











**Chengalpattu District Branch of SIRC of ICAI  
(Formerly known as Kanchipuram District Branch)**

# **E- NewsLetter DECEMBER 2022**



**Chengalpattu District Branch of SIRC of ICAI  
Managing Committee Team**

S No	Name	Positions	Photo	Phone No.
1	CA SATHIYANARAYANAN K R	CHAIRMAN		9840118712
2	CA SIVAGURUNATHAN T	VICE CHAIRMAN		9894517944
3	CA NARASIMMA RAGHAVAN R	SECRETARY		9840738963
4	CA PRIYA A	TREASURER		9840718073
5	CA MADHUMITHA R	SICASA CHAIRPERSON		9841956926
6	CA SHIVACHANDRA REDDY K	MC MEMBER		9841410909
7	CA AANAND P	MC MEMBER		9791119996
8	CA RAVICHANDRAN S	MC MEMBER		9840634996
9	CA SATHISH T S	MC MEMBER		9841543303

**Editorial Board**

Chairman	CA. Sathiyarayanan K R
Coordinator	CA. Sivagurunathan T
Member	CA. Narasimma Raghavan R
Member	CA. Aanand P
Member	CA. Madhumitha R
Member	CA. Priya A

*ARTICLES INVITED FROM MEMBERS:*

Note: Articles are invited from members for publishing in newsletter. The articles shall be either on the specific subject or a general article. Members can mail their article with Name, Membership Number, Mobile Number, Residential Address, Office Address & Photo to our Mail mentioned below

*Note: The views expressed in the articles published are their own views and Chengalpattu District Branch does not endorse or take responsibility for the views expressed in the articles.*

**Contact us:**

**Branch Address:** Flat No.402, Fourth Floor, No.1A, Periyalwar Street, Sundaram Colony, East Tambaram, Chennai - 600 059

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# E-NEWSLETTER

CHENGALPATTU DISTRICT BRANCH OF SIRC OF ICAI

## From the Chairman's Desk



Esteemed members,

As we are in the last month of the year, I recollect the performance of our branch. I proudly express my sincere thanks and gratitude to all your supports and efforts. Expecting the same to continue in the forth coming years too.

Our branch conducted CPE meeting last month and another one is in succession in the first week of this month. The topics have been chosen to support the members in their professional works.

The world Congress of accountants held last month provided an excellent platform to connect with professionals across the world.

The 54th regional conference conducted by SIRC is to be held on 9th and 10th Dec in Hyderabad. Such programs develop solidarity and integrity among us.

Once again thanking you all for your tremendous support towards our branch's development.

K.R.Sathiyarayanan  
Chairman,  
Chengalpattu branch of SIRC of ICAI

01.12.2022



**GSTR 9 & 9C**

CA. Bhuvanewari. R.V.

**1. Legal Requirements As per Section 44 of CGST Act read with Rule 80(1)**

- Every Registered Person Other than Input Service Distributor, Taxpayers registered u/s 51 & 52 only for the purpose of Deducting and Collecting Tax at source, Casual Taxable Person, Non Resident Taxable Person, Central Government/State Government/Local Authority who are subject to Audit by C&AG.
- Whose Aggregate Annual Turnover exceeds Rs.2 Crores.
- Annual Returns Notified in GSTR-9 for regular Taxpayers, GSTR-9A for Composition Tax payers and GSTR - 9B for Ecommerce operators.
- Due Date of filing GSTR-9 & 9C is 31st December 2022.
- "NIL" GSTR-9 has to be filed in case of one of the GSTINs is having no transactions, but the consolidated PAN turnover exceeds the prescribed limit.
- Taxpayers whose GSTINs have been Cancelled and who have Opted in / Opted Out from Composition levy have to file GSTR-9 for their relevant tax period.
- Through this GSTR-9 ITC cannot be claimed or ITC cannot be reversed. If reversal not done in subsequent tax periods, then payment vide DRC-03 challan should be paid such reversals.

