GURUGRAM BRANCH OF NIRC

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Chairman's Message

Dear Professional Friends,

Namaskar,

I am once again delighted to communicate with all of you through this communication, October months being the months of tight schedules where majority of CAs will be busy with Statutory Audits, Tax Audits to complete their assignments within the stipulated time schedule and those who are in industry/Employment are busy with their work assignments and duties. After busy professional work we should also find time to relax and enjoy to take life forward in the right direction.

Post implementation of GST there are technical and system related issues faced by the members. To address the same the Branch has organized two events to abreast the knowledge of members and the programmes which had been organized are as follows:

S.No.	Name of Programme	Location	Dates at Which Held
1	Residential Workshop "Goods and Service Tax"	Deventure Shimla Hills,Solan Shimla National Highway, Kandaghat	From 1st to 3rd October
2	GST and Related Practical Aspects	Unitech Club Patio South City-1,Gurugram	13th October

Both the above programmes had been attended by large number of professional colleagues.

The due date of filing Tax Audit report has been extended till 7th November 2017 giving sigh of relief for chartered accountants practitioners in the busy compliance season. The seminar on ICDS reporting in Tax Audit report has been organized in the month of Sep-2017.

The untimely and sudden death of Ms Pallavi Daughter of Honourable President of The Institute of Chartered Accountants of India Sh Nilesh Vikamsey was a really saddening. Our Prayer to God to give the courage to Sh Nilesh's Family in this tough situation and to bear this irreparable loss. The branch had kept two minutes silence prayer.

May New Year bring many opportunities your way to explore every Joy of life! May your resolutions for the days ahead stay firm turning all your dreams into reality and all your efforts into great achivements!

Wishing all respected members and students a busy season ahead

CA. Sandeep Garg
(Chairman)
Gurugram Branch of NIRC of ICAI

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Secretary's Message

Dear Professional Colleagues,

November is an important month for the students, the month of ICAI exams. It is the time when they have to make the best of their efforts as great future awaits them. The very old and simple saying that "there is no substitute for hard work" has been proven right time and again. By the time, this newsletter will reach you, our CA students must be writing their examinations and my fellow members must have come out of their festive spirits. October was yet another hectic month with all due dates of tax audits, service tax returns and TDS returns falling one another. But this all exhaustion and fatigue got over with the zeal of festival celebrations.

Knowledge enhancement is the key to our existence and unless we update we would become obsolete. Whether in practice or in industry, every one among us shall enhance the horizon of our knowledge so that the professional within us continue to serve the Nation with quality.

It is rightly said, **"Success is a journey and not a destination".** Although, we professionals enjoy a premium position in the business and the economic world, there is always a scope for adding value to oneself both in terms of profile and knowledge. As Chartered Accountants, we have always followed the path of Justice, we are confident that all of us have positive outlook of the future. We need to play our **part to rededicate ourselves to the growth of our nation**

The Branch has also organized various mock tests for IPCC and Final level students to check their knowledge and to get rid of fear which they have while giving their final exams. The students have been given proper exam type atmosphere in the branch.

Gurugram Branch, once again requests all its members to bring sponsorships for the events and the seminars. Any advertisement for e- newsletter is also welcome. Also it's open for any type of corporate tie ups for the benefit of CA fraternity.

Gurugram branch is open to new ideas and programmes, members are requested to give suggestions and contribute their thoughts.

Manish Goyal

CA. Manish Goyal
(Secretary)
Gurugram Branch of NIRC of ICAI

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Recent Judgements by Supreme Court & NCLAT under Insolvency & Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code received Presidential assent on 28th May, 2016. Since then it has changed the landscape of the Insolvency resolution regulatory framework of the country. It has consolidated all the laws relating to the Insolvency and bankruptcy proceedings under one umbrella. This act has amended eleven Acts and repealed two Acts namely Presidency Towns Insolvency Act, 1909 and Provincial Insolvency Act, 1920. The Non Obstante (Section 238) clause of the I&B code has been held to overrule the non obstante clause of older state legislations such as Maharashtra Relief Undertakings (Special Provisions Act), 1958, by Supreme Court in the first case filed in the I & B Code, 2016 that is Innoventive Industries Limited Vs. ICICI Bank (31st Aug, 2017). The I & B Code was formulated on the basis of report of Mr. T. K. Vishwanathan Committee that is Bankruptcy Law Reforms Committee popularly known as BLRC.

Adjudicating Authorities under the Code

Under the I&B Code, 2016, the Adjudicating authority in case of corporate debtors and their personal guarantors is NCLT, having territorial jurisdiction over the place where the registered office of the corporate person is located. Under section 62 of the I&B Code, the person aggrieved by the order of NCLAT may file an appeal, within 45 days to the Supreme Court only on the questions of law arising out of the order. Similarly under section 182 of the I&B Code, the appeal against the orders of DRAT, in case of individuals and firms also lies in Supreme Court.

As we are aware that the Insolvency & Bankruptcy Code is ever evolving law and the Adjudicating authorities are interpreting the code in different ways. The most litigated issue is the definition of dispute under section 5(6), section reads as below:-

“(6) "dispute" includes a suit or arbitration proceedings relating to—(a) the existence of the amount of debt;

(b) the quality of goods or service; or

(c) the breach of a representation or warranty;”

From the plain reading this appears to be a very simple to interpret definition, but the peculiarities of circumstances in many cases were such that it became difficult for the Adjudicating Authorities to apply the definition literally.

Why this interpretation is Important?

In case of application for corporate insolvency by operational creditors the existence of dispute is one of the deciding factors in admission/rejection of application under section 9 of the I&B Code. If a dispute is subsisting then the application for the corporate insolvency resolution cannot be admitted as per 9(5) (ii) d.

In the matter of Mobilox Innovations Private Limited Vs. Kirusa Software Private Limited CA No. 9405-2017, on 21st Sep, 2017, Supreme Court gave following guidelines for interpreting the dispute under Section 9(5)(2)(d) of IBC:-

1. The definition of dispute is an inclusive one, and we have seen that the word “includes” substituted the word “means” which occurred in the first Insolvency and Bankruptcy Bill.
2. All that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation.
3. That the “dispute” is not a patently feeble legal argument or an assertion of fact unsupported by evidence.
4. It is important to separate real dispute from a mere dispute which is raised after the notice of demand under section 8(2) to get the application rejected. However, in doing so, the Court does not need to be satisfied that the corporate debtor is likely to succeed in suit/arbitration/dispute.
5. The Court does not at this stage examine the merits of the dispute except to the extent indicated above.
6. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application.

In the above case the breach of NDA (Non disclosure agreement) was taken as existence of dispute as evidenced from the email correspondence of the parties, though there was no suit or arbitration pending.

Landmark judgements by NCLATs/NCLTs.

Uttam Galva Steels Ltd. Vs DF Deutsche Forfait AG & Anr. Company Appeal (AT) (Insolvency) 39 of 2017 following points were decided by the NCLT, Mumbai:-

1. Existence of dispute has to be evidenced before the service of notice of demand under section 8. Definition of dispute is inclusive and the dispute has to be substantial and not a mere feeble argument. Notice of winding up U/s 433 of the companies act was treated as existence of dispute, application was rejected on this ground.
2. Operational creditors are also entitled to interest in case of default and the time values of money cannot make operational creditor a financial creditor.
3. Another question raised was, whether it is mandatory to file 'certificate of recognised financial institution' along with an application under Section 9 of the I&B Code? It was held to be mandatory condition as decided in Smart Timing Steel Ltd. Vs. National steel and Agro Industries limited.
4. Financial creditors and assignees of financial debt are on the same footing as per the Section 5(7).
5. The power of Attorney executed for demand of debt and filing of winding up proceedings are valid and application can be filed under the I&B Code and the POA duly authorising a Chartered accountant or a lawyer etc. should be placed on record otherwise the application shall be rejected on this ground.

M/s Starlog Enterprises Limited versus ICICI Bank Limited

NCLT Mumbai admitted the application on 17.02.2017, after which M/s Starlog Enterprises went in appeal against the order of the NCLT, and NCLAT, New Delhi, reversed the order of NCLT on 24th May 2017 and imposed costs on the ICICI Bank.

This is one of the earlier cases after the I & B Code, 2016 was notified. In this case the amount due mentioned by the ICICI Bank in the notice of demand under section 8, was materially different from the amount mentioned in the claim form. The NCLAT took serious view of the matter and gave following observation while rejecting the application and imposing cost of Rs. 50,000 on the ICICI Bank.

"Showing an incorrect claim, moving the application in a hasty manner and obtaining an ex-parte order from the 'adjudicating authority' which admitted such an incorrect claim, the Financial Creditor cannot disprove its mala fide intention by stating that the claim submitted is correct amount. The I&B Code does not provide for any such mechanism where post-admission, the applicant financial creditor can modify their claim amount."

Cases against Real estate companies

In most of the applications filed by the persons aggrieved by inordinate delay in possession of properties were rejected by the Adjudicating authorities as they did not qualify as Operational or Financial Creditors as per the definitions under section 5(7) and 5(19) of the I&B Code, 2016. But the following case has given a ray of hope to the real estate investors who have invested their money under committed return plans or assured return schemes of the real estate companies, even if the underlying purchase is of some real estate assets.

