

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

CHENGALPATTU DISTRICT BRANCH (SIRC)
(Formerly Known as Kanchipuram District Branch)



E- Newsletter
May 2024

Address : Flat No: 402, Fourth Floor No.1A, Periyalwar Street,
Sundaram Colony, East Tambaram, Chennai – 600059.

Phone : 044-22390098 | 8056244300 | 7550009811

Email : chengalpattu@icai.org

Website : www.chengai-icai.org

Contents

<i>S No</i>	<i>Particulars</i>	<i>Page No</i>
<i>01</i>	<i>From the Chairman's Desk</i>	<i>03</i>
<i>02</i>	<i>Photo Gallery</i>	<i>04</i>
<i>03</i>	<i>How to approach 43B(h)</i>	<i>08</i>
<i>04</i>	<i>Code of Ethics</i>	<i>17</i>
<i>05</i>	<i>MCA21 - Emerging Issues and Compliance Management</i>	<i>26</i>
<i>06</i>	<i>Upcoming Programs</i>	<i>39</i>

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 send their articles with Name, Membership Number, Mobile Number, Residential Address, Office Address & Photo to our E-mail id mentioned below:

E-mail id: chengalpattu@icai.org

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

From the Chairman's Desk



My Dear Professional Colleagues

A warm greetings from the Chengalpattu District Branch (SIRC).

I hope this message finds you in good health and high spirits. As we are stepping into the hottest month of the year, I request all the members to keep themselves hydrated and schedule our works so as to avoid heat and humidity.

I would also like to thank you all for your unwavering support and I am really glad to present this May 2024 issue of newsletter of Chengalpattu District Branch (SIRC).

Once again, our branch had vibrant activities during last month. It was filled with programs enriching activities and insightful programs for learning and growth. From seminars to training programs, each initiative aimed to elevate our profession and empower our members with knowledge and skills to navigate the evolving landscape of the profession.

**विद्वत्त्वं च नृपत्वं च न एव तुल्ये कदाचन् ।
स्वदेशे पूज्यते राजा विद्वान् सर्वत्र पूज्यते॥**

Knowledge and state are incomparable, the king is respected only in his own state, but the scholar is respected everywhere.

As stated in the above sloka, our profession is being respected not only in our country but also all over the world. This is because of the continuous programs of our Institute that helps our members to stay updated in their knowledge.

Lets' all keep ourselves updated through the various knowledge enrichment programs organised by our branch.

Jai Hind

With regards

CA Narasimma Raghavan R
Chairman
Chengalpattu District Branch (SIRC)



Programme : The Hindu Career Counselling Fair
Date : 6th & 7th April 2024, Saturday & Sunday
Venue : Chennai Trade Centre - Nandambakkam





E-Newsletter - Chengalpattu District Branch (SIRC)





E-Newsletter - Chengalpattu District Branch (SIRC)





Programme : Dinakaran Education Expo Fair
Date : 27th & 28th April 2024, Saturday & Sunday
Venue : Chennai Trade Centre - Nandambakkam





CA V SANKAR

HOW TO APPROACH 43B(H)

Section	Particulars
43B(a)	Any Tax, Duty, Cess or Fees under any Law
43B(b)	Employer's contribution to Provident Fund/Superannuation Fund/Gratuity Fund/Welfare Fund/Other funds
43B(c)	Bonus or Commission paid to employees which would not have been payable as profit or dividend
43B(d)	Interest on Loan or Borrowings from Public Financial Institutions/State Financial Institutions
43B(da)	Interest on loan from such class of non-banking financial companies as may be notified by the CG.
43B(e)	Interest on loan or advance from bank/agriculture credit society
43B(f)	Payment of Leave Encashment
43B (g)	Payment to Indian Railway for use of Railway's Assets

Following clause (h) shall be inserted after clause (g) of section 43B by the Finance Act, 2023, w.e.f. 1-4-2024:

(h) any sum payable by the assessee to a micro or small enterprise beyond the time limit specified in section 15 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006),

Provided that nothing contained in this section [[except the provisions of clause(h)]] shall apply in relation to any sum which is actually paid by the assessee on or before the due date applicable in his case for furnishing the return of income under sub-section (1) of section 139 in respect of the previous year in which the liability to pay such sum was incurred as aforesaid and the evidence of such payment is furnished by the assessee along with such return.

shall be allowed (irrespective of the previous year in which the liability to pay such sum was incurred by the assessee according to the method of accounting regularly employed by him) only in computing the income referred to in section 28 of that previous year in which such sum is actually paid by him :

Sl.No	Type of the Enterprise	Investment in Plant & Machinery	Turnover
1	Micro	Less than 1 Crore	Less than 5 Crore
2	Small	Less than 10 Crore	Less than 50 Crore



Turnover and investment is calculated based on a net turnover and net investment basis.



Net Turnover- Turnover of goods and services minus the exports of goods and services.



Net Investment- Depreciated cost of plant and machinery or equipment as per the ITR, subtracting the costs associated with pollution control, research and development, and industrial safety devices.

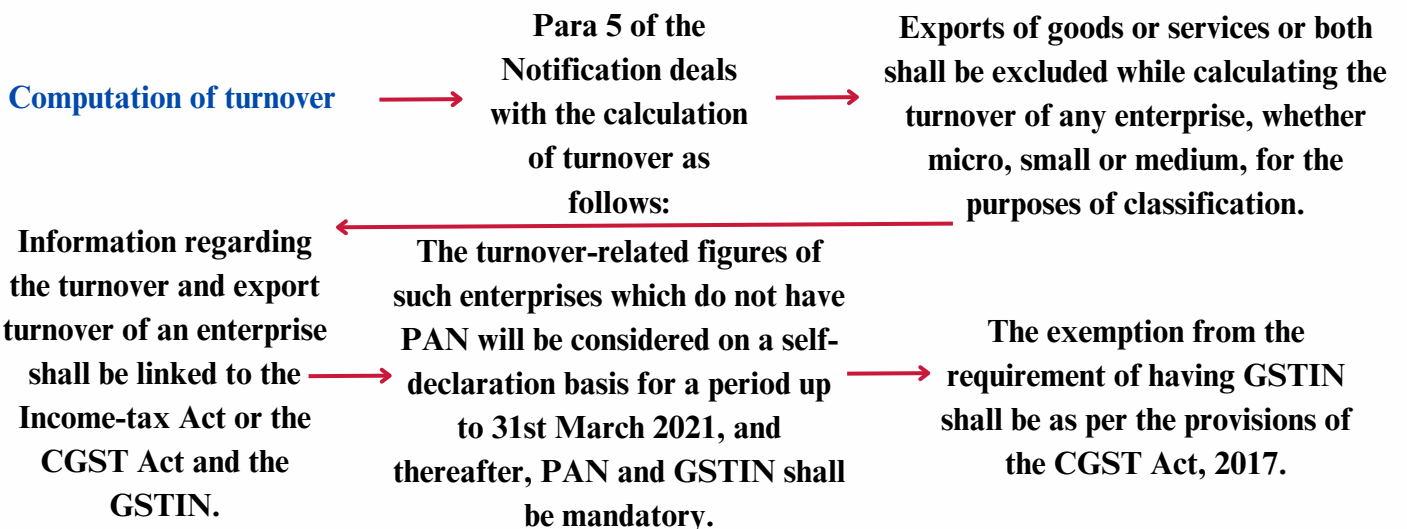


Para 4 of Notification No. 2119(E), dated 26-06-2020, deals with the calculation of investment in plant and machinery or equipment. It provides that the calculation of investment in plant and machinery or equipment will be linked to the ITR of previous years filed under the IT Act.

In the case of a new enterprise, where no prior ITR is available, the investment will be based on the self-declaration of the promoter of the enterprise, and such relaxation shall end after the 31st March of the financial year in which it files its first ITR. The expression “plant and machinery or equipment” of the enterprise shall have the same meaning as assigned to the plant and machinery in the Income-tax Rules, 1962 and shall include all tangible assets (other than land and building, furniture and fittings).

The purchase (invoice) value of a plant and machinery or equipment, whether purchased first-hand or second-hand, shall be taken into account, excluding GST.

The cost of certain items specified in Explanation I to sub-section (1) of Section 7 of the Act shall be excluded from the calculation of the amount of investment in plant and machinery.



Definitions from MSMED Act, 2006 - Sec. 2(e)

“Enterprise” means an industrial undertaking or a business concern or any other establishment, by whatever name called, engaged in the manufacture or production of goods, in any manner, pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 or engaged in 65 of 1951, providing or rendering of any service or services;

Hence, Traders (except specified in Sec. 2(n) of MSMED Act, 2006) will not be covered under 43B(h) of Income Tax Act, 1961.

