



Accountants' Library Newsletter

For Private Circulation Only

August 2018



Dear Members,

We are happy to publish the second issue of the Newsletter of the Accountants' Library in the tenure of the present Committee of Management. We are happy to respond to the need of our professional fraternity who are continuously demanding more issues of the Newsletter.

Accountants' Library is poised to help the professionals to increase their knowledge in all concurrent changes taking place around us. In addition to the well maintained libraries in Aayakar Bhawan and ITAT Kolkata, we have installed an online referencer in tax matter and noted that more and more members are using the resource for their professional need.

We are organizing regular CPE programmes for our members and other professionals on current issues. The number of participation in our programmes is always encouraging.

Most recently we have started organizing interactive learning sessions at Aayakar Bhawan Library where the participants discuss the pertinent issues of professional interest among themselves with threadbare analysis with the help of an anchor. We encourage all our members to take part in these programmes to develop their professional skills and for removal of doubts.

All the professionals are now busy with loads of work. I appeal to hold the professional integrity and social

accountability ahead of everything else.

With warm regards and best wishes,
CA. Malay Goswami,
President, Accountants' Library
August, 2018



Dear Members,

It gives me immense pleasure to communicate with you after December, 2017. I feel absolutely privileged to bring out the 2nd edition of the Newsletter of the Accountants Library for the year 2017-18.

I am happy to share with you the activities of our Accountants Library during this period. Our Study Circle held the Annual Conference 2017, Seminar on Finance Bill 2018 & Bank Audit and a number of CPE Programmes at the Multipurpose Hall at Ayakar Bhawan on matters of professional interest of our fraternity. I can proclaim that all these have been very successful. I extend my special thanks to CA Srikumar Banerjee, Chairman of the Annual Conference Committee as well to the Deputy Convenor of our Study Circle CA Kaushick Mallick.

As we come to the end of 2017-18 as well as to the impending Annual General Meeting of the Accountants Library on 14th September 2018, I as Chairman of the Newsletter Sub-Committee of the Library thank our President CA Malay Goswami and all members of the Committee of Management for extending their support and help throughout the year which enabled us to bring out 2 editions of this Newsletter consecutively for 2 years. We hope to keep up this good work in the years to come.

Wishing you in advance for the ensuing festival

With Warm Regards,
Yours in Professional Fellowship,
CA. Sumantra Guha
Chairman Newsletter Sub-Committee
21st August, 2018



CA. SUMANTRA GUHA, Convenor



CA. MANOJ TIWARI, Speaker



CA. ABHISHEK TIBREWAL, Speaker



CA. KRISHANU BHATTACHARYYA, Speaker



CA. MALAY GOSWAMI, President



CA. SRIKUMAR BANERJEE, Speaker

An Overview of
Prevention of Money Laundering Act, 2002
By CA. Sumantra Guha

Meaning of money laundering

The term "money laundering" is said to have originated from the Mafia ownership of Laundromats (a self – service laundry service mark laundromat) in the United States. In Black's Law of Lexicon the term laundering is referred to as "investment or other transfer of money flowing from racketeering, drug transactions and other sources (illegal sources) into legitimate channels so that its original source cannot be traced."

Common Sources of Illegal Money

Following are some of the most common criminal activities that generate illegal money.

Drug trafficking

Organised crime, e.g., extortion, loan sharking, kidnapping, contract killing, gambling, protection money, adulteration, bank frauds, corruption, etc.

Slush funds maintained by corporations, e.g., bribery, payment to political parties, politicians, etc.

International trafficking in arms

International trafficking in human beings

Smuggling

Basic Money Laundering Cycle

Money laundering is a single process however; its cycle can be broken down into three distinct stages:-

1. **Placement:** It is the first and the initial stage when the crime money is injected into the formal financial System.
2. **Layering:** Under the second stage, money injected into the system is moved or spread over various transactions in different accounts and different countries. Thus, it will become difficult to detect the origin of the money.
3. **Integration:** Under the third and final stage, money enters the financial system in such a way that original association with the crime is sought to be obliterated so that the money can then be used by the offender or person receiving as clean money.

