



Special Edition



Newsletter

October 2021

Creative Teamwork
Think Idea Innovate
Process Business

AASquare Advisors

(Set up under LLP Act of Parliament)

Special Message



Ch. Rajesh Kumar Singh
Member of Legislative Assembly
25 Kanth Moradabad – UP

Interview



CA Shailesh Haribhakti
Chairman Blue Star Limited
India

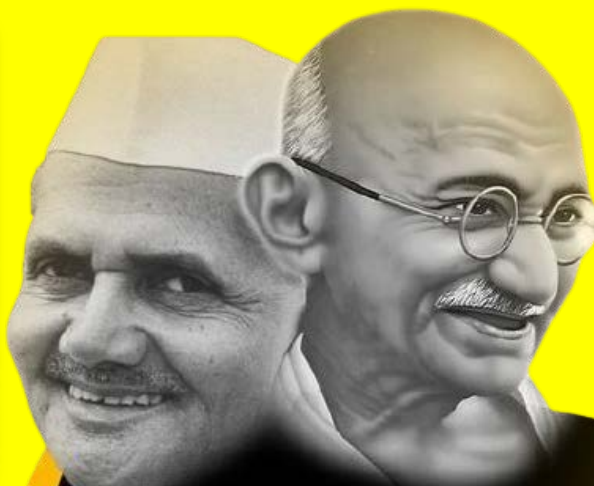
Message



Ch. Vikrant Singh
Dist. Vice President BJP Youth
25 Kanth Moradabad – UP



CA Cyrus Kallapurackal
Bursar (Head of Finance)
Madras Christian College-Chennai



Lal Bahadur Shastri Ji & Mahatma Gandhi Ji
Happy Birthday
World Wide



Er. Nitin Sharad
Proprietor- Sri Sai Cooling Systems
Moradabad



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“Hard work is just a word to scare people who do not love their work. The actual fact is when you love your work so much, you almost never find it hard”

Strong team of experienced, competent, skilled and energetic professionals who believe in providing quality services to clients with honesty, building trust & confidence with them.

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The members of the firm provide a perfect blend of consistent high quality expertise derived from immense transactional experience and innovative thought in providing solutions in domains covering multidisciplinary fields working closely with Chartered Accountants, Company Secretaries, Lawyers and professionals from other discipline.

Please feel free to reach us at info@asquareadvisors.in / arjitagarwal@gmail.com for your valuable views/suggestions/ feedback for improvement of this Newsletter.

We believe that

“If you want to go fast – Go Alone . If you want to go far – Go Together”

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Dear Readers,

Mahatma Gandhi Ji was one of the most important leaders of the Indian freedom struggle. He was fondly called Bapu. This year marks the 152nd birth anniversary of Mahatma Gandhi

2nd October is also celebrated as International Day of Non-Violence to honour Mahatma Gandhi's Ji path of 'ahimsa'. On this day, people celebrate with prayer services, commemorative ceremonies and cultural events that are held in colleges, local government institutions and socio-political institutions. The statues of Mahatma Gandhi are decorated with garlands and flowers. His favourite song Raghupati Raghava is also sung at some of the meetings. His birth anniversary is celebrated in other parts of the world too.

People honour Gandhi Ji contributions towards the Indian Independence movement, and his non-violent way of life. He led the Dandi Salt March in 1930. In 1942, he launched the Quit India Movement. He was also instrumental in abolishing the age-old practice of untouchability.

Gandhi Jayanti is celebrated on October 2 every year to mark the birth anniversary of Mahatma Gandhi. It is observed across states and territories in India, and is one of the officially declared national holidays. He is symbol of Non Violence and Father of Nation.

We would like to mention one of his favorite quote

"Forgiveness is the quality of the brave, not of the cowardly. The weak can never forgive. Forgiveness is the attribute of the strong"

Let us all pay homage to the Father of Nation Mahatma Gandhi Ji by living a life of peace, kindness and truth. Happy Gandhi Jayanti & Lal Bahadur Shastri Ji.

Moradabad
02th October 2021

With regards,
Ch. Rajesh Kumar Singh
Member of Legislative Assembly
25 Kanth Moradabad – UP
&
Ch. Vikrant Singh
Dist. Vice President BJP Youth
25 Kanth Moradabad – UP



CA Shailesh Haribhakti is a renowned Chartered and Cost Accountant, and a Certified Internal Auditor, Financial Planner & Fraud Examiner with over four decades of experience in developing and leading one of India's most respected and diversified Chartered Accounting firms, Haribhakti & Co LLP Chartered Accountants.

He is currently Chairman of Blue Star Limited and Chairman of the Board of L&T Finance Holdings Ltd, L&T Mutual Fund Trustee Ltd, Future Lifestyle Fashions Ltd and NSDL e-Governance Infrastructure Ltd, amongst others.

He is also an independent Board member of a several leading companies including Torrent Pharmaceuticals Ltd, Bennett Coleman and Company Ltd (Times Group), Ambuja Cements Ltd, ACC Ltd, and Bajaj Electricals Ltd. He has helped create GOVEVA, which provides digital Governance & Compliance support to corporations globally.

In recent times, some prominent Boards and Board Committees led by him have been recognised with coveted awards, which speak of his penchant for excellence in the areas of corporate governance and sustainability initiatives.

He is a well-known thought leader on the Indian Economy and Public Policy. He is an ExTech (Exponential Technologies), ESG (Environmental, Social, Governance) & IR (Integrated Reporting) Evangelist. He is also an author of 2 books - "The Digital Professional" and "Audit Renaissance". He is a strong supporter of a clean and green environment, shared value creation and has pioneered the concept of 'Innovating to Zero' in the social context. He is highly passionate about the above and actively speaks about them at various forums.

He was a visiting faculty at IIM-Ahmedabad. He has led Bombay Management Association; Institute of Internal Auditors, Mumbai; Institute of Chartered Accountants of India; Indian Merchants Chambers; Financial Planning and Standards Board, India; and Rotary Club of Bombay over the last many decades. He has served on the Standards Advisory Council of the IASB in London for two years and was Chairman of NPS (National Pension Scheme) Trust from 2015-2017. He has been conferred with the 'Distinguished Fellowship of IOD (Institute of Directors) Award - 2009,' by the Institute of Directors



1. CA Arjit Agarwal - First, I am thankful to you on behalf of AASquare Advisors LLP for sparing your valuable time and discuss on Topic "Technology & Future of Profession" considering COVID-19 and other Technological upgradations.

CA Shailesh Haribhakti Ji - It's an absolute pleasure and delight to talk to you, Arjit. I know that you are deeply involved with the profession, and that you like to make sure that the appropriate conversations happen, which can serve to educate, inspire, guide and perform many roles for a very wide swathe of our professional brethren. I must tell you that in my mind, the top priority I always give to chartered accountants, I find that as a profession, we are more like a very large family and I feel that way. If a chartered accountant asks for my time, I always give it priority and make sure that the due respect to the professional is given in any forum in every interaction.



2. CA Arjit Agarwal - Reference to "The Digital Professional", authored by you in 2018, wherein you mentioned in preface that "The profession has to be

future ready before the world declares us redundant". How's your viewpoint exactly matched the scenario post COVID-19, which has in many ways accelerated a transformation from manual to digital processes in a very short span of time? In a way, you were like an Astrologer who prompted us to focus on the technology.