Exemption to traders

- The Ministry of Micro, Small and Medium Enterprises vide Office Memorandum (OM) No. 5/2(2)/2021-E/P & G/Policy dated July 2, 2021 has allowed Udyam registration for retail and wholesale trade. However, benefits to Retail and Wholesale trade MSMEs are restricted to Priority Sector Lending only.
- Hence, other benefits available under MSMED act are not applicable to traders.
- Resultantly benefit of section 15 of MSMED act is not available to traders and hence 43B(h) cannot be made applicable to dues outstanding to traders.

Section 15 of MSMED Act, 2006 and Appointed Day

Section 15 of MSMED Act, 2006 provides the time frame up to when payment shall be made by the Buyer to Micro or Small Enterprise supplier. Where any supplier, supplies any goods or renders any services to any buyer, the buyer shall make payment on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day:

Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed forty-five days from the day of acceptance or the day of deemed acceptance.



2(b) "appointed day" means the day following immediately after the expiry of the period of fifteen days from the day of acceptance or the day of deemed acceptance of any goods or any services by a buyer from a supplier.

Explanation.—For the purposes of this clause,—(i) "the day of acceptance" means, —

(ii) "the day of deemed acceptance" means, where no objection is made in writing by the buyer regarding acceptance of goods or services within fifteen days from the day of the delivery of goods or the rendering of services, the day of the actual delivery of goods or the rendering of services

(a) the day of the actual delivery of goods or the rendering of services; or

(b) where any objection is made in writing by the buyer regarding the acceptance of goods or services within fifteen days from the day of the delivery of goods or the rendering of services, the day on which such objection is removed by the supplier;

Possible scenarios in case of no written agreement

If you raise objection within 15 days of delivery of goods or rendering of service, then your due date to pay will be (15 days plus date when such objection is cleared/removed by supplier).

If you raise objection after 15 days of delivery of goods or rendering of service, then your due date to pay will be 15 days from date of delivery of goods or rendering of service.

If you don't raise any objection, then your due date to pay will be 15 days from date of delivery of goods or rendering of service

Examples

Sl.no	Date of Invoice	Payment terms as per the agreement	Due date as per MSME Act	Actual payment date	Deduction allowed in FY
1	01-03-2024	No agreement	15-03-2024	10-03-2024	2023-24
2	20-03-2024	No agreement	03-04-2024	12-04-2024	2024-25
3	28-03-2024	7 days 03/04/2024	03-04-2024	12-04-2024	2024-25
4	20-03-2024	15 days 03/04/2024	03-04-2024	12-04-2024	2024-25
5	20-03-2024	30 days 18/04/2024	18-04-2024	22-04-2024	2024-25
6	20-02-2024	45 days 04/04/2024	04-04-2024	12-04-2024	2024-25
7	20-02-2024	60 days 19/04/2024	45 days 04/04/2024	12-04-2024	2024-25



Time limit to make payment to an MSME

Type of Enterprise	If no agreement exists (for terms of Payment)	If agreement exists (for terms of Payment specified upto 45 days)	If agreement exists (for terms of Payment specified as more than 45 days)
Micro Enterprise	15 Days	Upto 45 days as specifically specified in the terms of payment	45 days only even if specifically specified higher days than 45 days in the terms of payment
Small Enterprise	15 Days	Upto 45 days as specifically specified in the terms of payment	45 days only even if specifically specified higher days than 45 days in the terms of payment
Medium Enterprise	New Provisions of section 43B is not applicable to Medium Enterprises	New Provisions of section 43B is not applicable to Medium Enterprises	New Provisions of section 43B is not applicable to Medium Enterprises

Identification of supplier as Micro and Small suppliers- Section 8 of Micro, Small And Medium Enterprises Development Act, 2006:

“8. (1) Any person who intends to establish,—
 (a) a micro or small enterprise, may, at his discretion, or
 (b) a medium enterprise engaged in providing or rendering of services may, at his discretion; or
 (c) a medium enterprise engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), shall file the memorandum of micro, small or, as the case may be, of medium enterprise with such authority as may be specified by the State Government under sub-section (4) or the Central Government under subsection (3):



Provided that any person who, before the commencement of this Act, established—

- (a) a small scale industry and obtained a registration certificate, may, at his discretion; and
- (b) an industry engaged in the manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), having investment in plant and machinery of more than one crore rupees but not exceeding ten crore rupees and, in pursuance of the notification of the Government of India in the erstwhile Ministry of Industry (Department of Industrial Development) number S.O. 477(E) dated the 25th July, 1991 filed an Industrial Entrepreneur’s Memorandum

shall within one hundred and eighty days from the commencement of this Act, file the memorandum, in accordance with the provisions of this Act.

This form of memorandum has been notified in the Official Gazette by the Central Government after obtaining the recommendations of the Advisory Committee i.e. Udyam Registration as per Official Gazette [PART II—SEC. 3(ii)] dated 26th June 2020

- Default in making payment within time limit mentioned under section 15, the buyer shall be liable to pay compound interest with monthly, at 3 times of the bank rate notified by the RBI – Sec. 16(i.e $6.75 \times 3 = 20.25\%$)
- The buyer shall be liable to pay the amount with interest thereon as provided under section 16 – Sec. 17
- The amount of interest payable or paid as per Sec. 16, shall not be allowed as deduction. – Sec. 23
- As per clause 22 of part B in the tax audit report , tax auditors have to report interest inadmissible under section 23 of MSME act 2006
- Sections 15 to 23 shall have effect notwithstanding anything in inconsistent therewith contained in any other law for the time being in force.- Sec. 24

Bank Rate notified by RBI

Applicable Period	Repo Rate	Applicable Period	Repo Rate
28-Jan-2014 to 14-Jan-2015	8.00%	06-Jun-2019 to 06-Aug-2019	5.75%
15-Jan-2015 to 03-Mar-2015	7.75%	07-Aug-2019 to 03-Oct-2019	5.40%
04-Mar-2015 to 01-Jun-2015	7.50%	04-Oct-2019 to 26-Mar-2020	5.15%
02-Jun-2015 to 28-Sep-2015	7.25%	27-Mar-2020 to 21-May-2020	4.40%
29-sep-2015 to 04-Apr-2016	6.75%	22-May-2020 to 03-May-2022	4.00%
05-Apr-2016 to 03-Oct-2016	6.50%	04-May-2022 to 07-Jun-2022	4.40%
04-Oct-2016 to 01-Aug-2017	6.25%	08-Jun-2022 to 04-Aug-2022	4.90%
02-Aug-2017 to 05-Jun-2018	6.00%	05-Aug-2022 to 29-Sep-2022	5.40%
06-Jun-2018 to 31-Jul-2018	6.25%	30-Sep-2022 to 06-Dec-2022	5.90%
01-Aug-2018 to 06-Feb-2019	6.50%	07-Dec-2022 to 07-Feb-2023	6.50%
07-Feb-2019 to 03-Apr-2019	6.25%	08-Feb-2023 to till date	6.75%
04-Apr-2019 to 05-Jun-2019	6.00%		



Section 43B(h) of the Act is not likely apply on outstanding balances of 31 March 2023 which has remained outstanding on 31 March 2024 as the law has been introduced on 1 April 2023 and therefore transactions during FY 2023-24 and onwards only should be covered.



Also, section 43B starts by stating that “Notwithstanding anything contained in any other provision of this Act, a deduction otherwise allowable under this Act in respect of..”. Since, the against the outstanding as on 31 March 2023, no deduction is being claimed and the deduction has already been claimed in earlier years, section 43B(h) is not likely apply on outstanding balances of 31 March 2023.

Currently, CA vide notification “ Specified Companies (Furnishing of information about payment to Micro and Small Enterprise Suppliers) Order 2019, dt. 22-01-2019 mandates that all specified companies who buys goods or avail services from micro and small enterprises and whose payment to suppliers have exceeded 45 days shall submit a half yearly return, E form MSME -1, to MCA stating the following-

The outstanding amount due and reasons for the delay

Should terms mentioned on the invoice or purchase order be treated as an agreement?

FAQS

The MSMED Act does not define the term ‘agreement’. Thus, it can be said that agreement can be written as well as oral. In common parlance, an agreement means when one person makes an offer and another person agrees to it. It includes terms like due dates, acceptance of goods/services, consequences for late payment, and dispute resolution. So, if an invoice or purchase order has these details, it can be seen as an agreement.

Is it possible to get the Udyam Registration details of a Supplier by searching for his name or PAN in the Udyam portal?

No. One can obtain his Udyam Certificate details only if one knows his Udyam Registration Number.

