



From the President

“Ex nihilo nihil fit”

... is a famous Latin saying which means “Nothing is created from Nothing!”

Dear Members & Students,

In this 72nd year of independence, India is poised to become one of the fastest growing economies in the world. The enthusiasm to turn these challenges into opportunities is the strength which will pave our way for a better tomorrow. With various Government-driven initiatives like the *Swachh Bharat Abhiyaan*, Clean Ganga, Make-in-India, Startup India, Mudra Bank, Skill India, and Jan Dhan-Aadhaar-Mobile, the Government is trying to project an impact of Brand-India world over.

For the first time in 17 years, China records its first current account deficit of \$28.3 billion in the first half of this year. The resurgence of ‘nativism and protectionism’ in the West is a disturbing phenomenon and will lead to economic war amongst countries.

The time has come to completely reorient our public and social discourses towards objectives that will enable India to help build a new India where nobody thinks in terms of caste, religion or region and places the country’s interest above anything else. A huge national awakening is needed to convert our *Swarajya* into *Surajya* and ensure that every Indian is part of an inclusive growth story as envisioned by our freedom fighters and founding fathers of our constitution.

Our Government, through its actions, has shown that it stands as a staunch supporter of the phrase ‘Nothing is created from Nothing’!. We, at the Chamber of Tax Consultants, also pursue the same concept through continuous efforts to spread knowledge and impart learning so as to aid our professional members. We provide a platform to those professionals who wish to payback to the society. We promote qualitative contribution to the society rather than quantity. After all, nothing is created from nothing and we will not see change if we change nothing. And hence, as much as we see our institution as a pillar of imparting knowledge, we also see our *alma mater* as a valued-partner in nation building and a contributor in changing the face of this great nation!

We saw a lot of exciting happenings this month! A hug and a wink saw the ruling and opposition sharing some light moments. I am reminded of Shri APJ Abdul Kalam’s words, “This nation needs developmental politics where the ruling and opposition will work together towards the progress of this nation”! Today, we miss this iconic missile man, who often quoted, “A man’s last good bye should be the shortest one”! It’s been three years since he breathed his last, doing the thing he loved most – teaching at IIM Shillong but he’ll always remain immortal through his contributions and teachings.

REGULATORY UPDATES

The Central Government has released the final notification under Section 115JH of the Income-tax Act, 1961 to address grey areas in the taxability of foreign companies newly treated as resident in India on account of their place of effective management. The tax consequences specified need to be studied and implemented carefully and diligently to avoid misreporting.

The Supreme Court recently overruled its 21-year-old verdict to hold that the benefit of any ambiguity in tax exemption notifications must be interpreted in favour of the State whereas until now, it was in benefit of assessee as per its own decision in a 1997 case. The Apex Court ruled that the onus of proving applicability

of benefit would now be on the assessee, to show that their case comes within the parameters of the exemption clause or exemption notification.

CHAMBER NEWS

JULY EVENTS

We saw a lot of lively events by the Chamber this month. The half-day workshop on Return Filing held at Andheri in suburban Mumbai saw an overwhelming response while the Round Table meeting on Cross Border Insolvency organised jointly with ICAI, IBBI and IMC turned out to be a successful meet. The meeting with TDS Commissioners on online application and processing of TDS applications with WIRC of ICAI was very helpful.

There was a Webinar conducted on 'Managing Challenges of Peak Period Income Tax-Filing'.

The meeting in Delhi with Mr. Akhilesh Ranjan, Director General (International Taxation & Transfer Pricing), Dr. Kirit Somaiya MP and Mr. Rajat Bansal, Jt. Secretary (FT & TR-II, CBDT) on CTC events and activities proved to be extremely fruitful. Further, in the meeting with the GST Commissioner Maharashtra, Mr. Rajiv Jalota, various issues of GST compliances and its procedural matters were discussed.

The Satyanarayana Pooja on the auspicious day of Ashadi Beej saw a good turnout from members and their families. It is indeed a bright start to the year which lies ahead of us.

EVENTS IN AUGUST

The public meeting on 'Panel Discussions on GST - Pains, Gains and Way Forward' conceptualised by Mr. A. R. Krishnan and great efforts put in by Mr. Naresh Sheth and the committee members saw attendance of 250 plus participants on a working day. The panellists were from different spheres of society and gave their views on GST implementation in India. Mr. V. K. Garg, Special Advisor to CM, Punjab, specially came to Mumbai for this event.

