



THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF INDIA
(SETUP BY AN ACT OF PARLIAMENT)

MEMBER'S NEWSLETTER
SILIGURI BRANCH OF EIRC OF ICAI

THE INSIGHTS DECEMBER'21



H A P P Y N E W Y E A R

2022

***"Your time is limited, so don't waste it
living someone else's life."***

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CHAIRMAN'S MESSAGE



Respected Seniors and Dear Friends,

The month of December was full of work and more work. With so many deadlines to be met, everyone was working full time so as to complete the work.

Now coming to the programs organized during the month which were organized both in Physical and Virtual mode.

A VCM on Audit under Presumptive Taxation & New Annual Information Statement and Provisions relating to Partnership Firms was organized by Direct Tax Committee of ICAI and hosted by Siliguri Branch of EIRC of ICAI on 08.12.2021. The speakers were CA. Manish Dafaria from Indore and CA. Ayush Goel from Kolkata. The said program was attended by many Members. Both the topics selected were very relevant and the program was very interactive one.

A seminar on Financial & Tax Literacy Drive – “Vitiya Gyan- ICAI Ka Abhiyaan” was organized on 08.12.2021 on GST & Current issues at Central Revenue Building, Hakimpura, Siliguri. The speaker was CA. Vishal Jain. The audience consisted of officials from the CGST Department including Commissioner, CGST, Sri Harish Kumar Vashisth.

Another Workshop on Financial & Tax Literacy Drive – “Vitiya Gyan- ICAI Ka Abhiyaan” was organized on 17.12.2021 on Financial Independence and Awareness at Greater Lions Eye Hospital, Sevoke Road, Siliguri. The speakers were CA. Manisha Agarwal and CA. Sarabjit Hora. The audience consisted of female members from the Lions fraternity.

CA Sports League 2021 was organized on 19th December, 2021 at Birla Divya Jyoti School, Uttarayan, Siliguri for the members of the Branch. The Chief Guest was the Principal of the School Madam Shweta Tiwari and Guest of Honour was social worker and entrepreneur Sri Ravindra Kumar Jain. Various sports such as Cricket, Chess, Badminton, Carrom and Table Tennis was played between the members. The joy and thrill amongst the members was visible throughout the day. The said program was attended by around 100 members consisting of Members and their family including Children. The highlight of the day was the release of the Member's Directory by the guests present. The editorial team put by a great team effort in bringing out the Directory after a gap of three years.

Two Days Sub-Regional Conference was organized by EIRC and hosted by Siliguri Branch through virtual mode on 23rd and 24th December, 2021. On the first day the chief guest was Hon'ble President of ICAI CA. Nihar N Jambusaria & Guest of Honour was Hon'ble Vice President, ICAI CA. (Dr.) Debashis Mitra. The speakers were CA. Anshul Sinhal from Gurgaon on Key considerations in International Taxation and CA Jayesh Shah from Mumbai on Capital Gains on Shares and Securities Transactions.

On the second day the chief guest was Hon'ble Chairman of EIRC CA. Sunil Kumar Sahoo. The speakers were CA. Tarun Arora from Delhi on Various issues in GST Refund and CA Bimal Jain from Delhi on handling of Search, seizure & arrest provisions under GST.

The said program was attended by more than 250 Members. Members actively participated in all the programs. My best wishes to all for the upcoming new year. May all have a great and prosperous year in terms of both health and wealth. Lately a new variant of the Covid virus has spread in many places around the world. Since the pandemic is not yet over, I request all of you to take appropriate care and wear masks.

**With regards and best wishes to all,
CA . Naresh Agarwal
Chairman, Siliguri Branch of EIRC of ICAI**

FROM THE CO-EDITOR'S DESK

Dear Readers,

Wishing you all a very Happy New Year!

Trust this communication finds you in good health. Hope all of you are doing well and most of us might have taken both doses of covid vaccines by now.

The month of January is also a busy month for all of us due to the deadlines for various compliances under different statutes falling due in this month. Members may kindly refer to the Compliance Calendar in this newsletter for various due dates.