How to verify if the Udyam Number furnished by the supplier by printing on the invoice or otherwise Is genuine?

Search his Udyam Registration Number on the Udyam Portal under the newly enabled “Verify Udyam Registration Number” at the following link: https://udyamregistration.gov.in/udyam_verify.aspx

Home / Verify Udyam Registration Detail

Verify Udyam Registration Detail Print Back

भारत सरकार
Government of India
सूक्ष्म, लघु एवं मध्यम उद्यम मंत्रालय
Ministry of Micro, Small and Medium Enterprises
UDYAM
Udyam Registration Number : UDYAM-PY-03

Name of Enterprise	Partnership	Major Activity	Manufacturing
Organisation Type	Male	Social Category	General
Gender	04/11/2005	Date of Commencement of Production/Business	04/11/2005
Date of Incorporation			

Enterprise Type

SNo.	Classification Year	Enterprise Type	Classification Date
1	2023-24	Small	09/05/2023
2	2022-23	Small	26/06/2022
3	2021-22	Small	16/05/2021
4	2020-21	Small	20/01/2021



NAME OF ENTERPRISE [REDACTED]

TYPE OF ENTERPRISE * MICRO (Based on FY 2020-21)
(MICRO During FY 2019-20)

MAJOR ACTIVITY **TRADING**
[For availing benefits of Priority Sector Lending(PSL) ONLY]

SOCIAL CATEGORY OF ENTREPRENEUR GENERAL

NAME OF UNIT(S)

S.No.	Name of Unit(s)
1	[REDACTED]

OFFICIAL ADDRESS OF ENTERPRISE

Flat/Door/Block No.	[REDACTED]	Name of Premises/ Building	[REDACTED]
Village/Town	chennai	Block	FIRST choolaivedu
Road/Street/Lane	7th Street	City	chennai
State	TAMIL NADU	District	CHENNAI , Pin 600094
Mobile	98 [REDACTED]	Email:	[REDACTED]

DATE OF INCORPORATION / REGISTRATION OF ENTERPRISE 05/12/2013

DATE OF COMMENCEMENT OF PRODUCTION/BUSINESS 05/12/2013

NATIONAL INDUSTRY CLASSIFICATION CODE(S)

SNo.	NIC 2 Digit	NIC 4 Digit	NIC 5 Digit	Activity
1	74 - Other professional, scientific and technical activities	7490 - Other professional, scientific and technical activities n.e.c.	74909 - Other professional, scientific and technical activities n.e.c.	Services

DATE OF UDYAM REGISTRATION 14/07/2020

* In case of graduation (upward/reverse) of status of an enterprise, the benefit of the Government Schemes will be availed as per the provisions of Notification No. S.O. 2119(E) dated 26.06.2020 issued by the M/o MSME.
Disclaimer: This is computer generated statement, no signature required. Printed from <https://udyamregistration.gov.in> & Date of printing:- 10/09/2022

For any assistance, you may contact:

Is the disallowance under Section 43B applicable if supplies are made before obtaining Udyam registration?

Section 43B(h) will not apply with respect to payments for supplies made before the date of Udyam Registration. He would be regarded as a micro-enterprise only from the date of obtaining such registration, as Udyam Registration does not operate retrospectively

How can the assessee ensure their supplier does not transition from a micro/small to a medium enterprise or vice-versa during the financial year?

Udyam Registration is the only acceptable evidence of the supplier entity’s micro-enterprise or small enterprise status. The buyer entities should ask for such a certificate every year to determine the supplier’s status in that year.

Are the provisions of Section 43B(h) applicable to nonregistered suppliers?

Para 2 of the Notification provides that any person who intends to establish a micro, small or medium enterprise may file Udyam Registration online on the Udyam Registration portal based on self-declaration with no requirement to upload documents, papers, certificates or proof. The word ‘may’, used in the Notification, indicates that it is not mandatory for an enterprise to get registered to establish itself as an MSME. However, Section 43B(h) mentions Section 15 of the MSMED Act, which talks about the delay in payment to a ‘supplier’. Section 2(n) defines “supplier” to mean a micro or small enterprise that has filed a memorandum with authority referred to in Section 8(1) (i.e., Udyam Registration). So, without registration on the Udyam Portal, Section 15 of the MSMED Act may not be invoked for disallowance under Section 43B of the IT Act.



Is disallowance applicable if the assessee follows a cash system of accounting?

income is recorded when the cash is received, and expenses are recorded when the cash is paid. Therefore, it will not impact any situation if the assessee follows a cash basis of accounting as the assessee is already recording the expenses on a payment basis.

Whether an 'account payee' issued in favour of the seller at a date before the stipulated date but cleared afterwards qualify for the purpose ?

Yes. In Rhokana Corporation v/s Inland Revenue Commissioners, Lord Maugham held the common law rule is to the effect that sending of a cheque in payment of a debt is subject to the subsequent condition that it must be met on presentation. However, the date of payment, if the cheque is duly paid, is the date when it was posted.

In light of the judgement of Honble High court of Punjab and Haryana, in the case of CIT vs Hindustan Wire Products Ltd, 2002, 120 Taxmann, 744(Punjab and Haryana) disallowance under section 43B will not be attracted. However, the following must be obtained

COPY OF THE CHEQUE WITH DATE OF PAYMENT

COPY OF THE DELIVERY OF CHEQUE TO SUPPLIER

Will Section 43B(h) apply to an assessee who is also a Udyam-Registered Micro or Small Enterprise?

Yes. There is no exemption for buyers who are Micro or Small enterprises. It cannot be said that Section 43B(h) applies only to medium or large enterprise buyers.

What if a 50% advance is given in the current year, and the balance of 50% is paid to the MSE supplier at a later date?

If the taxpayer settles 50% of the remaining balance during the fiscal year, even after the due date under Section 15 of the MSMED Act has passed, no disallowance will occur. However, if this 50% remains outstanding at year-end and is paid after the due date, disallowance would apply to this portion payable to MSEs.

What if the advance is paid to the supplier, who is a micro or small enterprise?

The advance payment made to the MSEs shall be allowed as a deduction in the year of payment itself, even if it does not fall due for payment in that year. The Supreme Court has upheld the deduction under Section 43B for the advance payments.

Will Micro or Small Enterprises having Udyog Aadhaar Memorandum or EM-II be regarded as micro or small enterprises for Section 43B(h) purposes?

UAM or EM-II Registration was valid only up to 30-06-2022. These registrations are not valid with effect from 01-07-2022. There is no process of automatically migrating the enterprises from UAM/EM-II to Udyam Registration unless the enterprise files Udyam. Therefore, enterprises with UAM/EM will not be regarded as micro or small enterprises for Section 43B(h) purposes.

Will the GST component be disallowed if the sum payable to MSE attracts Section 43B(h) disallowance?

If the sum payable to the Micro or Small Enterprise includes GST, the disallowance is restricted to the amount excluding GST if the GST is claimed as Input Tax Credit (ITC) in the books of accounts. However, if the buyer opts not to claim the input tax credit under GST and treats it as an expense in its Profit and Loss account, deduction against GST will only be allowed based on actual payment.



**CA Petchi Kannan
CODE OF ETHICS**

RECENT CASE LAWS

- For the period from Jan 2023 to till date
- Detail discussion of few case laws
- FAQ related to First Schedule
- FAQ related to Second Schedule
- FAQ related to Miscellaneous Issues
- Key takeaways



- Our own family members (wife, brother, aunty, uncle etc.,)
- Users of our services – clients and other authorities
- Our own Staff members, articled trainees, co-professionals,
- Total strangers, members against their own partners.
- Complaints may be filed out of ego clashes, rivalry or as an arm twisting measure.