- a. Structuring ("Smurfing")
- b. Bank Complicity
- c. Money Services and Currency Exchanges
- d. Asset Purchases with Bulk Cash
- e. Electronic Funds Transfer
- f. Postal Money Orders
- g. Credit Cards
- h. Casinos
- i. Refining
- j. Legitimate Business / Co-mingling of Funds
- k. Value Tampering
- l. Loan Back

The prevention of Money Laundering Act, 2002 (PMLA 2002) and the rules notified there under came into effect on July 1, 2005. Director, FIU-IND and Director (Enforcement) have been conferred with exclusive and concurrent powers under relevant sections of the Act to implement the provisions of the Act. It consists of ten Chapters containing 75 sections and one Schedule.

Offence of Money Laundering

Section 3 of the Act, States that whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with proceeds of crime including its concealment, possession, acquisition or use and projecting or claiming it as untainted property shall be guilty of offence of money-laundering.

Section 2(1)(u) defines " Proceeds of crime" as any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a scheduled offence or the value of any such property or where such property is taken/held outside the country, then the property equivalent in value held within the country.

The term "Scheduled offence" has been defined in clause (y) of sub –section (1) of section 2. It means -

- i. The offences specified under part A of the schedule; or
- ii. The offences specified under part B of the schedule if the total value involved in such offences is one crore rupees or more; or
- iii. The offences specified under part C of the schedule.

Schedules
Part A

1. Certain Offences under the Indian Penal Code
2. Certain Offences under the Narcotic Drugs and Psychotropic Substances Act, 1985
3. Certain Offences under the Explosive Substances Act, 1908
4. Certain Offences under the Unlawful Activities (Prevention) Act, 1967
5. Certain offences under the Arms Act, 1959
6. Certain offences under the Wildlife (protection) Act, 1972
7. Certain offences under the Immoral Traffic (Prevention) Act, 1956
8. Certain offences under the Prevention of Corruption Act, 1988
9. Certain offences under the Explosives Act, 1884
10. Certain offences under the Antiquities and Arts Treasures Act, 1972
11. Certain offences under the Securities and Exchange Board of India Act, 1992
12. Certain offences under the Customs Act, 1962
13. Certain offences under the Bonded Labour System (Abolition) Act, 1976
14. Certain offences under the Child Labour (Prohibition and Regulation) Act, 1986
15. Certain offences under the Transplantation of Human Organs Act, 1994
16. Certain offences under the Juvenile Justice (Care and Protection of Children) Act, 2000
17. Certain offences under the Emigration Act, 1983
18. Certain offences under the Passports Act, 1967
19. Certain offences under the Foreigners Act, 1946
20. Certain offences under the Copyright Act, 1957
21. Certain offences under the Trade Marks Act, 1999
22. Certain offences under the Information Technology Act, 2000
23. Certain offences under the Biological Diversity Act, 2002
24. Certain offences under the Protection of Plant Varieties and Farmers' Rights Act, 2001
25. Certain offences under the Environment Protection Act, 1986
26. Certain offences under the Water (Prevention and Control of Pollution) Act, 1974
27. Certain offences under the Air (Prevention and Control of Pollution) Act, 1981

1. Certain offences under the Suppression of Unlawful Acts Against Safety of Maritime Navigation and Fixed Platforms on Continental Shelf Act, 2002

Part B

1. Offence under Section 132 of the Customs Act, 1962 relating to false declaration, false documents etc.

Part C

An offence which is the offence of cross border implications and is specified in, -

1. Part A; or
2. The offences against property under Chapter XVII of the Indian Penal Code.
3. The offence of wilful attempt to evade any tax, penalty or interest referred to in section 51 of the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015

Punishment for Offence of Money Laundering

Section 4 of the Act, States that whoever commits the offence of money – laundering shall be punishable with rigorous imprisonment for a term which shall not be less than three years but which may extend to seven years and also be liable to fine. But where the proceeds of crime involved in money – laundering relate to any offence specified under paragraph 2 of Part A of the Schedule (i.e. Offences under the Narcotic Drugs and Psychotropic Substances Act, 1985), the maximum punishment may extend to ten years instead of seven years.