Ministry of Corporate Affairs has announced relaxation on levy of additional fees is given till 15.02.2022 for filing of e-forms AOC-4, AOC-4 (CFS), AOC-4, AOC-4 XBRL AOC-4 Non-XBRL and 28.02.2022 for MGT-7/MGT-7A for the financial year ended on 31.03.2021

The due date for furnishing annual return in FORM GSTR-9 & self-certified reconciliation statement in FORM GSTR-9C for the financial year 2020-21 has been extended from 31.12.2021 to 28.02.2022 by the Central Board of Indirect Taxes & Customs.

The Central Government vide Notification No. 38/2021-CT dated 21.12.2021 has notified January 1, 2022 as the implementation date for Rule 10B of CGST Rules, 2017. In the said rule, it is mandatory for the registered person to undergo Aadhar authentication for the below purposes, (a) Filing of application for revocation of cancellation of registration in FORM GST REG-21 under Rule 23 of CGST Rules, 2017 (b) Filing of refund application in FORM RFD-01 under Rule 89 of CGST Rules, 2017 and (c) Refund of the IGST paid on goods exported out of India under Rule 96 of CGST Rules, 2017.

The edition of December 2021 newsletter will bring to you latest- circulars, orders, notifications issued by the Governments on various laws being Income Tax, Goods & Service Tax, etc. which will keep us updated on these areas and providing better service and advice to our clients.

I request our members to please come forward and contribute your valuable insight by way of articles on various topics and areas related to our profession. Any suggestions, queries or articles on any matter may be mailed to us at siliguri@icai.org. We will be very glad to publish your thoughts and endeavor our best to ensure that all your suggestions are incorporated and queries are answered.

Always remember that you are absolutely unique. Just like everyone else!

Happy New Year!

Take care. Be safe. !

With Warm Regards

CA. Manish Agarwal

(Co-Editor)

Siliguri Branch of EIRC, ICAI

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***Disclaimer:** The Newsletter Committee along with the Editorial Team have used their best efforts in preparing this newsletter. The committee makes no representation or warranties with respect to the accuracy or completeness of the contents of this newsletter, and specifically disclaims any implied warranties of merchantability or fitness of any particular purpose. The accuracy and completeness of the information provided herein and the opinions stated herein are not guaranteed or warranted to produce any particular results and the advice and strategies contained herein may not be suitable for every individual. The authors shall not be liable/responsible for any loss of profit or any other damages caused.*

DO'S & DON'TS



Q. Can a Chartered Accountant in practice accept original professional work emanating from the client introduced to him by another member?

A. No, Paragraph 2.14.1.6(iv)N under Clause (6) of Part I of the First Schedule to the Chartered Accountants Act, 1949, as appearing in Volume II of the Code of Ethics, prescribes that a member should not accept the original professional work emanating from a client introduced to him by another member. If any professional work of such client comes to him directly, it should be his duty to ask the client that he should come through the other member dealing generally with his original work.

Q. Whether a Chartered Accountant in practice can give public interviews and also whether he can furnish details about himself or his firm in such interviews?

A. As per paragraph 2.14.1.6(iv)O under Clause (6) of Part I of the First Schedule to the Chartered Accountants Act, 1949, appearing in Volume-II of Code of Ethics, a Chartered Accountant in practice can give public interviews. While doing so, due care should be taken to ensure that such interviews or details about the members or their firms are not given in a manner highlighting their professional attainments. Any detail which is given must, in addition to meeting above requirements, be given only as a response to specific question, and of factual nature only.

Q. Whether a member can appear on television, films, internet and broadcast in the Radio or give lectures at forums?

A. Yes, Council direction under Paragraph 2.14.1.7(x) under Clause (7) of Part I of the First Schedule to the Chartered Accountants Act, 1949, as appearing in Volume-II of Code of Ethics prescribes that a member may appear on television, films and internet and agree to broadcast in the Radio or give lectures at forums and may give his name and describe himself as chartered accountant. Special qualifications or specialized knowledge directly relevant to the subject matter of the programme may also be given. Firm name may also be mentioned, however, any exaggerated claim or any kind of comparison is not permissible. What he may say or write must not be promotional of him or his firm but must be an objective professional view of the topic under consideration.