Nikhil Mehta & Sons (HUF) & Ors. Vs. AMR infrastructure Ltd. CA (AT)

NCLAT, New delhi

In the above case AMR Infrastructure limited treated the appellants as INVESTORS

and borrowed the amount pursuant to sale purchase agreement for their commercial purpose treating at par with LOAN in their return. Thereby, the amount invested by appellants come within the meaning of 'Financial Debt', as defined in Section 5(8)(f) of IBC, 2016. This was further evidenced and established by the 'Annual Return' and Form-16A filed by the builder.

As per the opening sentence of the definition of 'financial debt' under section 5(8) it is a debt along with interest which is disbursed against the consideration for the time value of money and may include any of the events listed in sub-clauses (a) to (i).

Therefore, application of Nikhi Mehta & Sons (HUF) was admitted under section 7(5).

Similarly the application of Rubina Chadha & anr was also admitted by NCLAT, New Delhi on 21st July 2017, against the same builder that is AMR infrastructure limited.

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The computation of Materiality and its importance in planning, performing and concluding an audit

Introduction

Materiality has enormous importance both in the preparation of financial statements and in the audit thereof. At a time, when auditors face a dual challenge of complying with increasingly demanding statutory requirements coupled with stringent restrictions in the time to complete audits (particularly of listed companies), the importance of Materiality and its meaningful application in planning, performing and concluding audits cannot be overemphasized.

Accounting Standard (AS) 1 on Disclosure of Accounting Policies mentions Materiality to be one of the 3 main considerations (the others being (a) Prudence and (b) Substance over Form) in the selection of accounting policies. AS 1 states that "Financial statements should disclose all "material" items, i.e. items the knowledge of which might influence the user of the financial statements".

Similarly, Indian Accounting Standard (Ind AS) 1 Presentation of Financial Statements states that "An entity shall present separately each material class of similar items. An entity shall present separately items of a dissimilar nature or function unless they are immaterial except when required by law".

Ind AS 1 further states "An entity need not provide a specific disclosure required by an Ind AS if the information is not material except when required by law". Ind AS 1 also provides guidance on the meaning of Materiality by stating that "Material Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and the nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor". It is therefore clear that Materiality depends on the both the size and the nature of the item or a combination thereof; it is accordingly possible that an amount that is not quantitatively material would still be considered to be material because of its nature or relevance.

Standard on Auditing (SA) 320 Materiality in Planning and Performing an Audit deals with an auditor's responsibility to apply the concept of Materiality in the planning and performance of an audit of financial statements.

The concept of Materiality is used by the auditor not only in the planning and performance of an audit but also to evaluate the effect of uncorrected misstatements, if any, on the financial statements and the audit opinion contained in the auditor's report.

Apart from Materiality, SA 320 introduces the concept of Performance Materiality which is a number that is lower than the Materiality, and which is applied so as to ensure that the probability of the sum of uncorrected and undetected misstatements (arising during the audit) exceeding Materiality is sufficiently low.

How do we determine Materiality and Performance Materiality?

While at the outset it must be mentioned that the determination of Materiality is a matter of professional judgement, in practical terms it is usually determined on the basis of percentages of certain

benchmarks derived from an entity's financial statements namely its assets, liabilities, equity, income and expenses. The selected benchmarks are usually those on which the users of financial statements would be interested; the most widely used are Profit before tax, Revenue and Net assets/ Equity. The nature of the entity (i.e. the stage of its life cycle) and the industry to which it belongs is also relevant. Another factor to consider is the degree of volatility of the selected benchmark.

The preferred benchmark is normally Profit before tax (PBT) since it is the metric in which the stakeholders would be most interested. Usually Materiality is determined on the basis of a percentage ranging from 5% to 10% of PBT. However, if the entity is loss making or if its profitability exhibits excessive volatility, PBT may not be appropriate as a base. Revenue is then preferred as the benchmark; since it is another reliable indicator of the size of the entity's business. When Revenue is used as a base, a sliding scale of percentages ranging from around 0.1% to 5% is often used; the percentage used decreases as the amount of sales increases. Accordingly, when sales are low, the percentage used in the sliding scale is higher and when sales are high, the percentage used in the sliding scale is lower. The third benchmark, Net assets, is used in situations such as when a manufacturing company is in its construction stage, when its Revenues are low and it makes losses but when the company has a large balance of equity in the form of share capital and reserves, which are used on capital work in progress and fixed assets. In such a situation, it may be advisable to determine Materiality as a percentage, perhaps 3% to 5%, of Net Assets, since the volume of Net Assets is then a reliable indicator of the volume of its business and would therefore be a less volatile benchmark for Materiality.

After Materiality has been determined, we need to calculate Performance Materiality (PM). For arriving at PM, we need to ascertain what we think would be the level of uncorrected and undetected misstatements in the entity's financial statements in the current year. This is determined by various factors such as the aggregate of the uncorrected misstatements in the previous year's audit, the auditor's risk assessment procedures, the reliability of the entity's internal financial controls over financial reporting and the auditor's understanding of the entity's business performance and business environment in the current year. Once again, the professional judgement of the auditor will be a key determining factor in deciding on PM.

Let us now discuss an example for the purpose of illustrating how PM is calculated.

Tree Tower Limited is a manufacturing company with a record of increasing Revenues but fluctuating profits. Accordingly, in the audit for the year ended March 31, 2016, the auditors had decided to use Revenue as the benchmark for calculating Materiality. Revenue for the year ended March 31, 2016 was Rs 160,00,00,000. The auditor had used 1% of Revenue as the base for calculating Materiality, i.e Materiality was set at Rs 1,60,00,000. The uncorrected misstatements during the audit for the year ended March 31, 2016 amounted to Rs 17,00,000. Such misstatements have subsequently been corrected by the entity in 2016-2017. For the year ended March 31, 2017 the Revenues are expected to be around Rs 190,00,00,000. Based on the information given, what would be the amounts set for Materiality and Performance Materiality in the audit for the year ended March 31, 2017?

Solution:

The auditor decides to consider a lower percentage, namely 0.9% of Revenue as Materiality for 2016-17,

since Revenues have increased by almost 19% in 2016-17 over 2015-16, which justifies taking a lower percentage of revenue as per the sliding scale.

Accordingly, Materiality is set at 0.9% of Rs 190,00,00,000, which is Rs 1,71,00,000. Based on the uncorrected misstatements observed in the previous year, and considering the significant increase in sales volumes in 2016-17, the auditor estimates that estimated uncorrected misstatements in 2016-17 would be Rs 20,00,000. Accordingly, PM for the audit for the year ended March 31, 2017 is set at Rs (1,71,00,000-20,00,000), i.e. Rs 1,51,00,000.

Since Materiality is determined at the start of the audit, normally after the Preliminary Analytical Review procedures have been performed, the final set of financial statements would not be available. Financial information such as previous year's financial statements, draft financial statements to date for the year, and budgets and forecasts for the year may be applied by the auditor for the computation of Materiality; the auditor must also consider any important changes, if any, that have recently taken place in the business of the entity.

Both Materiality and PM may need to be revised during the course of the audit. For instance, if it is found that the actual Revenues for 2016-17 in the above example are less than Rs 190,00,00,000 and are actually around Rs 185,00,00,000, then Materiality and Performance Materiality would have to be revised. The revised lower amounts for Materiality and PM would then have to be used for the purpose of substantive testing and for evaluating uncorrected misstatements at the conclusion of the audit.

Where exactly is Performance Materiality used during audits?

PM is mainly used in order to perform substantive procedures, particularly tests of details. In practice, the proportion of the size of an Account Balance to the PM is a key determining factor of the number of samples to be tested, for that Account Balance. Other factors that would affect the sample size include whether the particular account balance is considered to result in a significant risk or normal risk of misstatement, and on whether the auditor would be adopting a control reliance approach or a purely substantive approach for his audit procedures.

Significant risk, in the above context, is defined in SA 315 Identifying and Assessing the Risk of Material Misstatement through Understanding the Entity and its Environment, as an identified and assessed risk of material misstatement that, in the auditor's judgement, requires special audit consideration.

The use of Performance Materiality in determining the number of samples to be tested for a particular Account Balance is explained below. For instance, in the aforesaid example relating to computation of Materiality and PM, if Accounts Receivable balance is Rs 54,00,00,000 at March 31 2017, then the proportion of Accounts Receivable balance to PM is (54,00,00,000/1,51,00,000) approximately equal to 36. Using statistical techniques, and assuming that Accounts Receivable balance is associated with a significant risk of material misstatement and that a control reliance strategy is to be adopted, the auditor may conclude that 40 samples would need to be tested pertaining to Accounts Receivable. The larger the account balance, the larger the number of samples to be tested; the larger the PM the smaller the number of samples to be tested. For example, in the above illustration if PM decreases from Rs 1,51,00,000 to Rs 1,30,00,000 with other factors remaining the same, the auditor would have to verify a larger number of samples for Accounts Receivable; perhaps 45 or 50, depending on the statistical model that is used.

Importance of Materiality while concluding an audit

During the course of an audit, the auditor is required to accumulate all uncorrected misstatements that exceed an amount that is deemed to be "Clearly Trivial" as referred to in para A2 of SA 450 Evaluation of Misstatements Identified During the Audit. A Clearly Trivial matter as per SA 450 is one that is "Clearly inconsequential whether taken individually or in aggregate and whether judged by criteria of size, nature or circumstances". In practice, a Clearly Trivial amount is often calculated as a proportion of Materiality, ranging from 2% to 5% of Materiality, depending on the professional judgement of the auditor.