**2. Consequences of Failure to Submit the Annual Return**

- Notice will be issued to Defaulters as per Section 46 of the CGST Act, within 15 days of receipt of notice, the tax payer have to file the returns.
- Late fee for Delayed Filing as per Section 47(2) is levied which is Rs.200 per day subject to a maximum of 0.5% of the Turnover withing the state.
- General Penalty u/s 125 is also applicable.

**3. Records to be Maintained**

- Outward Register
- Export Register
- Advance Register
- Import Register
- Reverse Charge Register
- Inward Register
- Stock Register

**4. Analysis & Optional reporting in GSTR-9 applicable for FY 2021-2022.****i) Table 4 - Details of advances, inward and outward supplies made during the FY on which tax is payable.**

- Outward supplies liable to pay under RCM should not be declared in this table
- Debit Notes /Credit Notes with no GST impact not considered here
- Supply of Capital Asset to be verified
- B2C - Net off Debit Notes /Credit Notes , Amendments & Ecommerce supplies

- B2B - without netting off Debit Notes /Credit Notes, Amendments
- Exports refer to shipping bill / BRC / FIRC
- SEZ supplies should be admitted by the SEZ officer.
- Deemed exports - u/s 147 of the CGST Act
- Advances - applicable for Advance received for supply of services.
- RCM u/s 9(3) & 9(4) applies for inward supplies liable under RCM

**ii) Table 4I - 4L optional declaration****iii) Table 5 - Details of outward supplies made during the FY on which tax is NOT payable**

- Non-GST supply mandatory reporting
- Exempted & Nil Rated consolidated & reported under Exempted.

**iv) Table 5H - 5K optional declaration****v) Table 6 - Details of ITC as declared in returns filed during the FY**

- ITC on Capital Goods is a mandatory reporting
- ITC on Inputs & Input services to be consolidated and reported in Inputs.

**vi) Table 7 - Details of ITC reversed and Ineligible ITC as declared in returns filed during the FY**

- 7A - 7G reversals can be reported in 7H under Other reversals.

**vii) Table 8 - Reconciliation of ITC availed in GSTR-3B returns and ITC reported in GSTR-2A.****viii) Table 12 - Reversal of ITC availed during the previous FY & Table 13 - ITC availed for the previous FY are optional declaration.****ix) Table 16 - Supplies received from composition taxpayers, deemed supply u/s 143 and goods sent on approval basis are optional declaration.****x) Table 18 - HSN wise summary for Inward supplies are optional declaration.****5. Optional reporting in GSTR-9C applicable for FY 2021-2022****i) Table 5 -Reconciliation of Gross Turnover**

- Table 5B - 5N all adjustments for the turnover can be reported in 5O

**ii) Table 14 - Breakup of the ITC availed on the expenditures as per Books of accounts are optional declaration.**

## Deep Dive on Gifts

CA. Arumugaraj P.



We have to find out the people who can give you tax-free gifts and the gifting threshold that will not invite any tax.

The gifting season is here, like festivals, marriages, birthdays, anniversary etc., with not just friends and relatives exchanging a variety of gifts on various functions, but employers too offering their employees bonus and other gifts to celebrate the occasion. Are all such gifts taxable in the hands of recipients or is there a threshold limit above which one needs to pay tax? Can just any one offer tax free gifts or only select people fall into this category? The taxation of gifts, be it money or property, whether it is during any festival season or any other occasion, received by an individual or an HUF, falls under the ambit of Sec.56(2)(x) of the Income Tax Act, under the head Income from other sources.

### 1. Gift Categories

As far as the taxation is concerned, a gift can be classified as follows:

- Any sum of money received without consideration, that is, when it's not payment or remuneration or a legally binding exchange
- Specified moveable properties received without consideration
- Specified movable properties received at reduced prices
- Immoveable properties received without consideration
- Immoveable properties acquired at a reduced price

Here we shall only consider money and moveable properties as gifts during the festive occasions.