Q. A Chartered Accountant in practice during a TV interview, handed over a bio-data of his firm to the Chairperson. Such bio-data detailed the standing of the international firm with which the firm was associated. It also detailed the achievements of the concerned partner and his recognition as an expert in the field of taxation in the country. The chairperson read out the said bio-data during the interview. Is it a professional misconduct?

A. Yes, Clause (6) of Part I of the First Schedule to the Chartered Accountants Act, 1949 prohibits solicitation of client or professional work either directly or indirectly by circular, advertisement, personal communication or interview or by any other means since it shall constitute professional misconduct. The member would be held guilty of professional misconduct under Clause (6) of Part I of the First Schedule to the Chartered Accountants Act, 1949 under the given circumstances.

Q. Can a Chartered Accountant in practice/ Firm of Chartered Accountants post the particulars of himself/ itself on a website?

- A. Yes, the Council has approved the detailed guidelines for posting the particulars on Website by Chartered Accountants in practice and firm(s) of Chartered Accountants in practice.
- Q. Whether the information contained in the website of the Chartered Accountants and/or Chartered Accountants' firms can be circulated on their own or through e-mail or by any other mode or technique?**
- A. Paragraphs 3.3.3 and 3.3.4 of Council Guidelines for Advertisement, 2008, appearing in Volume-II of Code of Ethics, prescribe that the Chartered Accountants and/or Chartered Accountants' firms should ensure that none of the information contained in the website be circulated on their own or through e-mail or by any other mode or technique except on a specific "pull" request. The Chartered Accountants and/or Chartered Accountants' Firms would ensure that their websites are run on a "pull" model and not a "push" model of the technology to ensure that any person who wishes to locate the Chartered Accountants or Chartered Accountants' firms would only have access to the information and the information should be provided only on the basis of specific "pull" request.
- Q. Can a member put up his photograph on the website?**
- A. Yes, Paragraph 3.3.7 of Council Guidelines for Advertisement, 2008, appearing in Volume-II of Code of Ethics provides that display of passport style photograph is permitted.
- Q. Whether the names of clients or fees charged be mentioned on the website of a Chartered Accountant or Chartered Accountants Firm?**
- A. Names of clients and fee charged cannot be given. However, disclosure of names of clients and/or fees charged may be made on the website where it is required by a regulator, whether or not constituted under a statute, in India or outside India, provided that such disclosure is only to the extent of requirement of the regulator and is made only till such period that the member works under the purview of such regulator/ such requirements of the regulator are in force. The fact that the disclosure is being made due to requirement of regulator has to be made below the disclosure itself.
- Q. Whether a Firm of Chartered Accountants can use catchwords / catchphrases on its website, Letter heads and visiting cards?**
- A. The mention of catchwords / catchphrases (for e.g., excellence in a particular area, firm having professionals of integrity etc.) on firm's website, letter heads and visiting cards is not permissible in view of the provisions of Clauses (6) and (7) of Part-I of the First Schedule to Chartered Accountants Act, 1949. It may be noted that the above catch words are only indicative and not exhaustive.
- Q. Whether a Firm of Chartered Accountants can provide facility to the client to access its documents through logging in on the Firm's website?**
- A. Paragraph 3.3.9 of the Council Guidelines for Advertisement, 2008, appearing in Volume-II of Code of Ethics permit chat rooms amongst members of the ICAI and between Firms and its clients, provided the confidentiality protocol is observed. Accordingly, it is permissible for the Firm of Chartered Accountants to provide document management facility to the client to get access copies of their documents on the Firm's website vide distinct log in and password.
- Q. Can a Chartered Accountant in practice give the date of setting up the practice or date of establishment on the letterheads and other professional documents, etc.?**
- A. No, Council direction under Paragraph 2.14.1.7(iv) of Clause (7) of Part I of the First Schedule to the Chartered Accountants Act, 1949, appearing in Volume-II of Code of Ethics prescribes that the date of setting up of the firm on the letterheads and the professional documents, etc. should not be mentioned. However, in the website, the year of establishment can be given.



