

स्वर्णिम
भारत

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"INDIA RISES TO 4th
LARGEST WORLD
ECONOMY



Tax Practitioners' Association, Indore
TAX NEWS & VIEWS



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GLIMPSES OF TPA ACTIVITIES



CA Navin Khandelwal speaker on
Recent Judgments on GST



CA Krishna Garg speaker on
GST Appellate Tribunal Procedure



Adv. Sumeet Nema Speaker on
Arrest Provisions under GST



CA Deepak Maheshwari Speaker
on New ITR Forms



CA Assem Trivedi Speaker on
Shri Bhagvat Geeta for Tax Professionals



CA. Vikram Gupte Speaker on
Financial Statements of
Non Corporate Entities



Meeting with Shri Sudhakar Shinde DIT (C&IC), Income Tax



Meeting of GST Grievance Readressal Committee attended by
TPA nominee CA Krishna Garg



President MESSAGE

Work life balance is very important for us, in the months of May and June we are little bit easy to spend more time with family and friends enjoy holidays, this helps us in maintaining this balance ahead of busy season of Income Tax and Audit Compliances. We pay our homage to the families suffered during terrorist attack and are proud of brave soldiers of our country who fought without fear of life to defeat the enemy.

Various study circle meeting held on the contemporary subjects starting with preparation of appeals and stay applications under Income tax, Demand of GST on TDR, Arrest Provisions under GST, Rules and Procedures of GST Appellate Tribunal issued recently, on Changes in Tax Audit Clauses and Income Tax Return forms issued for AY 2025-26, Presentation of Non-Corporate Accounts.

Very Novel Study Circle meeting on Shrimad Bhagwat Geeta lessons for Tax Professionals held where speaker CA Assem Trivedi explained various useful lessons for the Holy Geeta and also presented an AI generated tool giving solutions for various issues on life. A free Health Checkup camp with Kokilaben Hospital organised for members and their families and well attended. We also tied up with Kokilaben Hospital for Executive Health Check at concessional rates for TPA members and their family.

Its high time for members to acquaint with power of Artificial Intelligence and Data Analytics and for that we have lined up study circle meetings this month for the benefit of our members on these.

This time we have many laurels for us at TPA, Hon. Secretary CA Abhay Sharma appointed as Independent Director in Hindustan Petroleum Corporation Limited, past president CA Manoj Gupta appointed as member in Direct Tax Committee of ICAI and our Executive Body Members CA Pankaj Shah appointed as member of ASEAN Federation of Accountants, we congratulate all of them.

Untimely our beloved senior member Late CA Shweta Ajmera departed to heavenly journey due to ill health, we express our condolence and gratitude towards her and family members. Her contribution in tax profession particularly in the field of international taxation is immense.

I request all the members to contribute their ideas, perspectives to enable us to take-up more inclusive and purposeful programs and study circle meeting. Wealth has no meaning unless we ourselves and our family is in good health therefore, I reiterate that we need to spare time and give high priority to Good Health of ourselves and family members.

With Seasons Greeting.

Sincerely Yours,
CA Jaiprakash Saraf





बोर्ड द्वारा जीएसटी रजिस्ट्रेशन के आवेदन प्रोसेस संबंधी निर्देश

बोर्ड द्वारा आवेदक द्वारा रजिस्ट्रेशन के संबंध में आने वाली परेशानियों का संज्ञान लेते हुए निम्न बातें बताई गई हैं –
व्यवसाय के मुख्य स्थल के संबंध में दस्तावेजों:

1. अगर कार्यस्थल आवेदक के खुद मालिकाना हक के हैं – इनमें से किसी भी एक दस्तावेज पर्याप्त माना जाएगा – प्रॉपर्टी टैक्स की रसीद, म्युनिसिपल खाता की कॉपी, बिजली का बिल, पानी का बिल या अन्य कोई भी राज्य अथवा स्थानीय कानून के अंतर्गत दस्तावेज जो जगह की मालिकाना हक तय करता है।

2. भवन किराये का हो – ऐसी दशा में आवेदक द्वारा किराए का एग्रीमेंट के साथ भवन के मालिकाना हक से संबंधित उपरोक्त बताए गए दस्तावेजों में से कोई भी एक दस्तावेज लगाना होगा। इस सम्बन्ध में विभाग द्वारा भवन मालिक का पैन नंबर, आधार नंबर, भवन के साथ फोटो इत्यादि मांगा जा रहा है वो उचित नहीं है। अगर रेंट एग्रीमेंट रजिस्टर्ड नहीं है तो भी रेंट एग्रीमेंट के साथ में उपरोक्त में से कोई भी एक दस्तावेज तथा उस दशा में भवन मालिक का कोई एक आइडेंटिटी प्रूफ पर्याप्त होगा। परन्तु रेंट एग्रीमेंट अगर रजिस्टर्ड है तो उपरोक्त में से कोई एक दस्तावेज पर्याप्त होगा तथा उस दशा में भवन मालिक के आइडेंटिटी प्रूफ की आवश्यकता नहीं रहेगी। और अगर बिजली का या पानी का कनेक्शन किरायेदार के नाम पर ही उपलब्ध है तो किराए के एग्रीमेंट के साथ वही दस्तावेज पर्याप्त मान लिए जाएंगे।