We are geared up for the full day seminar on Practical Issues in Company and Tax audit to be conducted on 18th August. Considering the tremendous onus placed on tax auditors via the recently amended Tax Audit Report (Form 3CD), discussion on the challenges and apparent issues is a must. We are also sending out representations to the CBDT to provide further clarification or relaxations in the responsibilities now placed on the tax auditor.

The two-day programme on Ind-AS to be held on 25th August and 1st September, 2018 would facilitate understanding various recent developments in the reporting of Financial Statements. This programme also entails deliberation on other regulatory aspects like GST, Income Tax, Minimum Alternate Tax (MAT) integrated with principles of Ind-AS.

A one-of-a-kind seminar on the intricacies of blog writing and creating presence on LinkedIn is a much sought-after skill being imparted through the Chamber this month-end.

The Chamber is fostering its partnership with BCAS through the "Full-day seminar on Charitable Trusts" covering critical aspects, various issues faced in its compliance and regulatory responsibilities.

"Man is so made that he can only find relaxation from one kind of labour by taking up another" – Anatole France

The next eye-catcher after the Croatia and France match would be the **4th CTC Football Cup Final**. It would be elating to watch the bosses take on a new "Field" to showcase their prowess. 25 teams of CA firms have enrolled including 4 women's teams. Office teams donning the hat of football teams is set to bring a new kind of get-together. We, at the Chamber hope every player takes home the team spirit garnered at this event to bring fresh perspectives on the work front and team building.

SOCIAL MEDIA PRESENCE

Apart from planning and organising these rousing events, the Chamber has also tied up with media partners – Newspapers *Vyapar* and *Janmabhoomi* including tie-ups with various TV channels and newspapers to spread its wings and cover the CTC events and updates on a wider scale. In this digital age, where presence on social media has become more of a necessity than a privilege, partnership with media houses has become imminent to broaden the reach of the Chamber's activities.

REPRESENTATIONS BY THE CHAMBER

The Chamber has been consistently trying to work closely with the Government and its departments on the various amendments as well as updates and providing representations wherever necessary to establish a favourable situation for the taxpayers and at the same time, to ensure the growth and development of the economy in a coherent manner.

1. In line with above, our plea to CBDT for extension of the Income-tax return filing due date was granted, much to the joy of our professional brothers.
2. To bring out a change in the Ease-of-doing-business in India, the Chamber has recently created a committee to send out representations to the Government to propel the global ranking of India in Ease-of-doing-business.
3. The Chamber has also put in representations to the CBDT for "Issues faced by Professionals and Assessee's for compliance with Section 197" and filed representations with Government to take serious note of Central Action Plan dealing with "Targets for CIT(Appeals) and incentive for quality orders".
4. The Chamber has filed representations to the Securities and Exchange Board of India (SEBI) with respect to the Compulsory delisting of 554 companies at BSE and NSE Ltd.
5. This month, the Chamber is also in the process of sending Representations on Significant Economic Presence (SEP) to CBDT.

SPECIAL THEME FOR AUGUST CTC JOURNAL

The Institute of Chartered Accountants of India (ICAI) has revised Standards on Auditing (SA) so as to bring it in parity with revised auditing standards issued by The International Auditing and Assurance Standards Board (IAASB). Most of the SAs will be effective for Financial Statements period beginning from 1st April 2018. The new format for auditor's reporting requirement has already been effective in several countries, including China, Australia, Singapore, Malaysia and certain countries in Europe. The UK was one of the first countries to roll out these requirements. The changes to the auditor's report will provide reader's, benefit of Auditor's Focus, Increased attention and enhanced communication. I thank all the authors for their painstaking effort to write articles for this issue.

PUBLICATIONS

The Publications of CTC have been received with great gusto. Very few copies of the "101 Supreme Court Landmark Judgments" are currently on shelves. Further, the much anticipated publications "FEMA – Fundamental Aspects and Practical Issues", "Key Rulings under the Indirect Tax laws – A GST perspective" and "The Prevention of Money Laundering Act" are underway and will be published by the end of August.

Through the medium of this great institution, let us try and create an ongoing cycle of learning-teaching-contributing! Let us remember "*Ex nihilo nihil fit*" and together strive to make an impact, to bring about a change and to see a new dawn!

Gratias tibi.

HINESH R. DOSHI

President