CA Shailesh Haribhakti Ji - Arjit, I was certain for so many years that our profession is linked to the future technology in an immense way and whoever embraces and accepts this at the earliest, will emerge as the winner. That was my conviction and its even more today because, the world is going in a direction where every physical aspect of the world is sought to be represented digital and is sought to be interacted with digital. Whether it is the substitution of face-to-face contact with a webinar or a zoom meeting, which is the biggest thing that has happened during COVID. The way the greatest growth has happened in video conferences and in webinars and in properties such as zoom and others of that sort. But that's just the surface representation. The acceleration of digitization has happened to such an extent that today, there is a foundation, which was established in Switzerland just five months ago called Definity. What does this foundation do? It creates the vision of a global Internet. It creates the vision of all of us getting connected to the internet, open-source manner, not just through software, but with every system and process to such an extent that we can form internal communities. So, let's say we take Chartered Accountants from, South Bombay. Let's say there are 20,000 chartered accountants, so we can form a community. Now you can design the community, not just with chartered accountants, but with Chartered Accountants in industry also, who are the other side of our "who takes our service". Generally, it is an accountant in industry, or a professional, accompany Secretary, it could be an MBA, it could be whoever, so we could form a community. And we could make the arrangement for an open chat getting established in order that there is continuous value creation, for the community that we create. And the way the community is created, is by issuing non fungible tokens or NFT's to every participant, for producing value for consuming value, and for governing the whole process of the community. So, imagine that within the confines of this wonderful community, we can have massive value transfer happening within the community. Now take this logic and extend it to benchmarking, extend it to every other process that will enable things to keep improving, be on an improvement path on a continuous basis. And you will find that everything that we do, can be improved dramatically. For example, we could have a world where there is no need to do any data entry, there is only capture of data sets, which is the reflection of the physical interaction between either two counterparties, or two processes, or two pieces of hardware, or two pieces of software and convert that into everything that defines the six capitals of integrated reporting.

And imagine what will happen, we will suddenly have an ERP not just of the financial accounts, but an ERP, which will enable us to record and work with the six capitals of integrated reporting. Just imagine what a transformational world that can become. Also imagine that instead of cash, everything that we deal with, is settled through a digital transfer of money from one account to the other. Let's start with that. At the end, we might be needing to transfer only tokens, you won't need the money. But let's say today, you can do that every transaction, wherever in the world can be done totally digital. Even in the remotest part of rural India. Today, there is the possibility of doing every transaction digital. Also take the fact that you never need to truly have struggled for that physical meeting, that all of us spend so much time in putting together you just have to communicate. If people are free, get onto a zoom call, and you're done. And so, the productivity of everybody and everything and every process is likely to grow exponentially And the costs are likely to fall so that everything becomes democratically available to all of us to enjoy it together in a community, that's the new world that is emerging as a result of all the digitalization acceleration that has happened in the last two years. You know, there has never been a time in the history of the world when these many startups have been bought up by the top five IT companies of the world, even compared to the 2000 boom, 40% incremental acquisitions have happened in 2021. This is the reality of today.

3. **CA Arjit Agarwal** - Let me say that it adheres to the vision of our Honorable Prime Minister, of moving towards digital India in a short span of time which will help us in all accounting aspects and become a cashless economy. So that's something you are referring to. But I guess that for cities, it's okay. I mean, for a metro city or a town it's still feasible as people there are equipped with technology, they know how to use mobiles, how to use laptops, but for rural areas where



there is not much use of technology and they are not much educated. Don't you think someone may mislead/misguide them.



CA Shailesh Haribhakti Ji - Complete misunderstanding of rural India Arjit. Our urban minds must be washed cleaned. The extent of technology use and enablement that I'm seeing personally in rural India is amazing and exceptional. I was in a village in a very remote part of Karnataka, and I asked this question to the self-help group women who had gathered as to what you will do if I'm not able to disburse your loan in cash, and I have to give you only a digital transfer. So, this woman who was not at all familiar with English, but was very familiar with technology, struggled to pull out her cell phone from her purse and pulled it out and told me that I use Google pay. So, it is just a myth that we have all formed. We all think that nothing can happen in rural India. Digitalization can't happen there. This is all a misunderstanding and we need to remove it this very moment. This is not true at all. The way penetration of Internet happening in rural area is amazing. They may not have smart phones& only functional phones, but functional phones can show QR Codes. Money transfer through "QR Code to QR code" is possible. The infrastructure in India is finest in the world. The way digital transactions are happening in India, we have become the biggest superpower in the world pertaining to the digital scenario. We should keep on promoting this and if our CA professional community too starts thinking, that even in the remotest part in India how we can establish a temporary internet connection and can further do digital transactions. The rural India's mindset has changed, and it is us who have to change our mindset now.

CA Arjit Agarwal - Thank you, sir, for updating me, I was not aware about it. Thank you so much.

4. CA Arjit Agarwal - What changes have you witnessed in profession& business over last few years?

CA Shailesh Haribhakti Ji - So the big change that I have witnessed is that there has been massive consolidation on the one side. A lot of firms have merged, a lot of acquisitions have happened by the larger firms. And the profession is far stronger than it was ever in the past. Because as a result of the bulking up of size and the investments in information technology, the professional has been able to take on much more interesting work. larger pieces of work. Complex pieces of work. A lot of outsourcing has happened. A lot of digitalization has been supported by the profession. And now with the whole new field of sustainability opening, there is yet another very large explosion of new work that is coming the way of the profession. We need to get geared up to make sure that all of this can be executed by us in a flawless, efficient manner. So that's one big trend that I'm seeing in the profession. Consolidation, investment in technology, people coming together, complex services being rendered in teams by our profession. And I must say that ICAI has been exceptional in supporting this wonderful new outcome for our profession. Also, what has happened is that accountants in industry have also taken massive strides in upgrading their knowledge, upgrading their ability to absorb technology, and make sure that technology works for the benefit of the companies they work in. And we must always recognize the extraordinary contribution that is being made today by accountants in industry. That's one thing that I would like to emphasize very strongly. Whenever I come in touch with a group of Chartered Accountants in industry, I find that they are such a joy to work with, to interact with, to learn from, and it is something that we, who are practicing the profession should reach out to more and more. So, this bridge between accountants in industry, and accountants in the profession needs to be strengthened every day, which again, I must give compliments to ICAI for attempting to do this. Third big trend I am seeing is that regulators and I recently had a wonderful interaction with NAFRA Chairman are recognizing that while they have to raise the bar, the innovation and implementation of benchmark new practices has to happen in the profession at scale. And so, there is a symbiotic relationship that is possible to develop between the regulators of the profession and the practitioner. Now, that is a trend that we need to now start focusing on and have a very positive, symbiotic and progressive relationship with regulators to make sure that our ethics and our delivery is such that we become part of the solution and we are not seen as part of the problem. That to me, is the biggest new trend that I see happening over the next three to five years.

CA Arjit Agarwal - So you mean to say that we all need to be a part of the solution and not the problem?

CA Shailesh Haribhakti Ji - And we, the Chartered accountants should come up together, giving the regulators due respect and work in harmony for the good of people.



CA Arjit Agarwal - And then only the dream of \$5 Trillion economy will come true.



CA Shailesh Haribhakti Ji - Very right.

5. **CA Arjit Agarwal** - I understand, you are founding member of GOVEVA, providing SaaS Platform. Can you brief about ESG Software and how it accelerates with Global Best practices? I Strongly believe that the Board management software are very useful tools for senior management at corporate levels.

