

ERNAKULAM BRANCH OF SICASA

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA



UNION BUDGET: A BIRD'S EYE VIEW

**M K RAHUL
DEVIKA VISWANATHAN**

PRACTICE WHAT YOU POST

SREEDEVI MOHAN

SWASTI



E-NEWSLETTER

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CHAIRMAN'S MESSAGE

Dear Students,

Taking over as the Chairman of SICASA is indeed a great honor. I can only hope to continue the great legacy that has been put forward by the previous office bearers. Let me take this opportunity to congratulate all the newly elected committee members—I look forward to work with them to accomplish great heights and expanding the creativity and other skills our beloved students are blessed with.



The past one year has been something we never expected to endure. We never expected to lock ourselves, we never expected it would test our limits, we never expected to watch others lose their lives over it. COVID-19 was indeed a wake-up call. It woke us to go beyond our traditional means, to make use of our existing technologies to fight this pandemic, to make our lives a little bit easier. The previous committee has done extraordinarily well to keep our student's brand alive. Digital interactions became a common means to meet people from around the globe, to inspire, to let us know that nothing will stop us.

This year we are mainly focused on soft skill improvement, self confidence development and along with building the brand of CA.

The month of February witnessed a lot of events. One of our most important initiatives for this year is conducting more workshops on Communication and Leadership Skills. SICASA has started their work shop and we've already had two such workshop meetings. It has been a very good response so far, and we hope to continue as this would certainly improve our student's communication and soft skills to a great extent. We started this new initiative called "MEET A CHARTERED ACCOUNTANT" where every Week, a chartered accountant would address the students about his life, his inspirations, his passions—to let us know that we're not just the bookworms the world thought about us. Last week we met CA Abdul Nasser, who was the first CA to conquer MT EVEREST. And that exactly was our aim.

We are looking forward to great year ahead. A year filled events, programs and meetings to empower our students, to lift their communication skills, to enrich their personality with good vibes and knowledge, to make them a commander of their life. So I implore you my friends, to join us and make this year a memorable one.

CA SALIM ABDUL RASHEED

CHAIRMAN

SICASA-ERNAKULAM BRANCH

SECRETARY'S REPORT



Shimy Shaji
SRO 0596416

DEAR FRIENDS,

The beginning is the most important part of the work, and this month we have witnessed the beginning of our new SICASA committee. With a strength of 49 members, I feel humbled, and privileged at the same time, to be the Secretary of SICASA 2021-2022.

Let me thank my preceding committee colleagues especially the outgoing Chairman of SICASA, CA Allen Joseph, outgoing Secretary Ms. Phoebe Reena George, and outgoing Vice Chairman Mr. Harikrishnan R, for supporting me and providing me with all the required confidence to lead this year's committee.

As the first month of the newly formed committee, we began our journey with the program "Meet a Chartered Accountant", where students and members get to meet Chartered Accountants from different backgrounds, who are not just successful in their career, but also in their life. Later this month we plan to conduct "Freehit 2021", which is the cricket tournament, Bank Audit Seminar, and more cultural, CSR, and Academics activities.

SICASA functions only with the help of its students and all of you are an integral part of it. I expect sincere cooperation and suggestions from the students for our future endeavors. Cheers for the year ahead.

DEAR FRIENDS,

It is a great honor to be part of SICASA-Ernakulam. It gives me immense pleasure to address you as the Vice Chairman of SICASA. I express my extreme gratitude towards each and every one who supported me to hold this post. Last year, I had the privilege to work with an energetic team, which led to achieving the second-best committee award in the large branch category. My congratulations to all the newly elected members of the committee. The upcoming year may have many obstacles, but together as one we will thrive to be successful, and with all your support, we will streamline to be the best branch on an all-India basis.

The preceding month was once again packed with so many activities. We had study circles, workshop on Union Budget-2021, Meet a Chartered Accountant program led by prominent personalities.

For the month of March, we have planned for exciting sports, cultural and academic events. I hope for your sincere participation in all these events organized by the committee. After all, this committee has a responsibility towards your self development and welfare. Let us together have a wonderful year ahead.

VICE CHAIRMAN'S REPORT



Krishna Gopan
SRO 0491630

Editor's Note

"Take the first step in faith. You don't have to see the whole staircase, just take the first step"

- Martin Luther King Jr

It is a beautiful beginning. It is indeed a heavy baton that has been passed on to us. Where creativity is necessary, and eyes disciplined, we put forth our pen, to pen down our world in our brains. Among the many, we reached out to write for you, to design for you, to educate you. We stand here to catch your eyes, to expand your brains, to fight with words.

The previous year's newsletter was called The Catalyst. This year, it's named Swasti. Swasti, a sanskrit word, refers to the source of all auspiciousness and blessings. Like Swasti, we hope to be the source of something meaningful.