The auditor should request the management of the entity to correct all misstatements that arise during the audit. If the management agrees to correct the misstatement, then it is no longer required to be accumulated by the auditor. Only misstatements that are remain uncorrected would have to be accumulated in the summary of uncorrected misstatements, by the auditor.

If the total amount of uncorrected misstatements exceeds Materiality it implies that the financial statements are not free of material misstatement, which in turn will affect the audit opinion on the financial statements of the entity. This is because as per SA 700 Forming an Opinion and Reporting on Financial Statements, "if the auditor concludes that based on the audit evidence obtained, the financial statements as a whole are not free of material misstatement, the auditor shall modify the opinion in the auditor's report in terms of SA 705 Modifications to the Opinion in the Independent Auditor's Report". As per SA 705, there are 3 types of modified opinions, namely a qualified opinion, an adverse opinion and a disclaimer of opinion.

This implies that if the total of uncorrected misstatements exceeds Materiality, the auditor's report would at least have to be qualified because the financial statements are considered to be materially misstated. The auditor may give a qualified opinion if the misstatements individually or in the aggregate are considered to be material but not pervasive to the financial statements. However, if the misstatements individually or in the aggregate are considered to be material and pervasive to the financial statements, then the auditor's report would be an adverse one, stating that the financial statements do not give a true and fair view of the state of affairs, profit/loss and cash flows of the company.

Conclusion

Based on our analysis, it is evident that Materiality is of critical importance in determining the auditor's opinion on the financial statements. It is therefore advisable that auditors carefully document the following: (a) the basis for determining Materiality; (b) how Materiality was applied in determining sample sizes for test of details of the various Account Balances; and (c) the use of Materiality in evaluating the summary of uncorrected misstatements arising during the audit.

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1. Introduction :

Reassessment proceedings under section 147 of the Act are for the benefit of the revenue and not for the assessee as held by the Hon'ble Supreme Court in the case of CIT Vs. Sun Engineering Works (P) Ltd (1992) 198 ITR 297 (SC). It is not upon to the taxpayer to convert the reassessment proceedings in to a regular assessment proceeding and agitate, issues which were concluded in the original assessment proceedings. The Income tax liability can not be reduced to a figure less than that determined in the original assessment.

The position became tricky when reassessment proceedings under section 147 were under taken in the case where no regular return was filed by the assessee within the time limit specified under section 139(1) and section 139 (4) .

Assessee filed return in response to notice issued under section 148 either declaring taxable income as nil or offering some income to tax and claimed refund arising out of advance tax deposited and tds credit claimed in the return .

1.1.Issue:

Whether in the reassessment proceedings where no return was filed under section 139(1)/139(4), Assessee is entitled to receive refund claimed in the return filed in response to notice issued under section 148 along with interest under section 244A(2).

This aspect is examined in this Article considering the provisions of the Sections of 237 and 239 of the Income Tax Act , 1961 , "Doctrine of Unjust Enrichment", Judicial precedents , CBDT Circular No 9/2015 dated 09-06-2015.

2. Refund and time limit for claiming refund under the I.Tax Act,1961:

2.1 Tax refund is the amount, which the tax department gives back to a taxpayer who has paid excess taxes. Refund means , "To pay back". The refund as defined under section 237 of the I. Tax Act,1961 signifies paying back of excess amounts of Income tax that a taxpayer has paid to the state or the return by the Government of excess taxes paid by an assessee , after taking in to consideration income tax, withholdings, tax deduction or credits, and other factors.

2.2 Section 239 of the I.Tax Act,1961 defines time limit for claiming refund is within one year from the end of the relevant assessment year.

2.3 Section 237 and section 239 of the I.Tax Act,1961 being beneficial provisions to the assessee should be broadly and liberally constructed and in favour of assessee as held by the Hon'ble Supreme Court in the case of CIT Vs. Gwalior Rayon Silk Manufacturing Co. Ltd (1992) 196 ITR 149 (SC). Bajaj Tempo Ltd Vs. Same view was reiterated in the case of Bajaj Tempo Ltd Vs. CIT (1992) 196 ITR 188 (SC).

2.4 Indirectly an inference can be drawn that CBDT Circular No. 9/2015 , dated 09-06-2015 , condonation of delay in filling refund claim up to six years from the end of the relevant assessment year justifies that provisions of Section 237 and section 239 of the I.T Act are liberally and broadly interpreted .

3. Doctrine of Unjust Enrichment & Article 265 of the Constitution :

3.1 "Doctrine of Unjust Enrichment " means retention of a benefit by a person that is unjust or inequitable. 'Unjust enrichment' occurs when a person retains money or benefit which belongs to some one else in justice, equity and goof conscience. The 'doctrine of unjust enrichment ' , therefore, is that no person can be allowed to enrich inequitably at the expenses of another. Withholding of refund amount without any

reasonable cause amounts to unjust enrichment on the part of the Revenue .

3.2 Not refunding an excess amount collected from the assessee can thus result in violation of Article 265 of the Constitution which says that " No tax shall be levied or collected except by authority of law".

4. Refund due to the Assessee is a Debt Owed and Payable by Revenue:

In the case of Union of India Vs. Tata Chemicals Ltd (2012) 363 ITR 658 (SC) , the Hon'ble Supreme Court ruled that refund due and payable to the asssessee is debt-owed and payable by the Revenue. In the context of this judgement it was held that " The State having received the money without right , having retained and used it , is bound to make the party good , just an individual would be under like circumstances.

5. Judicial precedents where Courts have consistently held that once return claiming refund of tax filed under section 148 is accepted by Revenue , Assessee is entitled to refund:

There is plethora of Judicial Judgements where it was held that refund due to the assessee can not be hold by the Revenue without any reasonable cause even if return was filed in late in response to notice under section 148 not within the time allowed under section 139(1)/139 (4). Some land mark judgements are as under:

(i) CIT Vs. Vali Brother (2006) 282 ITR 149 (*Allahabad HC*):

The Hon'ble Allahabad High Court held as under :

" The revenue can not withhold the amount of advance tax paid by the assessee, when on making the assessment under section 148 it was found that no tax is due from the assessee. The law does not permit the revenue to derive benefit by way of unjust enrichment by not refunding the amount of advance tax after arriving at the conclusion that the assessee has no taxable income."

(ii) R .Seshammal Vs. ITO (1999) 237 ITR 185 (Madras HC):

The observation of Hon'ble Madras High Court reads as follows :

"Section 237 the Act provides that if monies have been paid in excess of the amount for which the payer is " properly chargeable under the Act for that assessment year " such person is entitled to get the refund of the excess amount. Section 119 read with section 237 of I.T Act,1961 vests ample power to render justice and it can not act deliberately and reject application filed under section 119(2)(b) on hyper technical plea of limitation without setting any reason."

(iii) Chiranjan Jaiswal Vs. CIT ,Appeal No; C.W.J.C No. 2889 of 2000 , Date of Order 16/06/2011 (Jharkhand HC):

The Hon'ble Jharkhand High Court while granting the refund in favour of the assessee with interest held as under:

" The Asssesse was asked to submit the return and he filed the return under section 147/148. Under section 147/148 amounts to a return under section 139(1) by virtue of section 142 of the Act of 1961 and , therefore once the return has been accepted and the proceeding has been dropped , the excess deposit of tax amount should have been refunded to the assessee with interest."

(iv) Balakrishnan Vs. General Manager Hindustan Machine Tools Ltd (2007) 290 ITR 227 (Karnataka. Hc):

The operative para of the order of the Hon'ble Karanataka High Court reads as follows:

"Para 32. It is rather unfortunate that the Income-tax Department has taken such an adamant and stubborn stand only to deny a possible refund to the petitioner. An amount which would have been otherwise due to the petitioner if is retained by the Income-tax Department without any justification, then inaction cannot be put up as a defence for retention

of an amount. I say this because the amount which can be realised even by way of income-tax from any assessee can only be in accordance with the statutory provisions, as is mandated under article 265 of the Constitution of India."

6.CBDT Circular No. 9/2015 , dated 09-06-2015 , condonation of delay in filling refund claim :

CBDT Circular No. 9/2015 dated 09-06-2015 also supports the proposition that assessee is entitled to refund claimed in the return filed under section 148 . The contents of para-3 of the said circular reads as under:

" No condonation application for claim of refund shall be entertained beyond six years from the end of the assessment year for which such application is made. This limit of six years shall be applicable to all authorities having the power to delay including the Board. The period specified in the CBDT Circular No. 9 /2015 dated 09-06-2015 is matching with the period towards issuing notice under section 148 , hence by virtue of this circular which is binding to the revenue in view of Supreme Court decision in the case of Commissioner of Customs Vs. Indian Oil Corporation Ltd reported in (2004) 267 ITR 272 (SC) ,assessee is entitled to refund claimed in the return filed in response to notice issued under section 148.

7. Interest under section 244A(2) on the refund amount :

Assessee is entitled to interest on the refund amount under section 244A(2).The Statute clearly indicates that where refund of any amount becomes due with the assessee, he shall be entitled to receive simple interest as stated therein, in addition to the amount of refund. The question is, as to when the amount becomes due. The amount becomes due only when all the procedures i.e Assessment and condonation of delay in filling refund claim are completed. It does not become due on the date when the tax amount is deposited by the assessee or the deductor of tds to the Department. It becomes due only after finalisation of the returns. Of course where return was filed in response to notice under section 148 ,the delay in the proceedings resulting in refund is attributable to the assessee whether wholly or in part , hence assessee is entitled to interest under section 244A(2) from the date when return was filed with refund claim up to the date on which refund is granted.