Attachment of Property Involved in Money Laundering

Section 5 of the Act, States that where the Director or Deputy Director authorized by him on the basis of material in his possession has reason to believe (which should be recorded in writing) that –

- a. Any person is in possession of any proceeds of money laundering and
- b. Such proceeds of crime are likely to be concealed, transferred or dealt with in any manner, which may result in frustrating any proceedings relating to confiscation of such proceeds of crime, then he may provisionally attach such property for a maximum period of 180 days from the date of order. Every order of attachment shall cease to have effect after the expiry of 180 days or the date of order made under section 8(2) by the Adjudicating Authority whichever is earlier.

Adjudication

On receipt of complaint under sub section (5) of section 5, or application made under sub section (4) of section 17 or under sub section (10) of section 18, if the adjudicating authority has reasons to believe that offence u/s 3 has been committed by a person, then he may serve a notice of minimum 30 days to call upon such person to indicate the source of income/earnings by means of which he has acquired the attached property and to give him a chance to prove his innocence.

If the adjudicating Authority decides under section 8(2) that any property is involved in money-laundering, he shall confirm the attachment of property made under section 5(1) or retention of the property.

Vesting of Property in Central Government

Section 9 of the Act states that where an order of confiscation has been made under sub section (5) of sub section (7) of section 8 or section 58B or sub section (2A) of section 60 in respect of any property of a person, all the rights and title in such property shall vest absolutely with the Central Government free from all encumbrances.

The Reporting Entities shall furnish to the Director (Financial Intelligence Unit) within such time as may be prescribed information relating to such transactions whether attempted or executed, the nature and value of which may be prescribed under Rule 7 & 8 of PMLMR Rules. The Director also has power to impose fine and u/s 13 of the Act, he may direct such reporting entity to get its records audited by a Chartered Accountant from among the panel appointed by the Central Govt. The expenses for such audit will also be borne by the Central Govt. The Enforcement Directorate also has powers of survey, search & seizure, arrest, retention of property & records, to prefer appeals before the Appellate Tribunal and also to file complaints before the special court.