It is truly our honour to lead the Editorial Committee for the year 2021-2022. We can only expect to meet the match of our predecessors, because they've done a beautiful job. With new leadership, with new peers, we hope to provide to beautiful contents, beautiful art, and beautiful words. We look forward to talk with you, to read with you, to listen to you. Our sole purpose is to expand your hidden creativity. Our mission is to make SICASA proud with your words and art. We want your words to reach every eyes, your thoughts to be thought by everyone, your colours to be celebrated. We shall be at your service, as we're not above you or beneath you.

We will be there document every event which SICASA conducts. Our pictures will reach you every month through this small document. Like a newspaper, this shall be a wonderful source for knowledge, information and art.

As we make the effort to bring this in front of you, the most thankful thing you can do is to make sure this newsletter shall reach your peers, superiors and family. What we do here is so little yet so much. We celebrate dance, sports, clearing the exams. Let's normalise the celebration of words, art, and colours.



DEVIKA VISWANATHAN



RAJAT SANTHOSH



JOSEPH TIJO



ROY JAION

REMEMBERING

CS L.Jayaraman Sir



ICAI Ernakulam deeply grieves the passing away of our beloved faculty CS.L.Jayaraman Sir.

CS.L.Jayaraman sir was a Practicing Company Secretary for over 26 years, and a senior partner in M/s. Jayaraman Radhakrishna Associates, Company Secretaries, Hyderabad. Moreover he was also been Managing Committee Member, of Hyderabad Chapter of Institute of Company Secretaries of India for six years. He was also Member of the Secretarial Standards Board (SSB) of The Institute of Company Secretaries of India, New Delhi for the year 2015.

Having teaching experience for more than 25 years, has taught over 98,500 students pursuing CA, CMA and CS course in Hyderabad, Chennai, Bangalore, Pune & Ernakulam. He was adored by everyone, especially his students.

His services will remain indelible.

UNION BUDGET – A BIRD’S EYE VIEW

Devika Vishwanathan
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Mezhumkunnath Rahul
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Sl. No.	Particulars	Amendments
1	Relief to Senior Citizens	Senior citizen pensioners who are of 75 years of age or above are exempted from the requirement of filing of Income tax, if the full amount of tax payable has been deducted by the paying bank. Exemption is proposed to be made available to such senior citizens Who have only interest income apart from the pension income.
2	Reduction in Time Limits	The time-limit for re-opening of assessment is being reduced from the current period of 6 years from the end of the relevant assessment year to 3 years . Re-opening up to 10 years is proposed to be allowed only if there is evidence of undisclosed income of Rs.50 lakh or more for a year. Complete removal discretion in re-opening and henceforth re-opening shall be made only in cases flagged by system on the basis of data analytics, objection of C&AG and in search/survey cases. In order to bring certainty in income tax proceedings at the earliest, it is also proposed to reduce the time limits for general assessment or processing of income tax return by three months and also for filing of returns.
3	Relief for Dividend	Advance-tax liability on dividend income shall arise only after the declaration/payment of dividend. The dividend paid to Real Estate Infrastructure Trusts or Infrastructure Investment Trusts (REIT/InvIT) shall be exempt from TDS. Deduction of tax on incomes including dividend income of Foreign Portfolio Investors may be made at treaty rate. Exemption of dividend payment from levy of Minimum Alternate Tax (MAT) for foreign company if the applicable tax rate is less than the rate of MAT.
4	Setting up of Dispute Resolution Committee (DRC)	Dispute Resolution Committee is proposed to be constituted for reducing litigation and to give an impetus to the dispute resolution for small taxpayers. A taxpayer having taxable income up to Rs.50 lakh and disputed income up to Rs.10 lakh shall be eligible to approach the Committee.
5	Faceless Income Tax Appellate Tribunal (ITAT)	In order to provide transparent tax appellate mechanism, it is proposed to make the Income Tax Appellate Tribunal faceless and jurisdiction-less A National Faceless Income-tax Appellate Tribunal Centre shall be established. All the communication between the Tribunal and the appellant shall be made Electronically. Wherever personal hearing is needed, it shall be done through video-conferencing.
6	Tax Neutrality of conversion of Urban Cooperative Bank (UCB) into a Small Finance Bank (SFB)	Previously the benefit under Section 44DB was only available for Amalgamation and Demerger.(Since business reorganisation was defined under Section 44DB sub-section 5). However, it is proposed to include conversion into the purview of this Section. Further transfer of capital assets by the primary co-operative bank to the banking company shall not be recognised under Section 47 as a transfer hence won't attract capital gain tax.
7	Tax incentives for Affordable Housing and Affordable Rental Housing Project	Deduction under Section 80EEA shall be extended to one more year i.e., till 31st March 2022 . This would imply the assessee would be able to receive a total benefit of Rs. 3,50,000 (When including the deduction Under Section 24) moreover it can be availed to Non Residents even rented house properties and also for people owning property jointly (the last 3 cases were not possible under Section 80EE).
8	Tax benefit for Start-ups	Extension of the eligibility period to claim tax holiday for the start-ups by one more year to 31st March, 2022 .
9	Relaxation to NRI for Income of Retirement Benefit Account	It is proposed to align the rules regarding taxation of the foreign retirement benefit account in order to prevent hardships faced by the assessee due to mismatch in taxation.

