

**The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)**



PUNE BRANCH OF WIRC OF ICAI

NEWSLETTER

Issue No. 1 - January 2020

(Subscribers copy not for sale)

"Happiness is like a Butterfly. If you run after it, it keeps flying away, but if you stand still, it comes & sits on your shoulder."

PUNE BRANCH OF WIRC OF ICAI

Forthcoming Programmes

SR. NO.	DATE	SEMINAR NAME	VENUE	TIME	FEES	CPE HRS.
1.	8th Feb, 2020	Grow your Firm & Practice (The Future Ready CA Firm) for SMPs & Young Members	ICAI Bhawan, Bibwewadi, Pune	10.00 am To 5.30 pm	Rs. 500/- Plus GST	6 Hrs.
2.	9th Feb, 2020	Analysis of Union Budget 2020	Hotel J. W. Marriott, S. B. Road, Pune	8.30 am To 12.00 pm	Rs. 500/- Plus GST	3 Hrs.
3.	11th Feb, 2020	Vivaad Se Vishwas 2020 - scheme for resolving Income Tax disputes	ICAI Bhawan, Bibwewadi, Pune	6.00 pm To 8.00 pm	Rs. 100/- Plus GST	2 Hrs.
4.	14th Feb, 2020	Interactive meet with ROF and Session on Partnership Act	ICAI Bhawan, Bibwewadi, Pune	10.00 am To 1.00 pm	Rs. 300/- Plus GST	3 Hrs.
5.	14th Feb, 2020	Seminar on "Private Equity and Venture Capital"	ICAI Bhawan, Bibwewadi, Pune	4.00 pm To 7.00 pm	Rs. 300/- Plus GST	3 Hrs.
6.	15th Feb, 2020	Seminar on "Overview of Merger and Acquisitions"	ICAI Bhawan, Bibwewadi, Pune	4.00 pm To 7.00 pm	Rs. 300/- Plus GST	3 Hrs.
7.	21st Feb, 2020	Seminar on "Recent issues in ITC"	ICAI Bhawan, Bibwewadi, Pune	5.30 pm To 8.30 pm	Rs. 300/- Plus GST	3 Hrs.
8.	22nd Feb, 2020 To 15th Mar, 2020	Educational Course by ICAI Registered Valuers Organisation (ICAI RVO)	ICAI Bhawan, Bibwewadi, Pune	9.30 am To 5.30 pm	Visit www.icairvo.in	N. A.
9.	22nd Feb, 2020	Programme on "Multiplying Wealth through Mfs"	ICAI Bhawan, Bibwewadi, Pune	5.30 pm To 8.30 pm	Rs. 300/- Plus GST	3 Hrs.
10.	28th Feb, 2020	Workshop on "Make in India"	ICAI Bhawan, Bibwewadi, Pune	10.00 am To 5.30 pm	Rs. 700/- Plus GST	6 Hrs.
11.	6th To 8th Mar, 2020	CA Inter Firm & Inter Branch One Act Play Competition	Under Finalisation	Will inform later	Visit puneicai.org	N. A.

Notes:-

- 1) Registrations half an hour before program timings mentioned above.
- 2) For online registrations & detailed programme structure visit www.puneicai.org
- 3) Spot Registration Fees will be charge 25% extra

Convocation Ceremony for Newly Qualified Chartered Accountants



Inauguration



Certificate Distribution



Oath Ceremony



Participants

Chairperson's Communique

Respected Members,

HAPPY NEW YEAR!!!

Happiness is when we are wealthy as well as healthy. New year typically begins with resolutions, especially health related resolutions and all of us are aware as to how long these resolutions last!! But on a serious note, we professionals need to take our health very seriously. There is no doubt that if one is physically fit, one remains mentally fit. In the current stressful work environment we all are going through, it is imperative to put aside some time for ourselves.



CA. Ruta Chitale
Chairperson
Pune Branch of WIRC of ICAI

With the aforementioned thought in mind and with a view to reignite the long forgotten passion for sports and physical activity, we thought it worthwhile to conduct January 2020 as a Fitness Month. There are typically three types of Fitness- Physical, Mental and Spiritual. Well-being all three shall definitely lead to a healthy as well as wealthy professional. The mental well-being is about intellect i.e. about the head/ brain whereas the spiritual wellness is all about heart and soul. We at Pune branch shall try to enhance the fitness at all levels and shall be organizing various programs around fitness in this month.

Inter-firm Cricket tournament is the high point of month of January every year. There are around 16 teams and around 250 members/students of our fraternity. Every year the tournament level is on a rise. It is an excellent fraternity building and networking event. We hope we shall also be able to organize a Badminton league on the lines of such cricket tournament. I appeal to all of you, to kindly come forward to organize such badminton tournament.