CASE ONE – 11TH MARCH 2024

- CA Guilty of Professional Misconduct for using Abusive Language
- The Board further perused the content of the conversation shared between both the parties in Whatsapp message which reads as follows: “Tera audio tere bhaiyo ko aur teri beti ke sasuraf bhej diya hai maine.Teri kartut tere gharwalo aur tere relative ko bhej raha huu. ”Mahila aayog mai ek letter jama kara diya ha/ maine tere audio ke sath.Mai soch raha huu ek complaint ED, CBI, Interpol ko bhi bhej duu kyu ki tuu Dubai ka don hai na ”“Tera naam to mujhe ICAI ki history main dalwana hai.Tujhe to mai Dubai tak mashhur karna chahta huu.”Maine pichle 7 mahine see tere aur tere dosto aur relatives ko msg bhejkar pareshan kar Rakha hai. Abb mai teri iss pareshani ko khatam karne jaa raha huu. Monday see tere paas our tere jankar logo ke paas abb koi msg aur call nahi aaye gaa.Mai bhi thaak chukka huu tum jaise ganduo koo samjha samjha kee but kutte ki tedi puch bhi sidhi nahi ho saktiYadi main nahi too tum bhi nahi”
- I have sent your audio to your brothers and your daughter’s in-laws. Sending details of your deed to your family and relatives. I have submitted a letter in Women’s Committee with your audio. I am thinking of writing one complaint to ED, CBI, Interpol as well cause you are Dubai’s Don right. I will get your name in the history of ICAI. I want to make you famous till Dubai. I have been troubling you, your friends and your family members since last 7months. Now, I am going to end up this trouble of yours. Monday onwards you and your acquaintances will not get any message or call. I am also tired making fuckers like you understand but a dog’s tail can never be straight. If I am not then you not

Be very careful while texting and speaking with client

CASE TWO – 10TH FEBRUARY 2024

- File No: PR/223/2016/DD/75/2017/BOD/680/2023
- Complainant: Saiprakash Pasumathy - MD of Acumen Software Technologies Ltd
- The Respondent: CA.P.Venkata Siva Ramamurthy (M.No: 028996)
- Started a company together, in 1995 share percentage changed in ROC 2003 without notice of another director, transferred share to his wife, started new company as competitor.
- Between Own Brothers
- It is held Respondent NOT GUILTY of Profession
- More than 8 years of stress

CASE THREE – 22ND DECEMBER 2023

- File No: PR/G/130/2022/DD/105/2022/DC/1737/2023
- Complainant: V Annapoorna, Deputy Registrar
- The Respondent: CA. Durga Krishnamurthi, Chennai
- Incorporation of a company with fabricated documents as proof of address.
- It is held Respondent NOT GUILTY of Profession

Helping Clients out of the way
leads to face litigation anytime

CASE 4 & 5 – 22ND DECEMBER 2023

- File No: PR/G/130/2022/DD/105/2022/DC/1737/2023
- Complainant: V Annapoorna, Deputy Registrar Bengalure
- The Respondent: CA. Durga Krishnamurthi, Chennai
- Incorporation of a company with fabricated documents as proof of address.
- It is held Respondent NOT GUILTY of Profession
- File No: PR/G/301/2022/DD/215/2022/DC/1677/2023
- Complainant: Mangal Ram Meena, Deputy Registrar Delhi
- The Respondent: CA. Durga Krishnamurthi, Chennai
- Incorporation of a company with dummy persons as subscribers to MOA.
- It is held Respondent NOT GUILTY of Profession however the respondent was cautioned that any procedural lapse should not occur in her future assignments

Helping Clients out of the way
leads to face litigation anytime

CASE SIX – FEB'2024

- File No: PR/232/2021-DD/257/2021/DC/1603/2022
- Complainant: Shri Deepak Mehra (client)
- The Respondent: CA. Manoj Kumar
- Filing of income tax return, offered the capital gain as sale of agriculture and claimed refund of tax paid by client himself. Evidence is there for the discussion to save tax under section 54 by depositing amount in Capital Gain Scheme account
- Mails evidence, received refund and only when there is query from IT department he is filing case against the Respondent to safeguard himself.
- It is held Respondent NOT GUILTY of Profession

Filing of Refund IT Return needs
to analyze thrice

CASE SEVEN – FEB'2024

File No: PR/82/2018/DD/127/2018/DC/1597/2022

Complainant: C.B. Rawat (Representative Society)

The Respondent: CA. Sachin Jain

Adverse opinion given for society audit, audit report stated Delhi Co-operative Societies Rule 1973 instead of 2007

Not having impact in financial statement

It is held Respondent NOT GUILTY of Profession

Need to be cautious about
amendments of Acts while signing

FAQ RELATED TO FIRST SCHEDULE

- 1. Member to share profits with the widow of he deceased partner- allowed**
- 2. Sharing of fees between widow or the legal representative of proprietor with purchaser of the GW of the firm – not permitted**

- 1. CA in practice can enter into partnership with Practising CA of a recognised Foreign professional body to share their fee as per partnership – allowed**
- 2. LLP is doing commercial activity – Practising CA cannot be partner - not permitted**
- 3. CA along with CA Firm name can be used on the greetings card or invitation**
- 4. A CA firm can give advertisement in any newspaper or newspapers in relation to Silver, Diamond, Platinum or Centenary Celebration of the firm – permitted**



FAQ RELATED TO FIRST SCHEDULE

1. Member can appear on TV, Internet and broadcast in Radio – can tell he as CA with Firm Name – but should not be like promotional of him or his firm but must be an objective professional view of the topic under consideration
2. CA member handed over his professional bio-data to the Chairperson during the interview and that Chairperson read his Bio-data at the TV interview itself – read of expert in taxation Professional violation
3. A CA member in practice posts the particulars of himself/ itself (in case of firm) and his Photograph on a website
4. It is permitted by ICAI that the website of CA member can provide link to the website of ICAI, its Regional Office and branches and also to the websites of Govt/Govt Departments and professional bodies. CA or Firm of CA is not supposed to use the “catchwords” or “Catch Phrases” in the website, Letterheads and visiting cards – say excellence in particular area, man of integrity etc).
5. CA member in practice circulate the information contained in the web site on their own or through e mail or by any other mode or technique – NOT ALLOWED

1. Vision and value of CA should not be printed behind the visiting cards
2. Member in practice should not express him as IT consultant, Cost Accountant, Company Secretary, Cost Consultant or Management Consultant
3. A CA in practice should not mention his Date of commencement / Date of establishments in his letterheads and other professional documents etc
4. Member In practice is not supposed to use Logo on LH/Stationary
5. Member in practice can use common CA logo
6. Visiting Cards – No photos permitted
7. Member give advertisement in newspaper to recruit personnel – permitted
8. Member can not accept the position as auditor previously held by another CA without first communicating with him in writing – Through UDIN approved and waiting for procedural aspects
9. Audit fee of previous auditor is pending – not to accept audit by CA



1. Tax auditor appointment of previous auditor – get concurrence
2. Phone communication is not sufficient to Previous auditor
3. Fees should not be charged on % of TO
4. Other than profession, no business is allowed
5. A member in practice can not be appointed as whole time directors of the company but he can be Director Simplicitor
6. CA in practice is entitled to accept teaching assignment
7. CA member who is working under another CA can hold COP but he is not allowed to do any attest function
8. Member in Practice own IPR of domain names – sells these to others – not permitted as it is business
9. Member let out his HUF property to the co where he is statutory auditor – permitted but suggested to avoid
10. ICAI asked particulars – member refused/ failed to furnish – held guilty
11. Writing script/ story for a movie – [Get ICAI permission](#)

FAQ RELATED TO SECOND SCHEDULE

- Working papers of the Auditor – No it can't be given access to Client or main auditor of (It is the property of Auditor)
- Joint auditor should not demand working papers of other auditor
- Joint auditor is not responsible for the work done by other auditor, but responsible only when work is not divided

- CA in service should not accept or agree to accept any part of fees, profits or gains from a lawyer, CA or broker engaged by such company, firm or person or agent or customer of such company, firm or person by way of commission or gratification

- Project report to be signed or not: A member in practice permits his name or the name of his firm to be used in connection with an estimate of earnings contingent upon future transactions in a manner which may lead to the belief that he vouches for the accuracy of the Forecast – **Not allowed** – advised to comply with SAE 3400

- CA is appointed as Liquidator – he can't do the audit of that company
- CA is working as a part – time lectureship in the college – Guilty if he accepts the audit of that college.
- CA's partner is employee or trustee of the trust - Guilty if he accepts the audit of that trust.
- CA is Director of the Company - Guilty if he accepts the audit of that Company
- Relative of CA is a director, or is in employment of the company as a director or KMP - Guilty if he accepts the audit of that Company
- Auditor is doing Audit apart from that he is doing Management consultancy services (MCS) separately – Fees of MCS exceeds audit fees – permitted
- Can the statutory auditor accepts system audit of the same unit – Allowed