This view is fortified by judgements of the Hon'ble Supreme Court in the following cases and also duly supported by the CBDT Instruction No. 2/2007 , dated 28.03.2007.

(i)CIT Vs. Gujarat Flouro Chemicals (2013) 358 ITR 291 (Sc)

(ii)Sandvik Asia Ltd Vs.(2006) 280 ITR 643 (Sc)

(iii)CIT Vs. H.E.G Ltd (2010) 324 ITR 331 (Sc)

(iv) Union of India Vs. Tata Chemicals Ltd (supra)

8.Application for condonation of delay towards filling delayed refund claim under section 119(2)(b):

CBDT Circular No. 9/2015 dated 09-06-2015 requires to file application for condonation of delay for delayed refund under section 119(2)(b) to appropriate authority , hence it is advisable to file an application for condonation of delay in claiming refund claim while claiming refund in the return filed in response to notice under section 148 . Once application is filed , authorities are duty bound to dispose of the application in favour of the assessee within a maximum period of six months.

Conclusion

When viewed in the light of above discussion , provisions of the Act, "Doctrine of Unjust Enrichment, Judicial precedents including CBDT Circular No . 9/2015 dated 09-06-2015 assessee is entitled to received refund claimed in the return once the return is accepted along with interest under section 244A(2). Refund along with interest is a debt owed and payable by the Revenue to the assessee . Under the " Doctrine of Unjust Enrichment" , Department can not enrich itself with the expenses of the assessee which is going against Article 265 of the constitution.

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International Financial Reporting Standards Interpretations Committee of the International Accounting Standards Board issued IFRIC 23 on June 7, 2017, Uncertainty over Income Tax Treatments. The Interpretation clarifies recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over income tax treatments.

Background

IAS 12 Income Taxes basic principle in regard to the recognition of current tax assets and liabilities is that, to the extent that current tax for the current and prior periods is unpaid, it should be recognized as a current tax liability and to recognize as an asset if the amount of taxes already paid in respect of current and prior period exceeds the amount due for those periods.

Doubt arises when it is unclear on how the tax law will applies to a particular transaction or an event. It may be noted that IAS 37 Provisions, contingent liabilities and contingent assets, specifically excludes IAS 12 Income Taxes in relation to the accounting for uncertain income tax treatments. So, IAS 12 Income Taxes will remain applicable under such circumstances.

The IFRS Interpretation Committee observed that entities are applying diverse reporting methods when the application of tax law is uncertain. Therefore, it issued IFRIC 23 on June 7, 2017 to bring clarity and transparency to the accounting for uncertainty over tax treatment. This interpretation explains how to recognize and measure deferred and current tax assets and liabilities when there is an uncertainty over a tax treatment that have yet to be accepted by the tax authorities.

IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the tax treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

This may lead to an amendment in Ind AS 12 Income Taxes in the coming future period.

Scope

The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates (accounting tax position), when there is uncertainty over income tax treatments under IAS 12.

Consideration of uncertain tax treatments separately or collectively

Each uncertain tax treatment is considered separately or together with one or more other uncertain tax treatments. This determination is based upon the approach that will better predict the resolution of the uncertainty.

Assumptions for taxation authorities' examinations

- An entity should assume that the:
- Taxation authority has a right to assess;
- Taxation authority will examine; and

Taxation authorities have full knowledge of all relevant information while assessing.

Accounting of uncertain tax treatment

In determining the accounting tax position (taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates), an entity is required to assess whether it's probable that the taxation authority will be going to accept an uncertain tax treatment. Let understand the rules in this regard with the help of a diagram:-

Recognition and Measurement of uncertainty

The impact of the uncertainty in accounting tax position is determined by the entity using a measure that provides the better prediction of the resolution of uncertainty i.e. the entity should use either the most likely amount method or the expected value method.

- **Most Likely Amount Method:** This method should be used under circumstances where the possible outcomes are single or are concentrated on one value in a range of possible outcomes.
- **Expected value method:** This method should be used under circumstances where there is a range of possible outcomes that are neither single nor concentrated on one value in a range of possible outcomes (sum of probability or weighted amounts in a range of possible outcomes is used).

This Interpretation requires an entity to apply consistent judgements and estimates for both current tax and deferred tax.

Effects of changes in facts and circumstances

An entity is required to reassess the judgements and estimates made and re-measure the effect of uncertain tax treatments in the financial statements in light of any changes in relevant facts and circumstances.

Such changes are accounted for as a change in accounting estimates as per IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Entity should apply IAS 10 Events after the Reporting Period to determine whether a change in facts and circumstances that occurs after a reporting period is an adjusting or non-adjusting event.

Interest and penalties

This Interpretation does not specifically address interest and penalties associated with uncertain tax treatments. Interest and penalties are within the scope of this Interpretation provided the entity applies IAS 12 to these amounts. On other hand, this Interpretation is not applicable on the amount of interest and penalties where the entity applies IAS 37 Provisions, contingent liabilities and contingent assets to account for such amount.

Business Combination

The Interpretation does not specifically address tax assets and liabilities acquired or assumed in a business combination. Para 24 of IFRS 3 requires an entity to apply IAS 12 to account for deferred tax assets and liabilities assumed in a business combination. Hence, the Interpretation applies to such assets and liabilities arising from the assets acquired and liabilities when there is uncertainty over income tax treatments that affect deferred tax.

Disclosure

The Interpretation does have any new disclosure requirements. However, it reminds the need to disclose, in accordance with IAS 1 Presentation of Financial Statements, the judgements and estimates made in determining the uncertain tax treatment.

Effective date and transition

The Interpretation is applicable for annual periods beginning on or after 1 January 2019. Earlier adoption is permitted. It provides a choice among two transition approaches:

- Interpretation may be applied retrospectively using IAS 8, which means comparative information will have to be restated. This approach can be used only if it is possible without the use of hindsight; or
- Interpretation may be applied retrospectively with the cumulative effect of initially applying the Interpretation will be recognised in opening equity at the date of initial application, without adjusting the comparatives.

Journey towards India GST Implementation and its Compliance

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The journey towards Goods and Services Tax ("GST") implementation in India was definitely not an easy one, especially when there were many uncertainties surrounding its implementation.

With GST went live on 1 July 2017, compliance was not an option but an obligation of a good corporate citizen. To stay compliant, businesses need to have general awareness of GST concepts and mechanisms. Finance and Tax personnel managing compliance functions would definitely need to have a comprehensive understanding on GST and its impact on business decisions.

Moving into GST regime by consolidating and subsuming 17 central, state and local taxes in line with concept of "One Market, One Nation & One Tax" is indeed a bold step of India Government towards reforming its tax structure. It is interesting that GST which is adopted in more than 190 economies globally comes with 4 different names in India, namely State GST (SGST), Central GST (CGST) or Union Territory GST (UTGST) and Integrated GST (IGST), to be called depending on the circumstances in which such tax is applicable.

The details below illustrates my personal journey, from rushing through tight deadlines towards the stroke of 30st June midnight, crossing to GST regime, and the milestones during the first 100 days. The journey started with setting up the implementation team comprising various stakeholders from different functions and getting the budget approved to kick off this important project.

Key deliverables - A GST-ready and compliant ERP system

The key deliverables were to get the ERP system up and running on the dot of the deadline, else businesses would come to a standstill on 1 Jul 2017. Racing against time, the project team worked hand-in-hand to sign off the User Acceptance Test (UAT) of the upgraded GST-compliant ERP system despite of many uncertain positions, which the authorities have yet to clarify.

Scope of GST

The scope of GST in India covers goods and services but alcohol for human consumption and petroleum products have been temporarily left out from GST ambit. Tobacco and tobacco products are subject to GST as well as additional Central Excise Duty, which remains applicable despite the excise duty being subsumed into GST as mentioned earlier.

Place of Supply (POS)

The rules of POS for goods and services are tedious and not straightforward. It requires careful legislative reading especially in the case of supplies of services as incorrect application of the POS concept means wrong GST treatment.

Registration process

GST registration is required for each state in India where the business operates. Registration started by converting the existing Excise or Service Tax PAN number. The issuance of the ARN number and the provisional GSTIN to a certain extent delivered minor confusion to businesses as to which is the right reference to be used. If your company operates in 10 states, you will have 10 GSTINs allocated to you. Initial registration of an entity went wrong when the PAN of the entity was not reflected correctly. It took many painful trips down to the offices to trace and eventually rectify the minor

misadventure.

Registration threshold

Registration threshold varies according to the state to the limit of 20 lakhs and 10 lakhs for Special Categories States. You will need to know which limit applies to which state. The threshold exemption is not available on IGST.

Tax Invoice

Tax invoice and its required contents for each category of transactions are specifically identified in the legislation. That means different tax invoice formats/templates of tax invoice would be required. The contents requirement make the design of tax invoice a challenge as there are just so many details to be included into a single invoice format.

The unique requirement of the tax invoice is the requirement to indicate customs tariff in 2 to 4 digits in the tax invoice depending on the business sales turnover. Adopting customs tariff for goods in additional to the newly created Service Accounting Code (SAC) for services brings along the complication of customs tariff code to a simple GST system. Any argument on the usage of the appropriate of customs tariff code for the goods affect the rates of GST. One good example is that saree is classified as fabric for GST purpose with 5% GST while dhoti is classified as apparel with a rate as high as 12% (if the value exceeded 1,000 rupees). Tariff classification of saree and dhoti would determine the GST rates.