CA Sunil P Jain



CA Ayush S Jain,

3. अगर परिसर जीवन साथी, किसी रिश्तेदार अथवा अन्य के नाम हैं तथा किराया अनुबन्ध नहीं है तो एक सादे कागज पर उसका सहमति पत्र (कंसेंट लेटर) तथा उस रिश्तेदार का कोई एक पहचान दस्तावेज तथा परिसर के मालिक होने का उपरोक्त बताए गए किसी दस्तावेज में से एक दस्तावेज पर्याप्त रहेगा।

4. अगर परिसर किराये पर हैं परन्तु किराया अनुबन्ध उपलब्ध नहीं है तो ऐसी दशा में आवेदक द्वारा शपथ पत्र दिया जा सकता है और साथ में आवेदक के नाम का बिजली का बिल इस संबंध में पर्याप्त माना जाता है। शपथ पत्र नोटरी अथवा प्रथम दर्जे के जुडिशल मजिस्ट्रेट अथवा एकजीक्यूटिव मजिस्ट्रेट के सामने होना चाहिए।

5. अगर व्यवसाय का स्थल स्पेशल इकोनॉमिक जोन में है – ऐसी दशा में भारत सरकार द्वारा जारी किया गया इस सम्बद्ध के दस्तावेज अथवा प्रमाण पत्र लगाना अनिवार्य होगा।

व्यवसाय के गठन (Constitution) के सम्बन्ध में:

1. अगर आवेदक साझेदारी फर्म है तो ऐसी दशा में पार्टनरशिप डीड पर्याप्त जाएगी। इसके अलावा अन्य किसी दस्तावेज की आवश्यकता नहीं है।

2. अगर आवेदक कोई सोसाइटी, ट्रस्ट, क्लब, सरकारी विभाग, व्यक्तियों का समूह स्थानीय निकाय अथवा कोई वैधानिक संस्था है तो ऐसी दशा में उसके रजिस्ट्रेशन का प्रमाण पत्र अथवा उसके गठन का कोई दस्तावेज संलग्न करना होगा।

अवांछित जानकारी अनुचित:

विभाग द्वारा कई अतिरिक्त दस्तावेज जैसे कि आवेदक अथवा संचालक के निवास का प्रमाण पत्र, जिन वस्तुओं में आवेदक कार्य करना चाह रहा है वो निषेध है, जो कार्य आवेदक करना चाह रहा है

वह बताए गए परिसर से नहीं किया जा सकता है— जैसे प्रश्नों का पूछा जाना तथा दस्तावेज का मांगाजाना अनुचित है। विभाग को हिदायत दी जाती है कि व्यवसाय के पते अथवा गठन के सम्बन्ध में बारीक (डिपेअ) फर्क के सम्बन्ध में प्रश्न न उठाएं। बोर्ड ने मुख्य आयुक्त को हिदायत दी है कि अगर कोई भी अधिकारी

दिए गए निर्देशों के अलावा कार्य करता है

तो इसके विरुद्ध कठोर कार्रवाई की जाए।

रजिस्ट्रेशन के आवेदन की प्रोसेसिंग:

1. अधिकारी द्वारा बड़े ध्यान से दिए गए दस्तावेजों की जांच करनी चाहिए जैसे की वह पढ़ने योग्य है, पूर्ण है तथा दिए गए आवेदन के समरूप है। तथा जो दस्तावेज दिए गए हैं वह वेबसाइट, बिजली विभाग, नगर निगम इत्यादि पर उपलब्ध जानकारी से मेल खाती है। अगर पोर्टल द्वारा ऐसे आवेदन द्वारा डाटा एनालिस या अन्य रिस्क आधार पर रिस्की फ्लैग



नहीं किया है तथा कोई कमी नहीं है तो अधिकारी द्वारा अगले सात दिन में आवेदन मंजूर कर रजिस्ट्रेशन दे देना चाहिए।

2. और अगर ऐसे आवेदन द्वारा रिस्की फ्लैग किया गया है तो असिस्टेंट कमिशनर अथवा उच्च अधिकारी से अनुमति लेकर जगह का भौतिक सत्यापन कर के तीस दिन के अंदर रजिस्ट्रेशन दे देना चाहिए। जब भौतिक सत्यापन किया जाए उस अधिकारी द्वारा भौतिक सत्यापन की रिपोर्ट के साथ में **GPS enabled** फोटो तथा अन्य दस्तावेज पोर्टल पर **GSTR REG- 30** में आवेदन से कम से कम 30 दिन खत्म होने के पाँच दिन पहले अपलोड कर देना चाहिए। अपने भौतिक सत्यापन में दर्शाई गई जगह का होना न होना, तथा न ढूँढ पाने की स्थिति में ढूँढने के प्रयास, जगह के