UNION BUDGET – A BIRD’S EYE VIEW

10	Exemption from Audit	It is proposed to increase the limit for tax audit for persons who are undertaking 95% of their transactions digitally from Rs. 5 crores to Rs. 10 crores .
11	Relaxation of Condition for carry forward of loss for Disinvestment	It is proposed to amend Section 2 clause 19AA to clarify that splitting up or demerger of a public sector company shall be deemed as a demerger hence being eligible to avail the benefits under Section 72A for indefinite carry forward of losses.
12	Relaxation of Condition for tax neutral Demerger for disinvestment	In order to allow funding of infrastructure, it is proposed to make Zero Coupon Bonds issued by notified IDF eligible for tax benefit.
13	Zero Coupon Bonds by Infrastructure Debt Fund (IDF)	It is proposed to permit infrastructure debt funds being raised through zero coupon bonds.
14	Rationalisation of taxation of Unit Linked Insurance Plan (ULIP)	Tax exemption for maturity proceed of the ULIP having annual premium up to Rs. 2.5 lakh , amount received on death shall continue to remain exempt fully.
15	Rationalisation of Tax-free Income on Provident Funds	In order to rationalise tax exemption for the income earned by high income employees, tax exemption is restricted for the interest income earned on the employees' contribution to various provident funds to the annual contribution of Rs.2.5 lakh . This restriction shall be applicable only for the contribution made on or after 01.04.2021 .
16	Taxability of Surplus amount received by partners	In order to provide certainty, rationalising the provisions relating to taxation of the capital contribution.
17	Clarification on Depreciation on Goodwill	Depreciation on Goodwill shall not be allowed (Section 32(a)(ii) - word 'Goodwill' omitted.). However, the deduction for the amount paid for acquiring Goodwill shall be allowed on sale of Goodwill.
18	Clarification for the Slump Sale	Scope of term 'slump sale' expanded to cover all types of transfers as specified under Section 2(47) .
19	Fake Invoice/sham transaction	The penalty proceedings initiated for fake invoice/sham transactions of more than Rs. 2 crores shall also be eligible for provisional attachment of assets.
20	Exemption for Small Trusts	In order to reduce compliance burden on the small charitable trusts running educational institutions and hospitals. The limit of Annual Receipts for these trusts is proposed to be raised from present Rs. 1 crore to Rs. 5 crores for non-applicability of various compliances like approval etc.
21	Relaxation in conditions for exemption to Sovereign Wealth Fund & Pension Fund (SWF/PF)	Relaxation on some of conditions for availing 100% tax exemption introduced in the last budget, this includes prohibition on loans or borrowings, restriction on commercial activities direct investment in entity owning Infrastructure, etc.
22	Tax incentives for IFSC	Tax holiday for capital gains for aircraft leasing companies. Tax exemption for aircraft Lease rentals paid to foreign lessors. Tax incentive for relocating foreign funds in the IFSC and to allow tax exemption to the investment division of foreign banks located in IFSC.
23	Non-filing of Return by Deductee/Collectee	If a person having more than Rs.50,000 in TDS and TCS in the past 2 years have not furnished their returns then they will be subject to a rate of 5% or double of current rate whichever is higher.
24	Levy of TDS on Purchase of Goods	0.1% TDS on purchase transaction exceeding Rs.5 lakhs provided persons turnover exceeds Rs.10 crore .

PRACTICE WHAT YOU POST

Sreedevi Mohan
SRO 0541517

"Never forget what and who you are, the rest of the world will not. Wear your insecurities like an armor and it can never be used to hurt you "

- TYRION LANNISTER

Are you serious you're not on Instagram? So what do you do all day?

Yep, this is a question some of you would have heard or for that matter, most of you would have asked. Weird isn't it? This is where we stand in our lives right now. Our social media profiles define our lives.

We all like to believe what we see rather than to believe what we hear. What we see on social media on a daily basis is the parameter up to which we tend to compare our lives to.

But can any of us be sure that what we see is one hundred percent true? Definitely not. There could be many who put up content that is far away from reality. What we get to see on these platforms are only those sides of them that they wish to show us and we end up thinking that it is the reality and compare our lives to the same.

Let us take off the mask of perfection and let's be real! Let's appreciate each other and avoid putting up posts on social media about the perfect life we create and to be real to ourselves. Be proud and show the world the life that you actually live. Try to create the life of your dreams in real life and live it rather than sit behind screens and pretend to be living it.

Let's all realise that social media is a part of our lives now, but do not let it define you. It shall remain a part of you but not you. The happiness or joy you get from the time spent with your friends and family is something incomparable with the joy you get from one extra like or follower on social media. Don't fall for the momentary happiness, rather create memories that shall remain with you for a lifetime.

SCRAPBOOK



INVESTITURE CEREMONY SICASA 2021-2022

ICAI BHAWAN
FEBRUARY 26, 2021



We Never Say Goodbye Here



SICASA COMMITTEE 2020-2021

We Only Welcome People



SICASA COMMITTEE 2021-2022

CA-RTOON CORNER



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