I have two more ideas in my mind which should go on to enhance the connect between your institute and yourself. On the lines of TED talks, I request you to make a small video of 5 to 7 minutes on any technical concept – be it from any knowledge stream (Direct tax, indirect tax, corporate laws etc.) If the edit team finds it acceptable, the same can be uploaded on to the website as a knowledge resource. We shall be getting the necessary approvals from the central council, if any. Till then, please make your video concepts ready. It will also be increase the website traffic of Pune branch when people search for certain key concepts and would definitely enhance the knowledge resource bank.

Secondly, on an informal basis, we are desirous of creating a Second-opinion Cell. To begin with it shall consist of two senior persons each on direct tax, banks, company law and code of ethics. The queries can be asked on email and these queries shall be answered on email. It is presumed that these queries shall be confirmatory in nature and should not be solution seeking. The details of the format/ structure shall soon be announced. Again we shall be seeking the necessary approval, if any.

Do not forget to share your ideas, views and thoughts on any and every matter related to the branch. Assuring you that we shall definitely take cognizance of each and every email, message and verbal communication.

Awaiting your email at chairman@puneicai.org and/or message at my personal mobile number (#8390610136).

Warm Regards,
CA Ruta Chitale

Faceless Assessments

Contributed by :- CA. Mayuri Kulkarni

Email :- mayurijk@gmail.com

India is moving faster towards the digital tax administration. Since year 2016, India witnessed a big leap in the e-governance.

2016- E-assessments were introduced in 2016 on a pilot basis.

2017- CBDT issued an instruction no. 8/2017. 'E-proceeding' facility in e-filing was introduced and it was decided to utilize the same in a widespread manner for conduct of proceedings in scrutiny cases getting time barred on 31/12/2017 (for around 102 cities).

2018- In the budget, a new section 143(3A) was inserted in the Income Tax Act, 1961. It was proposed to prescribe a new scheme for the purpose of making assessments so as to impart greater transparency and accountability and introduction of team based assessment. Thereafter on 12/02/2018, an instruction no. 01/2018 was issued, which directed to conduct all assessment proceedings except search related assessments electronically through the 'E-proceeding' facility. On 22/02/2018, Notification no. 12/2018 was issued which notified the Centralized Communication Scheme u/s 133C (3) of the IT Act, 1961.

2019- Many developments took place during the whole year-

05/07/2019-In the July budget speech, finance minister Nirmala Sitharaman announced the faceless assessment scheme.

14/08/2019-For a proper audit trail of the communications issued by IT department, Document Identification Number (DIN) was made mandatory vide Circular No. 19/2019.

12/09/2019- Notification no. 61/2019, notified E-assessment scheme, 2019.

26/09/2019-Circular no. 27/2019 was issued to provide directions with respect to conduct of assessments through 'e-proceeding' facility in cases other than the cases covered under the above e-assessment scheme, 2019.

07/10/2019-Revenue Secretary inaugurated National e-Assessment Centre of IT Department.

The earlier scheme of e-assessments practically has not eliminated the human intervention. It was observed that the IT department followed a black box approach towards the assessments, duplicating the work of the tax professionals. Presently, the cases of search based assessments, re-assessments, non-PAN cases, set aside assessments, cases of assessee's filing return in paper mode and not having e-filing accounts remain outside the purview of e-assessments. Further, in the earlier scheme, it was mentioned that the cases where the books of accounts are to be examined/ cases involving examination of witness/ invoking provisions of section 131 of the IT Act, 1961, personal hearing may take place.

Taking a step further, this new scheme is launched in line with the Prime Minister's vision of 'Digital India' and promotion of ease of doing business. It was mentioned by Hon. Finance minister that the scheme aims to eliminate the undesirable practices that are prevailing in the existing scrutiny assessments, which occur due to the personal interaction between the taxpayers and the officials. Another aspect is to remove the arbitrariness by eliminating the human interface between the assessing officer and the assessee.

Under the new scheme, CBDT would set up the below centres and units-

- National e-Assessment Centre (NeAC) - An independent office that will look after the work of e-Assessment scheme. NeAC in Delhi will be headed by the Principal CCIT.
- Regional e-Assessment Centres (ReAC) – Eight such centers are set up, including one in Pune. Each ReAC will be headed by CCIT.
- Assessment units- To perform the function of making assessment.
- Verification units- To perform the function of verification, which includes enquiry, cross verification, examination of books of accounts, examination of witnesses and recording of statements, etc.
- Technical units- To perform the function of providing technical assistance which includes any assistance or advice on legal, accounting, forensic, information technology, valuation, transfer pricing, data analytics, management etc.
- Review units- To perform the function of review of the draft assessment order, which includes checking whether the relevant facts and law have been duly considered, whether the issues on which addition or disallowance should be made have been discussed in the draft order, whether the applicable judicial decisions have been considered and dealt with in the draft order, checking for arithmetical correctness of modifications proposed etc.