मिलने पर जीपीएस आधारित फोटो तथा अगर किसी अन्य ज्यूडिक्शन से सम्बंधित होने पर अन्य अधिकारी द्वारा हस्तांतरित करने की जानकारी डालनी जाएगी।

रजिस्ट्रेशन आवेदन की कमियों के सम्बन्ध में जानकारी और दस्तावेज की मांग

1. अगर प्रस्तुत किए गए दस्तावेज अपूर्ण अथवा अपठनीय है अथवा प्रस्तुति के दस्तावेज से बताएँ गई व्यवसाय जगह का पता मेल नहीं खाता है अथवा बताए दस्तावेज प्रस्तुत नहीं किए गए हैं या फिर उसी पेन (**PAN**) से सम्बंधित पहले जीएसटी रजिस्ट्रेशन कैंसिल या सस्पेंड हुआ है, तो समुचित अधिकारी इस सम्बन्ध में आवेदक से स्पष्टीकरण अथवा कारण मांग सकता है।

इस तरह की मांग आवेदन की तारीख से 7 भीतर के अंदर कर दी जानी चाहिए।

2. अगर उस आवेदन द्वारा रिस्की फ्लैग नहीं किया गया है तथा किन्हीं दशाओं में निर्धारित दस्तावेज के अलावा अगर अधिकारी कुछ

और जानकारी चाहता है तो उसे पहले सहायक अथवा डिप्टी कमिश्नर से अप्रूवल लेनी जाएगी।

अगर अधिकारी द्वारा कुछ कमियां दिखाई गई हैं तो आवेदक द्वारा उसका निराकरण अगले सात कार्य दिवस के अंतर्गत **GST REG 04** में दिया जाना चाहिए। अगर अधिकारी उस जवाब से संतुष्ट हो जाता है तो अगले 7 कार्य दिवस के अंतर्गत रजिस्ट्रेशन दिया जाएगा और है अगर संतुष्ट नहीं होता तो अगले सात कार्य दिवस के अंदर विस्तृत कारणों को बताते हुए आवेदन द्वारा ऋद्ध ठएऋ -05 में निरस्त कर देगा। और अगर आवेदक ने जवाब ही नहीं दिया है तो सात दिन के इंतजार के बाद अगले सात दिन के अंदर आवेदन निरस्त कर दिया जाएगा।

RERA REGISTRATION



CA. Pranay Somani

KEY CONSIDERATIONS FOR RERA REGISTRATION

I. APPLICABILITY OF RERA REGISTRATION

Understanding the applicability of RERA registration is the first and foremost step. RERA registration is not a blanket requirement for all real estate projects.

THRESHOLD LIMITS:

- Any project where the area of land proposed to be developed exceeds five hundred square meters (500 sq. meters).
- Any project where the number of apartments proposed to be developed exceeds eight (8), inclusive of all phases of the project.

1. VERIFYING LEGAL TITLE :

Establishing Clear Ownership

A clear and marketable title is the bedrock of any real estate project. RERA registration necessitates the submission of title documents, and any ambiguity or dispute can lead to rejection of the application or significant delays.

INHERITED LAND (PARENTAL PROPERTY):

- In many cases, developers may be developing land that has been inherited. In such situations, a detailed review of the Khasra records for an extended period, ideally the past 30 years, is necessary.
- Mutation Records: If any ownership changes have occurred during the last 30 years, these changes

should be properly documented in the "Namantran Panji" (mutation) records. Mutation records are crucial for establishing the transfer of ownership and ensuring that the current ownership is valid.

- Will and Succession: If the land was inherited through a will, the will should be probated, and the succession should be clearly established as per the applicable laws.

2. Scrutinizing Permission Documents:

Ensuring Validity and Compliance

Real estate development requires a multitude of permissions and approvals from various authorities. RERA registration mandates the submission of these documents, and their validity and compliance are critical.

- Valid Permissions:
- It is essential to verify that all required permissions are not only obtained but also active and in force.

THESE PERMISSIONS MAY INCLUDE:

- **Colonizer License** : If the project involves the development of a colony, a valid colonizer license is required.
- **Town and Country Planning (TNCP) Approval:** Approval from the Town and Country Planning department is necessary for land use conversion and development plans.

► **Development Permission (Vikas Anumati):** This permission allows the developer to undertake construction activities on the land.

3. DEVELOPMENT AGREEMENT REVIEW

In many projects, the land may be owned by someone else, and the development is carried out by a developer under a development agreement. The terms of this agreement are crucial for RERA compliance.

AGREEMENT VALIDITY :

I It is essential to confirm that the development agreement period, as mentioned in the agreement, has not lapsed before submitting the RERA application. An expired agreement can create legal hurdles.

ALLOTTEE RIGHTS PROTECTION:

I The development agreement should be carefully reviewed to ensure that it does not contain any clauses that adversely impact the rights of prospective allottees (homebuyers). RERA aims to protect the interests of homebuyers, and any clause that undermines their rights will be viewed unfavourably.