CA Shailesh Haribhakti Ji - So GOVEVA stands for governance, and economic value addition, wherein GOV stands for Governance & EVA stands for economic value addition. So, the platform enables you to be compliant with regulation, law and anything that is likely to affect you. It helps you to conduct meetings in a confidential, Private manner, encrypted manner, communication can happen between board members between the C suite of a company and board members and inter se between everybody who needs to add value to make the board performance roll to its best capacity. Also, the meetings need to be supported by very good agendas. And they need to be recorded. So there has to be video conferencing, there has to be an ability to instantaneously convert the value that arises from a meeting in two minutes. And those minutes must be stored away and signed as required by the regulation in a way that people can feel that what was discussed in the meeting is what is actually reflected in the minutes. And so, the confidence in signing off and saying that I approved the minutes can rise dramatically. Also, this becomes a very good defense for people to show how they participated, it can become an input to board evaluation, it can become an input to many other board processes, which can be optimized if the platform is used to its maximum benefit. But now think that in the world, which is moving towards ESG, you have an ERP of ESG. I know of a group of youngsters, who is producing the ERP for making ESG happen. They are tracking all six capitals. Now imagine that just instead of SAP or Oracle, you have an ERP which takes care of all six capitals. Physical capital, intellectual capital, human capital, all of those, and is enabling an organization to deal with all these datasets. Then also imagine that the outcomes that people are delivering as a result of their CSR sustainability, staff welfare, employee welfare, human resource enhancement, and all of that becomes visible and shared on their websites, in terms of actual live interactive videos, that becomes the Netflix of sustainability, in a sense. But in order for all of this to happen, you need communication between people who are outside, people who are inside, the board, the C suite and the last person in an organization. Because sustainability cannot be practiced just by the board, or just by the top people. It must be practiced by every person in the organization, otherwise it will simply not come alive. And so, I see this as the evolution of the ERP of ESG. The Netflix of sustainability, and the TEDx of communication, all coming together to make the world ready to absorb and implement sustainability in a way that 50 years from today, you and I can still meet if both of us are alive. I'm saying it's so important that we make our world sustainable.

We need to think what we are doing by which our environment is getting deteriorated. Our common properties like the air we breathe, the water we drink, all the elements which are the gifts to us by the God, we need to keep them safe. If we are not going to work on this, we know we are going to get doomed. We are witnessing incidents like storms, tidal waves, COVID and why is this happening is because we changed the course of the climate

We tried to change nature, cut down trees, changed the flow of water, built dams. We released plastic and never thought of the life under water. Instead of supporting the sea life we made their life miserable. When we will realize this, we will change our acts and mindset. Then only we can work. We should do our BR/SR reports only after we are done taking care of the nature. BR/SR Report is last thing we should be bothered about.

6. **CA Arjit Agarwal** - Can you please share your experience as Chairman of Blue Star Limited and how you manage professionally between Board Chairmanships of different businesses and independent directorship at different corporate entities? Who is your inspiration and how do you manage such multitasking?

CA Shailesh Haribhakti Ji - There are many questions that you are asking Arjitin that one long question. But let me start with my deep belief in the separation of the role of chairman and managing director. I think it is a practice that is becoming visible and is being established in India over the last few years. And I feel it is giving an amazing amount of new value that is getting created. Because it is very lonely at the top. You need somebody who you can use as a sounding

board, you need somebody that can guide you if you're at a fork or give you the benefit of experience. Now that happens when the position of the chairman or chairperson, and the managing director is separated. So that is the first important lesson that we are learning and beginning to practice. The second big lesson is that governance is not about just compliance, it is about actually changing the strategic direction of companies making sure that you take on new challenges. Like for example, in COVID times, the biggest challenge was how do you make people feel safe about going into a factory or going into an office. And so, all those processes had to be implemented under the direction of a board. So therefore, it is very critical that board state that decision to implement, invest, take care of the people, safety and environment in the workplace, make sure that what automation does is it changes the kind of work you do. It does not necessarily mean that you are reducing the number of people. But you are reallocating productively in a manner that the organization can get to a much different level, you acquire a new cost curve. And make sure that you release resources for doing better and more and scaling up and addressing new markets. So, all of this started happening during COVID time. So, you will notice that many companies who early on, decided to get on to the productivity paradigm have done extremely well, as soon as the 100% lockdown got opened. And let's remember that our country had a lockdown, which was complete and absolute only for a short period of six weeks. Then the strategy changed to permit different state governments to have their own regulations. And so slowly, we got a balance between life and livelihood. And today, we have the four wonderful outcomes in India. We are the best performing capital market in the world. We have beaten the New York Stock Exchange. And we are number one in the world. We have some of the highest foreign exchange reserves of almost any economy in the world. Say China. It's amazing how we built up our foreign exchange reserves. Three, we had the fastest growth. 20% of GDP. And fourth, we had a stable currency. Through all of this excessive free money being poured into the economy, we still managed to keep our currency, reasonably stable. Now, these are four exceptional outcomes that have been delivered by our country. And this is because we have a very good process of not only good signaling by the government, but excellent practices being followed by boards, risks being taken, digitalization happening, markets being addressed, the whole FDI has been at the highest level that I've seen. M&A is in great shape, private equity is in great shape. Capital Markets are in great shape. I've never seen all these engines of growth, working in tandem so positively, in a long time. So, the gist is that if we can bring out the best in our people, motivate people, then we can do anything. And it is not one person who inspires you. You are continuously looking at what is the best practice happening around you. There's so much excellent literature, there's so many great webinars, so much happening all around us, you will have to put your windows to the world in the right place in order to pick up the best and then implement.

CA Arjit Agarwal – So we should keep our eyes open, you never know when and what opportunity comes to us. Thank you so much sir.

7. **CA Arjit Agarwal** - You are one of the Stalwart of CA profession, founding partner of renowned Harbhakti Desai now Baker Tilly and also holds senior leadership in corporates holding different directorship of leading companies. According to you, how can we achieve recognition of Indian CA Firm globally as desired by our Honorable PM of India ?

CA Shailesh Haribhakti Ji - We have many examples of global CA firms out of India. If you look at the registrations with the PCO, many Indian firms are registered with PCO. So, they are able to do international work. So, what Honorable Modi ji said at our CA function only he had come to our own function and mentioned this, that we need to create multinational CA firms. That instinct was very much there in the minds of the leading professionals. And that is why we were always wanting to align with firms from all over the world, bring them here, expose them to the Indian market, we got exposed to what is happening as best practices. We used to travel, there were seminars, conferences and global meets. All of this we used to participate in. And so, we had that flavor. And we now need to look at every one of the Big4, for example, who are they? They are all comprised of our Indian chartered accountants, so they are Multinational, we also become Multinational. We are not different from them. We need to remove disparity in our minds. All we need to see that what are best global practices across the world and are we implementing those global practices here or not, that is really the question we should answer. So, we are already there in many of the Big4 our Indians are playing such a huge role that truly is globalized practice of the accounting profession.

8. CA Arjit Agarwal - According to you, what a professional should do so that he can be Leader or be a brand in future? Your journey can be an

inspiration to them considering your hard work and the fact that you did shape yourself as your own brand. Most of the times we find ourselves working for others and building for them. What one can do right now so that he can say after 15-20 years down the line that he has made his own brand. Like one can say this is CA Arjit Agarwal. Something like that typical Interview question "Where do you see yourself in next 5 years?"

CA Shailesh Haribhakti Ji - That's deep Arjit! First, we need to be humble, we need to bring the utmost humility within ourselves. I feel day by day that I am becoming obsolete. I am unaware of the countless things happening in the world. Whatever I just told you would be impossible to tell if I don't work 12 hours a day, if I don't read and If I don't learn anything new.