### 2. Taxation of gift of money

If the aggregate value of the monetary gifts received during the financial year exceeds Rs.50,000/-, it will be taxed. It will not be taxed only if it is received from a relative, where a relative is specified as spouse, brother or sister of the individual or his spouse, brother or sister of either of the parents, any lineal ascendant or descendent of the individual or his spouse, or spouses of those mentioned above.

Since friends are not relatives as per the above definition, the gifts received from them will be taxable. If the other criteria of taxing gifts are satisfied. Monetary gifts are also not taxable if received during marriages, as inheritance, etc., but we shall exclude these.

### 3. Taxation of moveable property as gift

The prescribed moveable property means shares/securities, jewellery, archaeological collections, drawings, paintings, sculptures or any work of art and bullion, being capital assets of the tax payer and virtual digital assets (crypto assets, non-fungible tokens or NFT) as well. If such property is received without consideration and its aggregate fair market value during a financial year exceeds Rs.50,000, it will be taxed. As in case of money, such property received from specified relatives will not be taxed.

If the value of property is less than the fair market value, then it will be taxed if the difference between the aggregate FMV and considerations does not exceed Rs.50,000. If it exceeds this amount, then the entire difference is taxable, not just the difference that exceeds Rs.50,000.

### 4. Gifts from employer

Any gifts, vouchers, or bonus that you receive from your employer during the festive season or occasions as Diwali, Christmas etc., will not be taxed if the aggregate amount of these gifts during a financial year does not exceed Rs.5000/-. If the amount exceeds this threshold value of Rs.5000/-, the gifts will be taxed under Income from salary as per your tax bracket.

So get consulted with your financial advisor, consultant or the Chartered Accountant before receiving any gifts.



## General Topics

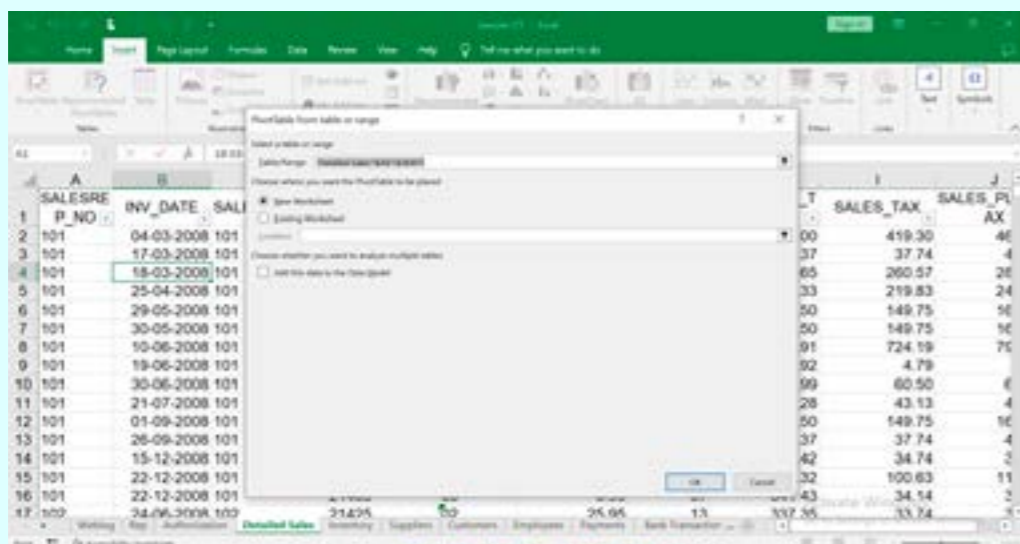
CA. Sriram L

### Some practical issues in managing the audit files in excel and documentation

1. Beware of blank lines in excel: The client may give you the data in the excel sheet. The data may run into few thousands of lines. The audit assistants are smart and quick with their excel skills and they prepare the PIVOT table and from there they further summarize the data. Beware, there may be blank lines in the data, and please note the PIVOT table will take the data only upto the blank lines and the other lines below are not taken.