Zero-rated supply

Zero-rated supply covers export of goods or services or both and supply of goods or services or both to a Special Economic Zone (SEZ) developer or SEZ unit. Zero-rated supply is not subject to GST but it comes with the requirement to have a specific statement in the tax invoice and to furnish bond, bank guarantee or letter of undertaking or upfront payment of GST and making a claim upon export. Such requirements complicated the intention of encouraging export. It is glad that the requirement of furnishing bond and bank guarantee has now been waived. The relief package to the exporters as announced in the 22nd GST Council Meeting is much welcomed.

Exempt supply

Exempt supply includes goods or services with nil rates of GST or wholly exempt. One will need to determine if the nil rate of GST is not referring to zero rated supplies. The list of exemption is much longer compared to GST in other countries. It means one will need to be extra careful to accord the right GST treatment on the transactions.

GST rates

Instead of adopting a single GST rate, the Government decided to have multiple rates with 7 categories of tax rates for goods and 6 categories of tax rates for services under the IGST, ranging up to 28%. Rates of SGST, CGST, UTGST for the same goods or services are half of the above rates. The first question came to mind is how to determine the rates of GST.

Taking the example of the GST on air travel, a 5% GST is applicable for travel in economy class and 12% for travel in other than economy class (example, business class ticket). The differentiation of GST rates for various types of supplies speaks the volume of the compliance to be managed.

Further, GST rates may be determined based on whether credit on the input is taken. The 5% air travel by economy class is applicable provided that the credit of input tax charged on goods used in supplying the services has not been taken by the service provider. Otherwise, a 12% rate will be

applicable.

GST rates may also depend on the value of goods. Article of apparel and clothing accessories below 1,000 rupees attracts 5% GST while those above 1,000 rupees attract GST at 12%. Value became one of the important factor to get the right GST rates.

Compensation cess

In addition to the SGST, CGST or IGST, whichever is applicable, compensation cess is also payable on certain goods and services and the rate can go up to 25%. An example is the cess at 15% is for the motor vehicle of the higher capacity. Together with tax, the effective rates of duty and cess to the buyer can be as high as 53%.

Notifications and circulars

There is no specific rate schedule under the GST legislation. Instead, the rates will be recommended by the GST Council and published by the Government via Notifications. Any other clarity on GST is also being published via Government notifications or circulars/orders. As at 4 Oct 2017, a total of 139 notifications and 14 circulars/orders covering CGST, IGST, UTGST and Compensation Cess were issued by CBEC. In India, the number of notifications and circulars/orders issued reflects how complicated the GST can be. GST practitioners need to put in a great effort to closely monitor and be updated on all these notifications and circulars to stay compliant. Similar effort is required from tax professionals so that they could provide right and practical advice to their clients.

Input Tax Credit

There are conditions on how input tax credit ("ITC") can be claimed against output GST. One will also need to understand the priority of utilization of ITC in a particular order as clearly spelt out in the legislation. It means certain category of input GST may not be able to be utilized against the output GST.

The practical issue in claiming ITC

With 17 GST registration numbers, airlines will need to be provided with the GSTIN of the right entity that belongs to the state where the employee is located. The company will not be able to claim ITC if the right GSTIN is not reflected in the tax invoice.

Another complexity of claiming ITC is the input tax incurred for the hotel accommodation for the business travel. For the purpose of hotel accommodation, the place of supply shall be the location of the hotel. If your employee is staying in a hotel in the state where you do not have GST registration, you will not be able to claim input tax on the GST incurred on such hotel accommodations. The example of GST incurred on hotel accommodation above shows the importance of understanding the rules of POS to determine the availment of ITC.

The project team had even developed an in-house tool called GSTIN Recognizer where once the details of travelers based office and the location/state of the hotel is entered, the GSTIN Recognizer will automatically furnish the complete details of the company's name, corresponding GSTIN and the applicability GST on such transactions. In this way, tax invoices issued by the hotel would reflect the accurate GSTIN and the corresponding name of entity for the purpose of ITC availment.

Mixed supplies

Issue of determining the GST rates arised in the case of mixed supplies. Complete set of computer carried GST rate of 18% while the computer monitor was levied with GST of 28%. Whilst both rates had now been adjusted to 18%, it actually reflects the complication that comes along for businesses to manage. There could be more goods facing similar situations.

E-way bills

The requirements of e-way bill to control the movement of goods of consignment value exceeding fifty thousand rupees will be introduced in a staggered manner with effect from 1 January 2018. More compliance work is expected with its implementation.

GST returns

Preparation and submission of monthly GST returns and payment of GST are the main pillars of the compliance process. The concept of matching outward supplies by the suppliers to the inward supplies of the customers and eventually filing a complete GST payable or GST refundable positions mean 3 times of the processes are required to complete a cycle of return. Based on the same example of 10 GST registration across India, such registered person needs to file a total of 360 returns per annum! Then, there is also requirement of the annual return to be submitted, on the state-wise basis. The amount of returns to be prepared and its compliance work generated would keep the company fully occupied with compliance filing process throughout the year.

The quarterly return for dealers having turnover less than INR 1.5 Crores was introduced during the 22nd GST Council Meeting and to be implemented with effect from 1 October 2017. GST registered persons other than dealers having turnover less than INR 1.5 Crores are still to follow the monthly returns cycle.

Automation and technology

The utilization of technology of via deployment of the Application Service Provider (ASP) and GST Suvidha Provider (GSP) in matching the output and input is a great effort. When implemented successfully, the amount of compliance work can be greatly reduced. While the technology seems to provide the solutions, it does create another layer of complication. For a start, the filing technology platform was not ready when GST went-live and it was not stabile currently with some taxable persons experiencing difficulties to upload the details for return submission in July and August. This technical glitch forced the GST Council to extend the filing deadline and introduced the additional filing for 2 months in the form of Form 3B for the month of July and August. The unresolved technology difficulties further resulted in Form 3B being required to be filed up to the month of December. One can imagine the increased the number of monthly filing to be taken care of by the Finance or Tax personnel in charge of the returns.

Getting the return signed electronically was again another battle to face. The usage of dongle, which is tagged to the individual for the purpose of submitting returns will have to be re-applied for when the person in charge of return filing leaves the company (attrition was common during the GST implementation phase). The implementation of the e-signature by a third party service provider is another area to be taken care of to ensure proper filing process.

Transition

To cater for the tax paid before GST, the transitional credit is allowed and required to be filed using Form TRAN 1. The initial deadline of 90 days after GST went-live has been extended to 31 Oct, with confusion as to whether revision is allowed upon submission. It is good that the input credit pre-GST can be utilized post-GST, a benefit to lots of companies.

Reverse Charge

Reverse Charge makes the recipient to liable to GST. If a registered person receives the supplies from unregistered person, he has to pay GST under the reverse charge mechanism (RCM). The procedures come with the requirement to issue self-invoice (with

specific prescribed format) and payment voucher. Deferment of RCM till 31 March 2018 is a temporary relief to the tax payers.

Staff benefits

Benefits provided to the employees are to be reviewed to ascertain its GST implications. The key determination is so long that such benefits are included as part of costs to company (CTC), GST is not applicable. Companies would then need to review its overall benefits to staff. Whilst it has been clarified that the employee benefits provided by the employers as part of the employment contract, occasional gifts up to INR 50,000 are not subject to GST, companies would still need to closely monitor and review it benefits scheme to stay compliant. Otherwise, the RCM may be applicable.

High-sea-sale and bonded transactions

Businesses that involve in high-sea-sales were struggling where the interpretation of the GST legislation result in double tax incident while the practice pre-GST regime is to levy tax once. Until the issuance of formal notification, contradicting positions were mentioned in the FAQ and Government tweet. In the absence of the notification, it is assumed that the bonded transactions are adopting the similar treatment as per high-sea-sale. Managing the expectation of business to form a position in order to move forward was really a tough call to any GST practitioners.

Export Oriented Units (EOUs)

The upfront tax exemption benefits enjoyed by the EOUs diminished with the introduction of GST. All transactions involving EOUs will be subject to GST. The question arise as to whether if it is still beneficial for the company to continue operates with EOU status. In the Relief Package for Exporters announced during the 22nd GST Council Meeting, one of the major reliefs is that various procurements meant for export of services would be allowed without payment of GST to the vendors. This appears to bring back the position of EOUs pre-GST regime.

Beyond 100 days

It can be seen that the Government is actively listening to the businesses on their difficulties in complying with GST requirements. To support registered persons in GST compliance, the notifications, circulars, processes and procedures shall be drafted with the concept of GST being a self-assessed tax system in mind rather than from the view of putting lots of restrictive measures that increasing the compliant burden.

Counting on the above, it is indeed not a simple task to manage India GST compliance; more so often if one is located outside India. Readers can gauge to what extend the effort is required to support businesses on GST. The magnitude of work processes involved to stay compliant requires the strong commitment and support from the management. The unique experience that I have gained through 100 days of GST would be something that I always cherish about.

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There are many situations where an entity needs to incur substantial amount of money to ensure proper use/ access to its existing Assets by way of constructing roads, electricity transmission lines, water well etc. which is generally being called as Enabling Assets. These are eventually not in the name of the entity who actually constructs it but per se economic benefit/ use of such assets clearly demonstrates its importance/ requirement for the entity.

As per the current scenario in India, the Companies which might need to incur amounts to construct these assets need to charge off such expenditures into profit and loss account in the year it is incurred.