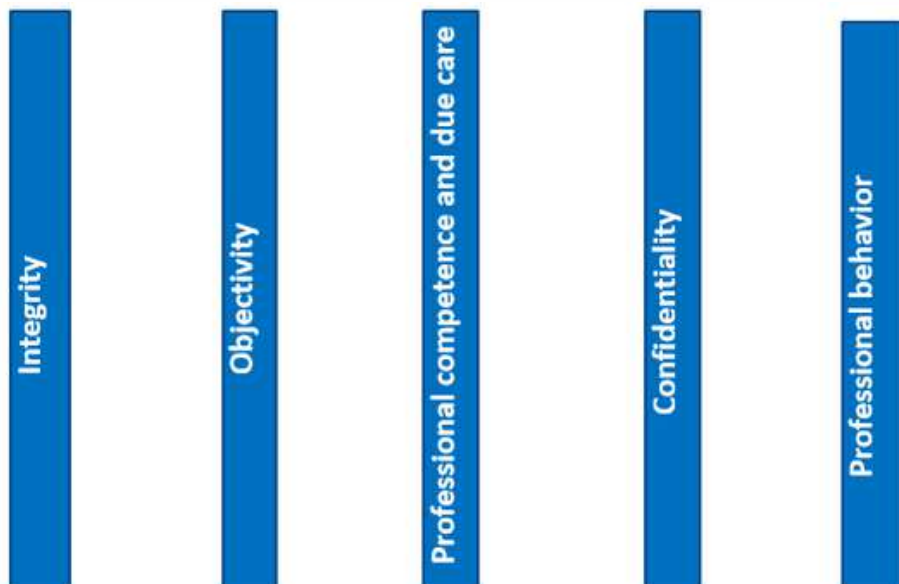
FAQ RELATED TO MISCELLANEOUS ISSUES

1. Salary employee of CA – can hold COP but not supposed to have attest function
2. A member in practice can be promoter/promoter director of the Company- Not required to obtain specific permission of ICAI – can hold any number / percentage in the company
3. CA member in practice can be a sleeping partner in family business- specific permission from council is must – not allowed to do attest functions.
4. Internal auditor can not be appointed as Tax auditor
5. Member in Practice can own Agricultural land and also do agricultural activities
6. Member in Practice can establish “Tax Information Network – Facilitation Centre (TIN-FC) as well as its franchise
12. Can member in practice engage GST Practitioner – Permitted
13. Member holding COP (employee in CA firm) – permitted to be enrolled as GST Practitioner
14. Member is not permitted to mention himself as “GST Consultant”
15. Firm of CA not to be allowed to sponsor an event except with the approval of CPE directorate of ICAI
16. QR code in Visiting Card is permitted for easy access of information

SAFEGUARDS

- In the Code of Ethics, 2009, safeguards to be considered for threats other than “clearly insignificant” (defined as ‘trivial or inconsequential’)
- In the revised 2019 Code, the application of safeguards required to eliminate threats or to reduce them to ‘an acceptable level’
- “Acceptable level” defined as a level as the reasonable and informed third party knowing facts would likely conclude that the accountant complies with the fundamental principles.

Key Takeaways



KEY TAKEAWAYS

- Common questions by all:
 1. If another person is not following why should I follow?
 2. If I have not accept this client, he will get it from other CAs?
 3. Why should I loose my revenue?
- In this increased era, more participation by the government, NAFRA implemented, New ethics – would you like to compromise on sweat, prestige, peace, happiness of life etc.,
- Losing a Client:
 1. Emotional disturbance for a day
 2. Professional disturbance for a month
 3. Financial disturbance for a year



MINUSCULE AT TIMES MAY LEAD TO MASSIVE DESTRUCTION

ONE MANTRA – SELF CONSCIOUSNESS

- Be Cautious while signing – double check before signing
- Documentation make it more perfect to safe guard you
- We are working in very Sensitive area, NO emotional attachment with clients – you should know to say “No”



Self imposed discipline is most appropriate than enforced Law

Be Aware.....

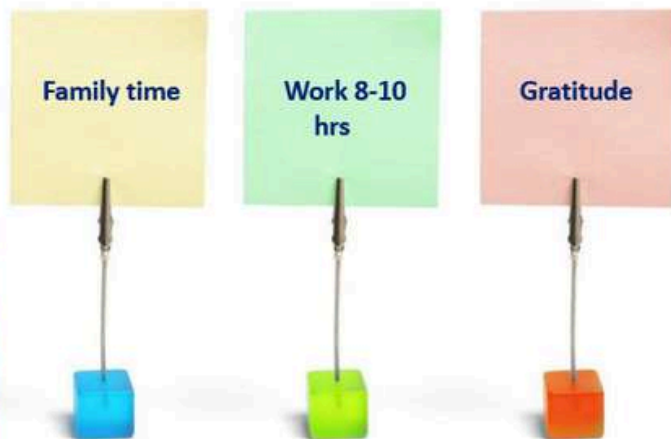
Now a days heart attacks occurring for youngster and middle age in large:

To minimize the risk of heart attack, you should take some precautionary measures :

- Do not over-exercise. Exercise for the prevention of heart disease should be done regularly and its intensity should be gradually increased as the body's tolerance and stamina improves.
- Sleeping for at least 7-8 hours is necessary for overall well-being.
- Smoking and alcohol intake should be avoided completely.
- Reduce mental stress by doing regular yoga and other stress management exercises.
- To keep you hydrated, drink plenty of water throughout the day.
- Also, keep sugary drinks and excessive caffeine intake under check.

Stress – worried, sad, unhappy

Life is too short – Live it.....





CS Srikumar B

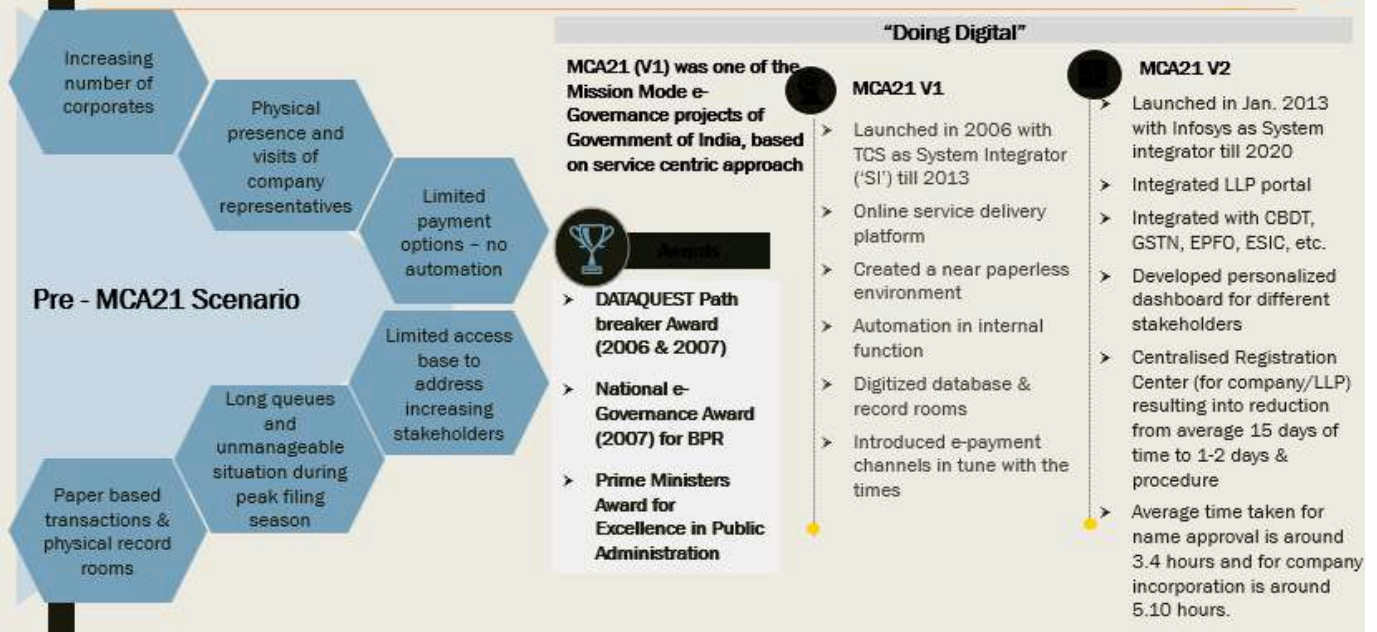
MCA21 – EMERGING ISSUES AND COMPLIANCE MANAGEMENT

Functions



- 1 Implementation and Operations of **MCA21** project for administration of Companies Act and LLP Act
- 2 Monitoring of “ (CRC)” ; (CSC); (C-PACE) & CPC”
- 3 Government Process Re-engineering (GPR) for simplification of processes and forms
- 4 Facilitating the “Ease of Doing Business (EoDB)” Initiatives
- 5 Cleaning of Registries

Journey of MCA21





MCA21 Milestones



- 1 Mar 2005 : Signing of Contract(v1) with TCS
- 18 Feb 2006 : Coimbatore Pilot launched
- 18 Mar 2006: Delhi Pilot launched
- 30 Jul 2006 : Nationwide rollout
- 16 Sep 2006 : E-filing mandated by law
- 1 Apr 2009 : LLP Act Implementation
- 17 Jan 2013 : Infosys takes over from TCS
- 17 July 2020*: LTI (v3) to take over