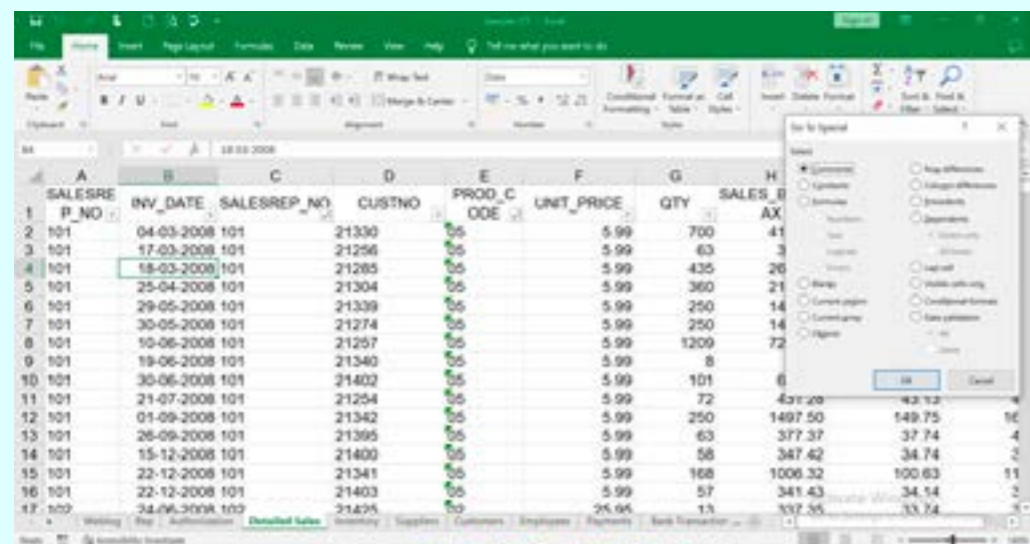
Since our assistant is smart, he would have clicked the Insert >> PIVOT from the excel and he would not have checked the table range contains all the lines.

The result will be disastrous and our final figures will be wrong.

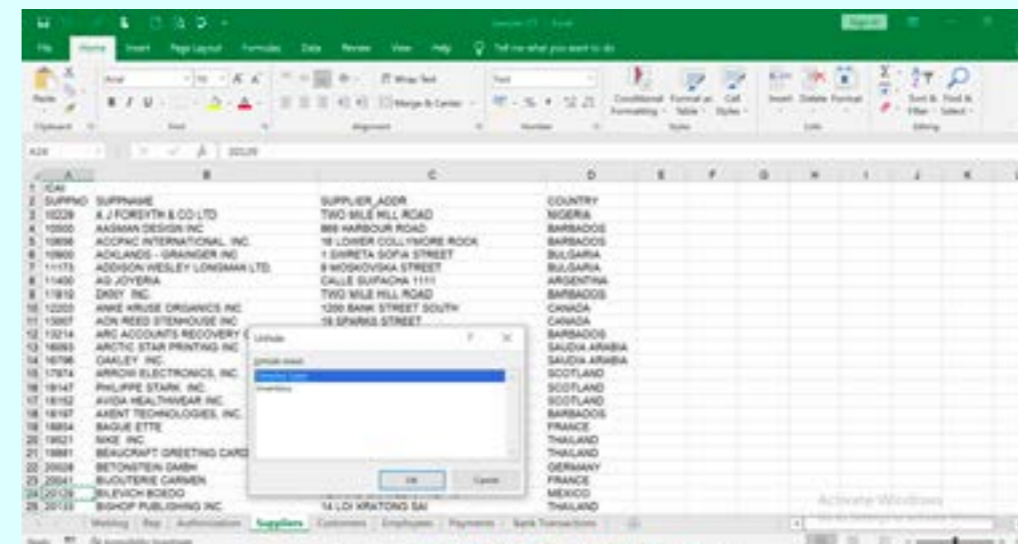


Whether it is Filters / PIVOT/ Auto sum always check, whether you are covering the entire data.