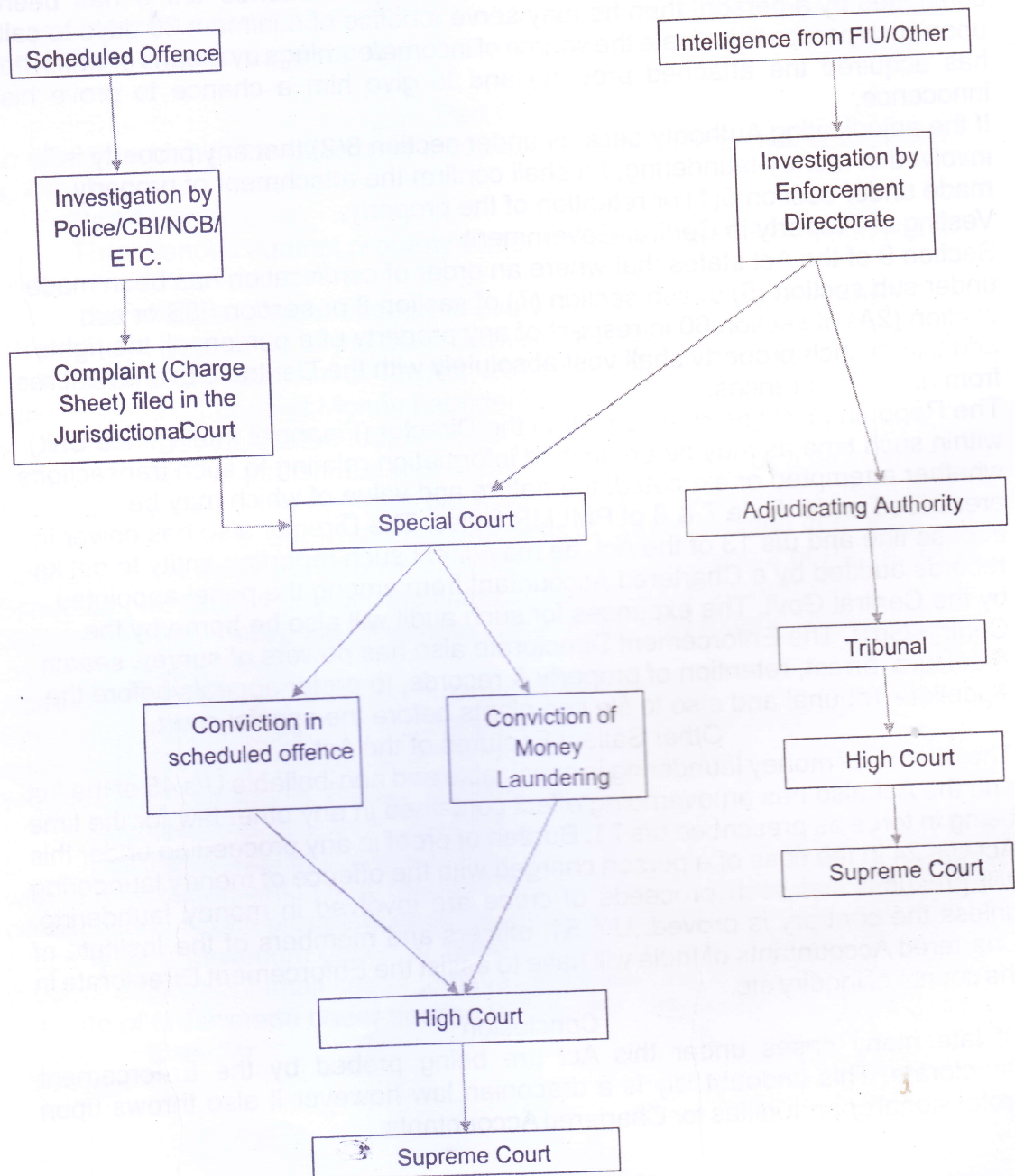
Other Salient Features of the Act

The offence of money laundering is cognizable and non-bailable U/s 45 of the Act and the Act also has an overriding effect contained in any other law for the time being in force as prescribed u/s 71. Burden of proof in any proceeding under this Act U/s 24 in the case of a person charged with the offence of money laundering will presume that such proceeds of crime are involved in money laundering, unless the contrary is proved. U/s 54, officers and members of the Institute of Chartered Accountants of India will have to assist the Enforcement Directorate in the course of inquiry etc.

Conclusion

Of late many cases under this Act are being probed by the Enforcement Directorate. This undoubtedly is a draconian law however it also throws upon professional opportunities for Chartered Accountants

The flow chart of the activity process of the Enforcement Directorate is enumerated below



Audit Risk and Auditors under International Standards of Auditing (ISA)
CA. Sandip Dey B.Com (H), FCA

The business environment is subject to continuous change. Auditing practice likewise changes, and there is a need for standard setters to keep standards under review to ensure that they remain appropriate. Recent changes in the business environment include the way entities are organized and conduct their business; the effects of globalization and technology; the increasing use of judgment and estimates, including fair values, required by accounting standards; and increasing pressures that may cause fraudulent financial reporting. The IAASB and the US Auditing Standards Board (ASB) decided that the core auditing standards should be reviewed in the light of these changes.

A significant portion of the results of this review is the Audit Risk Standards. The Standards include significant changes to improve the standards and guidance on the auditor's performance of audits.