The first humility should be that we need to be a lifelong learner. CA qualification is just the steppingstone, it's a beginning and not the end. Then we need to work on ourselves diligently, we need to educate ourselves, we need to read 25 magazines, 10 newspapers, one book in a week. If we do all of this in a disciplined manner then maybe the people will feel discussing their stuff with you and they would know that you will have an appropriate answer to them.

Second is trust. If you don't know the answer to a question, say "Sorry, I don't know, I will get back to you on this". Just like when we need to study a case, we tell them that we will get back to you on this tomorrow, let me do my research. But we need to have this humility and this knowledge. For knowledge you should read everything in detail, you should meet people, you should go to different seminars and you should be able to exchange your thoughts and ideas. And third is, you need to work hard at least 16-17 hours a day. There is no easy way to leave your legacy. Hard work is very important.

9. CA Arjit Agarwal - What advice would you like to give to finance professionals especially young ones for future, considering usage of technology and what are the do's and don'ts they have to keep in their mind as a check list while doing work in their initial years at least? In initial years it happens that young professionals irrespective of any field, give much more priority to money and comparatively less priority to other stuff?

CA Shailesh Haribhakti Ji - Firstly you should perform your work with clean mind & clear conscious. If you keep money in mind from the very beginning, then money will leave you. First you need to add value, you need to give service. You need to make people feel that contacting you for some work benefitted them and if out of that benefit you get a fee then that fee is sustainable. But if you want to go for a shortcut then it might help you in short run but not in the long run. So the first thing in my checklist is that every assignment that you do, keep asking yourself whether you added value or not and think from the perspective of your client and not from yours. Think, what is the client getting out of this, make yourself client centric. Now D2C is going to be the next big thing in the world, it means "Direct to customer". Now how do you become direct to customer? By knowing your customer intimately. This requires effort, it requires time, patience, skill and other things. So, these should all become part of your checklist. That How do you get to know your client better. If you know your client and their business better, then you will be able to beam your services in a way that the client can get satisfied and can get value. This is very important. All these 5 points should be there in your checklist. There should be a D2C framework, you should improve yourself daily, you should be a constant learner, you should be eager to know your client and know the world at large. When all these things work together then the scope of better profession, better delivery is there, and your income also grows. Every time you deliver great value, people happily pay you, there is never a reluctance to pay. But I would like to tell the professionals that price your services in a way that you're not struggling with working capital, or with recovery or receivables. By the time you bill, you should have received a large part of your actual expenditure because you can't pay GST upfront, and then wait for people to pay your money, again after deduction of tax absorbs. So, you need to make sure that your cycles are such that you can work without necessarily investing in working capital because what you need to invest in is intellectual capital, not working capital buildup. That's what you need to invest in. And you need to invest in information technology. So, you need to have a completely new insight into the way that you manage your professional practice.



10. CA Arjit Agarwal - Lastly, you work for 12-14 hours, sometime when you are in a senior position, there is a lot of work pressure. What are your hobbies which cheer you up and help you in relaxing from your busy schedule and times when you feel stressed of work?

CA Shailesh Haribhakti Ji - So one of the things that relaxes me is having conversations such as the one I'm having with you. I enjoy that a lot. I enjoy reading a lot, I read at least one good book a week. And so, there's a lot of reading that I do. That helps me to create an infrastructure for my thinking. I'm very fond of gardening, or at least, I'm very fond of nature, very fond of seeing things which are clean and beautiful. And I go on. I travel a lot. I just came back from a trip to France. And so, I travel whenever COVID is not there I travel at least two to three times a year.

So, it's travel, to meet new people, to interact with people, to read, to have these conversations with people. That's what keeps me continually refreshed

11. CA Arjit Agarwal - Thank you so much for giving your precious time and answering all questions so well. I really enjoyed a lot and strongly believe that your interview will inspire many professionals.

CA Shailesh Haribhakti Ji - Thank you Arjit. All the best



CA Cyrus Kallapurackal
Bursar (Head of Finance)
Madras Christian College-Chennai

Importance of Tolerance and Ahinsa

Year 2021 is a special year in remembering Gandhiji. Exactly a century ago when an ordinary Indian by name Mohandas K Gandhi became a Mahatma, a great soul whom we fondly revere as Mahatma. It is during this year when Gandhiji symbolically robed on his extraordinariness, as he transformed himself from a common attire to the Khadi loin cloth around his waist and a mundu around his shoulder which he did not hesitate to give away to a poor man who shivered in the cold. It was in 1921, Gandhi's inner spirit too was transformed to tolerance and ahinsa. With his sheer grit of will power he stood his ground of disobedience and satyagraha, he proved to the world that one can overcome the violent oppressors. This was symbolically showcased by some of his ventures he undertook in 1921, such as leading campaigns for easing poverty, propagating the rights of women, building ethnic religious amity, ending untouchability, and giving the clarion call for Swaraj (Self-rule) which resonated through the length and breadth of the country.

Political freedom was his minimum agenda, but he dreamt of keeping the diverse population of castes and colours, races and religions, cultures and languages as one nation with liberty, unity and fraternity as the binding force. He affirmed his faith in people, propagated self rule for the nation and advocated fraternity and unity by respecting and celebrating all the differences in our nation. He stated in very unambiguous terms that the economic growth should be all inclusive and integrated rather than lopsided and industrial. Ethics in business relations was sacrosanct! Respecting customers, ensuring the rightful share of returns for all stakeholders particularly for the vulnerable and the marginalized, welfare of the working class were necessary to usher in the Ram Rajya or the Kingdom of Heaven promulgated by Jesus Christ.

In this context, the Gandhi Jayanti should be an occasion for all our leaders, be they social, political, religious or corporate, to do some soul searching to see if they are aligned to the Noble visionary Mahatma. No wonder, Albert Einstein exclaimed: "Generations to come will scarce believe that such a one as Gandhi ever in flesh and blood walked upon the earth."

Lets pledge to abide to the path shown by our national leaders, Lal Bahadur Shastri Ji & Mahatma Gandhi Ji on their birthday. Happy Jayanti to all of us



Er. Nitin Sharad
Proprietor
Sri Sai Cooling Systems
Moradabad

Future of Country depends upon the actions of the younger generation

2nd October is special due to two national leader's birthday i.e. Lal Bahadur Shastri Ji. Gandhi Jayanti is celebrated in India on 2nd October. It is the birthday of Mahatma Gandhi who is one of the strongest leaders and also the Father of the Nation. This is a national holiday in India but celebrations are held on this occasion across the country. Sending Mahatma Gandhi messages images to friends, family and relatives is a ritual. Gandhi Jayanti special messages with a thoughtful quote have the power to inspire hearts and mind.

"We all have a hero inside us and we can all show it to the world by doing something extra ordinary for our country. The future of a country depends upon the actions of the younger generation and we are know that you are going to be the best

Happy Lal Bahadur Shastri Ji & Mahatma Gandhi Ji Jayanti to all





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This is Gist of all important updates during **September 2021** relating to circulars, notifications, miscellaneous communications & press releases from Income Tax Department and advisory communications to the best of our Knowledge and sources* in brief. However readers are advised to read the relevant in details for better understanding.



