



**NAGPUR BRANCH OF WIRC OF ICAI**



# **MONTHLY E-NEWSLETTER**

**APRIL 2023**

**“तीर्त्ती”**



**The Institute of Chartered Accountants of India**

**(Set up by an Act of Parliament)**

**Email : [nagpur@icai.org](mailto:nagpur@icai.org) | Website : [www.nagpuricai.org](http://www.nagpuricai.org)**



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## **Chairperson's Message**

Respected Esteemed Members,

I hope this message finds you all in good health and high spirits. The previous Financial Year has seen a successful closure and fresh initiations await us in the upcoming future. April marks the beginning of a new financial year, and it is a time for reflection, planning, and renewed commitment to our professional journey. An enriching Financial Year has passed away and I am proud to say that our branch has demonstrated stupendous leadership and extended praiseworthy support towards its members in every frame of possibility.

I would like to express my heartfelt appreciation to each member for their unwavering dedication and hard work. Your commitment to upholding the highest standards of professional excellence has not gone unnoticed. As we move forward, I urge you to embrace innovation and stay updated with the latest developments in our field. The world is changing rapidly, and it is crucial that we stay ahead of the curve. The Branch provides numerous opportunities for continuous learning and professional development, and I encourage you to make the most of these resources.

The past month, being the first of the current Financial Year as always, holds high relevance, where the Branch organized multiple events. Audit Trail has been made mandatory for all accounting software and I am thankful to our most respected and endearing Regional Council Member CA Abhijit Kelkarji for enlightening the members in the Study Circle Meet on Audit Trail.

Startups and fuelled growth in the SME Sector are the new trend that have picked pace in the business segment. The Branch organized a Full Day Seminar in Startup, SME and GST where expert and renowned members from the Profession shred light on the aforesaid topics of importance. The session yielded

great results where Speakers consisted of RCM CA Gautam Lath and CA Aniket Rathi. Panelists' in the session included industry stalwarts CA Saurabh Agrawal – Senior Director North Arc, CA Jitendra Nagpal – CFO, Zepto, Ms. Purvashree Juvekar – Partner, Nuwama Private, Mr. Vikesh Agrawal – Founder and CEO, eMSME. The session, moderated by Secretary of WIRC of ICAI CA Sourabh Ajmera was a great success and held high utility.

The month was ended with well-planned a Mega Seminar on Accounting and Auditing as a career organised by other backward Bahujan welfare Department Nagpur where I was also invited as speaker along with renowned heads of justice delivering agencies in the form of Dr. Siddharth Gaikwad, Regional Dy. Commissioner, Social Justice Department, Nagpur Division, Mrs. Sukeshni Telgote, Asst. Commissioner, Other Backward Bahujan Welfare Department, Nagpur. Also the month closing session on Labour Laws was greatly informative.

I would like to acknowledge on record the contributions of our fellow members in the newsletter for their knowledge worthy articles. CA Sachin Khilwani on the topic "Does non-payment of consideration really attract reversal of ITC under Section 16?" and CA Harsh Mehta on the topic "GST on Housing Society – how much and how far applicable". These informative Articles have surely shred light on the complications and queries surrounding the afore-mentioned topics.

I am pleased to inform you that we have planned several knowledge-sharing sessions, webinars, and workshops for the month of April. I encourage all members to actively participate and make the most of these opportunities for knowledge enhancement.

Additionally, I would like to emphasize the importance of mentorship and collaboration within

our branch. We have a diverse community of experienced professionals who are more than willing to guide and support the younger generation. I encourage our senior members to actively engage in mentoring activities and create an environment that fosters growth and development.

Finally, I would like to acknowledge the efforts of the entire managing committee of the Nagpur branch for their dedicated efforts in organizing events and initiatives that benefit our members. Their commitment and hard work are instrumental in the success of our branch.

As we begin this new financial year, let us renew our commitment to professional excellence, ethics, and integrity. Together, we can overcome any challenge and continue to thrive as a branch. I am confident that with our collective efforts and unwavering dedication, we will achieve new heights of success.

I am deeply thankful to our sponsors for the newsletter, SIDBI for their invaluable contribution. I am also thankful towards the overwhelming support of my fellow members for their invaluable contributions in the making of the Newsletter. I hope to stay in continuous touch and interact with all members and students through our newsletter "काती"

Wishing you all a productive and fulfilling April 2023.

Deepest Thanks & Regards,  
CA Sanjay M. Agrawal



# MONTHLY E-NEWSLETTER

## APRIL 2023



**CA. Amrita Bagdia**

Respected Members,

We believe this address finds you in good health and high spirits. As we embrace the vibrant month of April, the first of the fresh Financial Year, we are delighted to present the latest edition of the ICAI Nagpur Newsletter. This publication serves as a platform for us to connect, share knowledge, and stay updated with the latest developments in our close knit professional community.

With the month of March recently gone by, we have known how to value time which can now be pre-planned for the recently started Financial Year. Over the past month, our branch has witnessed remarkable achievements and significant milestones. We are proud to share that we successfully organized a series of engaging events and seminars as further detailed in this newsletter, featuring esteemed speakers and experts in their respective fields. These sessions have provided valuable insights and practical knowledge to enhance our professional competence and keep us at the forefront of the ever-evolving accounting landscape.

In our continuous pursuit of excellence, we are thrilled to be working to further improve our digital presence and enhance the members' utility and interaction with

the Branch.