Risk implies future uncertainty about deviation from expected earnings or expected outcome. Risk measures the uncertainty that an investor is willing to take to realize a gain from an investment. Audit risk is the risk that the financial statements are materially incorrect, even though the audit opinion states that the financial reports are free of any material misstatements. Because creditors, investors, and other stakeholders rely on the financial statements, audit risk may carry legal liability for a CA firm performing audit work.

Risk assessment is critical to the conduct of all financial statement audits. The idea of a 'risk-based' approach to auditing has been around for at least 20 years, and it is not a difficult concept: it refers to the focus of the audit process on those areas that are most at risk of material misstatement. But both auditors and regulators report problems in applying the relevant auditing standards consistently.

The last major revision to the auditing standards governing risk assessment in an audit (the 'risk ISAs' referring to ISAs 315 Identifying and assessing the risks of material misstatement through understanding the entity and its environment and 330 The auditor's procedures in response to assessed risks) was finalised in 2003. Firms of all sizes initially struggled to apply the new requirements and there was general agreement that while there was nothing inherently difficult about the new ISAs, they were unwieldy, not an easy read, and that they were particularly hard to apply to smaller, less complex audits.

A 'clarification' process in 2010 was intended to eliminate unnecessary complexity in the structure of the ISAs, to make them clearer. Despite this, some believe that the risk ISAs are still unnecessarily lengthy, still hard to apply to smaller less complex audits and that they may be conceptually flawed, as well as being out of date.

International Standards on Auditing (ISAs) apply to audits of all sizes and they must accommodate the largest of audits, in all of their complexity, as well as smaller ones. While they are intended to be capable of proportionate application to smaller, less complex audits, problems in applying them persist and many auditors continue, after over a decade, to struggle to apply them efficiently to such audits. There are a number of reasons for this. Part of the issue is a lack of understanding of the standards themselves among some auditors. But extensive educational efforts by professional bodies and others have not eliminated these problems, some of which seem intractable. Part of the problem inevitably lies in the ISAs themselves, and some problems almost certainly pre-date all of the changes.

For example, for auditors of smaller, less complex entities, there are continuing problems with the work required on internal controls as part of understanding the business, even when a wholly substantive approach is taken. In many audits there are problems with the linkages between risk assessment and the auditors' response, and both regulators and auditors complain about inconsistencies in how risks, and particularly 'significant risks', which require additional audit work, are defined in the ISAs and assessed in practice.

Entity's Risk Assessment Process:

Auditors should assess whether the entity has a process to identify the business risks relevant to financial reporting objectives, estimate the significance of them, assess the likelihood of the risks occurrence, and decide actions to address the risks. If auditors have identified such risks, then auditors should evaluate the reasons why the risk assessment process failed to identify the risks, determine whether there is significant deficiency in internal controls in identifying the risks, and discuss with the management.

The Information System and relevant Business Processes:

Auditors should also obtain an understanding of the information system, including the related business processes, relevant to financial reporting, including the following areas:

- a) The classes of transactions in the entity's operations that are significant to the financial statements. The procedures that transactions are initiated, recorded, processed, corrected as necessary, transferred to the general ledger and reported in the financial statements.
- b) How the information system captures events and conditions that are significant to the financial statements.
- c) The financial reporting process used to prepare the entity's financial statements.
- d) Controls surrounding journal entries.
- e) Understand how the entity communicates financial reporting roles, responsibilities and significant matters to those charged with governance and external – regulatory authorities.

Control Activities Relevant to the Audit:

Auditors should obtain a sufficient understanding of control activities relevant to the audit in order to assess the risks of material misstatement at the assertion level, and to design further audit procedures to respond to those risks. Control activities, such as proper authorisation of transactions and activities, performance reviews, information processing, physical control over assets and records, and segregation of duties, are policies and procedures that address the risks to achieve the management directives are carried out.