1. Income Tax Act 1961 – Notifications :-

Notification No.	Dated	Heading	In Brief	Link to Read Full
97 /2021/F.No. 370142/31/2 021-TPL (Part II)	01 st September	1 st September as date of applicability for Certain Section	In exercise of the powers conferred by the second proviso to sub-section (1) of section 245-O, sub-section (2) of section 245P, sub-section (4) of section 245Q, sub-section (8) of section 245R, sub-section (3) of section 245S, sub-section (3) of section 245T, sub-section (3) of section 245U and the proviso to section 245V of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby appoints 1st day of September, 2021 as the date for the purposes of said provisos and said sub-sections of the said Act	Click here to Read
98/2021/F. No. 370142/11/2 021-TPL	02 nd September	Section 194P of the Income-tax Act, 1961	In exercise of the powers conferred by clause (a) of Explanation to section 194P of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies specified Bank to mean a banking company which is a scheduled bank and has been appointed as agents of Reserve Bank of India under section 45 of the Reserve Bank of India Act, 1934 (2 of 1934)	Click here to Read
99 /2021/F. No. 370142/11/2 021-TPL	02 nd September	Income-tax (26th Amendment) Rules, 2021	In the Income-tax Rules, 1962 (hereinafter referred to as the principal rules), after rule 26C, the following rule shall be inserted, namely:- “26D.Furnishing of declaration and evidence of claims by specified senior citizen under section 194P	Click here to Read
100/2021/F. No.300196/4 8/2018-ITA-I	02 nd September	Clause (46) of section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said	Click here to Read

			clause, 'Real Estate Regulatory Authority' as specified in the schedule to this notification, constituted by Government in exercise of powers conferred under sub-section (1) of section 20 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016) as a 'class of Authority' in respect of the certain specified income arising to that Authority	
101 /2021/F.No. 370142/35/2 021-TPL (Part-I)	06 th September	Income-tax (26th Amendment) Rules, 2021	In the Income-tax Rules, 1962, after rule 14B, the following rule shall be inserted, namely:— 14C. Prescribed manner of authentication of an electronic record under electronic verification code under sub-clause (b) of clause (i) of sub-section (7) of section 144B	Click here to Read
102 /2021 /F. No. 370142/35/2 021-TPL (Part I)	07 th September	CORRIGENDUM	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, Part II, Section 3, Sub-section (i), vide number G.S.R. 616(E), dated the 6th September, 2021, at page 2, in line 16, for "26th" read "27th"	Click here to Read
103/2021 F. No.300196/3 6/2017-ITA-I	10 th September	Clause (46) of section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'District Mineral Foundation Trust' as specified in the schedule to this notification, constituted by Government in exercise of powers conferred under section 9(B) of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015) as a 'class of Authority', in respect of the certain specified income arising to that Authority	Click here to Read
104 /2021/F. No. 370149/158/ 2021-TPL	10 th September	Section 47 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (viiia) of the section 47 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the transfer of capital asset under plan approved by Central Government from Air India Limited (PAN: AACCN6194P), being transferor public sector company, to Air India Assets Holding Limited (PAN: AAQCA4703M), being transferee public sector company, for the purposes of the said clause	Click here to Read
105/2021/F. No. 370149/158/ 2021-TPL	10 th September	Income-tax (28th Amendment) Rules, 2021	In the Income-tax Rules, 1962, in rule 11UAC, after clause (3), the following clause shall be inserted, namely: — "(4) any movable	Click here to Read

			property, being equity shares, of the public sector company, received by a person from the Central Government or any State Government under strategic disinvestment	
106 /2021/F. No. 370149/158/ 2021-TPL	10 th September	Section 197A of the Income-tax Act, 1961	In exercise of the powers conferred by sub-section (1F) of section 197A of the Income-tax Act, 1961 (43 of 1961) , the Central Government hereby specifies that no deduction of tax shall be made under section 194-IA of the said Act on any payment made to the Air India Limited (PAN: AACCN6194P) for transfer of immovable property to Air India Assets Holding Limited (PAN: AAQCA4703M) under a plan approved by the Central Government	Click here to Read
107 /2021/F. No. 370149/158/ 2021-TPL	10 th September	Sub-section (1) of section 194Q of the Income-tax Act, 1961	In exercise of the powers conferred by Explanation to sub-section (1) of section 194Q of the Income-tax Act, 1961 (43 of 1961) , the Central Government hereby specifies that Air India Assets Holding Limited (PAN: AAQCA4703M) shall not be considered as 'buyer' for the purpose of sub-section (1) of section 194Q of the said Act in case of transfer of goods by Air India Limited (PAN: AACCN6194P) to it under a plan approved by the Central Government	Click here to Read
108 /2021/F. No. 370149/158/ 2021-TPL	10 th September	Section 206C of the Income-tax Act, 1961	In exercise of the powers conferred by clause (b) of Explanation to sub-section (1H) of section 206C of the Income-tax Act, 1961 (43 of 1961) , the Central Government hereby specifies that, Air India Limited (PAN: AACCN6194P) shall not be considered as 'seller' for the purposes of sub-section (1H) of section 206C of the said Act in relation to transfer of goods by it to Air India Assets Holding Limited (PAN: AAQCA4703M) under a plan approved by the Central Government	Click here to Read
109/2021/F. No. 370142/27/2 021-TPL (Part I)	13 th September	The Income-tax (29th Amendment) Rules, 2021	In the Income-tax Rules, 1962, after rule 12E, the following rule shall be inserted, namely:- "12F. Prescribed income- tax authority under second proviso to clause (i) of sub-section (1) of section 142	Click here to Read
111/2021/ F. No. 370142/40/2 021-TPL	16 th September	Clause (23FE) of section 10 of the Income-tax Act, 1961	In exercise of powers conferred by sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the –ActI), the Central Government hereby specifies the pension fund, namely, the 2452991	Click here to Read

			Ontario Limited, (hereinafter referred to as –the assessee) as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as –said investments) subject to the fulfillment of the certain conditions	
112/2021/F. No. 370142/39/2 021-TPL	16 th September	Section 10 of the Income-tax Act, 1961	In exercise of powers conferred by sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the –Act), the Central Government hereby specifies the pension fund, namely, the 276522 Ontario Limited, (hereinafter referred to as –the assessee) as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as –said investments) subject to the fulfillment of the certain conditions	Click here to Read
110/2021/F. No. 275/27/2021 -IT(B)	17 th September	Section 197A of the Income-tax Act, 1961	In exercise of the powers conferred by sub-section (1F) of section 197A of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that no deduction of tax shall be made on the following payment under section 194A of the said Act, namely payment in the nature of interest, other than interest on securities, made by a scheduled bank (hereinafter the “payer”) located in a specified area, to a member of Scheduled Tribe (hereinafter the “receiver”) residing in any specified area, as referred to in clause (26) of section 10 of the said Act, subject to the certain conditions	Click here to Read
113/2021/ F. No. 370142/35/2 020-TPL-Part 1	17 th September	Section 3 of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020	In exercise of the powers conferred by sub-section (1) of section 3 of the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (38 of 2020) (hereinafter referred to as the said Act), and in partial modification of the notifications of the Government of India in the Ministry of Finance, (Department of Revenue) No. 93/2020 dated the 31st December, 2020, published in the	Click here to Read

			Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 4805(E), dated the 31st December, 2020 and No. 10/2021 dated the 27th February, 2021, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 966(E) dated the 27th February, 2021 and No. 20/2021 dated the 31st March, 2021, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 1432(E) dated the 31st March, 2021 and No. 74/2021 dated 25th June, 2021, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), vide number S.O. 2580(E) dated the 25th June, 2021, (hereinafter referred to as the said notifications), the Central Government hereby specifies for the purpose of sub-section (1) of section 3 of the said Act.	
114/2021/F. No. 370142/37/2 021-TPL	20 th September	Section 10 of the Income-tax Act, 1961	In exercise of powers conferred by sub-clause (iv) of clause (c) of the Explanation 1 to clause (23FE) of section 10 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the —Act), the Central Government hereby specifies the pension fund, namely, the BCI IRR India Holdings Inc., (hereinafter referred to as —the assessee) as the specified person for the purposes of the said clause in respect of the eligible investment made by it in India on or after the date of publication of this notification in the Official Gazette but on or before the 31st day of March, 2024 (hereinafter referred to as —said investments) subject to the fulfillment of the certain conditions	Click here to Read
115/2021/F. No. 300196/9/20 21-ITA-I	20 th September	Section 10 of the Income-tax Act, 1961	In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies for the purposes of the said clause, 'Gujarat Electricity Regulatory Commission', Gandhi nagar (PAN AAAAG0638C), a commission established by the state government of Gujarat, in respect of the certain specified income arising to the Commission.	Click here to Read
116 /2021/F. No. 370142/39/2 021-TPL	21 st September	CORRIGENDUM	In the notification of the Government of India, Ministry of Finance, (Department of Revenue) (Central Board of Direct Taxes) number 112/2021 dated the 16th	Click here to Read

			September, 2021, published vide number S.O. 3801(E) dated the 16th September, 2021 in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii), at page 3, in line 9 and 10, for “276522 Ontario Limited” read “2726522 Ontario Limited”	
117/2021/F. No. 370142/44/2 021-TPL	24 th September	Income-tax (30th Amendment) Rules, 2021	In the Income-tax Rules, 1962, in rule 10TD, in sub-rule (3B), for the words and figures “assessment year 2020-21”, the words and figures “assessment years 2020-21 and 2021-22” shall be substituted.	Click here to Read

2. Income Tax Act 1961 – Circulars :-

Circular No.	Dated	Heading	In Brief	Link to Read Full
17 of 2021	09 th September	Extension of time lines for filing of Income-tax returns and various reports of audit for the Assessment Year 2021-22- reg.	<ol style="list-style-type: none"> 1. The due date of furnishing of Return of Income for the Assessment Year 2021-22, which was 31st July 2021 under sub-section (1) of section 139 of the Act, as extended to 30th September, 2021 vide Circular NO.9/2021 dated 20.05.2021 , is hereby further extended to 31st December, 2021 2. The due date of furnishing of Report of Audit under any provision of the Act for the Previous Year 2020-21 , which is 30th September 2021 , as extended to 31st October 2021 vide Circular NO.9/2021 dated 20.05.2021 , is hereby further extended to 15th January, 2022 3. The due date of furnishing Report from an Accountant by persons entering into international transaction or specified domestic transaction under section 92E of the Act for the Previous Year 2020-21 , which is 31st October 2021 , as extended to 30th November 2021 vide Circular NO.9/2021 dated 20.05.2021 , is hereby further extended to 31st January, 2022 4. The due date of furnishing of Return of Income for the Assessment Year 2021-22, which is 31st October 2021 under sub-section (1) of section 139 of the Act, as extended to 30th November 2021 vide Circular NO.9/2021 dated 20.05.2021 , is hereby further 	Click here to Read

			<p>extended to 15th February, 2022;</p> <p>5. The due date of furnishing of Return of Income for the Assessment Year 2021-22, which is 30th November 2021 under sub-section (1) of section 139 of the Act, as extended to 31st December 2021 vide Circular NO.9/2021 dated 20.05.2021, is hereby further extended to 28th February, 2022</p> <p>6. The due date of furnishing of belated/revised Return of Income for the Assessment Year 2021-22, which is 31st December 2021 under sub-section (4)/subsection (5) of section 139 of the Act, as extended to 31st January, 2022, vide Circular NO.9/2021 dated 20.05.2021, is hereby further extended to 31st March, 2022</p>	
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3. CBDT Press Releases :-

Dated	Heading	In Brief	Link to Read Full
02nd September	Income Tax Department conducts searches in Delhi, Gujarat and Dadra	Substantial evidence of cash purchase and documents revealing movement of cash through “angadias” has been recovered. Evidence of booking bogus purchases of Rs. 154 crore has also been detected. During the search, unaccounted jewellery has been found and 11 lockers have been placed under restraint.	Click here to Read
07th September	CBDT allows taxpayers an opportunity to file application for settlement	It is clarified that taxpayers who have filed such applications shall not have the option to withdraw such applications as per the provisions of section 245M of the Act. Further, the taxpayers who have already filed application for settlement on or after 01.02.2021 as per the direction of the various High Courts and who are otherwise eligible to file such application, as per para 3 above, on the date of filing of the said application shall not be required to file such application again.	Click here to Read
07th September	CBDT amends Income-tax Rules, 1962 to ease authentication of electronic records submitted in faceless assessment proceedings	However, under the existing provisions of section 144B(7)(i)(b) of the Act, this simplified process of authentication by EVC is not available to certain persons (such as companies, tax audit cases, etc.) and they are mandatorily required to authenticate the electronic records by digital signature. In order to provide the benefit of the simplified process of authentication by EVC to these persons, it has been decided to extend the simplified process of authentication by EVC to these persons also. Hence, the persons who are mandatorily required to authenticate electronic records by digital signature shall be deemed to have authenticated the electronic records when they submit the record through their registered account in the Income-tax	Click here to Read

		Department's portal. Legislative amendments in this regard shall be proposed in due course.	
08th September	e-Filing portal of the Income Tax Department – updates	Over 10.60 lakh Statutory Forms have been submitted including 7.86 lakh TDS statements, 1.03 lakh Form 10A for registration of Trusts/institutions, 0.87 lakh Form 10E for arrears of salary, 0.10 lakh Form 35 for Appeal. Aadhaar-PAN linking has been done by 66.44 lakh taxpayers and over 14.59 lakh ePAN have been allotted. These two facilities are being availed of by over 0.50 lakh taxpayers on a daily basis in September, 2021. It is reiterated that the Department is continuously engaged with Infosys to ensure a smooth filing experience to taxpayers.	Click here to Read
09th September	CBDT extends due dates for filing of Income Tax Returns and various reports of audit for the Assessment Year 2021-22	It is also clarified that the extension of the dates as referred to in clauses (9), (12) and (13) of Circular No.9/2021 dated 20.05.2021 and in clauses (1), (4) and (5) above shall not apply to Explanation 1 to section 234A of the Act, in cases where the amount of tax on the total income as reduced by the amount as specified in clauses (i) to (vi) of subsection (1) of that section exceeds rupees one lakh. Further, in case of an individual resident in India referred to in sub-section (2) of section 207 of the Act, the tax paid by him under section 140A of the Act within the due date (without extension under Circular No.9/2021 dated 20.05.2021 and as above) provided in that Act, shall be deemed to be the advance tax.	Click here to Read
10th September	CBDT issues clarification regarding carry forward of losses in case of change in shareholding due to strategic disinvestment	In order to facilitate the strategic disinvestment, it has been decided that Section 79 of the Income-tax Act, 1961, shall not apply to an erstwhile public sector company which has become so as a result of strategic disinvestment. Accordingly, loss incurred in any previous year prior to, and including, the previous year of strategic disinvestment shall be carried forward and set off by the erstwhile public sector company. The above relaxation shall cease to apply from the previous year in which the company, that was the ultimate holding company of such erstwhile public sector company immediately after completion of the strategic disinvestment, ceases to hold, directly or through its subsidiary or subsidiaries, fifty-one per cent of the voting power of the erstwhile public sector company	Click here to Read
10th September	Income Tax Department conducts searches in Ahmedabad	Overall, the search and seizure operation has resulted in the detection of unaccounted transactions in excess of Rs. 1000 crore spread over various assessment years so far. 14 lockers have also been found during the course of the search operation which have been put under restraint orders	Click here to Read
10th September	Income Tax Department conducts searches in Punjab and Haryana	Unaccounted Cash aggregating to Rs.1.70 crore has been found in these groups. Unexplained jewellery valued at Rs. 1.50 crore has been found. Unexplained stock of Flour valued at Rs.1.50 crore has also been found. Eight Bank lockers have been put under restraint, which are being operated today.	Click here to Read