Under the new system of faceless e-Assessment, tax payers will receive notices on their registered emails as well as on registered accounts on the web portal www.incometaxindiaefiling.gov.in with real time alert by way of SMS on their registered mobile number, specifying the issues for which their cases have been selected for scrutiny. No human interface with the Department, would be a game changer. To put it simply, the notice does not mention the name and address of any assessing officer.

The procedure will be as under-

- NeAC to serve a notice u/s 143(2) of the IT Act, 1961 to the assessee.
- Assessee to file reply with NeAC.
- NeAC will assign scrutiny of any case to any Regional e-assessment Centre through an automated allocation system.
- Assessment unit may make a request to NeAC for further information, verification by verification unit or technical assistance from the technical unit.
- NeAC to issue notice to the assessee requiring further information.
- After considering the inputs received, the assessment unit will pass a draft order, which will be examined by the national center and reviewed by the review unit before a final order is provided to the taxpayer, with or without modifications.

The scheme provides that no personal appearance will be required. However, it is also provided that, where modification is proposed in the draft assessment order and a show cause notice is issued to the assessee, only assessee is entitled to seek personal hearing. It is also provided that the same shall take place only through video conferencing.

Considering the above, a robust infrastructure is required at the IT Department's end. It will be critical for the government to ensure the proper management of the huge amount of data and documentation. Appropriate investment would be required for the data security and confidentiality. Further, in order to follow the timelines of the assessments and to maintain the quality in the assessments, technical glitches need to be eliminated.

Now, since there will be no human interaction, the assesseees will be required to provide accurate, to-the-point replies to the information called for. Assesseees are also required to have appropriate infrastructure to maintain the data and documentation in digital form.

This scheme will bring better quality in the assessment proceedings, since it introduces team based assessments. Further, advantages of reduced personal interaction will be - better transparency, efficiency, ease of compliance and standardization. All these advantages will make way for the expeditious disposal of the cases.

The scheme may pose some challenges for the taxpayers. The assessee need to be alert regarding the notices received on e-mails. Utmost care needs to be taken for updating the mail- ids and mobile numbers on IT department's portal. Non-submission on the stipulated date may lead to automatic generation of penalty and/or show cause notices. Submitting bulky data electronically may be challenging. Recently, the assesseees experienced that the 'tab' for making the online submission for assessments of A.Y. 2018-19 became unavailable after the lapse of the date stipulated for submission. On 24/12/19, with a view to provide relief to the taxpayers and to tax professionals and to facilitate the compliance, NeAC extended the time limit of filing the responses to 10/01/2020.

The scheme will be launched in a phased manner. In the first phase, the Income Tax Department has selected 58,322 cases for scrutiny under the faceless e-Assessment Scheme 2019 and the e-notices have been served before 30/09/2019 for the cases of Assessment Year 2018-19. It would be noteworthy to observe how the further proceedings such as review assessments u/s 263, re-assessments u/s 147 of the IT Act, 1961 will take place.

For the practitioners, the new scheme will open up further professional opportunities, since now the assessments will not be bound by geographies. With the launch of faceless assessment scheme, let's look forward to a paradigm shift in the tax administration.

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Strategic Management....the real management

Contributed by :- CA. Vijay Ashtekar

Email :- admin@ashtekarca.com

Strategy not necessarily should be used only in corporate environment, but perhaps in every walk of life. Strategy in day to day life, yes we decide, we formulate and we implement it everywhere and every time.

Look at the politics, at the time of election campaign, after results the alliances, the formation of Government and so on. Any assignments like merger, acquisition, due diligence, IB cases, forensic audit and what not.

An organisation operates in the environment of multiple forces i.e. economic, technical, legal, political, social and global.

Strategic management helps the organisation to develop set of decisions and actions resulting in formulation and implementation of strategies designed to achieve the objectives in a given framework.

Likewise any other science or theory, strategic management has some techniques such as -

SWOT analysis - Situational analysis - Impact analysis - Business Process Re-engineering.

Alfred Chandler defined strategic management as the determination of the basic long term goals and objectives of an enterprise and the adoption of the courses of action and the allocation of resources necessary for carrying out these goals.