Monitoring of Controls:

In addition, auditors should obtain an understanding of major types of activities that the entity uses to monitor internal controls relevant to financial reporting and how the entity initiates corrective actions to its controls. For instance, auditors should obtain an understanding of the sources and reliability of the information that the entity used in monitoring the activities. Sources of information include internal auditor report, and report from regulators.

Limitations of Internal Control Systems:

Effective internal control systems can only provide reasonable, not absolute, assurance to achieve the entity's financial reporting objective due to the inherent limitations of internal control – for example, management override of internal controls. Therefore, auditors should identify and assess the risks of material misstatement at the financial statement level and assertion level for classes of transactions, account balances and disclosures.

MINISTRY OF FINANCE

(Department of Revenue)

(CENTRAL BOARD, OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 20th July, 2018

G.S.R. 666(E). – In exercise of the powers conferred by section 44AB read with section 295 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:—

1. (1) These rules may be called the Income-tax (8th Amendment) Rules, 2018.

(2) They shall come into force from the 20th day of August, 2018.

2. In the Income-tax Rules, 1962, in Appendix II, in Form No. 3CD,-

(i) in serial number 4,-

(a) after the words "sales tax," the words "goods and services tax," shall be inserted;

(b) after the words "registration number or", the words "GST number or" shall be inserted;

(ii) in serial number 19, in the table, after the row with entry "32AC", the row with entry "32AD" shall be inserted;

(iii) in serial number 24, after the words "32AC or", the words "32AD or" shall be inserted;

(iv) in serial number 26, for the words "or (f)", the words ", (f) or (g)" shall be substituted;

(v) after serial number 29 and the entries relating thereto, the following shall be inserted, namely:-

"29A. (a) Whether any amount is to be included as income chargeable under the head 'income from other sources' as referred to in clause (ix) of sub-section (2) of section 56? (Yes/No)

(b) If yes, please furnish the following details:

(i) Nature of income:

(ii) Amount thereof:

29B. (a) Whether any amount is to be included as income chargeable under the head 'income from other sources' as referred to in clause (x) of sub-section (2) of section 56? (Yes/No)

(b) If yes, please furnish the following details:

(i) Nature of income:

(ii) Amount (in Rs.) thereof:";

(vi) after serial number 30 and the entries relating thereto, the following shall be inserted, namely:

"30A. (a) Whether primary adjustment to transfer price, as referred to in sub-section (1) of section 92CE, has been made during the previous year? (Yes/No)

(b) If yes, please furnish the following details:-

(i) Under which clause of sub-section (1) of section 92CE primary adjustment is made?

(ii) Amount (in Rs.) of primary adjustment:

(iii) Whether the excess money available with the associated enterprise is required to be repatriated to India as per the provisions of sub-section (2) of section 92CE? (Yes/No)

(iv) If yes, whether the excess money has been repatriated within the prescribed time (Yes/No)

(v) If no, the amount (in Rs.) of imputed interest income on such excess money which has not been repatriated within the prescribed time:

30B. (a) Whether the assessee has incurred expenditure during the previous year by way of interest or of similar nature exceeding one crore rupees as referred to in sub-section (1) of section 94B? (Yes/No)

(b) If yes, please furnish the following details:-

(i) Amount (in Rs.) of expenditure by way of interest or of similar nature incurred:

(ii) Earnings before interest, tax, depreciation and amortization (EBITDA) during the previous year (in Rs.):

(iii) Amount (in Rs.) of expenditure by way of interest or of similar nature as per (i) above which exceeds 30% of EBITDA as per (ii) above:

(iv) Details of interest expenditure brought forward as per sub-section (4) of section 94B:

A.Y.	Amount (in Rs.)

(v) Details of interest expenditure carried forward as per sub-section (4) of section 94B:

A.Y.	Amount (in Rs.)