Additionally, our branch has been actively engaged in community outreach initiatives, focusing on giving back to society as detailed in the previous edition of "वार्ता" as well. We applaud the efforts of our members who have volunteered their time and resources to make a positive impact for their fellow counterparts and themselves. We are also excited to share that we have upcoming events planned to foster networking and professional growth. Our branch will be hosting constant networking opportunities where members can connect, exchange ideas, and explore collaborative opportunities. Furthermore, we are focussed on organizing technical workshops on emerging trends in affiliated professional arenas, aimed at equipping members with the latest knowledge and tools to navigate the complex landscape. We would like to extend our gratitude to all members who have contributed with their dedicated efforts in curating this newsletter. Their commitment to excellence and professionalism is evident in every page, making our publication "वार्ता", a valuable resource for our members. We also express our appreciation to all the contributors who have shared their expertise and insights, enriching the content and ensuring its relevance to our

diverse community. We as Joint Editors of this glorious Branch shall continue to strive to bring informative Articles that support the end-readers purpose and urge the Professionals to help us in this.

As we move forward, we encourage each one of you to actively engage with the branch and make the most of the opportunities available. Whether it is participating in events, contributing articles, or sharing your expertise, your active involvement is vital to the success and growth of our professional community.

In conclusion, we extend our heartfelt appreciation to the entire professional community connected with us for your continued support and dedication to the profession. Together, we can make a lasting impact, not only within our professional sphere but also in society at large.

Wishing you a fruitful and fulfilling month ahead!

Kind Regards,

CA Amrita Bagdia  
CA Palkesh Khandelwal  
Joint Editors,  
Nagpur Branch of WIRC of ICAI



**CA. Palkesh Khandelwal**

## Joint Editors Message



## Professional Enrichment



### Does non-payment of consideration really attract reversal of ITC under section 16?

CA. Sachin Khilwani

Second proviso to Section 16 entails reversal of ITC on non-payment of consideration for more than 180 days. But do GST authorities really have the authority to instruct business as to what credit period they can give and what they can't?

The relevant amended provisions as on 15-May-2023 are reproduced below for quick reference:

#### 16.---

*Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be paid by him along with interest payable under section 50, in such manner as may be prescribed:*

#### 37---

*1) A registered person, who has availed of input tax credit on any inward supply of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, but fails to pay to the supplier thereof, the amount towards the value of such supply, whether wholly or partly, along with the tax payable thereon, within the time limit specified in the second proviso to sub-section(2) of section 16, shall pay or reverse an amount equal to the input tax credit availed in respect of such supply, proportionate to the amount not paid to the supplier, along with interest payable thereon under section 50, while furnishing the return in **FORM GSTR-3B** for the tax period immediately following the period of one hundred and eighty days from the date of the issue of the invoice*

#### History of section 16 and rule 37 of CGST Rules, 2017:

From the inception of GST, there has been a lot of confusion/queries/concerns flagged by the trade. Some of them are as below:

- I. If I have paid part payment before 180 days, then am I required to reverse ITC for part amount or full amount?
- II. What about the business scenario wherein the credit period is more than 180 days.
- III. The wording of Section 16 entails that such ITC needs to be added to output tax liability so are we required to add this in output section of GSTR-3B or reduce ITC in GSTR-3B
- IV. Whether interest on such reversal would be calculated under 50(3) of CGST Act, 2017.
- V. Whether ITC would be required to be reversed in case of imports where payment of tax is to the Government and not to the supplier?

However, the CBIC has not issued any circulars/notification to clarify any of the above questions. However, in the month of October 2022, the CBIC has issued few notifications effective from 01-10-2022 which provides the revised provision and



## Professional Enrichment

reduces few doubts in terms of practical aspects of this draconian provision:

Vide Notification 19/2022 and Notification 26/2022, the CBIC clarified the following:

- o The taxpayer is required to reverse ITC only on the outstanding portion as on 18th outstanding day
- o The taxpayer can pay this ITC either by adding it to the outstanding liability or reversing the ITC availed for the month
- o Interest can be paid under section 50(1) or 50(3) (wherever applicable) of CGST Act, 2017 and not necessary under 50(1) owing to omission of rule 37(3) of CGST rules, 2017

All these changes are made effective prospectively i.e. from 01-10-2022. Hence, there is a risk that the department can direct taxpayers to take following action for the period before 30-09-2022:

- o Direct the taxpayer to pay such amount by way of addition in outward tax liability (and not by reversing ITC) and/or
- o Add to the output tax liability the amount of ITC availed on the whole amount of invoice wherein proportionate payment is made within 180 days and/or
- o Compute interest on such outward tax liability under 50(1) of CGST Act, 2017.

The risk of the above instances cannot be mitigated as the CBIC has

introduced these changes prospectively. However, a view can be taken that rule 37 does not hold water before 01-10-2022, as the earlier rule 37 required the taxpayer to furnish details in GSTR-2, a return which was never made effective by CBIC, hence the requirement of reversal under rule 37 is null and void.