The basic aspects of strategic management are -

- a. Determination of basic long term goals and objectives.
- b. Adoption of courses of action to achieve these objectives.
- c. Allocation of resources for adoption of the necessary course of action.

It provides overall direction to the enterprise. It makes a critical appraisal of its own management conception and practice.

It is a philosophy - a way of thinking.

Strategic management or planning ensures a rational allocation of resources and improves co-ordination among various decisions of the organisation. It provides clarity in objectives and direction, financial stability and benefits, protection against environment uncertainty, systematic and disciplinary approach towards organisation functions.

Sometimes it requires a short term strategy, but most of the times it requires a long term strategy. Design the strategy, formulate the strategy and then implement the strategy. Call the entire process as Strategic Management.

Macro level strategy, micro level strategy as per needs of the organisational objectives, goals and aims.

Joel Ross says that without a strategy, an organisation is like a ship without radar.

Strategy seeks to relate the goals of the organisation to the means of achieving them.

Strategy is a long range blue print of an organisation's desired image, direction and destination. Strategic management model consists of three stages -

Formulation, Implementation and Evaluation.

Strategy is formulated or designed or structured or described or articulated taking into consideration the objectives of the organisation - long term as well as short term. The objectives are financial, business development, production, human relationships etc.

Vision and mission are usually designed and followed in an organisation.

Strategic management process can be described in the steps of chronological order -

1. Define vision and mission.
2. Decide objectives.
3. Design a comprehensive and full proof process to achieve those objectives, implement and execute the strategy effectively and efficiently.

Evaluate the performance periodically at regular intervals, adjust vision if required. As mentioned, strategy need not be restricted to corporate or business functions only, it is being applied to many other important functions such as politics, defence, external affairs of a country, sports, etc.

Strategic management at corporate level is largely observed, studied, analysed, criticised and commented too. Many a times we read and listen the corporate news and understand the strategic moves of the business leaders and houses. We match the result of those moves and then analyse those decisions, moves and formulate our opinion, as positive or negative.

The small organisations and entrepreneurs always learn from the large corporate organisations' strategic actions and their effects. Based on their experiences, these small organisations decide their strategy and implement it.

Usually the macro level strategy is formulated at the board level. This strategy consists of the objectives of the organisation, the policies, the culture and the behaviour of the organisation. Then it percolates to middle level management where actual plan of action is defined, discussed, frozen and forwarded to lower level management for implementation.

The middle level management formulates its own strategy under the guidance of top level management and implement it. It also evaluates the strategy so implemented and the overall performance. The required changes are being made at this level taking into consideration the available resources and the changes indicated by the top level management.

The lower level management has to follow the task of execution i.e. actual work on the field. They have the well defined plan of action, the targets, the due dates and resources for use. It has to give feedback of completion of task in time, successfully and economically or if not, then the reasons there for, so that the middle level management can guide them to modify the strategy if required.

While executing the plan of action at lower level management, it has to formulate its short term strategy so that the task can be achieved as required.

"Emotions don't have words, Wishes don't have scripts, If you smile, world is with you, Otherwise even a drop of tear does not like to stay with you."

The concept can be understood more simply with an example of our day to day practice.

A student pursuing the Chartered Accountancy course has to decide his strategy about the objective of passing an examination with good marks. He has to decide whether he should join tuition or do self study. If a tuition is to be attended, then which one is to be attended? Whether the tuition is required for all subjects or for few of them? The tuition is to be attended for how many months before the examination? If self study is preferred then which books in addition to Institute designed study material are to be studied or referred? How many hours' a day he should study? It's all about strategic management of passing an examination.

Another classic example can be given when AMAZON decided to launch its business operations in India, it must have followed the systematic process of strategic management -

The objective of capturing Indian e-commerce market, giving a tough competition to FLIPKART and SNAPDEAL etc. must have been considered by Amazon. At the same time, the tactful strategy to compete with local BANIYA kind of shops and supermarkets might have been considered.

Today the result is that a sizeable portion of e-commerce market in India is captured by AMZON. If we study the entire journey of AMAZON from the entry day till date, we can understand the strategic management concept more objectively and practically.