30C. (a) Whether the assessee has entered into an impermissible avoidance arrangement, as referred to in section 96, during the previous year? (Yes/No)

(b) If yes, please specify:-

(i) Nature of the impermissible avoidance arrangement:

(ii) Amount (in Rs.) of tax benefit in the previous year arising, in aggregate, to all the parties to the arrangement:";

(vii) in serial number 31,-

(A) after clause (b), the following clauses and entries relating thereto shall be inserted, namely:-

“(ba) Particulars of each receipt in an amount exceeding the limit specified in section 269ST, in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or

occasion from a person, during the previous year, where such receipt is otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account:

- (i) Name, address and Permanent Account Number (if available with the assessee) of the payer;
- (ii) Nature of transaction;
- (iii) Amount of receipt (in Rs.);
- (iv) Date of receipt;

(bb) Particulars of each receipt in an amount exceeding the limit specified in section 269ST, in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion from a person, received by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year:—

- (i) Name, address and Permanent Account Number (if available with the assessee) of the payer;
- (ii) Amount of receipt (in Rs.);

(bc) Particulars of each payment made in an amount exceeding the limit specified in section 269ST, in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion to a person, otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account during the previous year:—

- (i) Name, address and Permanent Account Number (if available with the assessee) of the payee;
- (ii) Nature of transaction;
- (iii) Amount of payment (in Rs.);
- (iv) Date of payment;

(bd) Particulars of each payment in an amount exceeding the limit specified in section 269ST, in aggregate to a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion to a person, made by a cheque or bank draft, not being an account payee cheque or an account payee bank draft, during the previous year:—

- (i) Name, address and Permanent Account Number (if available with the assessee) of the payee;
- (ii) Amount of payment (in Rs.);

(Particulars at (ba), (bb), (bc) and (bd) need not be given in the case of receipt by or payment to a Government company, a banking Company, a post office savings bank, a cooperative bank or in the case of transactions referred to in section 269SS or in the case of persons referred to in Notification No. S.O. 2065(E) dated 3rd July, 2017):

- (B) in item (c), in sub-item (v), for the words "taken or accepted", the word "repaid" shall be substituted;
- (C) in item (d), in sub-item (ii), after the words "amount of", the words "repayment of" shall be inserted;
- (D) in item (e), in sub-item (ii), after the words, "amount of", the words "repayment of" shall be inserted;
- (viii) in serial number 34, for item (b), the following item shall be substituted, namely:—

"(b) whether the assessee is required to furnish the statement of tax deducted or tax collected. If yes, please furnish the details:

Tax deduction and collection Account Number (TAN)	Type of Form	Due date for furnishing	Date of furnishing, if furnished	Whether the statement of tax deducted or collected contains information about all details/transactions which are required to be reported. If not, please furnish list of details/transactions which are not reported."

(ix) after serial number 36 and the entries relating thereto, the following shall be inserted, namely:—

"36A. (a) Whether the assessee has received any amount in the nature of dividend as referred to in sub-clause (c) of clause (22) of section 2? (Yes/No)

(b) If yes, please furnish the following details:-

(i) Amount received (in Rs.):

(ii) Date of receipt:";

(x) after serial number 41 and the entries relating thereto, the following shall be inserted, namely:-

42. (a) Whether the assessee is required to furnish statement in Form No.61 or Form No. 61A or Form No. 61B? (Yes/No)

(b) If yes, please furnish:

Income-tax Department Reporting Entity Identification Number	Type of Form	Due date for furnishing	Date furnishing, if furnished	Whether the Form contains information about all details/ transactions which are required to be reported. If not, please furnish list of the details/transactions which are not reported.