Below are some of the definitions pertaining to Fixed Assets which defines its recognition criteria-

As per AS-26 "Intangible Assets" para 6.2 which defines "Asset" - An asset is a resource:

(a) controlled by an enterprise as a result of past events; and

(b) (b) from which future economic benefits are expected to flow to the enterprise;

As per AS-10 "Fixed Assets" para 6.1 which defines "Fixed Assets"- is an asset held with the intention of being used for the purpose of producing or providing goods or services and is not held for sale in the normal course of business.

There was one specific Opinion given by "Expert Advisory Committee" of ICAI (reader can refer ICAI website/ publication to read this full opinion by EAC) on such issue which is being used by the Companies in current accounting practices. Some of the excerpt can be read below-

Under the Opinion by the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) clarified that costs associated with enabling assets, such as construction of connecting roads, electricity transmission lines, etc., the ownership of which does not pass to the company, do not qualify for being capitalised as Capital Work in Progress even during the construction period. Instead, the EAC opined that the amount spent on enabling assets should be expensed off in the period when these are incurred .

The EAC explained, since the control does not pass to the company such enabling assets do not meet the definition of 'asset' as defined in the Framework for the Preparation and Presentation of Financial Statements as issued by the ICAI. Thus these cannot be capitalised even though such enabling assets will provide future economic benefits to the company. The EAC also relied on the guidance provided in AS 26, Intangible Assets, which mentions that where an expenditure is incurred to provide future economic benefits but no asset, intangible or otherwise can be created, such expenditure needs to be expensed off when incurred.

Now, after the applicability of Ind-As/ IFRS for such companies in India, the recognition criteria to create an Asset should be understood and accordingly these changes may follow-

As per Ind-As 16 "Property, plant & equipment" para 6 defines that - Property, plant and equipment are tangible items that: (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and (b) are expected to be used during more than one period.

As per Ind-As 16 "Property, plant & equipment" para 7 defines that - The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if: (a) it is probable that future economic benefits associated with the item will flow to the entity; and (b) the cost of the item can be measured reliably.

Now, one can visualize after reading the above comparative changes while recognizing assets within these new Accounting Standards (Ind-As). As per the new requirement, any expenditure (subject to other recognition criteria) which has expected life of more than one period (means a year in normal situations) may be considered for capitalizing as asset and it will then be depreciated based on its expected useful lives. Hence, such enabling assets which have been expensed off by the Company will no longer be allowed to continue and the management needs to carefully examine about such expenditures and capitalize the same with their proper depreciation/ amortizations in "Statement of Financial Position" (we call it "Balance Sheet").

As per the transitional provision given in Ind-As 101 – First time adoption"- if the company has opted for deemed cost (for fixed assets including capital working in progress and intangible assets) exemption then before the applicable transition date, there is no need to bring it all such enabling assets in the books which had been already been charged off into Profit & Loss account, however after the start date of Ind-As accounting all such new expenditure related to such assets will be recorded as fixed assets (subject to satisfying other criteria) and only depreciation (based on expected useful life of the asset recognized) can be routed into the profit and loss.

By referring the new definition of assets as mentioned above, it has many more areas like spare parts, standby equipments. Major repair and overhaul etc where the management needs to evaluate carefully about the implications associated and change their internal identification processes accordingly and many more reclassification from expense to asset might follow in future accounting.

Readers are requested not to refer the contents mentioned above as any kind of advice and evaluate all individual instances based on any relevant facts and circumstances to extent available.

Gurugram Chartered Accountants, a newsletter owned by Gurugram Branch of NIRC of ICAI is normally published in the second week of every month. Non Receipt of any issue should be notified within one month. Articles in interest of profession and management skills are welcome. Views expressed by contributors are their own and may not be in concurrence with Gurugram Branch of NIRC of ICAI and the branch does not take any responsibility of views expressed by contributors. Gurugram Branch is not responsible in any manner of any result of the action taken on the basis of advertisements published in the newsletter. Rights & copying of articles or write ups is not allowed without permission of Editorial Committee.

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Meaning of reverse acquisition

When proposed acquirer (who intends to Control some entity) does not want its share to be listed but intends to become listed company then, in legal terms it will be like listed company is buying shares of non-listed company however from an accounting perspective the deal will be treated as reverse acquisition as non-listed company is controlling a listed company and accordingly accounting will be done.

Accounting guidance on reverse acquisition

Para 18 of Ind-AS 103 "Business Combination" states that **"The acquirer shall measure the identifiable assets acquired and the liabilities assumed at their acquisition-date fair values"** which means that acquirer need to get all assets and liabilities at Fair value of an acquiree into its balance sheet and hence it is very important to identify who is actually Acquirer and needs to fulfill the requirement of **control** gained by acquirer over the acquiree as per Ind-AS 110 "Consolidated Financial Statements" and accordingly para B-19 to B-27 of Ind-AS 103 will applied for accounting of such reverse acquisition.

Hence, the specific guidance on Reverse acquisitions is given under Ind AS 103 which was missing in AS 14, Accounting for Amalgamations under Indian GAAP. Going by the guidance given under Business combination standard, The Legal Acquiree will be the Accounting Acquirer and Legal acquirer will become accounting acquiree.

Practical example on Reverse Acquisition accounting

Reverse acquisition accounting by its nature is complex and needs to understand the situation and documents in proper manner. Let's understand the reverse acquisition accounting with the help of below example.

Assuming B "legal acquirer" will acquire A "legal acquiree" under reverse acquisition where B is an unlisted entity and A is a listed entity.

Balance sheets of A and B immediately before the business combination

Particulars	A In Rs	B In Rs
Non-current assets	1,300	700
Current assets	500	3,000
Total assets	**1,800**	**3,700**
Equity and liabilities		
Equity		
Equity share capital		
100 Ordinary Shares @ Rs. 3/Share	300	-
60 Ordinary Shares @ Rs. 10/Share	-	600
Other equity	800	1,400
	1,100	**2,000**
Non-current liabilities	400	1,100
Current liabilities	300	600
Total liabilities	**700**	**1,700**
Total equity and liabilities	**1,800**	**3,700**

Other information

(a) On March 31, 2017, A issues 2½ shares in exchange for each ordinary share of B. All of B's shareholders exchange their shares in B. Therefore, A issues 150 ordinary shares in exchange for all 60 ordinary shares of B.

(b) The fair value of each ordinary share of B as at March 31, 2017 is Rs.40. The quoted market price of A's ordinary shares at that date is Rs.12.

(c) The fair values of A's identifiable assets and liabilities at March 31, 2017 are the same as their carrying amounts, with the exception of non-current assets. The fair value of A's non-current assets at March 31, 2017 is Rs.1,500.

Determination of cost of business combination

As a result of the issue of 150 ordinary shares by A, B's shareholders own 60 per cent of the issued shares of the combined entity (i.e. 150 shares out of 250 issued shares). The remaining 40 per cent are owned by A's shareholders. If the business combination had taken place in the form of B issuing additional ordinary shares to A's shareholders in exchange for their ordinary shares in A, B would have had to issue 40 shares for the ratio of ownership interest in the combined entity to be the same. B's shareholders would then own 60 out of the 100 issued shares of B and therefore 60 per cent of the combined entity.

As a result, the cost of the business combination is Rs.1,600 (i.e. 40 shares each with a fair value of Rs.40).

Measuring goodwill

Goodwill is measured as the excess of the cost of the business combination over the net fair value of A's identifiable assets and liabilities. Therefore, goodwill is measured as follows:

	Amount (In Rs.)	Amount (In Rs.)
Cost of the business combination		1,600
Net fair value of A's identifiable assets and liabilities:		
Non-current assets	1,500	
Current assets	500	
Non-current liabilities	(400)	
Current liabilities	(300)	1,300
Goodwill		**300**

Consolidated balance sheet as at March 31, 2017 Post acquisition

	Amount (In Rs.)
Non-current assets	4,500
Goodwill	300
Current assets	1,200
	6,000
Equity and liabilities	
Equity	
Equity share capital	750
250 Ordinary Shares	
Other equity	2,850
	3,600
Current liabilities	900
Non-current liabilities	1,500
	2,400
	6,000

Conclusion:

Under old regime of Indian GAAP, there were no specific guidance on Reverse merger and acquisition kind of arrangements but Ind AS 103 has specifically covered accounting guidance in such area. The companies where Ind AS is applicable needs to follow the relevant guidance given under the standard which leads to uniformity in accounting across the industry in presence of available guidance.

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Value for supply of goods and services is important part of GST. For valuing any goods or services is subject matter of discussion and contentious in nature . Value means price of any goods or service on which tax to be imposed particularly when parties are related or distinct person. This has all been incorporated in Section 15 of the CGST Act,2017. Main basis of valuation is Transaction value which has not been defined in the Act but includes having price , between person not related and the price being sole consideration. In valuation one need to keep in mind the inclusion and exclusion from the price of goods and service on which tax under GST Shall be charged.

Value of Taxable Supply

1. The value of supply of goods or supply of services shall be transaction value that is price actually paid or payable where the supplier and recipient of supply is not related party and price is the sole consideration for supply.

2. Transaction value mentioned above shall include the following;

⇒ Any amount incurred by the recipient of supply with respect to such supply and which was paid and payable by the supplier which has not been included in transaction value

⇒ Any taxes, duties, fees and charges levied under any statute other than tax under this Act. Like CGST , SGST, UGST etc.