### Author's opinion:

For ease of reference please find the author's comments on each of the subject matter separately:

#### **If I have paid part payment before 180 days than am I required to reverse ITC for part amount or full amount.**

- Basis the above discussion, it is amply clear that with effect from 01-10-2022, the reversal is only applicable on the outstanding amount however the learned officers can argue to the fact that before the amendment, there was no mention of the word 'whether wholly or partly' in the section/rule made thereunder hence when the taxpayer has made a part payment then also the reversal would be applicable on the whole invoice amount.
- However, it can be argued against that the intention of the legislation has always been to ensure reversal of ITC on the outstanding amount, hence the word 'whether wholly or partly' should be assumed to be applicable from 01-07-2017

- In the event of the confusion, it is always expected that CBIC should come up with a circular to clear the air around the word 'whether wholly or partly' before 01-10-2022

### **What about the business scenario wherein the credit period is more than 180 days?**

- From the interpretation of the section and rules made thereunder it can be established that CBIC has stressed upon creating a fiction of 180 days credit cycle for availment of ITC.
- However the CBIC should consider cases wherein the recipient was not liable to make payment within 180 days owing to the credit period. In few businesses, it is a mutual agreement to pay consideration post 180 days however the CBIC has conveniently remained silent on this issue.
- Further, the proviso starts with 'where a recipient fails to pay to the supplier' hence in order to reverse the ITC, there should be default by the recipient to make a payment to the supplier. So if the given arrangement entails for a longer credit period, a view may be taken that the second proviso to section 16 is not applicable.
- However, it is pertinent to note that the department may not hold the above interpretation unless a favorable court ruling is issued or the CBIC comes up



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with a circular.

**The wording of Section 16 entails that such ITC needs to be added to output tax liability so are we required to add this in output section of GSTR-3B or reduce ITC in GSTR-3B**

- The aforementioned question is settled w.e.f. 01-10-2022 however, before that the provision was drafted with the intention of furnishing the details of such supply in GSTR-2. Hence, a view may be taken that when any statute prescribes the manner in which something is to be done, it must be done in the same manner only and not otherwise. To support this context, the Hon'ble Supreme Court in the case of M/s CANON INDIA PRIVATE LIMITED VERSUS COMMISSIONER OF CUSTOMS stated that "when a statute directs that things to be done in a certain way, it must be done in that way alone".
- Applying this to the present scenario, earlier the Act and the Rules required the taxpayer to furnish the details of such supply in Form GSTR-2 for the month immediately following the period of 180 days from the date of the invoice.
- So, can it be said that since GSTR-2 was not operational, it was not possible for the taxpayer to comply with this provision in the manner set out in the statute and thereby it was not required to be

complied with?

- If this be the conclusion, the taxpayer was not required to comply with this provision until GSTR-2 was made effective.
- The GSTR-2 was not made effective till 30-09-2022, hence a view may be taken that no reversal under second proviso to section 16 is applicable till that period.

wrongly availed ITC. Accordingly provisions of 50(3) can be invoked and Interest may only be applicable if ITC is utilized.

**Whether ITC would be required to be reversed in case of imports where payment of tax is to the Government and not to the supplier?**

- The section 16 entails that when the 'recipient fails to pay to the supplier the value of supply along with the tax payable thereon'. Hence, in order to invoke the second proviso it is pertinent to note that the tax should be payable by the recipient to the supplier.
- Further, the proviso mentions the words 'one hundred and eighty days from the date of issue of invoice by the supplier'.
- As per section 2(66) of CGST Act, "invoice" or "tax invoice" means the tax invoice referred to in section 31
- Under imports arrangement, the supplier does not issue any invoice/tax invoice in accordance with section 31.
- Hence, owing to the fact that the supplier is not liable to issue tax invoice under section 31 and the recipient is not liable to pay the tax amount to the supplier, a view may be taken that the second proviso is not applicable on the import cases.



## Professional Enrichment



**GST on housing society -  
how much and how far applicable**  
CA. Harsh Mehta

### ❖ Introduction

Co-operative Housing Societies are entities registered under the co-operative laws of the respective States. "Housing society" means a society, the object of which is to provide its members with maintenance and management of the common amenities and services. Simply put these are a collective body of persons, supplying certain services to its members, be it collecting statutory dues from its members and remitting to statutory authorities, maintenance of the building, security etc.

### ❖ Societies which may be registered under Gujarat Co-operative Societies Act, 1961

A society, which has as its object the promotion of the economic interests or general welfare of its members, or of the public, in accordance with co-operative principles, or a society estab-

lished with the object of facilitating the operations of any such society, may be registered under this Act; Provided that it shall not be registered if, in the opinion of the Registrar, it is economically unsound, or its registration may have an adverse effect upon any other society, or it is opposed to, or its working is likely to be in contravention of public policy.

### ❖ APPLICABILITY OF GST

At present the GOODS AND SERVICE TAX ACT, 2017, has no scope for differential treatment based on Profitability. Unlike in income tax law, where there is benefit for non-profit organization, in GST same rules are applicable whether an organisation makes profit or not.

### ❖ Definitions under GST Act which attracts the taxability to co-operative societies

**As per Section 7 expression**  
**"supply"** includes— All forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;

**Section 2(84) "Person"** includes a co-operative society registered under any law relating to co-operative societies or Society as defined under the Societies Registration Act, 1860

**Sec 2(31) "Consideration"** in relation to the supply of goods or services or both includes (a) any payment made or to be made, whether in money or otherwise, in respect of, in response to, or for the inducement of, the supply of goods or services or both, whether by the recipient or by any other person but shall not include any subsidy



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given by the Central Government or a State Government.

**Sec 2(17) “Business”** includes provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members; A co-operative society (being a person as defined above) provides services to its member in the form of facilities or benefits to it member (in course of business) for a consideration. Hence based on above definition and concept of supply co-operative society also gets covered under GST.

### ❖ Whether Cooperative Society is liable for registration under GST?

When the aggregate turnover of a Cooperative Societies in a financial year exceeds twenty lakh rupees, such Cooperative Societies become liable for Registration under GST as per Sec 22.(1) of CGST Act. That means if the collection of money for maintenance charges by society exceeds Rs 20 Lakhs per annum then the Society need to be Registered under GST.

Aggregate turnover (total receipts) of the Housing Societies includes all mode of receipts of the society such as society maintenance charges from its members, receipts from investments, income receipts from advertisement board, receipts from mobile towers in premises, Share transfer fee from members, receipts from special purpose use of common

area by member (for example marriage function, parties, etc).

