores and above.	120 lakhs plus 0.01% of the effective capital in excess of Rs.250 crores	24 Lakhs plus 0.01% of the effective capital in excess of Rs.250 crores

inserted.

Further, in Section II of the Schedule V of the Companies Act, 2013, following Table A has been substituted;

8. E-Form Updates

MCA has updated the following E-Forms on its website:

- E-Form CSR-1 for Registration of Entities for undertaking CSR Activities is now available for E-filing.
- E-Form INC-6 for One Person Company- Application for Conversion has been revised as per Companies (Incorporation) Second Amendment Rules, 2021.

SEBI UPDATES FOR THE MONTH OF MARCH, 2021

1. Prior Approval for Change in Control: Transfer of Shareholdings among Immediate Relatives and Transmission of Shareholdings and Their Effect on Change in Control

Effective Date - March 25, 2021

SEBI vide its circular dated March 25, 2021 with respect to transfer of shareholding among immediate relatives and transmission of shareholding clarified that:

In the following scenarios, change in shareholding of the intermediary will not be construed as change in control:

- a) Transfer of shareholding among immediate relative. Immediate relative shall be construed as defined under Regulation 2(1) of SEBI SAST Regulations and includes any spouse of that person, or any parent, brother, sister or child of the person or of the spouse;
- b) Transfer of shareholding by way of transmission to immediate relative or not.

In case of an intermediary being a proprietary concern, the transfer or bequeathing of the business/capital by way of transmission to another person is a change in the legal formation or ownership and hence by the definition of change in control, such transmission or transfer shall be considered as change in control. Transfer /transmission of ownership interest in case of partnership firm type intermediary: Change in partners and their ownership interest of the partnership firm type intermediary shall be dealt in the manner as provided in the circular.

2. SEBI Advises Registered Entities including MIIs to Comply with TRAI’s TCCCP Regulations, 2018

Effective Date - February 09, 2021

SEBI vide its press release dated March 23, 2021 directed all SEBI registered entities including MIIs (which use bulk SMS for providing their services to the investors) to ensure strict compliance with the Telecom Regulatory Authority of India’s (TRAI) Telecom Commercial Communications Customer Preference Regulations, 2018 (TCCCP Regulations).

Non-compliance with the provisions of said regulations may result in disruption of delivery of their messages to the investors.

It has come to the notice of SEBI that unsolicited messages containing stock tips/ investment advice with respect to listed companies are increasingly being circulated through bulk SMS, inducing investors and the general public to invest in or purchase the stocks of certain listed companies. The circulation of misleading messages is not only detrimental to the interest of the investors but also adversely affects the integrity of the securities market.

3. The Securities and Exchange Board of India (Annual Report) Rules, 2021

Effective Date : Date of publication in the Official Gazette

SEBI vide its notification dated March 12, 2021 has notified the Securities and Exchange Board of India (Annual Report) Rules, 2021. As per the said rules, the Board shall submit a report to the Central Government giving a true and full account of its activities, policies and programmes during the previous financial year as per the annexure provided in these rules. The report shall be submitted within ninety days after the end of each financial year.

4. The Securities and Exchange Board of India (Annual Report) Rules, 2021

Effective Date : Date of publication in the Official Gazette

SEBI vide its notification dated March 12, 2021 has notified the Securities and Exchange Board of India (Annual Report) Rules, 2021. As per the said rules, the Board shall submit a report to the Central Government giving a true and full account of its activities, policies and programmes during the previous financial year as per the annexure provided in these rules. The report shall be submitted within ninety days after the end of each financial year.