AREA/REVENUE SHARING MECHANISM:

I The agreement should explicitly detail the mechanism for distributing the developed area between the developer and landowners (in area-sharing arrangements) or clearly specify the percentage of revenue to be shared by each party (in revenue-sharing arrangements). This clarity is essential to prevent future disputes regarding ownership and allocation.

4. SEPARATE BANK ACCOUNT :

Ensuring Financial Transparency

RERA mandates the creation of a separate bank account for each registered project to ensure financial transparency and prevent the diversion of funds.

PROJECT-SPECIFIC ACCOUNT :

I Developers are required to open a dedicated and separate bank account for each RERA-registered project. This account must be maintained with a Scheduled Bank, as defined under the Second Schedule to the Reserve Bank of India Act, 1934.

DEPOSIT OF ALLOTTEE FUNDS :

I All funds received from allottees (homebuyers) must be deposited into this designated bank account. This is a crucial requirement of RERA, aimed at preventing the misuse of funds.

COMPLIANCE WITH SECTION 4(2)(L)(D) :

I Developers must strictly adhere to the requirements outlined in Section 4(2)(L)(D) of the RERA Act. This section governs the withdrawal of funds from the project account and specifies the conditions under which withdrawals are permitted.

Withdrawal of Funds: To withdraw funds from the project account to cover the cost of the project, the following certificates must be submitted to the Scheduled Bank where the project account is maintained: Engineer's Certificate: This certificate, issued by a qualified engineer, should detail the actual cost incurred on the construction and development of the project. This certificate, issued by a practicing-chartered accountant, should provide a breakdown of the costs incurred on: Land Permissions and approvals Development activities Percentage of project completion. The maximum amount that the promoter is eligible Chartered Accountant's Certificate: to withdraw from the designated account.

WITHDRAWAL OF REMAINING AMOUNT:

I Once the promoter obtains the completion certificate for the project, they are permitted to withdraw the total sum held in the escrow/project account. This signifies the completion of the project and the fulfilment of the developer's obligations.

5. UNIT DETAILS

The promoter is required to furnish the details of all units within the project.

THE PROMOTER MUST PROVIDE COMPREHENSIVE DETAILS OF ALL UNITS IN THE PROJECT, INCLUDING:

- Plots
- Apartments
- Garages

I The promoter must also disclose details of any mortgage on the plots, apartments or garages.

I The payment challan for the RERA registration fee is generated based on these unit details. Accuracy is therefore critical.

6. Submission of Documents and Details at the Time of Registration

The RERA registration process involves the submission of various documents and details. It is crucial to ensure that all required documents are complete, accurate, and authenticated. Some of the key documents and details include:

1. PROMOTER DETAILS:

- I A brief profile of the promoter's enterprise, including:
 - ▶ Name of the Promoter Firm
 - ▶ Registered address
 - ▶ Type of enterprise (e.g., proprietorship, society, partnership, company.)
 - ▶ The names and photographs of the promoter or Promoter Partners or Directors

2. APPROVALS AND COMMENCEMENT CERTIFICATES:

- I Authenticated copies of the approvals and commencement certificates obtained from the competent authority, in accordance with the laws applicable to the real estate project.
- I If the project is proposed to be developed in phases, authenticated copies of the approvals and commencement certificates from the competent authority for each phase of the project.

3. DETAILS OF REAL ESTATE AGENTS:

- I Details of the real estate agent(s) appointed for the project (if any), along with their RERA registration number(s).

4. DRAFT BROCHURE:

- I A draft of the project brochure, detailing the facilities and amenities that the promoter proposes to provide to the allottees.

5. PROJECT WORK PLAN:

- I The promoter must specify the scheduled work plan for the completion of the project, aligning with the timelines mentioned in the development permission.
- I **Current Project Status:** The promoter is also required to submit the current status of the project, including the stage of construction.



6. Project History of the Promoter

RERA also emphasizes the past track record of the promoter.

- I The promoter is required to provide details of projects launched by them and their partners and directors (if any) in any capacity in the last 5 years.
- I These details should include:
 - I Project registration number (if registered)
 - I Current status of the project
 - I Reasons for any delays in completion
 - I If any of the previous projects were registered under RERA, it is essential to ensure that the quarterly compliance requirements for those projects have been met.
 - I Any pending RERA compliance for previous projects, including the payment of any applicable late fees, should be completed before applying for registration of a new project.

7. Cost of Land in Case of Parental Land or Land Received as a Gift

A significant component of the project cost is the cost of land.

- I In cases where the project land is parental land or has been received as a gift, the developer does not incur a direct cost towards the acquisition of ownership and title.

However, for the purpose of RERA registration, the cost of land needs to be determined. In such cases, the cost of land is calculated based on the value of the land as ascertained from the Annual Statement of Rates (ASR) prepared under the provisions of the Madhya Pradesh Stamp Act, which is relevant on the date of registration of the real estate project.