Thus, Co-operative Housing Society or Residential Welfare Association Turnover (including exempted receipts) of which crosses Rs 20 Lakhs per annum become liable for Registration under GST and should charge GST from its members.

### ❖ REGISTRATION UNDER GST

Limit for registration under GST for providing services is Rs. 20,00,000. Whereas, for goods, the limit has increased to Rs.40,00,000w.e.f 01/04/2019. However, for Housing Societies' the following table suggests registration criteria.

Scenario	Condition		Liable to take registration
	Aggregate Turnover	Monthly Contribution per member per month	
1	Less than Rs. 20 lakhs	Less than Rs.7500	No
2	Less than Rs. 20 lakhs	More than Rs.7500	No
3	More than Rs. 20 lakhs	Less than Rs.7500	No*
4	More than Rs. 20 lakhs	More than Rs.7500	Yes

\*No Other Taxable services given by the society

### ❖ Chargeability and payment of tax on monthly subscription

Further, if the aggregate turnover of such Housing Society/ Residential Welfare Association is up to Rs20 lakh in a financial year, then such supplies would be

**exempted from GST even if charges per member are more than Rs 7500.** A Housing Society / Residential Welfare Association shall be **required to pay GST** on monthly subscription / contribution charged from its members if

such **subscription is more than Rs 7500 per member and the annual turnover of Residential Welfare Association by way of supply of services and goods is also Rs 20 lakh or more.**



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### ❖ Let's understand the Implication of GST with different scenario:-

Scenario	Contribution (Per Member Per Month)	Total Contribution by Members	Receipts other than Contribution Receipts (Exempted) Like Interest Income	Receipts (Taxable) Like Rental for Advertisement Hoarding	Total Receipts (Total Aggregate Turnover Per Year)	Registration Needed (Yes/No)	Taxable Income	Tax @18%
1	6000	1900000	0	0	1900000	No	0	0
2	7550	1600000	0	0	1600000	No	0	0
3	6500	2200000	0	0	2200000	No	0	0
4	6500	1900000	600000	0	2500000	No	0	0
5	7599	1850000	700000	0	2550000	Yes	1850000	333000
6	7599	1850000	0	750000	2600000	Yes	2600000	468000
7	4000	1500000	0	600000	2100000	Yes	600000	108000
8	0	0	2700000	0	2700000	No	0	0
9	0	0	0	2200000	2200000	Yes	2200000	396000
10	7550	2200000	0	0	2200000	Yes	2200000	396000
11	4000 7501	1750000 100000	0	0	1850000	No	0	0
12	4000 7501	1750000 800000	0	0	2550000	Yes	800000	144000
13	4000 7501	1700000 150000	100000	100000	2050000	Yes	250000	45000

### ❖ Treatment of different kinds of receipts:-

The different kind of receipts by a society can be categorised as under:

#### a. Maintenance fees:

These are the contributions by Members of the Society (for an equal amount or proportionately based on the built-up area)

for common maintenance of the society such as paying for cleaning, security, admin, accounts audit etc. If the Aggregate turnover of the society is more than Rs. 20 Lac



## Professional Enrichment

(without any other income) then this income shall be exempted subject to limit of Rs. 7500 per month per member.

**b. Other income:**

Any income not falling under the criteria of Maintenance fees are considered as other income. If

the Aggregate turnover of the society is more than Rs. 20 Lac (which includes other income) and the Maintenance Fees collected is less than Rs. 7500 per month per member, then only other income will be taxable.

**c. Exempted receipt:** Certain

receipts of the society are non-taxable even if the aggregate turnover of the society is more than Rs. 20 Lakhs (with or without other income).

In order to give more clarity, following are certain examples of receipts and their nature of taxability:

Type of Receipt	Description	Maintenance fees	Other income
<b>Maintenance and Service Charges</b>	Society may be paying for some security, admin, accounts audit etc. And hence it is taxable subject to limit of Rs. 7500.	Included. Exempted if it is less than Rs. 7500	
<b>Sinking Fund</b>	Setting aside revenue over a period of time to fund a future capital expense.	Included. Taxable.	
<b>Non Occupancy Charges</b>	These are typical charges for let out Property. These are not applicable commonly.		Included. Taxable.
<b>Parking Charges</b>	Generally charged to members for using space on Parking. Its purely one to one basis and not for common use .		Included. Taxable.
<b>Share Transfer Fees</b>	It is usually charged for share transfer especially in case of sale of Property. It is occasional and on one to one basis.		Included. Taxable.
<b>Water Charges for common utilities.</b>	When Water charges are collected by Society from the Members on proportionate basis, deposits the same to the Government, it is acting only like a collection agent and it is not considered as Society's receipt . Chances are that these are already taxed by Government's Arms at source and hence society is not required to charge tax on it.  When society is collecting a monthly/quarterly/yearly contribution of an approx. amount from the members towards water charges to be deposited to government .	Exempted  Included. Taxable.	