- 28 Apr 2014 : Companies Act 2013 Rollout
- 19 Feb 2015 : Integration with e-Biz(discontinued in 2018)
- 30 May 2015 : INC-29(Integrated Incorporation form)
- 19 Oct 2015 : Rollout of V2 portal for LLP services
- 26 Jan 2016 : CRC (1st GPR) for Company Names
- 27 Mar 2016 : Rollout of V2 portal for Company services
- 28 Mar 2016 : CRC for Company Incorporation
- 01 Oct 2016 : SPICe Launched
- 26 Jan 2018 : RUN (Companies) Launched
- 2nd Oct 2018 : LLP RUN & Incorporation of LLP (FiLLiP)
- 23 Feb 2020 : SPICe+ Launched integrating 10 services

MCA21 – Business Areas



- | | | | |
|----------|--|-----------|---|
| 1 | Administration of Companies Act 1956/ 2013 | 6 | Annual Filings |
| 2 | Administration of Limited Liability Partnership (LLP) Act 2008 | 7 | Charge Management |
| 3 | New Companies/ LLP Registrations | 8 | “View Public Documents” (VPD) |
| 4 | “Director Identification Number” (DIN) registrations | 9 | Grievance redressal |
| 5 | Event based Statutory filings | 10 | “Investor Education Protection Fund” (IEPF) |



MCA21 Overview



MCA21 V2 is meant for facilitating end to end life cycle of a Company. Hence MCA21 e-governance system directly impacts the economic activity and corporate growth in the country. MCA21 is a public facing portal with more than **15 lakh registered users**.

Company Services	Data & Reports	E-Filing	Forms & Downloads	Corporate Data Management
Track Transaction Status	LLP Services	Help & FAQs	CBDT PAN/TAN Issuance	Generate Show Cause Notice
Investor Services	Acts & Rules	TMR Trademark	Banks Payments	Strike Off Company
Complaints Services	GST, EPFO and ESIC	Central Statistical Organization	Record Room	Update Charge Details
E-Taal	Bank Accounts (SPICe+)	Create/ Modify/ Approve Work item	Reports	Dashboard
Profession Tax, Maharashtra	Query Services	Update Master Data	Mark a Company	Workflow Configuration Admin Services

	FO Services
	Intgn.
	BO Services

It is an extremely critical and complex system for regulatory and enforcement purposes and hence it demands high operational efficiency at all times.

MCA21 - Impact

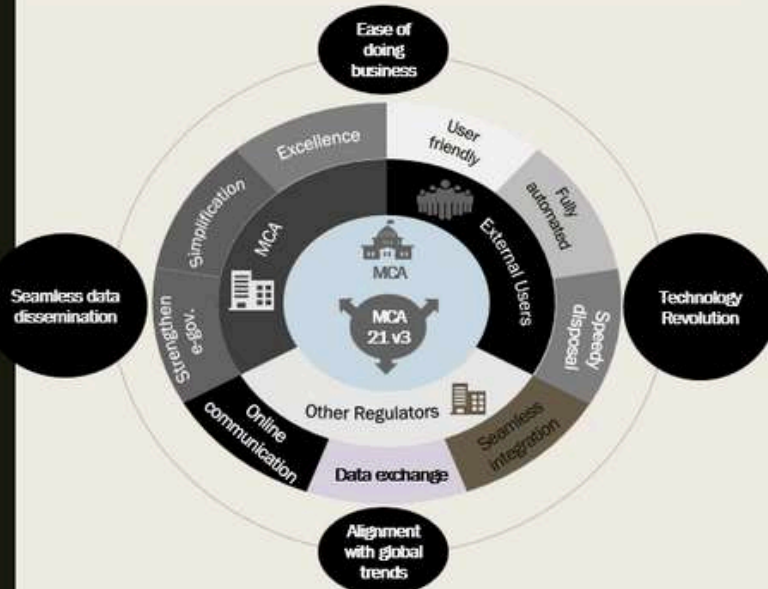


Nature of Service	Prior to MCA21	After MCA21
Name Approval	7 days	1-2 day (Post CRC)
Company incorporations	15 days	1-2 days (Post CRC)
BS / AR Filing	60 days	Instantaneous
Change in directors	60 days	1 day
Inspection of public docs	Visit to ROC	Online

Vision for MCA21 V3



"Being Digital"



Key objectives of MCA21 v3

- > Support Ease of Doing Business Agenda
- > Building Analytical capabilities
- > Integration with other regulators
- > Strengthening enforcement of law: Autopilot surveillance, e-adjudication, single source of truth
- > Seamless data dissemination
- > Institutional Capacity Building
- > Enhanced helpdesk & support

MCA21 version 3

Key functional interventions in MCA21 V3



	Company Module	LLP Module	OL Module	Enforcement Module	New Modules / Functionalities
Key Enhancements	1. Strengthened Helpdesk – Chatbot, helpdesk for BO users				e-Adjudication Module
	2. Self Reporting Tool				Compliance Management System
	3. Interactive user dashboards for BO & FO users				E-Consultation Platform
	4. E-Reports, E-notices, E-Orders				E-Learning / LMS Module
	5. Unique Identification number for corporates				Data Dissemination
	6. Re-designed Master Data services				<ul style="list-style-type: none"> ❑ Dissemination of corporate data through multiple channels: web, mobile, APIs ❑ Provide data in multiple formats ❑ Element wise as well as bulk data dissemination
	7. Web forms along with e-forms				Data Analytical Capabilities
	8. Extended XBRL functionality to include IXBRL				
	9. E-Book Service				
	10. Enhanced user interface and experience (User Interface – User Experience)				

Reforms Initiatives

Ease of Doing Business

- *Zero Fee for company incorporation upto Rs.15 Lakh authorized capital*
- *Providing 11 Services through a single integrated web form*
- *Decriminalized 63 offences by amending the Companies Act and Limited Liability Partnership Act*
- *Incorporation of One Person Companies (OPCs) made easier*
- *Companies Fresh Start Scheme (CFSS) 2020*
- *LLP Settlement Scheme 2020*
- *Easier Process for conversion of a public company into a private company*¹⁰

Reforms Initiatives

Ease of Doing Business

- *Enhanced Threshold for defining Small Companies: Paid up capital from “not exceeding Rs 50 Lakh” to “not exceeding Rs 2 Cr”. Turnover from “not exceeding Rs 2 Crore” to “not exceeding Rs 20 Cr”*
- *Reduced Penalties provided for Small Companies, One person Companies, Start-ups & Producer Companies for defaults*
- *Extended the Fast-track Process for Mergers for Small Companies & Start ups*
- *New abridged & concise version of Annual Return introduced for Small companies and One Person Companies (OPCs)*
- *Green Channel Route for combinations*

11



Reforms Initiatives in 2022-23

Small Companies definition further revised : Threshold increased from “not exceeding Rs 2 Crore” to initially “not exceeding Rs 20 Cr” for paid-up capital and from “not exceeding Rs. 20 crore” to “not exceeding Rs 40 Crore” for turnover.

AGM and EGM through VC allowed upto 30.09.2023

Lower fee for smaller LLPs

PAN-TAN along with Certificate of Incorporation for LLPs at the time of incorporation on the lines of companies

Merger of LLP forms – Form 28 and 29 merged (Alteration in particulars of foreign LLPs)

Reforms Initiatives in 2022-23

Reduction in Company Forms

- RD GNL-5 (intimation for additional information)
- INC-3 (consent of nominee to become member of an OPC)
- SH-15 (certificate of compliance in respect of buyback of securities)

Some company forms made Straight Through Process (STP)

- DIR-6 (intimation of change in particulars of directors)
- MSC-3 (Annual return for dormant companies)
- AoC-5 (Address where books of Account are kept)
- DPT-4 (Deposit existing at the time of commencement of Companies Act 2013)
- INC-4 (Notice of withdrawal of consent / change in nominee in OPCs)

Some purposes in Form changed to STP

- GNL-2 (Filing of Red Herring Prospectus)
- DPT-3 (Filing of One time return of deposits)
- INC-28 (Intimation for change in registered address)
- MGT-14 (Special Resolution for Change of name)

Central Registration Centre

CRC: Objectives



- With an objective of providing greater “Ease of Doing Business” to all stakeholders has set up Central Registration Centre (CRC) for processing of Company “Name Availability” (RUN) eForms and “Incorporation” (SPICe) on 26-Jan-2016 in IICA Building Manesar.
- It is mandated to process Name reservation and Incorporation application of a company **within D+1 days** (D=Date of Payment Confirmation) in line with Global best practices.
- Centralized processing resulted in speedier processing of incorporation related applications, uniformity in application of rules, and eradicating discretion.

