



From the President

My Brothers and Sisters at the Chamber,

“What you do has far greater impact than what you say”

- Stephen Covey, author of “The Seven Habits of Highly Effective People”

These are simple words indeed but have a really meaningful message contained therein. The actions of leaders and those in power inspire people more than their words. The same is true of any leader, a head of a family or the head of a nation. This is really embodying the principle of ‘Quiet Leadership’ in my previous communication.

On 14th August, our Hon. Prime Minister launched a campaign **‘Transparent Taxation – Honouring The Honest’**, the broad themes of which are (a) A Taxpayers’ Charter, which in the Finance Act, 2020, was made part of the Income-tax Act, 1961 (‘The Act’); (b) ‘Faceless Assessment’ where there would be no ‘in person’ interaction between a taxpayer and the person assessing the income he returns (in fact the taxpayer would not even know or be able to recognise the assessor(s)); both of these being effective immediately; and (c) ‘Faceless Appeals’ proposed to be launched on 25th September, the birth anniversary of Late Pandit Deen Dayal Upadhyay, where the first level appeal process would also be similarly ‘faceless’. The initiative is conceptually laudable and momentous as far as implementation is concerned. The success of this well-intentioned initiative, to my mind would really depend upon three ‘T’s, Trust, Training and Technology. Let me in the next few sentences briefly convey my thoughts on these.

Trust is the most important pillar for the successful implementation of this initiative. Today, the fact of the matter is that there is certainly, wariness and an absence of complete trust in a tax assessment process. Taxpayers are wary that their submissions could be misconstrued by the tax officers to collect the maximum amount of tax possible by making additions/disallowances wherever possible, so in dealing with situations that are not black or white, the taxpayers would want to be as cryptic as possible in their disclosures. The tax officers, at the

other end, aware and conscious of targets being given to them, (and in the recent past, these being very strictly monitored and enforced) and also due to the cryptic information available to them, view the submissions with a sceptic's eye and proceed in making the adjustment in favour of the Revenue. This is the basic challenge to the success of this initiative. There are ambassadors of the tax department, who have been and still are, fair, unbiased, empathetic and even compassionate towards taxpayers, which I personally have had the good fortune to know, respect and admire. These should be the role models for the youngsters of today. *'Ye dil maange more'* in this regard. Of course, the same is also equally an ask from the taxpayers, who need to pay their tax honestly, on time and cooperate fully during the assessment process, so the conceptual ask remains the same from that section too.

Training is the second important pillar. Today, adequate training needs to be given to both, the assessors in terms of familiarity and knowledge of different types of businesses and the peculiar business realities associated therewith, proficiency in language, and also, awareness of the legal provisions and principles, and from the taxpayers' side, awareness of proper application of legal principles, proper articulation of submissions in logical order and a deep awareness of departmental processes and procedures. Here, educational institutions like the Chamber can play a pivotal role and it is my dream to see the Chamber playing this educator's role to both the factions such that the result thereof, better quality assessments, would go a long way towards taxpayer service.

Technology is the third important pillar. Our experience with technology in these testing times has shown us that though it is a great enabler and has many inherent uses and distinct advantages, it also suffers unexpected breakdown at critical moments and moments of overload. Another factor to bear in mind is that at many places in India, we do not have uninterrupted power supply nor do we have adequate bandwidth. This may need fixing too. Also, in the hands of those who can manipulate it (thankfully, these are not large in number today), it can be manipulated to do things that are destructive rather than constructive. Another characteristic of technology is that it is relatively inflexible, once developed. So, awareness, familiarity with, and knowledge of efficient use of technology would be paramount on both sides. We would need to urge clients to not give us information at the fag end when due dates approach, so that our experience in complying, is smooth. We have also not learnt to deal with large volumes of data that complex businesses now generate, on both the taxpayer and the tax assessor's side. We will need to devise ways and means of dealing efficiently with that.

This, therefore in my view, is the beginning of a long and unexplored journey. I am sure that overcoming initial teething issues, this juggernaut will smoothly roll on towards its destination of making the taxpayer experience a better one. The **Taxpayers' Charter** is one of the most important aspects of this initiative. The Charter will need to be very well drafted, well thought

out and be on the face of it, simply give comfort to the taxpayers that their grievances will not get lost in the maze of technical aspects of the law and; provisions of the law, which are enablers, would not be cited to give them their due and make life simple for them. One eagerly awaits the text of the Charter to see how a taxpayer is comforted.