⇒ Incidental expenses such as commission or packing charged by supplier to recipient of goods or services or both including any amount charged by supplier for the supply of goods or services at the time or before delivery of goods or supply of services.. Subsidy directly linked to the price excluding subsidy provided by the Central or State Government

⇒ Interest or late fees or penalty for delayed payment of consideration for any supply.

3. Following shall not be included;

a] Transaction value shall not include any discount allowed before or at the time of supply provided such discount is recorded in the invoice.

b] after the supply has been effected if;

1. discounts is given as per the agreement entered into at or before the supply and linked to relevant invoices.

2. Input tax credit is reversed by the recipient of supply on such discount.

4. Where the value can not be determined as per sub section 1, the same shall Valuation of supply under CGST Act, 2017 and Rules thereof be determined as may be prescribed.

Valuation Rules

1. Value of supply of goods or service where the consideration is not wholly in money

- Value Shall be
- Open market value
- If OMV is not available, Total consideration in money.

If above two are not available, value of supply of goods or service or both of like kind and quality. Example : Where a new phone is supplied for Rs.20000 along with the exchange of an old phone and if the price of the new phone without exchange is Rs.24000, the open market value of the new phone is Rs 24000.

2. Value of goods or service or both between distinct or related person.

Value shall be Open market value

- If OMV is not available, value of supply of goods or service or both of like kind and quality

- If above two are not available, value as determine by application of Rule 4 and 5 in that order.

Where the goods are for further supply by recipient, the value shall be at option of the supplier. An amount shall be 90% of the price charged by recipient to his customer. Where recipient is taking ITC , the value charged in the invoice of goods or service shall deemed to be open market value.

3. Value of supply of goods made or received through agent.

Value of supply of goods between principal and his agent shall

OMV of goods supplied or at the option of supplier , an amount shall be 90% of the price charged of like kind and quality by recipient to customer not being related person.

Where the value is not fixed as above, it will be fixed as per rule 4 or 5 .

4. Value of supply of goods or service or both at cost

Where the value goods or services or both can not be determined as per the proceeding rules, the value shall be 110% of the cost of production or manufacture or cost of acquisition or cost of provision.

5. Residual method for valuation of goods or services or both

Where the value goods or services or both can not be determined as per the Rules 1 to 4, same can be fix by reasonable means consistent with principles and general provision of section 15 and these rules. In case of supply of services , the supplier may opt for this rule.

6. Determination of value in respect of certain supplies

1. Value of supply in relation to purchase and sale of foreign currency. At the option of supplier may be any hereinafter;

a] The value of supply of service in purchase or sale of foreign currency including money changing shall be determined by supplier of service as follows:

- When currency used is INR, difference of buying and selling and RBI rate for currency at that time.
- If RBI rate are not available, 1% of the gross amount provided or received.
- If money exchange is not having INR, the value shall be 1% of the lesser of the two amount received after conversion into INR at RBI rate. Method once adopted will not be changed in rest of Financial year.

b] The value of supply of service in purchase or sale of foreign currency including money changing shall be deemed to be

- 1% of the gross amount of currency exchanged subject to minimum of Rs. 250 up to Rs. 1 lac.
- Rs.1000 plus 0.50% of the gross amount of currency exchanged for an amount exceeding Rs. 1 lac up to Rs. 10 lacs.
- Rs. 5500 plus 0.10% of gross amount of currency exchanged for an amount exceeding Rs. 10 lacs subject to maximum amount of Rs 60000.

2. Booking of ticket in travel by air. 5% of basic fare in domestic and 10% of basic fare in International

3. Life insurance business

- Gross amount charged from policy holder reduced by amount allocated for investment or saving on behalf of policy holder if such amount has been intimated to policy holder.
- In case of single premium annuity, 10% of single premium
- In case of other, 25% of premium charged in the first year and 12.5% of premium in subsequent year.

Provide that this rule will not apply where premium paid by policy holder is towards coverage of risk cover in life insurance.

4. Where taxable supply is provided by person dealing

in buying and selling of second hand goods and no ITC has been claimed, value in this case shall be the difference of buying and selling of goods. Where the purchase value of goods repossessed from defaulting borrower, who is not registered, Value of goods shall be reduced by 5% per quarter or part of the quarter from the date of purchase to the date of sale by person taking the repossession.

5. Value of token or voucher or coupon or stamp which redeemable against supply of goods or services or both shall be equal to money value of goods or service redeemed against such token or coupon.

6. Where supply of goods or services as per paragraph 2 of Schedule-I between distinct person or related person and ITC is available, shall be deemed to be nil.

7. Value of supply of service in case of pure agent

Expenses or cost incurred by supplier as recipient of supply shall be excluded from the value of supply if all the following conditions are satisfied.

- Supplier act as pure agent of recipient of supply , when he make payment to third party after authorization by recipient.
- The payment made by agent has been separately mentioned in he invoice issued by agent to recipient.
- Supply procured by pure agent from third party as pure agent of recipient are in addition to services supplies on his own a/c.
- Explanation : pure agent here means

i] enter in to agreement of recipient of supply to work as pure agent to incur expenditure or cost in the course of goods or services or both.

ii] neither hold or intend to hold any title of goods or service or both so procured or supplied as pure agent of supply.

iii] does not use his own interest

iv] receive only actual amount incurred to procure such goods or service

8. Rate of exchange of currency other than Indian rupees The rate of exchange for determination of value of goods or service or both shall be the reference rate of RBI on the date of time of supply in terms of Section 12 & 13 of Act.

9. Value of supply inclusive of integrated tax, central tax , State tax and Union territory tax

$$\text{Tax Amount} = \frac{\text{value inclusive of tax* tax rate}}{100+\text{ tax rate}}$$

FAQ ;

1. Is reference to GST Valuation rules requires in all cases. **Ans**. No. it is required only in those cases where value can not be determined u/s 15[1].

2. Can the transaction value referred in Section 15[1] be accepted. **Ans**. Yes. It can be accepted after accepting the inclusion in section 15[2]. Further transaction value can be also accepted where the transaction is between related person and price is not influenced.

3. Whether post supply discount or incentives are to be included in the transaction value. **Ans**: Yes : discounts is given as per the agreement entered into at or before the supply and linked to relevant invoices. Input tax credit is reversed by the recipient of supply on such discount.

4. Whether pre-supply discounts allowed before or at the time of supply are includible in the transaction value. **Ans**: Yes. if the same is allowed as normal trade practice and has been recorded in the Invoice.

5. When are the provision of Valuation rule applicable. **Ans**: when consideration wholly or in part is not in money terms, parties are related or distinct person or transaction value declared is not reliable.

Disclaimer :

The contents of this article are solely for information and knowledge and does not constitute any professional advice or recommendation. Author does not accept any liability for any loss or damage of any kind arising out of this information set out in the article and any action taken based thereon.

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Registration and Threshold

Section 22 of the Central Goods and Services Act, 2017 provide for a mandatory requirement of registration if the aggregate turnover in a financial year exceeds twenty lakh rupees. However for special category States the threshold is ten lakh rupees.

Beyond this the Act provide for compulsory registration in certain. Such cases are listed in section 24 which more particularly provide as under:-

Compulsory registration in certain cases

24. Notwithstanding anything contained in sub-section (1) of section 22, the following categories of persons shall be required to be registered under this Act,––

(i) persons making any inter-State taxable supply;

(ii) casual taxable persons making taxable supply;

(iii) persons who are required to pay tax under reverse charge;

(iv) person who are required to pay tax under sub-section (5) of section 9;

(v) non-resident taxable persons making taxable supply;

(vi) persons who are required to deduct tax under section 51, whether or not separately registered under this Act;

(vii) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise;

(viii) Input Service Distributor, whether or not separately registered under this Act;

(ix) persons who supply goods or services or both, other than supplies specified under sub-section (5) of section 9, through such electronic commerce operator who is required to collect tax at source under section 52;

(x) every electronic commerce operator;

(xi) every person supplying online information and database access or retrieval services from a place outside India to a person in India, other than a registered person; and

(xii) such other person or class of persons as may be notified by the Government on the recommendations of the Council.

So far in 11 classes of persons the registration is compulsory even if the aggregate turnover in their case in a financial year is below the threshold. For instance a housewife participating as a networking agent in a multi level marketing (MTM) business for promoting/ selling the company's products/services, and earning a commission of say Rs. 500000 in a year will be required to seek a registration under the Act. Further if a trader sitting in a town of Delhi close to Delhi –Haryana border attempts to physically cross over and supply goods to the customer of Haryana State he will compulsorily be required to get himself registered no matter that his aggregate turnover in the financial year is well below the threshold of Rs.20 lacs. In the Press Note dated 6.10.2017 it has been communicated that the GST Council has decided to exempt those service providers whose annual aggregate turnover is less than Rs. 20 lacs (Rs. 10 lacs in special category states except J & K) from obtaining registration even if they are making inter-State taxable supplies of services. This would provide some relief to small service providers. For instance those renting their properties in States other than the place of their residence could benefit from this.

Further special provisions are made for a procedure for registration and payment for casual taxable person and non-resident taxable person under section 27 of the Act. Sub-section (2) of section 27 further requires that a casual taxable person or a non -resident taxable person shall, at the time of submission of application for registration under sub-section (1) of section 25, make an advance deposit of tax in an amount equivalent to the estimated tax liability of such person for the period for which the registration is sought. There is a double jeopardy for a casual person who is not a resident but placed at par with a non-resident not only liable for compulsory registration but also for payment of taxes in advance. One could understand such a requirement in case of a non-resident person but to impose a similar rule upon a resident person is unthinkable. Yet further a person who solicits a service from a transporter is compulsorily required to get registration only because the Act provide for reverse tax payment in such a case and many other cases. All of this and many more are building on pains to an average supplier of goods or services or both.