CRC



- 700 Companies and LLPs Incorporated in a day within **1 day** on average.
- 800 Name Reservation Application for Companies and LLPs are approved on daily basis on **same day** on average.
- During entire lockdown period since 24.03.2020, CRC remained functional, although with reduced strength.

Centralized processing of LLPs Incorporations



- Centralization of “Name Reservation” and “Incorporation” for LLPs (Limited Liability Partnership) and brought under the operation of CRC w.e.f 02-Oct-2018 in lines with CRC for Companies.

Introduction (2/2)

- The primary objective of the CSC is to conduct the scrutiny of the below mentioned forms when the same are processed in STP mode. The SRNs picked up for scrutiny could be any random SRNs based on the criteria (%) as may be provided by MCA.
- AoC-4 Non-XBRL
- AoC-4 XBRL
- MGT-7
- ADT-1
- DIR-12
- PAS-3
- CHG-1
- CHG-4
- For the purpose of picking up the SRNs for scrutiny, all the approved STP SRNs of the above mentioned forms filed by the Active companies of a particular FY (say, from April 2019 to March 2020) will be considered.
- Certain percentage of approved STP Forms as decided by a committee consisting of DGC&A, JS, MCA upon approval of SCA during a particular year may be decided for scrutiny purposes.
- Committee may be broad-based to have JS(Policy) or any other officer as decided by SCA.

Emergence of C-PACE



DELAY IN
PROCESSING TIME
OF SRN.



DELAY IN
PUBLICATION OF
NOTICE IN
NEWSPAPER/OFFICI
AL GAZETTE.



UNLIMITED
PERIOD TO MARK
SRN UNDER
RESUBMISSION.



SHORTAGE OF
FUNDS FOR
PUBLICATION OF
NOTICES.



DELAY IN GETTING
RESPONSE FROM
EXTERNAL
REGULATORS.

C-PACE

During the budget speech on 1st February 2022, Hon'ble FM has announced establishment of C-PACE to facilitate voluntary winding up of companies



Objectives of C-PACE



Centralized process of STK-2 forms.



Quick turnaround time for processing the SRN.



Centralized notices generation and publication.



Quick response from external regulatory authorities.

Centralised Processing Centre [CPC]

As-is process:

As part of the current MCA21 solution for both 'Companies' and 'LLP', there are 104 Company forms and 20 LLP forms available to the stakeholders for filing purposes on MCA portal.

Above forms are grouped into below mentioned 2 categories:

STP forms (Straight Through Processing): These forms do not require any ROC intervention, and are auto approved, once submitted by the stakeholder.

Non STP forms (including conditional STP): These are processed manually by the ROCs at different offices.

Count of STP/Non-STP forms available on MCA portal as on date:

Company/ LLP	STP	Non-STP	Conditional STP	Total
Company	36	56	12	104**
LLP	3	15	2	20
Total	39	71	14	124

** Company forms are as per V2 system of which 12 forms are pertaining to Companies Act, 1956 and 7 forms are relating IEPF

*** 60 Non STP forms are processed by ROCs which are proposed to be centralised.
11 Non STP forms are processed by RDs which will be centralised at a later date.

Note: MSC-3, DIR-6, DPT-4, INC-4, AOC-5 and IEPF-7 got converted into STP in V3 w.e.f 23/01/2023

Adjudication of penalties under the Companies Act 2013 (the Act)

Section 454 of the Act provides for an in-house framework for prompt administration of penalties on detection of an offence by Registrar of Companies. The said section was introduced through the Companies Act, 2013 which replaced the Companies Act, 1956.

The Companies Act, 2013 has prescribed punishment for the offences under the following modes (252 penal provisions):

Non-compoundable:

(a) With imprisonment (44 sections)

Compoundable:

(a) With Fine (50 sections)

(b) Fine or Imprisonment (04 sections)

(c) Fine or imprisonment or with both (06 sections)

Adjudicable:

(a) Penalty in the relevant section (80 sections)

(b) Penalty in section 450 of the Act (68 sections)

Difference between Fine and Penalty

Fine is imposed in a court of law while Penalty can be imposed by the adjudicator. Further, there is no requirement to have proper trial before court of law and authority prescribed can levy penalty on its own.

Meaning of adjudication and 'Penalty'

Adjudication is the process by which the Authority imposes penalty on the non-compliance after examining The data and information filed with them and giving you reasonable opportunity of being heard.

As per Oxford Dictionary- A punishment imposed for breaking a law, rule, or contract

Adjudication of penalties

Adjudication of penalties is governed by Section 454 of the Companies Act 2013 read with Companies (Adjudication of Penalties) Rules, 2014 as amended from time to time.

The central government may appoint any of its officers, not below the rank of Registrar, as adjudicating officers for adjudging penalty under the provisions of the Act. [Rule 3(1)]

Power of Adjudicating Officer [Rule 3(10)]

The adjudicating officer shall exercise the following powers, namely: –

- a. to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case after recording reasons in writing;
- b. to order for evidence or to produce any document, which in the opinion of the adjudicating officer, may be relevant to the subject matter.

Quantum of penalty

As per **Rule 3(12)**, while adjudging quantum of penalty, the adjudicating officer shall have due regard to the following factors, namely: –

- a. size of the company;
- b. nature of business carried on by the company;
- c. injury to public interest;
- d. nature of the default;
- e. repetition of the default;
- f. the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default; and
- g. the amount of loss caused to an investor or group of investors or creditors as a result of the default:

Section 454(3)

The adjudicating officer may, by an order—

- impose the penalty on the company, the officer who is in default,
- direct to rectify the default, wherever he considers fit
- in case the default of non-filing of AR and BS and such default has been rectified either prior to, or within thirty days of, the issue of the notice by the adjudicating officer, no penalty shall be imposed and all proceedings under this section shall be deemed to be concluded.
- The adjudicating officer shall, before imposing any penalty, give a reasonable opportunity of being heard.
- Adjudication amount to be paid within 90 days of the receipt of the adjudication order through Ministry of Corporate Affairs portal only to be credited to the Consolidated Fund of India

Section 454(5)

Appeal in e-Form ADJ lies before the Jurisdictional RD within sixty days from the date of the adjudication order.

The Regional Director may, after giving the parties to the appeal an opportunity of being heard, pass such order as he thinks fit, confirming, modifying or setting aside the order appealed against.

Section 454(8)(i)(ii)

Time for payment of the penalty amount

within a period of ninety days from the date of the receipt of the adjudication order or the appellate order, such officer shall be

- punishable with imprisonment which may extend to six months or
- with fine not be less than twenty-five thousand rupees but which may extend to one lakh rupees,
- or with both.

Penalty for repeated default. (Section 454A). —

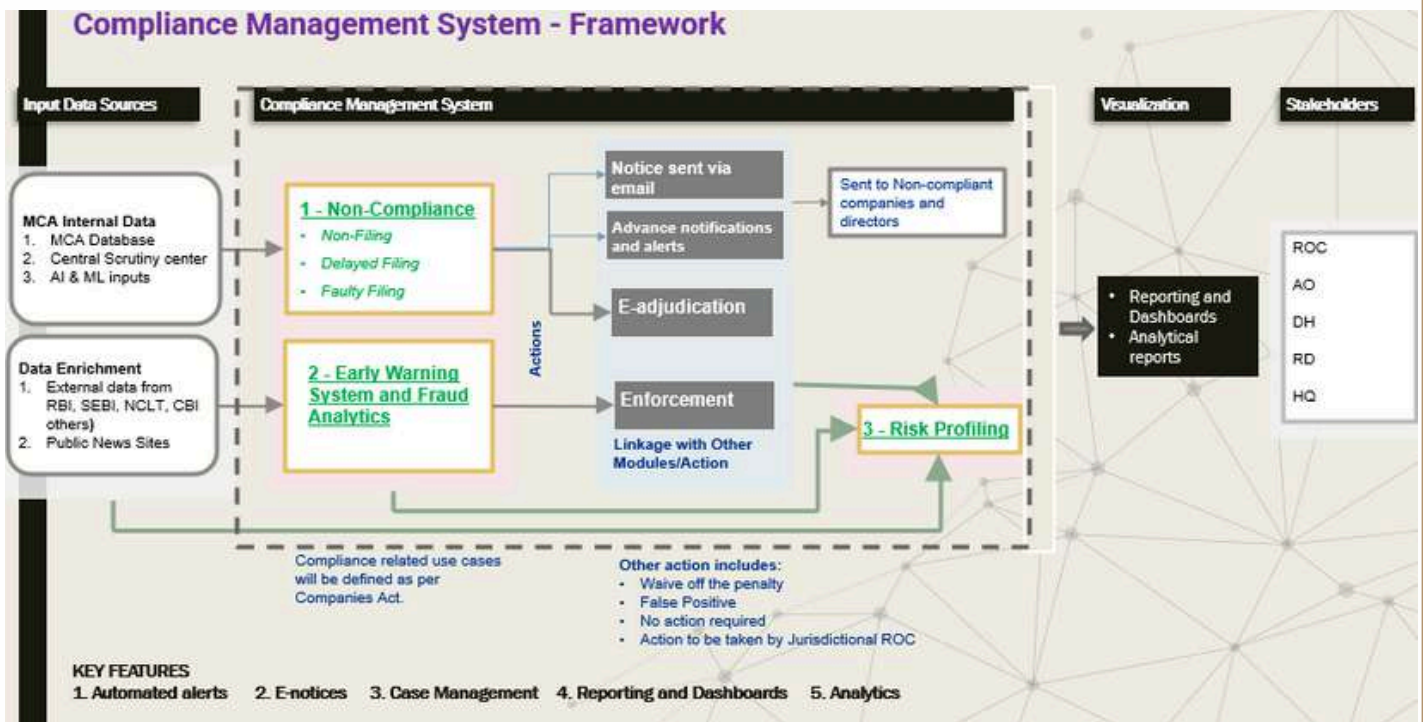
For repeat default within a period of three years from the date of order imposing such penalty passed by the adjudicating officer or the Regional Director, as the case may be, the penalty amount shall be equal to twice the amount of penalty provided for such default under the relevant provisions of this Act.