BUSINESS PROCESS MODELING

WHY BUSINESS PROCESS MODELING?

Have you ever stopped to ask why you do a specific task each day at work, and whether it can be done more efficiently? Do projects or plans get bogged down to the point where they are late and consistently over budget? If so, business process modelling can help.

WHAT IS BUSINESS PROCESS MODELING?

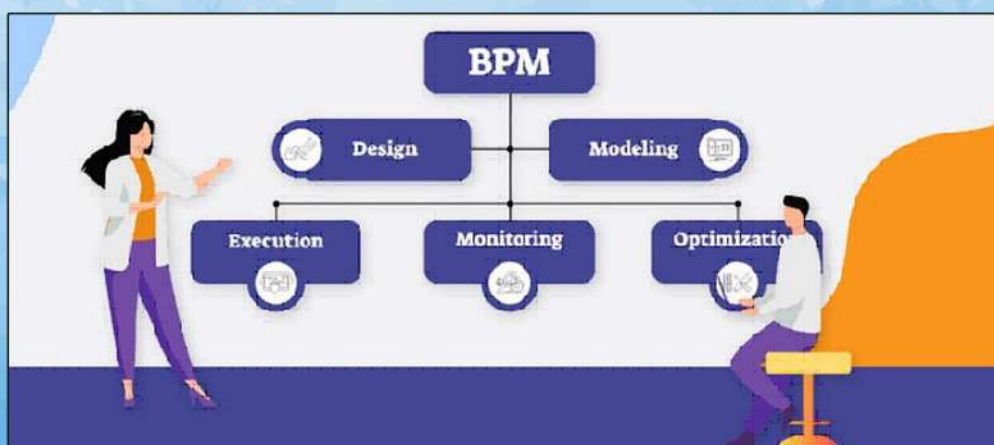
BPM is a tool that analysts and project managers use to identify weaknesses and redundancies in companies. It is the graphical representation of a company's business processes or work-flows, as a means of identifying potential improvements. This is usually done through different graphing methods, such as the flowchart, data-flow diagram, etc.

Business process modeling is meant to map out how your team, department or business gets work done. It visually describes a process from start to finish, so anyone can see how your company operates.

Business process modeling has become an increasingly popular tactic in the corporate world. For the past several years, Mckinsey has published an analysis on business process management to reflect current trends in business process modelling and tracking the use of BPM by global companies. Insights for 2020 include:

- The main goal of BPM for most companies is to save money by reducing costs and improving productivity.
- 65 percent of companies say their BPM strategies helped increase efficiency and customer satisfaction.
- 52 percent of companies say they only occasionally model their business processes, if at all.

They concluded that people want to increase their efficiency and grow their revenue, but lack a clear way to do it. This is why effective BPM is important, so employees at all levels of the organizational chart can understand it.



HOW TO INTRODUCE BPM TECHNIQUES TO YOUR COMPANY?

The first step to test BPM is to review the materials you need to create a successful map. Without all of the necessary information, your process will have gaps that prevent you from seeing the potential for change.

The essential components of a business process model if you want it to drive change in your organization are:

- The desired outcome driving you to run through the process.
- The customer needs (the start point) and the customer fulfillment (the end point).
- The actions that need to be performed to reach the desired outcome in their exact order.
- The people who are incharge of executing these activities.
- The documents, forms, and materials used throughout the process.

Essentially, you can't get to where you want to go unless you know where you are. You can't improve your processes without understanding them first. Keeping this in mind when you map out your business, it can actually help you create detailed layouts with all of the information you need.

Unfortunately, this leaves a substantial gray area for how much detail you should include. This is where you need management consultants who specialize in understanding the business processes and as well as redesigning it or re-engineering it.

Following techniques can be used to implement BPM and also to check the functionality of it:

- **Start Small and Then Expand:** Do not invest in expensive tools to understand how mapping out your business process can help save time and money. Instead create flowcharts of all the organizational process. It is a low-tech but effective way to start reviewing a few of your processes.
- **Test Changes to See How Employees Respond:** It is advised to not rely on automation for everything. While a common tool to help companies save money, automation isn't the solution to everything. In fact, can actually hold employees back if the process becomes more complex.
- **Software Options:** If you do choose to invest in a BPM software tool, or are ready to make the jump to digital modeling, make sure the program you use has the right features to meet your company's needs.