CANCELLATION AND REVOCATION OF GST REGISTRATION

CLAIM OF INPUT TAX CREDIT

Legal Provisions:

Under Section 29 of the CGST Act, the GST registration of a person can be cancelled for non-compliance, such as failure to file returns for a continuous period of six months. However, this cancellation can be revoked by the Appellate Authority, Appellate Tribunal, or Court under Section 30 of the Act, or via an order made by the relevant authorities. In cases where the registration is cancelled and subsequently revoked, there are provisions regarding the availment of Input Tax Credit (ITC).

Key Provisions:

Eligibility for ITC Post-Cancellation: If the registration of a taxpayer is cancelled and then revoked, the taxpayer shall be eligible to claim ITC in respect of any invoice or debit note for which ITC was not restricted under Section 16(4) on the date of the cancellation of the registration. This eligibility is subject to the following conditions:

1. Conditions for Claiming ITC:

- The taxpayer can avail of the ITC in a return filed under Section 39 within the prescribed time limits.

2. Time Limit for Claiming ITC:

- As per Section 16(4), the last date for claiming ITC on any invoice or debit note is the 30th November following the end of the financial year in which the invoice or debit note was issued, or the date of filing the relevant annual return, whichever is earlier.

3. Revocation of Registration and Claiming ITC:

- If the cancellation of registration takes place and is followed by revocation, the taxpayer can claim the ITC for the period of cancellation if they meet the necessary filing deadlines.

Illustrative Example:

- Date of Cancellation of Registration: 25th March 2024
- Reason for Cancellation: Non-filing of returns for six consecutive months (under Section 29(2)).



CA. Sahil Baghai

- Application for Revocation: Filed under Section 30, within the 90-day window (extendable to 180 days).

- Date of Revocation: 1st December 2024

Claiming ITC for the Period 25th April 2024 to 30th November 2024:

In this example, the taxpayer's registration was cancelled on 25th April 2024 and the registration is revoked on 1st December 2024. The taxpayer wishes to claim ITC for the period between the cancellation (25th April 2024) and the date of revocation (30th November 2024).

- According to Section 16(4), the last date to claim ITC for invoices/debit notes pertaining to the financial year 2023-24 is 30th November 2024 or the date of filing the annual return, whichever is earlier.

Amendment Relief:

As per the amended provisions, if the taxpayer files all the due returns within 30 days of the revocation order (i.e., by 31st December 2024), they can claim ITC for the period of cancellation (25th April 2024 to 30th November 2024) without being restricted by Section 16(4). This means the time limit under Section 16(4) does not apply, and the taxpayer can claim ITC as if they were still registered.

Conclusion:

Yes, in this case, the taxpayer can claim ITC for the period from 25th April 2024 to 30th November 2024, provided they have filed all returns within 30 days from the date of the revocation order (i.e., by 31st December 2024). The time limit prescribed under Section 16(4) will not apply, allowing the taxpayer to avail of ITC for the period of cancellation.



जी. एस. टी. अरेस्ट - कब, क्यों और कैसे ?



सीए. नवीन खंडेलवाल

एक महत्वपूर्ण चेक लिस्ट

राधिका अग्रवाल विरुद्ध यूनियन ऑफ इंडिया 2025 मामले में सम्मन, गिरफ्तारी के प्रावधानों की संवैधानिकता और उनके इस्तेमाल के तरीकों पर कोर्ट ने गाइड लाइन भी जारी की है गिरफ्तार किये जाने वाले पर्सन या आरोपी पर्सन या टैक्स पर्सन को क्या सेफगावार्ड्स अवेलेबल हैं और अथॉरिटीज को क्या जरूरी बातें ध्यान में रखनी है इस संबंध में कोर्ट ने बोर्ड द्वारा जारी किए गए सर्कुलर्स 2/2022-23 दिनांक 17.08.22 एवं 128/47//2019 दिनांक 23.12.19 को सही ठहराते हुए और उसमें उल्लिखित गाइड लाइन को फॉलो करने की सख्त हिदायत देते हुए कहा है कि

1. धारा 69 एवं धारा 132 के जो भी प्रावधान हैं वो सही हैं . बस उनका इस्तेमाल विवेकपूर्ण ढंग से और जरूरी परिस्थितियों में ही करना, सुनिश्चित करना होगा।

धारा 69 में कमिश्नर को पावर है की वो धारा 132 में उल्लेखित वाली निम्न परिस्थितियों में ही किसी पर्सन को गिरफ्तार करने के आदेश दे सकता है,

2. ऐसे हर मामले में केस डायरी में नोट करना होगी

उसके आधार पर महत्वपूर्ण साक्ष्य और ठोस कारणों व उनकी ग्रेविटी एवं क्राइम के आधार पर अपराध के प्रकार, उसमें आरोपी की भूमिका और गिरफ्तारी के कारणों का स्पष्ट उल्लेख करने के बाद ही गिरफ्तारी की जा सकेगी