“Section 446B :Lesser penalties payable for

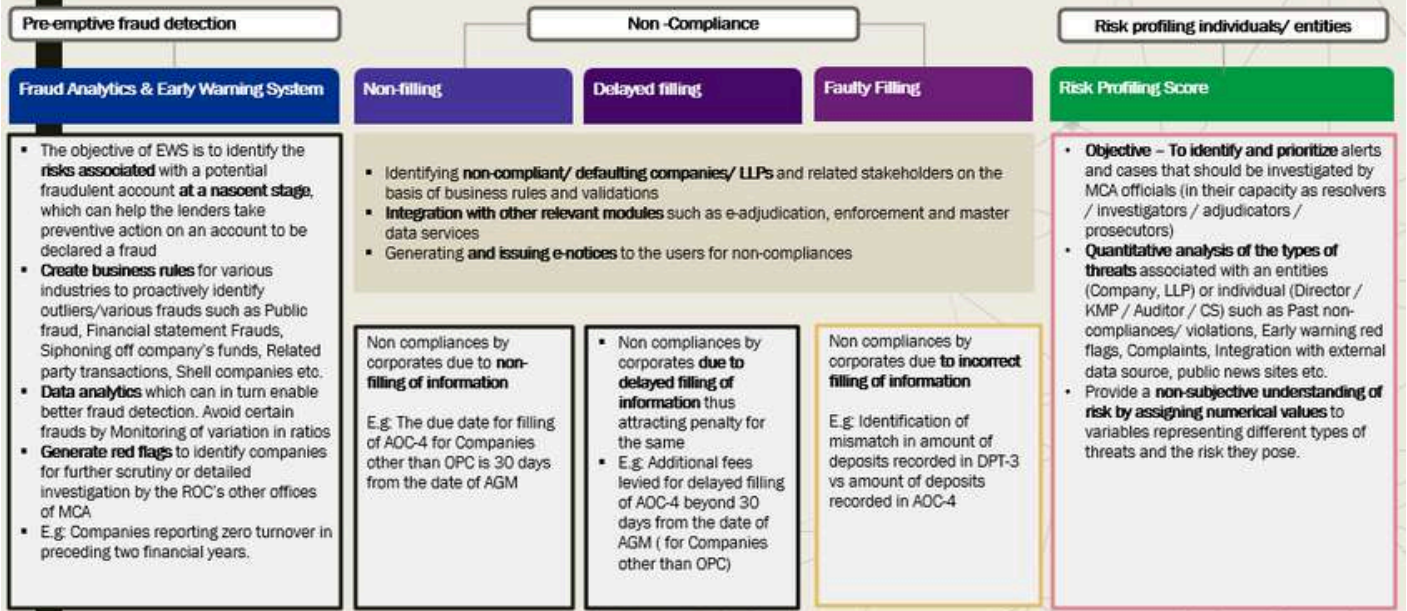
- a One Person Company,
- small company,
- start-up company or
- Producer Company (section 378A (I); or by any of its officer in default, or any other person in respect of such company

The quantum of penalty payable is one-half of the penalty is payable subject to

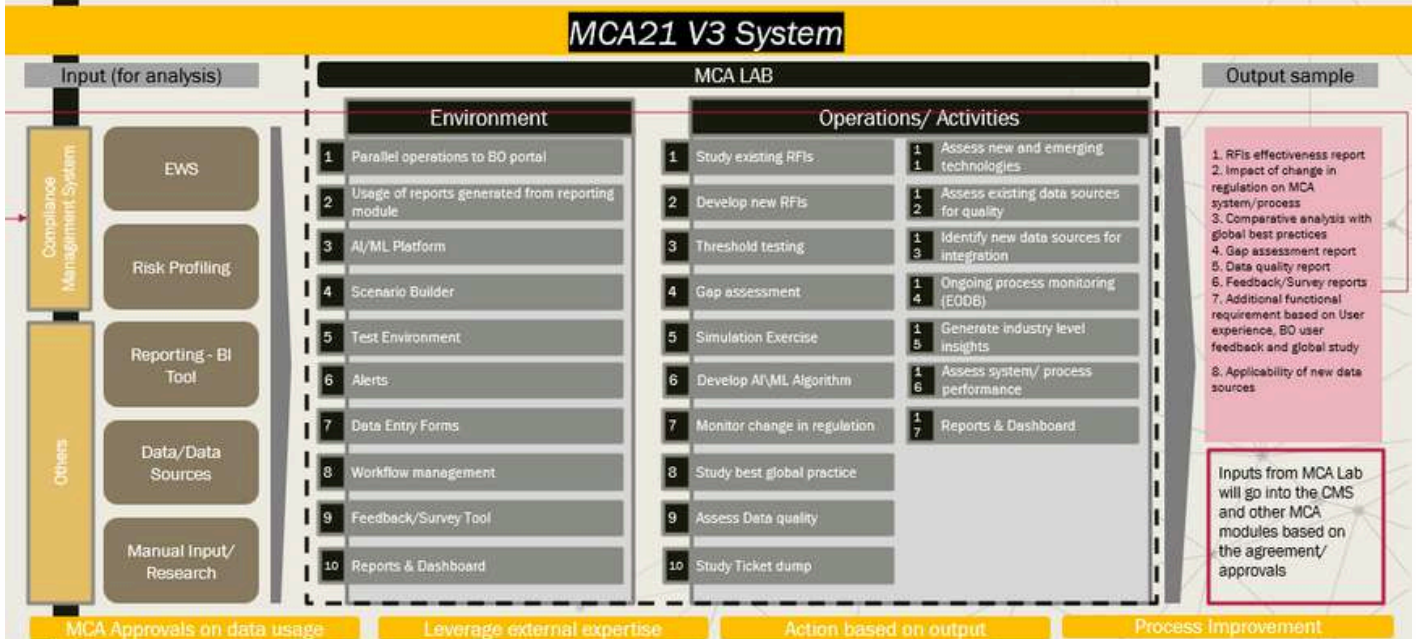
- a maximum of two lakh rupees in case of a company and
- one lakh rupees in case of an officer who is in default or any other person



Compliance Management Framework- Features



MCA Lab | Framework



Important updates:

- **Audit Trail – 01-04-2024**
- **Section 128 - (Rule 3(1) of Companies Accounts Rules 2014**
- **Section 143 - (Rule 11(g) of Companies (Audit & Auditors) Rules 2014**
- **Withdrawal of Prosecutions**
- **Proper attention - Certification of E-Forms**
- **AI Tools**



Upcoming Programs

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

CHENGALPATTU DISTRICT BRANCH (SIRC)

Date : 2nd May 2024 to 4th May 2024 (Thursday to Saturday)

Branch & Place : Tirupur Branch (SIRC) & Chengalpattu Branch (SIRC) are jointly hosting a Residential Refresher Course (RRC) at Wayanad, Kerala

Topics : Capital Market Transactions

Speaker : CA Viswanathan K

Date : 14th and 15th May 2024, Tuesday, Wednesday

Place : Our Branch Premises

Topics : CPE Program on Accounting Standards

Speaker : Shasank Sekhar

Date : 25th May 2024, Saturday

Place : Our Branch Premises