CA Sourav Jain



Membership No 316329

EQUITY OUTLOOK 2022

What a great year it was for the Equity investors. Sensex touched two major milestones - 50,000 and further climbed up to 60,000.

On a year-to-date basis, the benchmark NIFTY has gained 23.79%, settling at the 17,354 level, while the broader market, that of Nifty Small Cap 250 & Midcap 100 - has generated a return of 61.94% and 46.06% as of 31st December 2021.

During the same period, Dalal Street also witnessed corrections losing almost 1,200 points on 20th December. Some of it can be attributed to the fear of rising Omicron virus, heavy selling by FII's and remaining due to the stances taken and indicative measures by the Government across the Globe.

The year also celebrated the rise of the retail participants in the Indian Stock Market. Previously the Market would react vigorously due to FII inflows and outflows, but now with increased retail participants, we can expect a little less volatility.

2021 was also a year for the start-ups. India registered a total of 33 unicorns, leaving behind China with a tally of 19.

So, what's next?

The massive rally that we saw in 2021 will continue in 2022, but the rally might not be that strong, which also means that although we will see the market moving up, the phase of a high return is likely to end.

One of the major reasons behind the stiff market movement was the flush of liquidity that was pumped into the stock market driving up the prices of stocks and pushing the market higher; also, aided by various policies and measures taken by the Central Government all across the Globe. Now, as we move ahead to 2022, we will witness the unwinding of support by the Central Banks both in terms of monetary and fiscal policies. The developed economies are planning to increase the interest rate as a measure - to control rising inflation risk, which will have a direct impact on the economy, and markets are likely to react to the ongoing developments.

The inflation so far has stayed close to the target set by the Central Banks in India; in 2022, we can expect the inflation rate to moderate as supply-side disruption eases and demand normalizes.

The Market Cap to GDP ratio for India is well above the long-term average of 76% for FY 2022E it is 112% whereas, the World Market Cap to GDP ratio stands at 138% (Source: Motilal Oswal)

The Equity valuations are on the higher side of the fair value. NIFTY 50 is trading at a PE of 34.8 times of FY 22E earnings, 21.4x FY 23E, and 18.6x FY24E; to support this elevated level, corporate earnings should follow. In terms of corporate profitability - NSE, Nifty 50 is expected to grow 34.5% in FY22E, 16.0% in FY23E and 13.3% in FY 24E (Source: Kotak Securities).

What's up with the other markets?

US Market:

In the last 21 months, the bull rally has generated a massive return



of 114% for the S&P 500 Index, which has outperformed the rally of 2002 to 2007, that lasted nearly four times longer.

No doubt lured by such high returns, an investor might expect the market to perform a similar way but, with uncertainties regarding the coronavirus and fed raising interest rates, this will have an impact on the market, and we can expect a subdued return and higher volatility.

Tech, healthcare, and consumer discretionary will be in focus; quality stocks available at reasonable price should form part of the portfolio, riskier bets can be avoided as of now.

European & Japan Market:

European & Japan Market looks attractive; in contrast to the US counterpart, the valuations look reasonable. Both the markets are expected to grow by 8-10%. Japan's Stock market can deliver superior returns on the backdrop of economic stimulus, business re-openings, and strong Global Capex.

In the last one-year MSCI Europe has delivered an impressive return of 12.65%, while the return of Nikkei 225 has remained muted.

China:

Recently, we have witnessed government intervention with Internet companies, putting in a new set of regulations to keep the expanding power of tech companies in check. As a result, there were major corrections in this space but, it's hard to determine the real value considering the uncertainties.

Another notable event of 2021 was the Evergrande crisis; although it doesn't possess much risk, the risk cannot be completely overlooked.

A cautious approach is advisable.

Rest of Asia:

Given the rising demand for semiconductors, the Taiwanese market appears to be strong, and the tech sector's overall outlook remains positive.