3. किसी विवादास्पद मुद्दे पर डिफरेंस ऑफ ओपिनियन (टैक्स पेयर और अधिकारी के मध्य) के दम पर गिरफ्तारी नहीं हो सकती है।

4. कोर्ट ने खुलासा किया है की चूँकि जीएसटी के प्रावधानों में कोई मनाही नहीं है अतः एंटीसीपेटरीबल उचित परिस्थितियों में ली जा सकती है जो की शर्तयुक्त भी हो सकती है . ऐसी बेल तभी दी जा सकती है जबकि आवेदक को ये ठोस कारणों से लग रहा हो।

5. अगर मामला नॉन कॉग्निजेबल वाला है तो फिर ऐसी या डीसी लेवल के अधिकारी प्रोसीजर पूरी करके खुद ही जमानत पर छोड़ सकते हैं वारंट की जरूरत नहीं होगी .

6. इन्वेस्टीगेशन के दौरान विजिबल डिस्टेंस पर एडवोकेट (अधिकृत प्रतिनिधि नहीं) बिठा सकते हैं और इसके लिए अलग से आवेदन भी कर सकते हैं। नहीं दिये जाने पर देने पर लिखित में उसकी मनाही का कारण माँग सकते हैं।

7. वारंट अधिकारी को चाहिए कि वो अगर ऑफेंस कोग्निजेबल है तो मजिस्ट्रेट से गिरफ्तारी के पहले एक प्रॉपर वारंट प्राप्त करे उसके बाद ही गिरफ्तारी के लिए आगे की कार्रवाई करे।

8. साक्ष्य यानि जो मटेरियल है वह काल्पनिक, संदेहयुक्त या फैंसी या अनुमान आधारित ना हो बल्कि पूर्ण, स्पष्ट, सटीक और ठोस आधार वाला और सत्य हो।

इंटरप्रिटेशन का इशू ना हो स्पष्ट लीगल पोजीशन पर आधारित हो और वो साक्ष्य अपराध की ग्रेविटी और क्राइम स्पष्ट रूप से बयाँ करता हो।

कमिश्नर को चाहिए कि उस मटेरियल को प्रॉपर रिकॉर्ड पर लेकर फिर उस आधार पर पर्सन की भूमिका चिन्हित करके गिरफ्तारी की अनिवार्यता की स्थिति का उल्लेख करके ही आदेश जारी करे और ऑफिसर को उसके लिए अधिकृत करे।

9. जिसको भी अरेस्ट किया जाना है उस पर्सन अरेस्ट करने के कारण या ग्राउंड बताने होंगे लिखित में, जो कि अरेस्ट मेमो के एनेक्सर के रूप में होंगे।

अरेस्ट किए गए व्यक्ति के द्वारा नामित या अधिकृत व्यक्ति को अरेस्ट के संबंध में सूचना देनी होगी और इस सूचना की प्राप्ति के बावत पुष्टि भी अरेस्ट मेमो में प्राप्त करनी होगी।

गिरफ्तार किए गए व्यक्ति के हस्ताक्षर, मेमो पढ़ लिये जाने और जरूरी एनेक्सर होने की पुष्टि और अभिस्वीकृति के संबंध में लेने होंगे।

अरेस्ट मेमो जो बनेगा वो डिटेल्ड होगा उस पर अरेस्ट की तारीख और समय डले हुए हों।

गिरफ्तार किए गए पर्सन या आरोपी के साथ एक इंसान के जैसा व्यवहार किया जाना जरूरी

उसका मेडिकल एग्जामिनेशन भी कराया जाये ताकि संविधान के आर्टिकल 21 के तहत उपलब्ध लाइफ की सुरक्षा और लिबर्टी के अधिकारों का कोई हनन ना हो।

महिला की गिरफ्तारी महिला ही कर सकती है।

गिरफ्तारी की धमकी देकर टैक्स नहीं भरवाया जा सकता

10. अरेस्ट की कार्रवाई सोच समझकर विवेक पूर्ण तरीके से ही की जा सकती ना कि मनचाहे तरीके से मनगढ़ंत आधारों पर या प्रताड़ित करके।

11. अरेस्ट के बाद 24 घंटे के अंदर आरोपी को मजिस्ट्रेट के सामने प्रस्तुत किया जाना चाहिए

12. प्रॉसिक्यूशन कंप्लेंट समय सीमा यानि अरेस्ट मेमो की डेट से 60 दिन में ही करनी है।



CA. Manoj P. Gupta

Financial Statements for Non-Corporate Entities

The ICAI new accounting guidelines for Non-Corporate entities is a welcome step in improving financial reporting standards in India. While the transition may initially be challenging, the new format will benefit Non-Corporate Entities with enhanced creditability.