## Professional Enrichment

<b>Water Charges</b> <b>Individual use</b>	When society has allowed members to use certain limit of water (as in the case of boring facility) and charges for any excess use of water above the free limit, such receipts are taxable income.		Included. Taxable.
<b>Common Services</b>	Service charge for using facilities like Club House, Swimming Pool, which are commonly charged to all members are covered under Maintenance fees	Included. Taxable.	
<b>Repairs Fund</b>	These are contribution from all Members, at the rate fixed at the General Body Meeting from time to time, (subject to the minimum of 0.75 percent per annum of the construction cost of each flat) for meeting expenses of normal recurring repairs.		Included. Taxable.
<b>Interest on Default</b>	It is not for any common use but its charges case to case basis.		Included. Taxable.
<b>Charges for using common space</b>	Use of Common Space such as banquets and gyms for use by Member or Outsider may be charged by the society. And as it is on case to case basis, it is not covered under Maintenance fees.		Included. Taxable.
<b>Non-Agricultural Tax</b>	It is to be paid on all lands annually that have been used for any other purposes other than farming. As it is collected by society and deposited to Government, it is not taxable.		Exempted
<b>Income on Renting Mobile Tower etc</b>	These are not common services and are mostly to be given to Business entities, therefore these are chargeable to Tax. In case the Society is not registered under GST, then the same shall be subject to RCM (after 1st April 2018)		Included. Taxable.
<b>Property Tax on common area</b>	When society is paying property tax from the existing fund.		Exempted
	When society is collecting the share of property tax from individual member on a proportionate basis and depositing that exact amount to Government, then the Society is only acting as agent.		Exempted
	When society is collecting a monthly/quarterly/yearly contribution of a approx. amount from the members towards Property Tax.	Included. Taxable.	



## Professional Enrichment

<b>Taxable Heads</b>	<b>Exempted Heads</b>
Maintenance and Service Charges	Property tax
Parking Charges	Electricity Supply from MCGM only
Non-Occupancy Charges	Water Supply from MCGM Only
Sinking Fund	Non-Agricultural Tax
Repair Fund	
Share Transfer Fees	
Tower or other Rent	
Interest or Penalty	

❖ Let's understand the Implication of GST with different scenario for exemption and taxability

<b>Scenari o</b>	<b>Repairs and Maintenanc e</b>	<b>Water Charge s</b>	<b>Contributio n to sinking fund</b>	<b>Parkin g Charge s</b>	<b>Club hous e</b>	<b>Total receip t</b>	<b>Exemptio n Eligible</b>	<b>Exemptio n Amount</b>	<b>Non Taxabl e</b>	<b>Taxabl e</b>
1	7300	0	0	0	0	7300	7300	7300	0	0
2	7300	600	0	0	0	7900	7300	7300	600	0
3	7300	600	700	0	0	8600	8000	0	600	8000
4	7300	600	700	800	0	9400	8000	0	600	8800
5	7300	600	700	800	500	9900	8500	0	600	9300
6	7300	0	700	800	0	8800	8000	0	0	8800
7	7300	0	0	800	0	8100	7300	0	7300	800
8	7300	0	0	0	600	7900	7300	0	0	7900
9	7300	0	0	0	150	7450	7450	0	7450	0



## Professional Enrichment

### ❖ Rate of Tax

The society is liable to collect tax at the rate of 18% if the aggregate turnover exceeds 20 lakhs

### ❖ Input Tax Credit (ITC) Allowed:

If the Society becomes liable to pay GST, it is allowed to take Input Tax Credit under Sec 16 (1) of CGST Act subject to conditions for taking input tax credit. Housing Society is entitled to ITC in respect of taxes paid by them on capital goods (generators, waterpumps, lawn furniture etc.), goods (taps, pipes, other sanitary/hardware fittings etc.) and input services such as repair and maintenance services – Lift AMC, Housekeeping, Security, Fire AMC, Repairs & Maintenance, Contract staff, Accounting & Auditing Services and other such services.

### ❖ Applicability of Reverse Charge Mechanism

Tax liability under Reverse Charge as defined under Sec 2(98) of CGST Act also applica-

ble. That means tax shall be payable by the Housing Society when supplies are received which are notified Services as per Sec 9(3) of CGST Act like services of Goods

Transport Agency, Advocate Services etc. and supplies from Un-registered Person under Sec 9(4) of CGST Act. The society can claim ITC on tax paid under RCM.

### ❖ Eligibility for Composition Scheme

Housing Society is not eligible for Composition Scheme.

### ❖ Statutory Compliances:

- Returns:** Society are also liable to file monthly returns i.e. GSTR-1, GSTR-2, GSTR-3, Annual returns etc.

- Invoices:** Society is required to change the invoice format of monthly/quarterly/yearly bills invoiced to the members. Society should mention the GSTIN No, the tax collected and so on in the invoice issued by it.

- Books of Accounts:** Society is

liable to prepare and maintain proper books of accounts. It would also be liable to audit if the aggregate turnover exceeds the threshold limit of audit. Also to maintain proper Records of Supply & Expenses and preserve such Records for 72 Months.

### ❖ Conclusion

If the aggregate turnover exceeds Rs. 20 Lakhs cooperatives society are compulsorily required to get registered, there is no other exemption for registration. Also in GST regime housing society are eligible to claim ITC on inward supply made by it, which was not allowed earlier, this would benefit the society in the form of reduction in cost. The society can transfer this benefit to its members in the form of reduction of maintenance charges collected from its members after due a detailed cost benefit analysis available to the society under GST.

# Glimpses of Past Events

## Circular/Activity

The Institute of Chartered Accountants of India  
(Set up by an Act of Parliament)

Nagpur Branch of WIRC of ICAI  
organises

A PANEL DISCUSSION ON  
**JUST BEFORE BANK BRANCH AUDIT**

**AUDIT**

OBJECTIVE      PROCESS      STANDARD      ACCOUNT

Saturday, 1<sup>st</sup> April, 2023 | Time: 05.00 pm to 08.00 pm  
Venue: ICAI Bhawan, Dantoli, Nagpur      CPE - 3 Hrs.