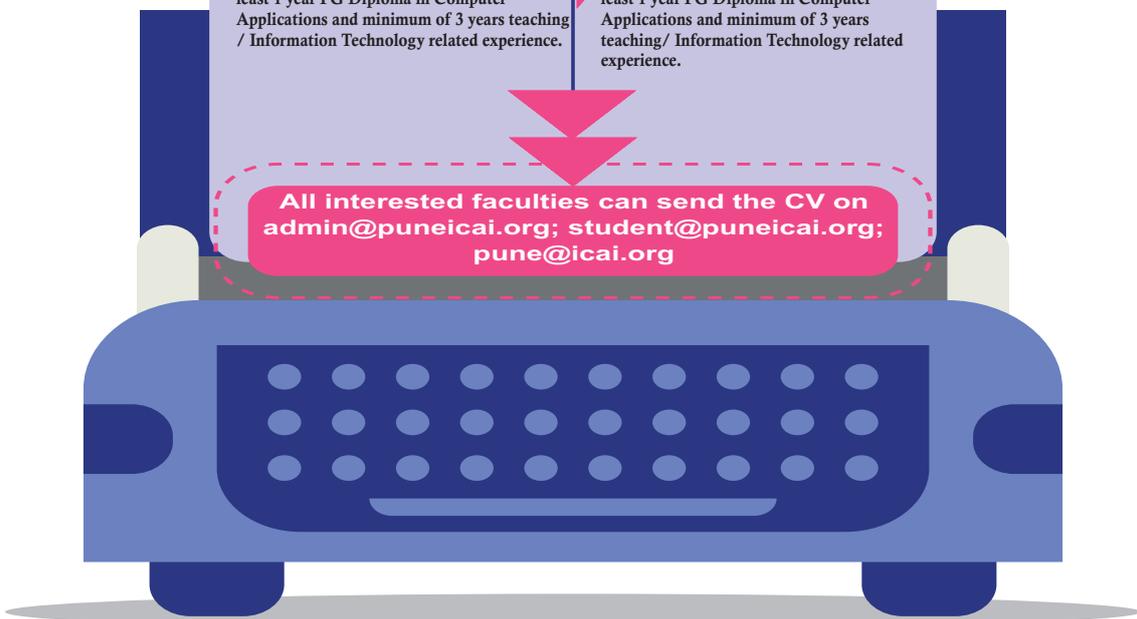
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Pune Branch of WIRC of ICAI Expanding the network of New Faculties for (ICITSS & AICITSS)



Faculty Criteria for Course on Information Technology-ICITSS (ITT)	Faculty Criteria for Course on Advanced Information Technology-AICITSS (AITT)
<p>CA with D.I.S.A. (ICAI) having minimum 3 years' experience in Information Technology related fields.</p> <p>M. Tech (CS/IT) or MCA or M.Sc.(CS/IT) or B.E./B. Tech. (CS/IT) or MBA(IT) or 'B' Level Certification in Computer Application from DOEACC or M.Sc./ M.Com with at least 1 year PG Diploma in Computer Applications and minimum of 3 years teaching / Information Technology related experience.</p>	<p>CA with D.I.S.A. (ICAI) having minimum 3 years' experience in Information Technology related fields.</p> <p>M. Tech (CS/IT) or MCA or M.Sc.(CS/IT) or B.E./ B. Tech. (CS/IT) or MBA(IT) or 'B' Level Certification in Computer Application from DOEACC or M.Sc./ M.Com with at least 1 year PG Diploma in Computer Applications and minimum of 3 years teaching/ Information Technology related experience.</p>

All interested faculties can send the CV on admin@puneicai.org; student@puneicai.org; pune@icai.org



"Faith is the soul of success. The people who accomplish the most do so not because they never run into problems, but because they believe there is a solution for every one."

Flag Hoisting on the occasion of Republic Day



Programme on "How To Be A PERFECT CA" & Session on "Mental Fitness (Face the Fear)"



From L To R :- CA. Ruta Chitale - Chairperson, CA. C. V. Chitale - CCM, CA. (Dr.) S. B. Zaware - Chair (AOSSG), CA. Sharad Vaze, CA. Paul Alvares



CA. Manish Bhandari
Speaker



Participants

Seminar on Office Productivity - Technology Tools & Tips



CA. Maitri Chheda
Speaker



CA. Ashwin Dedhia
Speaker



CA. Adarsh Madrecha
Speaker



CA. Pranay Kochar
Speaker



Participants

"Life is short. Cut out the negativity, forget gossip, say goodbye to people who don't care. Spend time with the people who are always there."

CA Sparks- Emerging Trends in the Profession



Panelists



Panelists



Panelists



Panelists



Participants



Participants



Panelists



Participants



Participants

Badminton Competition



Panelists



Participants



Participants

Obituary

Pune ICAI Condolences the sad demise of below members

**1) Name :- CA. Devidas Hari Firke
Membership No. :- 006431**

**2) Name :- CA. Ashok Gopal Pataskar
Membership No. :- 031688**

**3) Name :- CA. Jaswantraj Jain Praveen
Membership No. :- 084979**

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