The key issues are as below:

1. Standardized format of Balance sheet & Statement of Profit & loss account to be used.
2. Figures of previous year to be given now. Hence , along with the financials of FY 2024-25 the figures of FY 2023-24 are also required to be shown.
3. The figures may be rounded off to the nearest hundreds, thousands, lakhs or millions or decimals thereof.
4. An asset to be classified as 'Current' if it is expected to be realized within twelve months after the reporting date. Similarly the liability will be treated as 'Current' if it is due to be settled within twelve months after the reporting date.
5. A receivable shall be classified as 'Trade Receivable' if it is in respect of the amount due on the account of goods or services sold. A payable shall be classified as 'Trade Payable' if it is in respect of amount due on account of goods purchased or services received.
6. Terms of the repayment of the Bank Loans shall be stated along with security details. Borrowings shall be classified as secured or unsecured.
7. The amount due for payment to Micro, Small & Medium Enterprises (MSME) to be disclosed separately.
8. The term 'Property Plant & Equipment' to be used instead of 'Fixed Assets'.
9. Goodwill, Brands, Trademarks, Computer Software, Mining Rights, Copyrights, Patents etc to be separately shown as 'Intangible Assets'.
10. Market value to be disclosed in case of Quoted Investments.
11. Provision for the diminution in the value of the

investments to be disclosed.

12. Security Deposits and Bank Deposits with more than 12 months maturity to be classified as 'Non-Current Assets'.
13. Trade Receivables to be disclosed as due within six months or due for more than six months .These are to be classified as secured & unsecured.
14. Bank deposit with maturities of less than 3 months to be shown as 'Cash & Cash Equivalents'. Bank deposits with maturities of more than 3 months but less than 12 months to be shown as 'Other Bank Balance'.
15. Loans & Advances to be classified as 'Loans & Advances to Related Parties' & 'Loans & Advances to others'.
16. Auditor's remuneration to be disclosed separately.
17. Any item of income or expenditure which exceeds one percent of revenue from operations or Rs 100000 whichever is higher is to be shown separately.
18. Prior period items to be shown separately.
19. Interest paid to Partners is to be shown as Finance cost.
20. Deferred tax liability to be calculated and shown in the relevant cases.
21. Provision of Income Tax is to be shown net of advance tax.
22. The relevant accounting standards to be disclosed in notes to accounts.

The new guideline will increase burden on Chartered Accountants & Tax Professionals. Its successful implementation will require training to the accounting staff of the client, training of CA article assistants & pre –discussion of the requirements with the client.

Financial report

Balance sheet

Assets	1,734,826
Current assets	88,905
Non-current assets	1,645,921
Liabilities	166,630
Current liabilities	110,327
Non-current liabilities	56,303
Equity	74,393
Paid-in capital	72,921
Retained earnings	1,472

Equity statement

Current year	1,774,576
Comprehensive income	15,897
Issue of share capital	88,905
Dividends	23,853
Previous year	166,630
Comprehensive income	110,327
Issue of share capital	56,303
Dividends	67,676

Income statement

Revenues	12,978,516
Net sales	12,873,892
Investment	104,624
Expenses	6,372,535
Research and Development	1,385,395
Operating expenses	4,439,118
Marketing	548,022
Net income	6,505,981

Cash flow statement

Operations	12,978,516
Earnings	12,873,892
Investment	104,624
Investing	6,372,535
Real estate	1,385,395
Equipment	4,439,118
Financing	6,505,981
Debt	6,505,981



Uniformity in Financial Reporting: Mandatory Compliance for Non-Corporate Entities

To ensure uniformity, transparency, and comparability in financial reporting, it is essential that all entities, whether corporate or non-corporate, appropriately comply with Accounting Standards. In this respect non-corporate entities have been classified by ICAI into four levels (Level I to Level IV) based on their size and complexity :

Non-corporate entities that fall into any one or more of the following categories at the end of the accounting period

- | | | | |
|---|--|---|---|
| <ul style="list-style-type: none"> Entities whose securities are listed on any stock exchange or are in the process of being listed. Banks (including co-operative banks), financial institutions, or entities engaged in insurance business. Entities whose turnover (excluding other income) exceeds ₹250 crores. Entities having borrowings (including public deposits) exceeding ₹50 crores at any time during the accounting period. Holding or subsidiary entities of any of the above | <ul style="list-style-type: none"> Entities whose turnover exceeds ₹50 crores but is less than or equal to ₹250 crores. Entities having borrowings exceeding ₹10 crores but less than or equal to ₹50 crores. Holding or subsidiary entities of any of the above. | <ul style="list-style-type: none"> Entities whose turnover exceeds ₹10 crores but is less than or equal to ₹50 crores (excluding other income). Entities having borrowings exceeding ₹2 crores but less than or equal to ₹10 crores. Holding or subsidiary entities of any of the above. | <ul style="list-style-type: none"> Entities that do not fall under Level I, Level II, and Level III. |
|---|--|---|---|

Level I entities are required to fully comply with all Accounting Standards. For Level II, III, and IV entities, certain relaxations and exemptions from compliance requirements have been provided and some Accounting Standards are not applicable to these entities. The Accounting Standards like AS 3-“Cash Flow Statements”, AS 17- “Segment Reporting”, AS 20- “Earnings Per Share”, AS 21- “Consolidated Financial Statements”, AS 23- “Accounting for Investments in Associates in Consolidated Financial Statements”, AS 25-“Interim Financial Reporting”, AS 27-“Financial