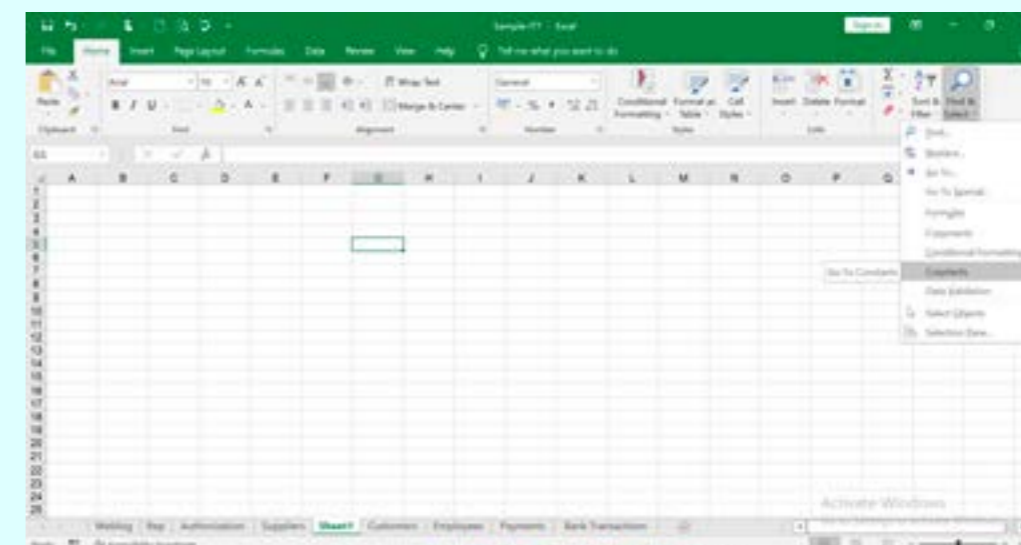
2. Check for any data validation, formulas, blank rows in the sheet. You can check by selecting Home >> Find & Select >> Go to special and then you can select the item which you require.



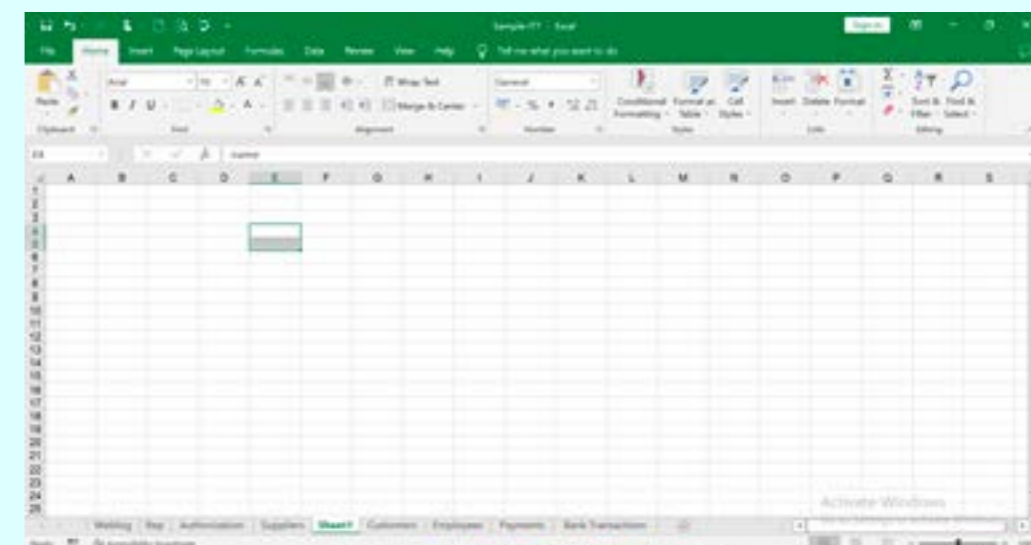
3. Check for hidden sheets. Right click on any excel sheet tab and click the 'unhide', this will list you all the hidden sheets.