**Panelist**

CA. Yash Verma      CA. Sachin Luthra      CA. Ashish Badge      CA. Amarjeet Singh Sandhu      CA. Charudutt Marathe

Scan to Register

Registration Fees - Rs. 200/- + 18%GST  
Registration Link: <https://nagpuricai.org/upcoming-events.php>

The Event will be followed by Refreshment

Your's In-Profession

CA. Sanjay M. Agrawal      CA. Akshay Gulkane      CA. Dinesh Rathi      CA. Swaroopa Wazalwar      CA. Sanjay C. Agrawal  
Chairperson      Vice Chairperson      Secretary      Treasurer      Chairperson WICASA  
94221 10680      98811 64000      98225 09433      98906 73268      93735 40085

CA. Jitendra Sagani      CA. Deepak Jethwani      CA. Ajay R. Vaswani      CA. Trupti Bhattad      CA. Abhijit Kelkar  
Imm. Past Chairperson      MCM      MCM      MCM      RCM  
99701 66954      98230 51543      99754 97979      99702 85072      94221 26890

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The Institute of Chartered Accountants of India  
(Set up by an Act of Parliament)

Nagpur Branch of WIRC of ICAI  
organises

Study Circle Meet on  
**AUDIT TRAIL**

Date : 19th April, 2023 | Time : 5.00 pm to 7.00 pm  
Venue: ICAI Bhawan, Dantoli, Nagpur

Dear professional colleagues,

With effect from 1<sup>st</sup> April, 2023, all companies must ensure that their Accounting Software should have In-Built mechanism to record Audit Trail of every accounting transaction.

To understand

- What is Audit Trail ?
- How it should work ?
- What is the responsibility of Auditor & Reporting Requirement.

Nagpur Branch is organising Study Circle Meet on "Audit Trail" on Wednesday, 19th April, 2023

**Speaker**  
CA. Abhijit Kelkar, RCM

**Topic:** Audit Trail

Scan to Register

Registration Link: <https://nagpuricai.org/upcoming-events.php>

Your's In-Profession

CA. Sanjay M. Agrawal      CA. Akshay Gulkane      CA. Dinesh Rathi      CA. Swaroopa Wazalwar      CA. Sanjay C. Agrawal  
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# Glimpses of Past Events

## Circular/Activity

**The Institute of Chartered Accountants of India**  
(Set up by an Act of Parliament)  

**Nagpur Branch of WIRC of ICAI** organises

**FULL DAY SEMINAR ON**  
**STARTUP, SME & GST**



**Saturday, 22<sup>nd</sup> April, 2023** | **Time: 10.30 am to 06.00 pm**  
**Venue: ICAI Bhawan, Dantoli, Nagpur**

**Session-1**  
11.00 am to 01.00 pm  
  
CA. Gautam Lath - RCM, Mumbai  
Topic: Recent Changes In GST and New Opportunities

**Session-2**  
02.00 pm to 04.00 pm  
  
CA. Ankit Rathi - RCM, Mumbai  
Topic: SME IPO - New Emerging Area

**Lunch - 01.00 pm to 02.00 pm**

**Session-3 : Panel Discussion - 04.00 pm to 06.00 pm**  
Topic - Startup Ecosystem & Opportunities in Startup & MSME for CA  
+ PANELIST +  
  
CA. Saurabh Agrawal  
Senior Director - Northern Arc  
  
CA. Jitendra Nappal  
CFO - Zepto  
  
Ms. Purvashree Juvkar  
Partner - Nuvama Private  
  
Mr. Vikash Agrawal  
Founder & CEO, eMSME  
+ MODERATOR +  
  
CA. Sourabh Ajmera  
Secretary - WIRC of ICAI

**Scan to Register** 

**CPE - 6 Hrs.**  
Registration Fees for member : Rs 600/- + GST  
Registration Link: <https://nagpuricai.org/upcoming-events.php>

**Your's in-Profession**

CA. Sanjay M. Agrawal Chairperson 94221 10680	CA. Akshay Guhane Vice Chairperson 98811 64000	CA. Dinesh Rathi Secretary 98811 69433	CA. Swaroopa Wazalwar Treasurer 98906 73268	CA. Sanjay C. Agrawal Chairperson WICASA 93735-40085
CA. Jitendra Sagani Imm. Past Chairperson 99701 66954	CA. Deepak Jethwani MCM 98230 51543	CA. Ajay R. Vaswani MCM 99754 97979	CA. Trupti Bhattad MCM 99702 85072	CA. Abhijit Kelkar RCM 94221 25890

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**The Institute of Chartered Accountants of India**  
(Set up by an Act of Parliament)  

**Nagpur Branch of WIRC of ICAI** organises

**SEMINAR ON**  
**LABOUR LAWS**



**CPE - 2 Hrs.**

**Saturday, 29<sup>th</sup> April, 2023** | **Time: 05.00 pm to 07.00 pm**  
**Venue: ICAI Bhawan, Dantoli, Nagpur**

  
CA. Aniruddha Shenwai - Chief Guest  
Past Vice Chairman, WIRC of ICAI

  
CA. Pranay Dilip Balna Jain  
Topic: Labour Laws (PF & ESIC): Compliance & Applicability

**Registration Fees : Rs 150/- + GST**  
Registration Link: <https://nagpuricai.org/upcoming-events.php>  
Program will be followed by Refreshment

**Scan to Register** 

**Your's in-Profession**

CA. Sanjay M. Agrawal Chairperson 94221 10680	CA. Akshay Guhane Vice Chairperson 98811 64000	CA. Dinesh Rathi Secretary 98811 69433	CA. Swaroopa Wazalwar Treasurer 98906 73268	CA. Sanjay C. Agrawal Chairperson WICASA 93735-40085
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# Glimpses of Past Events