5. Rollout of Legal Entity Template

Effective Date : March 10, 2021

SEBI vide its circular dated March 10, 2021 has directed the Registered Intermediaries (RIs) to ensure that in case any

Listed Entity (LE) are accounts opened prior to April 1, 2021, the KYC records are to be uploaded on to CKYCR as and when the updated KYC information is obtained/received from the client. RIs shall ensure that during such receipt of updated information, the clients' KYC details are migrated to current Client Due Diligence (CDD) standards. Further, to ensure that all existing KYC records of individual clients are incrementally uploaded on to CKYCR, RIs shall upload the KYC records pertaining to accounts of individuals opened prior to August 01, 2016, as and when updated KYC information

is obtained/received from the client. Where a client, for the purpose of establishing an account-based relationship, submits a KYC Identifier to a RI, with an explicit consent to download records from CKYCR, then such RI shall retrieve the KYC records online from CKYCR using the KYC Identifier and the client shall not be required to submit the same KYC records or information or any other additional identification documents or details, unless there is a change in the information of the client as existing in the records of CKYCR. Once KYC Identifier is generated by CKYCR, the RI shall ensure that the same is communicated to the individual/legal entity.

6. Reduction in Unblocking/Refund of Application Money

Effective Date - March 31, 2021

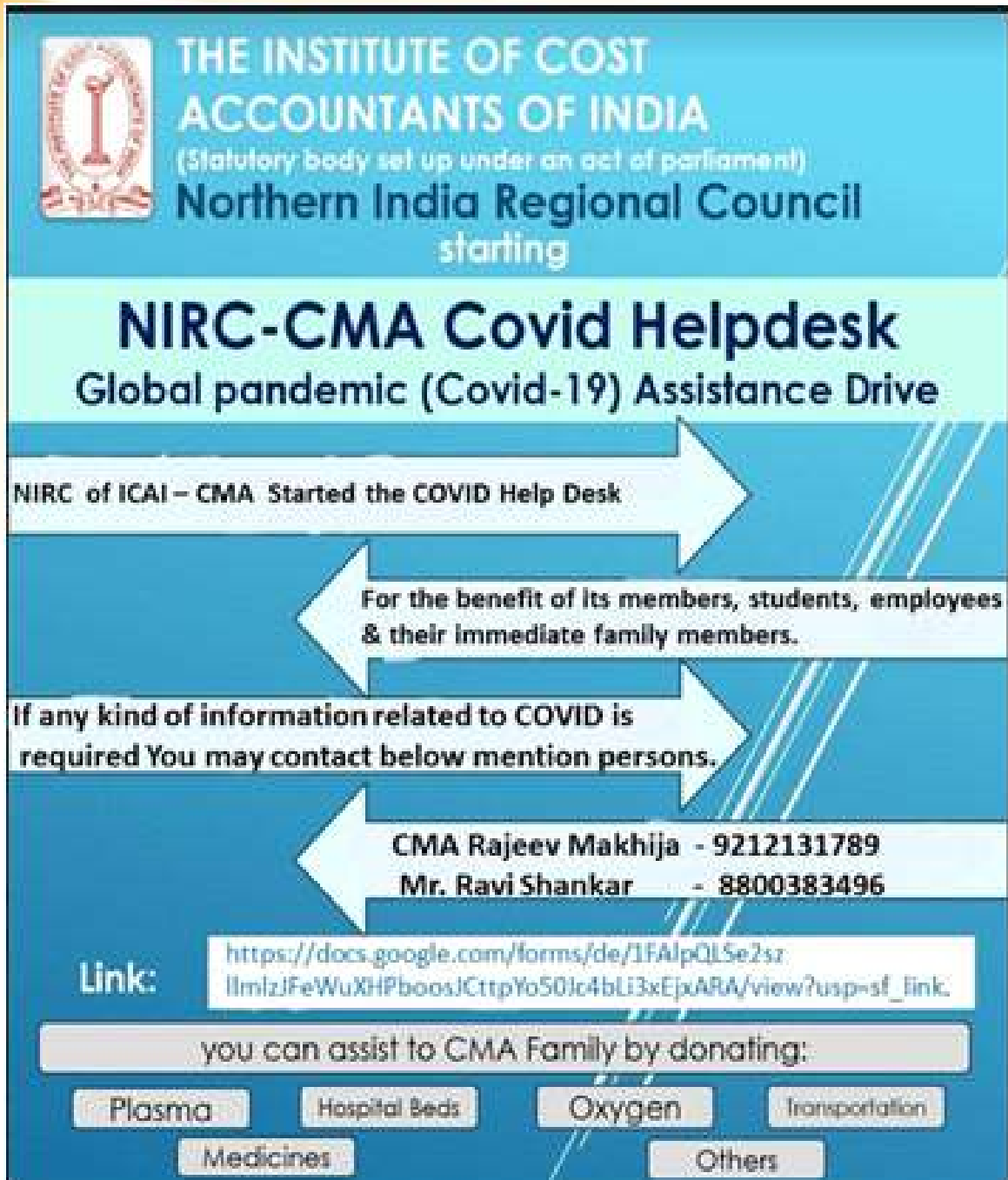
SEBI vide its circular dated March 31, 2021 has reduced the timelines for refund of money to investors as under:

- In case of non receipt of minimum subscription – The issuer is mandated to refund all the application monies within a period of four days from the closure of the issue
- In case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed regulation – The Issuer shall refund the entire monies received within four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities.


E-mail id: tanya17295@gmail.com



NIRC-CMA COVID-19 HELPDESK



The poster features a blue background with white and yellow text. At the top left is the ICAI logo. The main title is 'NIRC-CMA Covid Helpdesk' in large white letters, with 'Global pandemic (Covid-19) Assistance Drive' below it. A large white arrow points right, containing the text 'NIRC of ICAI - CMA Started the COVID Help Desk'. Below this, a white arrow points left, containing the text 'For the benefit of its members, students, employees & their immediate family members.' Another white arrow points right, containing the text 'If any kind of information related to COVID is required You may contact below mention persons.' Below this, a white arrow points left, containing the contact information for CMA Rajeev Makhija and Mr. Ravi Shankar. A white box contains a Google Form link. At the bottom, a grey box says 'you can assist to CMA Family by donating:' followed by five buttons: Plasma, Hospital Beds, Oxygen, Medicines, and Transportation, and Others.

 **THE INSTITUTE OF COST ACCOUNTANTS OF INDIA**
(Statutory body set up under an act of parliament)
Northern India Regional Council
starting

NIRC-CMA Covid Helpdesk

Global pandemic (Covid-19) Assistance Drive

NIRC of ICAI - CMA Started the COVID Help Desk

For the benefit of its members, students, employees & their immediate family members.

If any kind of information related to COVID is required You may contact below mention persons.

CMA Rajeev Makhija - 9212131789
Mr. Ravi Shankar - 8800383496

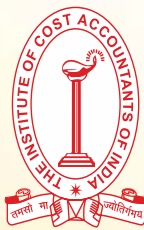
Link: https://docs.google.com/forms/d/e/1FAIpQLSe2szIImLzJFe0LWuXHPb00sJCltpYo5oYJc4bLil3xEjxARA/viewform?usp=sf_link

you can assist to CMA Family by donating:

Plasma Hospital Beds Oxygen Transportation
Medicines Others

Link for providing assistance:

https://docs.google.com/forms/d/e/1FAIpQLSe2szIImLzJFe0LWuXHPb00sJCltpYo5oYJc4bLil3xEjxARA/viewform?usp=sf_link



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THE NEWSLETTER OF NORTHERN INDIA REGIONAL COUNCIL

HEAD OFFICE : 12, SUDDER STREET, KOLKATA-700 016, PHONES : +91-33-22521031/1034/1035,

FAX : +91-33-22527993/1026 WEBSITE : www.icmai.in

Delhi Office : CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi - 110 003

Phone : +91-11-24615788, 24626678 Email : nirc@icmai.in Website : www.nirc-icmai.in

Behind Every Successful Business Decision. There is always a CMA