43. (a) Whether the assessee or its parent entity or alternate reporting entity is liable to furnish the report as referred to in sub-section (2) of section 286 (Yes/No)

(b) if yes, please furnish the following details:

(i) Whether report has been furnished by the assessee or its parent entity or an alternate reporting entity

(ii) Name of parent entity

(iii) Name of alternate reporting entity (if applicable)

(iv) Date of furnishing of report

44. Break-up of total expenditure of entities registered or not registered under the GST:

Sl. No.	Total amount of Expenditure incurred during the year	Expenditure in respect of entities registered under GST				Expenditure relating to entities not registered under GST
		Relating to goods or services exempt from GST	Relating to entities falling under composition scheme	Relating to other registered entities	Total payment to registered entities	
(1)	(2)	(3)	(4)	(5)	(6)	(7) ⁱⁱ

[Notification No. 33/2018/F.No. 370142/9/2018-TPL]

PITAMBAR DAS, Director (Tax Policy and Legislation)

Note: The Principal Rules were published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii) vide notification number S.O. 969(E) dated the 26th of March, 1962 and were last amended vide notification number G.S.R 647 (E) dated 13.07.2018.

Accountants' Library Newsletter

Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes
TPL Division

New Delhi, Dated the 17th of August, 2018

Order under section 119 of the Income-tax Act, 1961

Section 44AB of the Income-tax Act, 1961 ('the Act') read with rule 6G of the Income-tax Rules, 1962 ('the Rules') requires prescribed persons to furnish the Tax Audit Report along with the prescribed particulars in Form No. 3CD. The existing Form No. 3CD was amended vide notification no. GSR 666(E) dated 20th July, 2018 with effect from 20th August, 2018.

Representations have been received by the Board that the implementation of reporting requirements under the proposed clause 30C (pertaining to General Anti-Avoidance Rules (GAAR)) and proposed clause 44 (pertaining to Goods and Services Tax (GST) compliance) of the Form No. 3CD may be deferred.

The matter has been examined and it has been decided by the Board that reporting under the proposed clause 30C and proposed clause 44 of the Tax Audit Report shall be kept in abeyance till 31st March, 2019. Therefore, for Tax Audit Reports to be furnished on or after 20th August, 2018 but before 1st April, 2019, the tax auditors will not be required to furnish details called for under the said clause 30C and clause 44 of the Tax Audit Report.

(Sanyam Suresh Joshi)
DCIT (OSD) (TPL)-III

Copy to:

1. PS to FM/OSD to FM/PS to MoS(F)/OSD to MoS(F)
2. PS to Secretary (Revenue)
3. Chairman, CBDT
4. All Members, CBDT
5. All Pr. DGsIT/Pr. CCsIT
6. All Joint Secretaries/CsIT, CBDT
7. Directors/Deputy Secretaries/Under Secretaries of CBDT
8. DIT (RSP&PR)/Systems, New Delhi
9. The C&AG of India (30 copies)
10. The JS & Legal Adviser, Ministry of Law & Justice, New Delhi
11. The Institute of Chartered Accountants of India
12. All Chambers of Commerce
13. CIT (M&TP), Official Spokesperson of CBDT
14. O/o Pr. DGIT (Systems) for uploading on official website
15. JCIT (Database Cell) for uploading on departmental website



SHRI SOBHANDEB CHATTOPADHYAY
Hon'ble Minister of Power
Govt. of W.B.



SHRI SOBHANDEB CHATTOPADHYAY
Hon'ble Minister of Power
Govt. of W.B.



Registration in Progress



CA. RAMESH KUMAR PATODIA, Speaker
Felicited By **CA. SUBIR MALLIK**



Cross Section of the Audience



CA. MANAS KUMAR MAITI Felicitating
CA. ANIMESH MUKHOPADHYAY



CA. DIPANWEETA MUKHERJEE
Felicitating **CA. SANJAY BHATTACHARYA**



CA. SUMANTRA GUHA Felicitating
Past President ICAI **CA. A. C. CHAKRABORTTI**



CA. INDRANIL BANERJEE, Speaker



CA. Kaushick Mallick, Deputy Convenor



Annual Conference 2018 at National Library



CA. ALO CHOUDHURI Felicitating
CA. SANJAY BHATTACHARYA

Accountants' Library

AAYAKAR BHAWAN

P-7, Chowringhee Square, Kolkata- 700 069

Phone: 2213-6553

E-mail : acclibrary@yahoo.com • Website: www.accountantslibrary.org