17th September	Government extends certain timelines to ease compliances	<ul style="list-style-type: none"> Time limit for intimation of Aadhaar number to the Income tax Department for linking of PAN with Aadhaar has been extended from 30th September, 2021 to 31st March, 2022. The due date for completion of penalty proceedings under the Act has also been extended from 30th September, 2021 to 31st March, 2022. Further, the time limit for issuance of notice and passing of order by the Adjudicating Authority under the Prohibition of Benami Property Transactions Act, 1988 has also been extended to 31st March, 2022 	Click here to Read
17th September	Central Government relaxes provisions of TDS u/s 194A of the Income-tax Act, 1961 in view of the section of 10(26) of the Act	The Central Government in exercise of the powers conferred by sub-section(1F) of section 197A of the Income-tax Act, 1961("the Act") notified that no deduction of tax shall be made on the following payment under section 194A of the Act, namely payment in the nature of interest, other than interest on securities, made by a Scheduled Bank (hereinafter the 'payer') located in a specified area to a member of Scheduled Tribe (hereinafter the 'receiver') residing in any specified area as referred to in s.10(26) of the Act, subject to the certain conditions	Click here to Read
18th September	Income Tax Department conducts searches in Mumbai and other regions	<p>The search has revealed that the said Group is involved in bogus billing of subcontracting expenses and siphoning off of funds. Evidences of such bogus contracts found so far are to the tune of over Rs. 65 crore. Evidence of unaccounted cash expenses, unaccounted sale of scrap and digital data evidencing unaccounted cash transactions has also been found. Further, it has been unearthed that the said Infrastructure Group/company has entered into dubious circular transaction to the tune of Rs. 175 crore with an infrastructure company based in Jaipur. Further investigations are being carried out to establish the full extent of tax evasion.</p> <p>Cash of Rs 1.8 crore has been seized during the course of the search and 11 Lockers have been placed under prohibitory order.</p>	Click here to Read
20th September	Income Tax Department conducts searches in Nagpur	Evidence found during the search clearly indicates concealment of income to the extent of about Rs.17 crore. Several bank lockers found during the course of the search operation have been put under prohibitory orders. The evidence gathered during the search is being examined and further investigations are in progress	Click here to Read
21st September	Income Tax Department conducts searches in Delhi, Punjab and West Bengal	Details of accounts related to unexplained personal expenditure in cash were found to be meticulously maintained in one of the main offices of the company. Evidence has been gathered that cash of about Rs. 100 crore was generated by debiting bogus expenditure in company accounts and cash transactions in land deals.	Click here to Read
21st September	Income Tax Department conducts searches	During the search operation, an accommodation entry provider, who was providing entries to the searched group, was also covered. From his secret	Click here to Read

	in West Bengal	back office, huge number of incriminating documents pertaining to providing accommodation entries through modes like sale of shares of shell companies, unsecured loans from shell entities, bogus billing, etc. have been found, the total amount of which runs into several hundreds of crores of rupees. Evidence of more than 200 companies/entities having more than 200 bank accounts being managed from the entry operator's premises have been found. On the basis of preliminary examination of these documents, it appears that these bank accounts and entities have been used as conduit to route the unaccounted income of many beneficiaries.	
24th September	Gross Direct Tax collections for the Financial Year (FY) 2021-22 register a growth of 47%	Despite extremely challenging initial months of the fiscal year 2021-22, the Advance Tax collection in the second quarter (1st July, 2021 to 22nd September, 2021) of FY 2021-22 is Rs. 1,72,071 crore which shows a growth of 51.50% over the corresponding period in FY 2020-21 when the Advance Tax collection was Rs. 1,13,571 crore.	Click here to Read
25th September	Income Tax Department conducts searches in Tamil Nadu	The searches, so far, have resulted in the detection of undisclosed income of more than Rs. 300 crore. Unaccounted cash of Rs. 9 crore has been seized so far.	Click here to Read
25th September	Income Tax Department conducts searches in Gujarat	During the search operation, unaccounted cash and jewellery of Rs. 1.95 crore has been seized, and unaccounted diamond stock of 8900 carat worth Rs. 10.98 crore has been detected so far. A large number of lockers belonging to the group have been identified, which have been placed under restraint and will be operated in due course.	Click here to Read
27th September	Income Tax Department conducts searches in Maharashtra	12 bank lockers were unearthed during the search operation. Unaccounted cash of more than Rs. 2.10 crore and jewellery amounting to Rs. 1.07 crore has been seized from different premises. Evidence detected so far, indicates that, unaccounted income is likely to exceed Rs. 300 crore and the four companies have already disclosed additional income to the extent of Rs. 71 crore consequent to the search.	Click here to Read

4. CBDT Relevant Miscellaneous Communications :-

Dated	Heading	In Brief	Link to Read Full
06th September	Procedure for handling of assessment by Jurisdictional Assessing Officers in respect of assessments/penalties transferred out of Faceless Assessment u/s 144B(8) of the Income-tax Act, 1961/Faceless Penalty Scheme, 2021 respectively- reg.	In order to have consistency with the unit concept in faceless regime, the Range Head may compulsorily be involved in the finalization of assessment of such cases transferred to JAO, for which the provisions of Section 144A of the Act may suitably be invoked. In penalties, the approval of Range Head is already embedded in Section 274(2) of the Act, over a specific monetary ceiling of 'penalty imposable'. Same may be adhered to	Click here to Read