Rationale of section 24

The section perhaps is meant to check tax evasion and to improve on the tax base both of which sound logical and truthful. How in a case of a housewife who receives a commission direct in her bank account do not account for the same and get prompted to evade any payment of tax which is essentially income tax in her case? But one would surely wonder how housewife earning a meagre commission in a networking model would be burdened with obligations such as for registration, invoices, returns, records, payment etc.

Similarly how could one imagine a budding artist from say a little known town in the State of Tripura performing in Delhi would be expected to apply for registration and even upfront make a payment of tax even before actual performance?

The provisions of section 24 are clearly very narrow and disgraceful and could cause more harm than any benefit to the economy and its people. These kinds of provisions are actually extraneous and do little good but for definite affect the quality of day to day life of an average citizen who at the moment is more puzzled and is being made to dance to the tune of unstoppable and ever changing GST month after month.

The Bottom-line

Given that the Government has retained a power under sub-section (8) of section 25 to suo motu register a person who is liable to be registered it may not be essential to have as large a list for compulsory registration as in the present date. The list of persons liable to compulsory registration under section 24 therefore needs to be pruned a little and as far as possible the following class of persons must be excluded from this list:

(i) all persons making any inter-State taxable supply of goods or services;

(ii) casual taxable persons making taxable supply;

(iii) persons who are required to pay tax under reverse charge;

(iv) persons who make taxable supply of goods or services or both on behalf of other taxable persons whether as an agent or otherwise.

Further in order to have 360% advantage of information on such transactions section 150 may be amended to cast an obligation upon the person responsible for making payment to each of such class of persons for supply of taxable goods or services or both. This may ease out burden of several of the persons who in the normal scale have no obligations to register nor have any taxable liability with reference to the turnover in their books of account.

Seminar on "CARO, Audit & Auditors under Companies Act 2013"

Topic : Seminar on "CARO, Audit & Auditors under Companies Act 2013"

Audience : Members

Led By : CA. Shashi Swahney & CS. Manoj Bisht

Day & Date : 02nd September 2017

Group Discussion on "Place of Supply and Input Tax Credit under Revised Model GST Law" & "E Way Bill provisions Under GST "

Topic : Group Discussion on "Place of Supply and Input Tax Credit under Revised Model GST Law" & "E Way Bill provisions Under GST "

Audience : Members

Led By : CA. Naveen Jain & CA. Sanjay Jain

Date & Day : 15th & 22nd September 2017, Friday

Seminar on "Practical Aspects in ICDS & Tax Audit and Benami Transactions"

Topic : Seminar on "Practical Aspects in ICDS & Tax Audit and Benami Transactions"

Audience : Members

Led By : Sh. Suraj Bhan Nain & CA. Siddharth Jain

Date & Day : 23rd September 2017, Saturday

Three Days Residential Workshop on "Goods and Services Tax"

Three Days Residential Workshop on "Goods and Services Tax"

Audience : Members

Led By : CA. Atul Kumar Gupta, CA. Naveen Garg & CA. Puneet Oberoi

Date : 01st to 03rd October 2017

Seminar on "GST and Related Practical Aspects"

Topic : Seminar on "GST and Related Practical Aspects"

Audience : Members

Led By : CA. Charanjot Singh Nanda, CA. Alok Jain & CA. Kuldeep Sharma

Date & Day : 13th October 2017, Friday

Overview of 'Lite Bite Foods' and Validity

'Lite Bite Foods' is one of the largest & most dynamic Food & Beverage retail company in the country, with over 14 core brands & 6 Franchise brands under its umbrella. We have 95 operational outlets in India, Bangkok, Singapore, Abu Dhabi, Dubai & United States of America & with a plan of opening 31 new outlets company aims to become one of the largest Food & Beverage players in India by 2016. Currently we have a strong presence in Malls, High Streets, Airports, Multiplexes, Office complexes, Hotels and other high footfall locations.

Our awarded hero brands are Punjab Grill, Zambar, Fresco Co, Asia 7, Street Foods By Punjab Grill, Baker Street, Artful Baker, Pino's, Flamez & Roasted, Naashto, American Tandoor, Savour (Outdoor Catering Brand), Clink, Bottoms Up. We also run Franchise stores of Subway, KFC, Pizza Hut, Burger King, and Café Istanbul.

We invite all are members to avail this opportunity at their restaurants.

The Terms and Conditions offered will be as follows:

1. Fine Dining Restaurants& Casual Dining Restaurants will offer 15% discount on food & soft beverage. The restaurant covered under this policy will be:
   a) Punjab Grill
   b) Asia Seven
   c) Zambar- Coastal Kitchen
   d) Fresc co
   e) Bottoms Up
2. Quick Service Restaurants will offer 10% discount on food. The restaurant covered under thispolicy will be:
   a) Baker Street
   b) Pino's
   c) Street Foods by Punjab Grill
   d) Subway
   e) Asia Seven Express
   f) Zambar Express

- All Discount OFFER(s) are NOT applicable on Festivals and Public Holidays.

Other applicable Conditions:

- All Discount applicable on Saturdays and Sundays also.
- Discounts are only applicable on showing valid Membership Card/CA logo visiting card at the time on Dining.
- The menu prices at Outlets are subject to change without any prior notice.
- The conditions mentioned on the menu are applicable.
- Taxes and other Govt. levies are applicable.
- No other offers, exemptions or discount schemes can be clubbed with this corporate offer.
- Discounts are not applicable on Hard drinks & MRP products.
- Discount are not applicable at Airport/ railway/ Metro outlets.
- Mode of Payment-Cash / Credit Cards.

- Taxes and other Govt. levies are applicable.
- No other offers, exemptions or discount schemes can be clubbed with this corporate offer.
- Discounts are not applicable on Hard drinks & MRP products.
- Discount are not applicable at Airport/ railway/ Metro outlets.
- Mode of Payment-Cash / Credit Cards.

S.No	Outlet Name	Location	Outlet Landline No.	Address
1	ASIA 7	Ambience Mall	0124-4665571	Shop No. 318, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
2	BAKER STREET	Ambience Mall	0124-4665567	Shop No.16, Food Union, 3rd Floor, Ambience Mall, Gurugram.
3	FRESC CO	Ambience Mall	0124-4665572	Shop No. 317, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
4	PINO'S	Ambience Mall	0124-4665495	Shop No. 14, 3rd Floor, Food Union, Ambience Mall, Gurugram.
5	PUNJAB GRILL	Ambience Mall	0124-4665478	Shop No. 319, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
6	SF by PG	Ambience Mall	0124-4665513	Shop No. 02, 3rd Floor, Food Union, Ambience Mall, Gurugram.
7	SF by PG	MGF Metropolitan Mall	0124-4222238	Shop No. 05, 3rd Floor, Food Court, MGF Metropolitan Mall, Gurugram.
8	SF by PG (Delivery Only)	Udyog Vihar	0124-4236633	Plot - 317 Udyog Vihar Phase - 4 Gurugram
9	SUBWAY	Ambience Mall	0124-4665515	Shop No. 04, 3rd Floor, Food Union, Ambience Mall, Gurugram.
10	SUBWAY	DT Mega Mall	0124-4015577	3rd Floor, Food Court, DT Mega Mall, Gurugram.
11	SUBWAY	Cyber Green	0124-4016962	Ground Floor, Food Court, Cybergreen Tower, DLF Phase-III, Gurugram.
12	SUBWAY	Fortis Hospital	0124-4039728	Fortis Hospital Sector 44, Gurugram Haryana
13	ZAMBAR	Ambience Mall	0124-4665639	Shop No. 310, 3rd Floor, Next to Food Court, Ambience Mall, Gurugram.
14	ZAMBAR	Cyber Hub	91-8130450438	Ground Floor, Cyber Hub, Cyber City, Gurugram
15	STREET FOODS**	DLF City	9650278250	B-134-135 Lower Ground Floor, Super Mart 1, DLF City Phase IV, Gurugram.

**** New Corporate tie-up : 20% discount for CA students & Members**

Feedback & Suggestions

Gurugram Branch will be happy to receive the feedback from you regarding the seminars/workshops and other activities organized by branch.

You may please send feedback at-

- Gurugram Branch of NIRC of ICAI requests the members & students to come forward & share the articles (Professional & other) to be published in the upcoming newsletter. The submissions may be sent to itticaigurgaon@gmail.com with the subject line (Article Newsletter).

Regarding	Email	Subject line
Seminars/Workshops	icaigurgaon@gmail.com	Sub: Seminar______
Others	icaigurgaon@gmail.com Or arunaggarwalca@gmail.com	Feedback______

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Mock test papers for the students of CPT for December, 2017 Examination

Gurugram Branch of NIRC of ICAI has made an arrangement for Mock test papers for the students of CPT for December, 2017 Examination

Series	Date	Paper – I (10 AM - 12 PM)	Paper – II (2 PM - 4 PM)	Date of Result
1	26.11.2017	Fundamentals of Accounting & Mercantile Law	General Economics & Quantitative Aptitude	30.11.2017
2	10.12.2017			13.12.2017

Registration Link : https://goo.gl/1GQD5P

Address : Gurugram Branch of NIRC of ICAI, Plot No 60A, 3rd Floor, Sector-18, Gurugram-122001

Fee per Day : Rs. 100

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