



CA Examinations to be held from 5th to 20th December 2021

ICAI Council Elections held on 3rd and 4th December 2021



India's Economy Grow by 8.3% in the Fiscal Year 2021-22.



MANGALURU BRANCH OF
SOUTHERN INDIA REGIONAL COUNCIL OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA







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CHAIRMAN'S MESSAGE

Greetings to all my colleagues and students

At the outset, I would like to place on record my appreciation to all the members of Mangalore Branch who have chosen a leader for our CA fraternity. My gratitude is to all the members who performed their duty by casting their vote in choosing a reliable leader. I am sure the leader so elected will embrace the responsibility as the Leader of the Institute of Chartered Accountants of India.



We are all well aware of the newly approaching Covid variant- Omicron. I hope all the members and their families are fully vaccinated. All the precautions taken so far still need to be continued. Keep yourself and your family updated and safe by following the government protocol. In order to fight this variant, we all need to keep our health intact and so, whenever and wherever you go, do not neglect your safety. Let us all emerge from omicron, strengthened and enriched.

The month of December always strikes a chord of Christmas and this time I would like to wish and send a note of encouragement to all the members and students who are busy with the upcoming filing date. Amidst your busy schedule, I would like to wish all of you a safe and self-distanced Merry Christmas. My best wishes for the coming year as well and I hope continued success for you all.

2021 is coming to an end, so let us take a step back, reflect on our past and decide for our future. As a team, we have taken various decisions which showed positive results. Our economy is also showing stable growth amid the pandemic. Together, we have done well so far and with this enthusiasm and commitment, let us lead our country in establishing prosperity.

Thank you

CAKS Kamath

Chairman

Mangaluru Branch of SIRC of ICAI



BRANCH ACTIVITIES FOR THE MONTH OF NOVEMBER 2021

| No. | Date | Activities |
|-----|------------|---|
| 1. | 07.11.2021 | AZADI KA AMRIT MAHOTHSAV VANAMAHOTHSAV |
| | | Chief Guest: Dr.(Major).Rajesh S M MBBS, MD(Pediatrics) Professor & Unit Head – Dept of Pediatrics Kasturba Medical college (MAHE) Mangaluru |
| 2. | 20.11.2021 | ABHINANDANA CEREMONY |
| | | Felicitated: Shri Jayaram Bhat, <i>Past Chairman of Karnataka Bank Ltd.</i> , and Shri Pradeep Kumar, <i>Incoming Chairman of Karnataka Bank Ltd.</i> , |
| | | on Behalf of ICAI Mangalore Branch during Public Programme of Felicitation held at Town Hall Mangaluru |
| 3. | 27.11.2021 | STUDY CIRCLE MEETING |
| | | Topic: Departmental Audit Under GST- Challenges and Opportunities |
| | | Speaker: CA Hanish S. Bengaluru |



BRANCH ACTIVITY GALLERY FOR THE MONTH OF NOVEMBER 2021





Azadi Ka Amrit Mahothsav - Vanamahothsav





Abhinandana Ceremony







Felicitation of Shri Jayaram Bhat – Past Chairman of Karnataka Bank Ltd.





Felicitation of Shri Pradeep Kumar – Incoming Chairman of Karnataka Bank Ltd.







Study Circle Meeting on Departmental Audit Under GST by CA Harish S.





ANNUAL COMPLIANCES UNDER POSH ACT, 2013 AND LABOUR LAWS

I. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) (POSH) ACT, 2013 AND ITS COMPLIANCES

The POSH, Act, 2013 was introduced with an aim to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for related matters.

The POSH Act, 2013 stipulates that a woman shall not be subjected to sexual harassment at her workplace. Accordingly, it may be noted that in-order for a woman to claim protection under the POSH Act, the incident of sexual harassment should have taken place at the 'workplace'.

- ➤ COMPLIANCE REQUIREMENTS UNDER THE POSH ACT, 2013 _ IN BRIEF:
- 1. Constituting an Internal Complaints Committee (ICC) and Local Complaints Committee (LCC)

every employer with 10 or more employees must constitute an Internal Complaints Committee (ICC) within the organization to handle complaints of Sexual Harassment. A Local Complaints Committee (LCC) will be set up in each district to hear complaints from institutions where there are fewer than ten employees, or where the complaint is against the employer himself.

2. Sexual Harassment Policy

The employer needs to prudently draft a sexual harassment policy and approval of the same by the Board of the Company.

Basic Details required to be entered while drafting POSH Policy:

- ICC Composition: names, designation and contact details of the ICC members.
- Acts which constitutes as a sexual harassment act
- The process for Resolution, Settlement, Prosecution, enquiry and trial procedure

3. Committee Meetings

Convening meetings of the Internal Complaints Committee as and when required.