Coming back to India, the auto, pharma, and IT look good for the short to medium duration; whereas, industrial and infrastructure look attractive for the medium to longer duration.



CA Suraj Kar
Membership No 312540



COMPLIANCE CALENDAR

Compliance Calendar for the Month of January 2022

Due date (January 2022)	Form to be filed	Period	Details
7	Challan No.281	Dec-21	Payment of TCS collected in December 2021
7	Challan No.281	Dec-21	Payment of TDS deducted in December 2021
10	GSTR 7	Dec-21	GSTR-7-Monthly Return by Tax Deductors for December 2021
10	GSTR 8	Dec-21	GSTR-8-Monthly Return by E-Commerce operators for December 2021
11	GSTR 1	Dec-21	Taxpayers having an aggregate turnover of more than Rs. 5 Crores or opted to file Monthly Return
13	GSTR 1	Oct 2021 - Dec 2021	GSTR-1 return of Outward Supplies for October- December 2021 for person who opted for QRMP Scheme
13	GSTR 6	Dec-21	GSTR-6-Monthly Return of Input Service Distributor for December 2021
15	Form 27EQ	Oct 2021 - Dec 2021	TCS Quarterly Return for October-December 2021
15	ESI Challan	Dec-21	ESI payment
15	ECR	Dec-21	E-payment of Provident Fund
15	Form 3CD	FY 2020-21	Due date for filing of audit report under section 44AB for the assessment year 2021-22 in the case of a corporate-assessee or non-corporate assessee (who was required to submit his/its return of income on October 31, 2021)
18	CMP-08	Oct 2021 - Dec 2021	GST Return cum challan by a composition dealer
20	GSTR 3B	Dec-21	GSTR 3B Summary of Outward and Inward Supplies for the payment of Tax (GTO above Rs 5cr)
20	GSTR 5 & 5A	Dec-21	GSTR 5 & 5A Return for Non-Resident Taxable Person for the month of December 2021
28	GSTR-11	Dec-21	GSTR-11 is the return to be filed by the persons who have been issued a Unique Identity Number and claims a refund of the taxes paid on their inward supplies
30	TDS challan	Dec-21	Last date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M in the month of December 2021
31	Form 26Q/24Q	Oct 2021 - Dec 2021	TDS Quarterly Return for October-December 2021
31	Form 3CD	FY 2020-21	Audit report under section 44AB for the assessment year 2021-22 in the case of an assessee who is also required to submit a report pertaining to international or specified domestic transactions under section 92E

FOR INFORMATION OF MEMBERS

PROGRAMS FOR JANUARY 2022

Program*	Date & other details
Republic Day Celebration	26.01.2022
Seminar/VCM on various topics of professional interest	To be intimated

* Seminar/Webinar are subject to confirmation from CPE Directorate.

SEMINARS/WEBINARS/OTHER PROGRAMS HELD IN THE MONTH OF DECEMBER 2021



VCM on Audit under Presumptive Taxation & New Annual Information Statement and Provisions relating to Partnership Firms on 08.12.2021



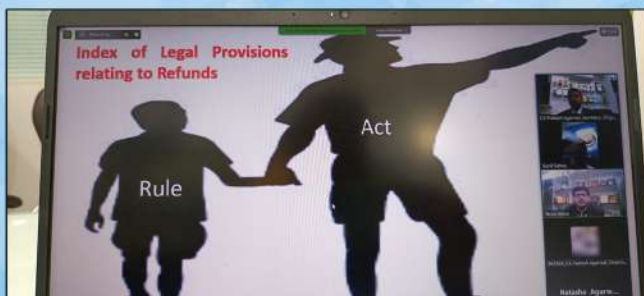
Seminar on Financial & Tax Literacy Drive – “Vitiya Gyan- ICAI Ka Abhiyaan” was organized on 08.12.2021 on GST & Current issues for GST officials



Workshop on Financial & Tax Literacy Drive – “Vitiya Gyan- ICAI Ka Abhiyaan” was organized on 17.12.2021 on Financial Independence and Awareness for female members from the Lions fraternity.



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