## Circular/Activity

The image shows an invitation card for a seminar. At the top, there are five logos: a golden emblem, a blue and white emblem, a logo with a lamp and text in Devanagari script, the text 'युवा करियर' (Yuva Karyay), and the 'Azadi Ka Amrit Mahotsav' logo. Below the logos, the word 'INVITATION' is written in bold red capital letters. Underneath it, the text 'OTHER BACKWARD BAHUJAN WELFARE DEPARTMENT, NAGPUR' and 'MAHATMA JYOTIBA PHULE RESEARCH AND TRAINING INSTITUTE' is written in blue. In the center, it says 'IN ASSOCIATE WITH' and 'YUVA CAREER CLUB' in blue, and 'PRESENTS' in a smaller blue box. The main title 'MEGA SEMINAR ON' is in blue, followed by 'ACCOUNTING & AUDITING AS A CAREER' in large red capital letters. At the bottom, a blue box contains the text 'Date : 26th April 2023 | Time : 5pm Onwards | Venue : Samajik Nyay Bhavan, Opp. Govt. ITI, Nagpur'. Below this box, there are six names with their titles and details:

Akshay M. Khandare (I.A.A.S.) Sr. Dy. Accountant General	Rajesh Khalva Managing Director Mahatma Jyoti Phule Training & Research Institute	Sameer Tagare Regional Manager Tally Company	Sanjay M. Agrawal Chairman of Institute of Chartered Accountants, Nagpur Branch	Dr. Sidharth Gaikwad Regional Dy. Commissioner, Social Justice Department, Ngp. Div.
Sukeshni Telgote Asst. Commissioner, Other Backward Bahujan Welfare Department, Nagpur	Monal Thool Editor in Chief, Yuva Career Newspaper			

# Gist of Past Events

## Activity for Students - April 2023

Sr. No.	Date	Programme Type	Topics	Speakers
1	01/04/2023	WICASA	One Day Revision  Topic: Accounting	Speaker: CA. Tejas Suchak Nagpur
2	02/04/2023	WICASA	One Day Revision  Topic: Corporate & other Laws	Speaker: Prof. Kunal Mandhania Nagpur
3	05/04/2023 To 14/04/2023	WICASA	Mock Test Series Round –II CA Final Course for May 2023 Mock Test Exam  Paper -1: Financial Reporting Paper -2: Strategic Financial Management Paper -3: Advance Auditing and Professional Ethics Paper -4: Corporate Economic Laws Paper -5: Strategic Cost Management and Performance Evaluation Paper -7: Direct Tax Laws and International Taxation Paper -8: Indirect Tax Laws Paper 6 A -F (Elective Paper)	
4	05/04/2023 To 14/03/2023	WICASA	Mock Test Series Round – II CA Intermediate Course for May 2023 Mock Test Exam  Paper -1: Accounting Paper -2: Corporate and other Laws Paper -3: Cost and Management Accounting Paper -4: Taxation Paper -5: Advance Accounting Paper -6: Audit & Assurance Paper -7: Enterprise Information System and Strategic Management Paper -8: Financial Management and Economics for Finance	
5	12/04/2023	WICASA	Study Circle Meet on Tax Planning, Tax Evasion, Tax Avoidance	Student Speaker: Khushi Agrawal.
6	24/04/2023 To 27/04/2023	WICASA	Mock Test Series Round -I CA Foundation for June 2023 Exam  Paper -1: Principles and practice of Accounting  Paper -2: Business Laws and Business Correspondence and Reporting  Paper -3: Business Mathematics, Logical Reasoning and Statistics  Paper -4: Business Economics and Business Commercial Knowledge	



# Nagpur Branch of ICAI in News

THE TIMES OF INDIA, NAGPUR  
SATURDAY, APRIL 2, 2022



## YOUR NEWS

### CA's to observe no-honking day on 3rd of every month

In a bid to reduce noise pollution, the chartered accountants (CA's) resolved to observe no-honking day on third of every month. This was decided in the fourth monthly meeting held at CSIR-Neeri on Friday, where the CA's actively participated. The meeting was organized with an initiative of JanAkrosh in association with CSIR-Neeri. Chairing the meeting, Neeri director Dr Atul Vaidya said, "Engineers and doctors of the city have already taken up this task and now the CA's will play a key role in spreading awareness against noise pollution," he said. Ravindra Kaskhedikar (secretary), Ashok Karandikar and Anil Joshi from JanAkrosh and Dr Ritesh Vijay, scientist of Neeri, were also present. Nagpur branch of WIRC of ICAI members led by Jitendra Saglani, Akshay Gulhane, N Varadarajan, Deepak Jethwani, Ketan Vathil, Shreya Pokley, Prajakta Gupta, Chinmay Mittal, Parth Shukla and Anushka Ringangaonkar participated in the meeting. Dr Shubhangi Bompilwar and Prof Sneha Uttarwar from Cummins College were also present.