Reporting of Interests in Joint Ventures” are not applicable to Level II, III, and IV non-company entities. In addition to the above, AS 18- “Related Party Disclosures” and AS 24-“Discontinuing Operations” are also not applicable to Level III and Level IV entities. Along with mentioned above, AS 28-“Impairment of Assets” is also not applicable to Level IV entities. Level II, III, and IV non-company entities have been granted certain exemptions or relaxations from the requirements of some Accounting Standards, which are as follows:

Accounting Standard	Relaxation / Exemption from applicability of certain paragraph		
	Level II	Level III	Level IV
AS 10 – Property, Plant & Equipment	-	Para 87	Para 87
AS 11 – The Effects of Changes in Foreign Exchange Rates (Revised 2018)	-	Para 44	Para 44
AS 15 – Employee Benefits (Revised 2005)			
a. If average number of employees during the year is 50 or more	Paras 11–16, 46, 139, 50–116, 117–123, 129-139	Paras 11–16, 46, 139, 50–116, 117–123, 129-139	
b. If average number of employees during the year is less than 50	Paras 11–16, 46, 139, 50–116, 117–123, 129-139	Paras 11–16, 46, 139, 50–116, 117–123, 129-139	
AS 19 – Leases	Paras 22(c)(e)(f), 25(a)(b)(e), 37(a)(f), 46(b)(d)	Paras 22(c)(e)(f), 25(a)(b)(e), 37(a)(f) (g), 46(b)(d)(e)	Paras 22(c)(e)(f), 25(a)(b)(e), 37(a)(f), 46(b)(d), 38
AS 28- Impairment of Assets	Para 121(g)	Paras 121(c)(ii), (d)(i), (d)(ii), 121(g)& 123	Paras 90(d)(iii); 90(d)(iv), 98
AS 26 – Intangible Assets	-	-	Paras 90(d)(iii); 90(d)(iv), 98
AS 29 – Provisions, Contingent Liabilities and Contingent Assets (Revised 2016)	Paras 66 & 67	Paras 66 & 67	Paras 66 & 67



Consequences of failure to comply with the guidance note:

- **Rejection by Tax Authorities, Banks, and Other Institutions:** If a non-corporate entity fails to comply with the accounting standards and disclosure requirements outlined in the Guidance Note, the tax authorities may reject the financial reports. This can lead to delays in verification or reassessment. Banks and financial institutions may refuse to provide loans, credit, or other financial assistance. There may also be obstacles in doing business or investing with foreign entities.
- **Disciplinary Action by ICAI:** If a member fails to follow the Guidance Note, they may be classified under "professional misconduct." In such cases, the member could face actions such as a warning, fine, cancellation of their Certificate of Practice (COP), or suspension from registration.
- **Damage to Professional Credibility:** Non-compliance with standards in reports may lead clients, users, and investors to believe that there is a lack of discipline and transparency in your work. This damages your professional credibility, and in the long term, it could harm your client base and referral network. A qualification in the audit report can have a negative impact on your professional image.

- **Loss of Client Trust:** If a client realizes that you have failed to follow the standards, they may feel that you deliberately ignored the rules or lack of knowledge of the regulations. This could lead to a loss of trust, and the client may seek the services of another professional.

It is of utmost importance that all non-corporate entities adhere strictly to the Guidance Note on Financial Statements of Non-Corporate Entities and the relevant Accounting Standards, as applicable to their respective classification levels (Level I to Level IV). These classifications are designed to align accounting requirements with the size, complexity, and financial significance of the entity.

Entities must not only apply these standards appropriately but also disclose clearly in their financial statements the level they fall under and whether any exemptions or relaxations have been availed. This transparency is essential, as it fosters trust among stakeholders. In conclusion, adherence to the prescribed formats and disclosure requirements is not just a regulatory obligation but a foundational step toward establishing the financial integrity, sustainability and long-term success of a non-corporate entity.



DR. CA. ANKITA JAIN

GLIMPSES OF TPA ACTIVITIES



Welcome of Shri Akash Singhai CGST Addl. Commissioner



Welcome of CCIT, Indore Shri Pradeep Hedau



Welcome of Pr. CIT, Indore Rahul Raman



Welcome of Pr. CIT Dr. Rajaram Sah, VU, Indore and
Shri Kishore S. Pr. CIT (Central), Bhopal



Welcome of Jt. CIT Shri Sandeep Ahuja, Indore



Cyclothon at CGST on 8th Year of GST

Free Health checkup camp by Kokilaben Ambani Hospital



Welcome of CGST Audit Commissioner Shri Piyush Bhati



(L to R) Shri Piyush Bhati , Shri Sunil Sahu , CA J P Saraf , CA Manoj P Gupta,
CA Krishna Garg, CA Umesh Goyal & CA Deepak Maheshwari

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