06th September	Order under sub-section (2) of Section 144B of the Income-tax Act, 1961 (the Act) for specifying the scope/cases to be done under the Act - regarding	In partial modification of the said Order, the Central Board of Direct Taxes hereby directs that in addition to the cases in the Central Charges and International Taxation Charges, cases where pendency could not be created on ITBA because of technical reasons or cases not having a PAN, as the case may be, shall also be excluded from the purview of section 144B of the Act	Click here to Read
06th September	Order under section 119 of the Income-tax Act, 1961 (the Act) providing exclusions to section 144B of the Act.	Central Board of Direct Taxes clarifies that assessment in cases transferred by the Principal Chief Commissioner or the Principal Director General in charge of National Faceless Assessment Centre (NaFAC) u/s 144B(S) of the Act shall be handled as per the procedure specified in the letter F.No. 225/97/2021/ ITA-II dated 06th September, 2021	Click here to Read
22nd September	Order under sub-section (21) of Section 144B of the Income-tax Act, 1961 (the Act) for specifying the scope/cases to be done under the Act - Reg. Cases in which limitation period expires on 30.09.2021	The Central Board of Direct Taxes hereby directs that in addition to the exclusion of the cases in the said Orders, cases (a) set aside to be done de novo or (b) to be done u/s 147 of the Act for which the time limit for completion expires on 30.09.2021 pending with the jurisdictional Assessing Officer as on 11.09.2021 or thereafter, which cannot be completed as per the procedure laid down under Section 144B of the Act due to technical / procedural constraints in the given period of limitation, shall also be excluded from the purview of section 144B of the Act.	Click here to Read
22nd September	Order under section 119 of the Income-tax Act, 1961 (the Act) providing exclusions to section 144B of the Act Reg.- Cases in which limitation period expires on 30.09.2021	In partial modification of the Order vide Order F.No.187 /3/2020-ITA-I dated 06th September, 2021, in addition to the exceptions provided in the said Order, the following exception was also added: iii. Assessment orders in cases where pendency could not be created on ITBA portal because of technical reasons or cases not having a PAN, as the case may be. In further modification of the above Order, the Board in exercise of powers under section 119 of the Act, hereby directs that in addition to the exceptions as provided in the said Orders, to certain exception	Click here to Read
24th September	Regularization of returns of income verified through Electronic Verification Code (EVC) which are otherwise required to be verified through Digital Signature (DSC) as per Rule 12 of the Income-tax Rules, 1962 reg.	On consideration of the above, the Board, in exercise of its powers under Section 119(2Ma) of the Act, hereby directs that such returns of income furnished electronically under Section 142(1), 148, 153A and 153C of the Act during the period from 07.06.2021 to 30.09.2021 and verified through Electronic Verification Code instead of Digital Signature, shall be deemed to have been furnished and verified as per Rule 12	Click here to Read
28th September	Order under section 119(2)(b) of the Income Tax Act, 1961 for filing applications for settlement before the Interim Board for Settlement - reg.	In view of the above, the Board in exercise of its power under clause (b) of sub-section (2) of section 119 of the Income-tax Act, 1961 (the Act), in order to avoid genuine hardship to assesseees authorizes the Commissioner of Income-tax, posted as Secretary to the Settlement Commission prior to 01.02.2021, to admit an application for settlement on behalf of the	Click here to Read

		Interim Board filed after 31.01.2021 ,which is the date mentioned in sub-section (5) of section 245C of the Act for filing such application, and before 30.09.2021 and treat such applications as valid and process them as "pending applications" as defined in clause (eb) of section 245A of the Act	
30th September	Processing of returns with refund claims under section 143(1) of the Income-tax Act 1961 beyond the prescribed time limits in non-scrutiny cases - reg	The matter has been re-considered by Board in view of pending taxpayer's grievances related to issue of refund. To mitigate the genuine hardship being faced by the taxpayers on this issue, Board, by virtue of its power under section 119 of the Act and in partial modification of its earlier order under section 119 of the Act dated 05.07.2021, supra, hereby further extends the time frame mentioned in the para no.3 of the said order from 30.09.2021 to 30.11.2021. All other contents of the said order u/ s 119 of the Act dated 05.07.2021 will remain unchanged	Click here to Read

Sources * <http://www.incometaxindia.gov.in>

This is Gist of all important updates during **September 2021** relating to circulars, notifications, from GST Department to the best of our Knowledge and sources* in brief. However readers are advised to read the relevant in details for better understanding.

1. Central Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
35/2021	24 th September	Seeks to make amendments (Eighth Amendment, 2021) to the CGST Rules, 2017	Click here to Read
36/2021	29 th September	Seeks to amend Notification No. 03/2021 dated 23.02.2021	Click here to Read

2. Central Tax (Rate) - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
06/2021	30 th September	Seeks to amend notification No. 11/2017- Central Tax (Rate) so as to notify CGST rates of various services as recommended by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
07/2021	30 th September	Seeks to amend notification No.12/2017- Central Tax (Rate) so as to implement recommendations made by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
08/2021	30 th September	Seeks to amend notification No. 1/2017- Central Tax (Rate)	Click here to Read
09/2021	30 th September	Seeks to amend notification No. 2/2017- Central Tax (Rate)	Click here to Read
10/2021	30 th September	Seeks to amend notification No. 4/2017- Central Tax (Rate)	Click here to Read
11/2021	30 th September	Seeks to amend notification No. 39/2017- Central Tax (Rate)	Click here to Read
12/2021	30 th September	Seeks to exempt CGST on specified medicines used in COVID-19, up to 31st December, 2021	Click here to Read

3. Integrated Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month September			

4. Integrated Tax (Rate)- Notifications :-

Notification No.	Dated	Heading	Link to Read Full
06/2021	30 th September	Seeks to amend notification No. 08/2017- Integrated Tax (Rate) so as to notify CGST rates of various services as recommended by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
07/2021	30 th September	Seeks to amend notification No. 09/2017- Integrated Tax (Rate) so as to implement recommendations made by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
08/2021	30 th September	Seeks to amend notification No. 1/2017- Integrated Tax (Rate)	Click here to Read
09/2021	30 th September	Seeks to amend notification No. 2/2017- Integrated Tax (Rate)	Click here to Read

10/2021	30 th September	Seeks to amend notification No. 4/2017- Integrated Tax (Rate)	Click here to Read
11/2021	30 th September	Seeks to amend notification No. 40/2017- Integrated Tax (Rate)	Click here to Read
12/2021	30 th September	Seeks to exempt CGST on specified medicines used in COVID-19, up to 31st December, 2021	Click here to Read

5. Union Territory Tax - Notifications :-

Notification No.	Dated	Heading	Link to Read Full
There is no important Notification for the month September			

6. Union Territory (Rate)- Notifications :-

Notification No.	Dated	Heading	Link to Read Full
06/2021	30 th September	Seeks to amend notification No. 08/2017- Integrated Tax (Rate) so as to notify CGST rates of various services as recommended by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
07/2021	30 th September	Seeks to amend notification No. 09/2017- Integrated Tax (Rate) so as to implement recommendations made by GST Council in its 45th meeting held on 17.09.2021	Click here to Read
08/2021	30 th September	Seeks to amend notification No. 1/2017- Integrated Tax (Rate)	Click here to Read
09/2021	30 th September	Seeks to amend notification No. 2/2017- Integrated Tax (Rate)	Click here to Read
10/2021	30 th September	Seeks to amend notification No. 4/2017- Integrated Tax (Rate)	Click here to Read
11/2021	30 th September	Seeks to amend notification No. 40/2017- Integrated Tax (Rate)	Click here to Read
12/2021	30 th September	Seeks to exempt CGST on specified medicines used in COVID-19, up to 31st December, 2021	Click here to Read

7. Circulars :-

Circular No.	Dated	Heading	Link to Read Full
158/14/2021 -GST	06th September	Clarification regarding extension of time limit to apply for revocation of cancellation of registration in view of Notification No. 34/2021-Central Tax dated 29th August, 2021	Click here to Read
159/15/2021 -GST	20 th September	Clarification on doubts related to scope of “Intermediary”	Click here to Read
160/16/2021 -GST	20 th September	Clarification in respect of certain GST related issues Corrigendum	Click here to Read
161/17/2021 -GST	20 th September	Clarification relating to export of services-condition (v) of section 2(6) of the IGST Act 2017	Click here to Read
162/18/2021 -GST	25 th September	Clarification in respect of refund of tax specified in section 77(1) of the CGST Act and section 19(1) of the IGST Act	Click here to Read

Sources

* <https://www.cbic.gov.in>



Beautiful Garden in office premises



Bottle Gourd



Bell pepper



Bitter Gourd



White Zephyranthes Minuta



Red Rose



Periwinkle