4. Font color made white: This will make the contents of the cells invisible. To find out the cells, go to Home >> Find & Select >> Constant



After clicking you can see the cells are selected and the data is visible in the formula bar.





5. No personal email IDs of assistants: When receiving/sending any files from/to the client, always use the office email ID. If the assistants use their personal mail id, once the assistant leaves the office it will be difficult to trace any mail at any later period of time. Also, this will help to check the original excel/other files sent by the client some time later.

6. Do not use =today() in important files. This will be auto updating the date; we may be misguided on the report/workings. So better type the date in the cell, which will not change.

7. Keep version numbers in the file name for final stages of audit. In the final stages of audit, the work may be hectic and with many versions of Trial balance/P&L/BS are available, we may be in a hurry to sign the wrong earlier versions of the same. So, please be aware of the version and along with date and time can be stored in the file name itself. E.g., "ABC Co\_TB\_21-22\_05-may-22\_at 11.50 am"

8. Index sheet in excel/word: Once we are done with the audit, the assistants are moved to other work. The audit folders contain number of files, which needs to be indexed in a separate file and the index file should be stored separately in another folder if necessary.

9. Back up your data in a hard drive: It is very important to back up your data in a hard drive separately. Files and folders can be deleted at any point of time. Some time, it is learnt, disgruntled audit assistants try to sabotage by deleting the data when they leave. Please be careful.

Even though we believe in excel and data today, it is difficult to keep the files in order. Assistants should be given sufficient training to keep documentations in order. Documentation is painful, but it saves the auditor from issues that arise later. We as auditors, comment on the inadequacies in record keeping of our clients, but who will comment on our inadequacies in documentation. When the peer audit brings out these issues, we feel embarrassed and we cut a sorry face with our peers.


## UPCOMING EVENTS

**CHENGALPATTU DISTRICT BRANCH OF SIRC OF ICAI**

Cordially invites you to our  
Physical CPE Meeting on

**"Practical Issues in E-Assessment and E-Appeal"**

On Saturday, 03<sup>rd</sup> December 2022 @ Branch Premises



**Speaker**  
CA. Petchi Kannan  
Chartered Accountant, Chennai

"Hearty Welcome to All"

Time: 5.30 pm to 7.30 pm [CPE Credit - 2 hrs]  
Fees - Rs. 236/- [for ARC Members - Nil]

Registration Link: <https://events.cglportal-icai.org/member>

CA. Sathyanarayanan K R  
Chairman

CA. Narasimma Raghavan R  
Secretary

CA. Yuvamoorthy V  
CPE Committee Chairman

CA. Venkatanarayanan M J  
Direct Tax Committee Chairman

**Chengalpattu District Branch of SIRC of ICAI**  
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## PHOTO GALLERY

Topic: Preparing Annual Return & Reconciliation considering the Audit under Section 65

Speaker: : CA. Bhuvaneshwari R V, Chennai

CA. Shaikh Abdul Samad Ahmad

Date : 26-11-2022




**Chengalpattu District Branch of SIRC of ICAI**  
(Formerly Known as Kanchipuram District Branch of SIRC of ICAI)  
[@ Tambaram]

**CA Intermediate Coaching Classes**

**Morning Batch 8.30am to 9.30am (Group-I) \* Fees ₹ 12000/-**  
**Evening Batch 5.00pm to 8.00pm (Group-II) per Group**

- \* Duration – 4Months
- \* Chapter Wise Coverage
- \* Mock Test as per ICAI Guidelines
- \* Eminent Faculties
- \* Well Furnished Class Room
- \* Affordable Fees
- \* Special Sessions by Expert Faculty Members

**Classes to Commence in Second Week of December 2022**  
**Duration Period 4 Months**

 No 402 4<sup>th</sup> Floor No 1A,  
Nathakamalam, Periyalwar Street,  
Sundaram Colony, East Tambaram,  
Chennai – 600059.

 0442239 0098, 8086244300



<https://events.cglportal-icai.org/student>