पुण्य नगरी



### पुण्य नगरी

आयसीएआयची देशव्यापी सरटेनेबिलिटी साक्षरता मोहीम



March 2022

नागपूर : इन्स्टिट्यूट ऑफ चार्टर्ड अकाउंटंट्स ऑफ इंडिया (आयसीएआय) ने नुकतीच अनेक उपकारांची घोषणा केली. ज्याचा उद्देश राष्ट्र उभारणीत खरा भागीदार बनावे, विद्यार्थ्यांना सक्षम बनविणे आणि चार्टर्ड अकाउंटंट्सी व्यवसायाची 'स्वातंत्र्य, सचोटी आणि उत्कृष्टता' टिकून ठेवणे असा आहे. आयसीएआयने देशव्यापी आयसीएआय सरटेनेबिलिटी साक्षरता मोहीम सुरु केली आहे. यातून शाश्वत विकासाची प्रक्रिया अधिक व्यवहार्य आणि कार्यान्वित करण्याच्या उद्देशाने विविध भिन्न भागांचाकांचे सामायिक लक्ष केंद्रित केले आहे. आयसीएआय सेवीसोबत 'सोशल स्टॉक एक्सचेंज' या उपकारात भागीदारी करीत आहे आणि सोशल स्टॉक एक्सचेंजच्या (एसएसई) नियामक चौकटीत काम करणाऱ्या आणि सामाजिक लेखापरीक्षण करणाऱ्या सामाजिक लेखापरीक्षकांसाठी आचारसंहिता अंतिम करण्याच्या प्रक्रियेत असल्याचे आयसीएआयचे अध्यक्ष सौर्ख डॉ. देवांशुस मित्रा व उपाध्यक्ष सौर्ख अनिकेत तलाई यांनी पत्रकार परिवदेत सामिग्रीले.

Smart Nagpur

Page No. 4 April 02, 2022

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संसदीय विषयांवर या वार्ता 'राजनीती राजकारण' वर्गात।

### विकासा की नागपुर शाखा द्वारा कार्यक्रम

## केएसपी सांविधिक बैंक शाखा लेखा परीक्षा का यूएसपी है

### संवाददाता

नागपूर विकासा की नागपुर शाखा द्वारा सौर्ख लांब्रों के लिए बैंक शाखा लेखा परीक्षा पर एक पूर्व दिवसीय कार्यक्रम आयोजित किंवा गया था ताकि उन्हें बैंक शाखा लेखा परीक्षा से संबंधित विषित प्रश्नांचों को समजाने में मदद मिल सके, जो अधिक साधारणके रूप में एक महत्वाची कार्य है।

नागपुर शाखा के पूर्व अध्यक्ष सौर्ख महेश गांवे ने अपने सम्बोधन में कहा कि केएसपी वैधानिक बैंक शाखा अधिकृत की यूएसपी है जिसमें के मतलब कॉलेज, एस आ महालव स्कूल और पी ट्रेनिंग है।



आयोजनाके द्वारा लांबोंके संवाददाता विकासा केलिए काम करता है। आयसीएआय की डिल्यूआईआसी की नागपुर शाखा के अध्यक्ष सौर्ख विंडॉर सालामारी वेस्ट कार्यालय के आयोजन का मात्रत्व बताया। उन्हें लांबोंके विद्यालय विकासा के जान और अनुभव से अधिक से अधिकलाग उन्हें का आश्रम दिया। उन्हें लांबोंके जान को उन्हें असामान्यता का पूर्ण 360-डिग्री दृश्य होना चाहिए और प्रक्रिया को समझना चाहिए। सौर्ख विंडॉर अध्यालय नेहरा कि विंडॉर भी अधिक डिल्यूआईआसी की विकासा महालवाची है। ऐसे कई उदाहरण हैं जहां एक लेखा परीक्षक की विकासा लेखा परीक्षा दिलावेज के कारण मुश्किल मिळी। प्रबोधनी सर्व



# EXPRESS GREEN POWER FOR SUSTAINABILITY (eGPS) LOANS UNDER 4E



## OBJECTIVE

- Capex for Energy Efficiency Equipments / Machineries, Solar Roof Top etc.
- Transit from Diesel/Petrol as fuel to cleaner like PNG/CNG
- Other Green/Clean initiative aimed at reduction of Carbon Emission, Waste Management, Renewable Energy

## Loan Amount

- Upto 100% funding with cash collateral in the form of SIDBI FDR
- Minimum loan - Rs. 5 lakhs and
- Maximum Loan - Rs. 100 lakhs

## Key Features

- Concessional interest rate as per rating
- Repayment: up to 60 months
- Moratorium : upto 6 months
- Quicker sanction

## Target Sectors & Eligible Projects

- Manufacturing and service sectors
- Energy efficient machineries/technologies
- Renewable Energy Projects

## Eligibility

- Minimum of 3 years of operation and 2 years Cash Profit
- The borrowers should not have defaulted to any Banks/Financial Institutions
- Upto CMR-6 and FIT Rank 8

## Benefits to MSMEs

- Digitized application, In-Principle sanction process through FIT Rank model
- System driven Legal documentation

## Rate of Interest

Repo linked (7.00 % - 8.10%)

To Know more, visit our nearest branch. Locate us at: [www.sidbi.in](http://www.sidbi.in)  
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**in** SIDBI (Small Industries Development Bank of India)

**Small Industries Development Bank of India,**

Ground Floor, National Insurance Building, S.V.Patel Marg,

Kingsway, Nagpur-440001.

Tel: 0712-2553201, 2526927 E-mail : [nagpur@sidbi.in](mailto:nagpur@sidbi.in)





**MONTHLY  
E-NEWSLETTER  
APRIL 2023**

E-Post

From

**The Institute of  
Chartered Accountants of India**

**Nagpur Branch of**

**Western India Regional Council**

ICAI Bhawan, 20/1, Dhantoli, Nagpur-440 012

Ph.: 0712-2443968, 2441196

Email: [nagpur@icai.org](mailto:nagpur@icai.org) / [newsletterngp@gmail.com](mailto:newsletterngp@gmail.com)

Website : [www.nagpuricai.org](http://www.nagpuricai.org)

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