As far as **Honouring the Honest**, is concerned, my personal view is that a taxpayer who is honest deserves to be treated as such without an suspicion or scepticism. In my humble view that by itself, would be the first and critical step in this direction. On this topic, I am told by our senior Past President and ‘historian’, Shri Kishor Vanjara, that the Chamber was the first institution, way back in November 1991, to recognise and appreciate the highest taxpayer of Mumbai City and it was on the Chamber’s recommendation, that past Governments did recognise and award the highest taxpayers in the country.

Moving on to a different subject, I would like to share my sorrow with you. Sangeet Martand Pandit Jasraj, one of the ‘Gurus’ of Hindustani Classical music, passed away on 17th August at the age of 90. Those who follow his concerts would know that at times, when singing devotional shlokas or bhajans, he would appear as if he would go in a trance onto a different plane and the purity in the ‘bhav’ and ‘sur’ would be, in my view, simply divine. I had the good fortune of meeting him in person and seeking his blessings once, courtesy my good friend, Shahi Vyas, and was extremely moved and touched by Panditji’s simplicity and humility. Such human beings are rare gems and humankind is I believe left bereaved by his demise.

The COVID 19 situation continues to intrigue us with cases and even deaths rising. At the same time, one is pleasantly surprised to see people now coming up with a positive attitude to attempt to resume normal like to the extent possible, while taking adequate precautions and making sure all the norms and regulations are followed both, in letter and spirit. Indeed, this is the message of positivity that will help humankind overcome this challenge. We accept that we will still take time to see the ‘Normal’ we have been used to, but, we are ready and willing to accept the ‘New Normal’.

The Chamber hosted a webinar on ‘COVID-19, Now, Next & Beyond’ on 20th August 2020, in the memory of Past President, Late CA Narayan Varma, jointly with Dharma Bharathi Mission, Public Concern for Governance Trust and BCAS Foundation. This was the 5th Narayan Varma Memorial Programme. The speakers were, Eminent Physician, Dr. Hemant Thacker, Ms. Hvovi Bagwagar, clinical psychologist and CA Sanjay Dhruva, our own member and a COVID-19 Survivor himself. The session dealt with how we should remain careful and positive in these times. I personally found the webinar to be an excellent example of teamwork between the four institutions. CA Suhas Paranjpe, the BCAS’ President, really was so much of a collaborative partner in this regard’ that if I would have been able to play tennis, I believe

we would have made excellent doubles partners on the tennis court too. We had a similar experience with the heads of Dharma Bharathi Mission and Public Concern for Governance Trust as well. What pleased all of us the most was the moving speech of Arjun Kadam, the young lawyer at the time of accepting his award for outstanding social service, who said he would do everything in his power to be deserving of the award that was presented to him. If the youth of this nation was to follow his example, India will definitely be in good hands. The efforts of the Membership & Public Relations Committee, in particular, Chairperson, Nishtha Pandya, Co-Chairman, Premal Gandhi and Vice Chairperson, Ashita Shah, and the unflinching support from Pradeep at the Chamber's office and Javed at the BCAS' office as also the cooperation of the officials and volunteers other institutions has been really praiseworthy.

The various committees of the Chamber continue to hold interesting programmes with very senior, learned and erudite faculty and I express my sincere gratitude to each one of these committees and their Chairpersons for the great work they are doing. I am sure the members and readers have taken, and will continue to take the benefit of these

This month's Journal has a well-crafted kaleidoscope of articles dealing with 'Recent Changes and Intricacies'. From the optional scheme of individual taxation, to the option for corporates to be taxed at lower rates, to changes in the dividend tax regime, to changes in the return forms, to TDS/TCS related amendments, to equalisation levy, MLI related changes and finally, MSME related amendments, this bouquet of articles so carefully selected, will help all of us as we prepare to resume work as and when the circumstances so permit. I thank all the authors for their contribution and the Journal Committee led by Past President, CA Paras K. Savla for bringing out this useful issue in at the right time for all our readers.

Coming back to the concept of quiet leadership that I started out with, let me end with this very profound quote from Mother Teresa.

"I alone cannot change the world, but can cast a stone across the water to create many ripples"

More on this in the month to come...

Yours sincerely,

ANISH THACKER

President