4. Creating awareness

Briefing the employees (both males and females) about sexual harassment Act, Policy, consequences thereof via conducting orientation sessions or seminars.

5. Filing of Annual Report under the Act:

The Internal/ Local Committee, as the case may be shall prepare an annual report in each calendar year and submit it to the employer and District Officer.

6. Complaints Reporting in Annual Report:

Disclosures regarding compliance with POSH laws is required along with reporting number of sexual harassment complaints received in a year, the number of sexual harassment disposed off in the year and cases pending for more than 90 days, in its Annual Report.

7. Investigation of the Complaints made to the Committee and submitting a report thereto;

8. Assistance by the Company to the complainant in filing of FIR or complaint to the police, if required

The Main objective of POSH Act, 2013 is to Provide a safe and secure Environment to every woman, regardless of her age, designation, religion, employment status, and making the employer accountable for any Compliant / grievance.

II. LABOUR LAW COMPLIANCES

Labourers are the backbone for every organization and are also covered in the Concurrent List of the Constitution of India. Labour Laws are framed to provide decent working conditions and improved quality of life of workers, ensuring India without child labor in hazardous sectors and enhancing employability through employment services and skill development on a sustainable basis.

| Sl. | Name of the Act(s) | Compliance Particulars |
|-------|---------------------|--|
| No. | | |
| ***** | | |
| | | Annual returns and half year returns submitted |
| 1 | | on time with correct details |
| | Factories Act, 1948 | |
| | | All story statutory registers are maintained |
| | | |



| | | Appointment of Safety Officer, Welfare Officer, if applicable, and its qualification matching as per the act |
|----|--------------------------------------|---|
| | | Canteen, Creche, rest room facilities are available |
| | | • First check if this act is applicable to factory and to contractor. General rule say it is applicable for more than 20 contract workers. But it differs differs from state to state |
| 2. | Contact Labor Act, 1970 | Principal Employer Registration, all contractor are listed on RC |
| | | Contractor have valid License |
| | | Contractor have submitted all dues like PF, ESIC, PT, LWF on time. |
| 3 | Payment of Gratuity Act, 1972: | Gratuity are paid to left employees who have completed 5 years Company have authorised one managerial personnel in organisation to receive all notice, letter, communication, etc. |
| | Payment of Wages Act, | All registers are maintained |
| 4. | 1936 4. and Minimum Wages Act, 1948: | Payment of Wages are done on time. |
| | | Wages are paid above minimum wages. |



| 5. 6. | Provident Fund (PF) Employees State Insurance Corporation (ESIC) Professional Tax (PT) Industrial Standing Order | Company have issued UAN, ESIC card to all employees All dues paid on time Standing orders are certified from Certifying officer All the provision of standing order are complied with. |
|----------|--|---|
| 7. | Apprentices Act, 1961 | Birth proof of apprentice should be kept Medical certificate of apprentice by Medical Practitioner is required Regular attendance registers are required for checking working hours, overtime leave and holidays. Agreement letter and joining letter is to be kept Stipend statement is requested by the employer Attendance register should be maintained |
| 8- | Employees Compensation Act, 1923 | Attendance register should be maintained The mode of payment of compensation by company in case of injury of the employee by accident arising in course of employment should be disclosed by submitting the required Document for eg. In case of Payment is being made by Cheque the copy of Cheque is Required or any other document through which payment Can be Cross verified. Register of Notice of Accidents should be maintained The Documentary Proof of the Reporting document to the commissioner in case of fatal injury in Form E as per Section 10B read with Rule 11 Copy of receiving the compensation by the Commissioner are Required also copies of |



| **** | ******* | ••••• |
|-------------|---|---|
| | | Form No - A as per Section 8(1) read with Rule |
| ***** | > | 6(1) |
| ***** | | • Certified copies of Form D is applicable as per |
| | | Section 8(2) read with Rule 9 |
| | | • Copies of Form K, L, M and copies application |
| | | submitted to the commissioner. (On settlement |
| ***** | | of compensation amount in between company |
| ***** | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
| ::::: | | |
| ***** | | memorandum of agreement with the workman |
| | | in Form No. K, L or M, as the case, may be and |
| | | submitted such agreement along with an |
| ***** | | application to register it to the Commissioner, |
| | | as prescribed in Rule 48) |
| ***** | > | • If the employer has knowingly employed a |
| | | woman in any establishment during the six |
| | | weeks immediately following the date of her |
| | | delivery, miscarriage or medical termination of |
| | her pregnancy, written declaration from the | |
| | | employer and reasons thereof for such |
| | | employment is required. |
| | | Whether or not a pregnant woman has made any |
| ::::: | | request not to give her service which is of a |
| ***** | > | hazardous nature or which involves long hours |
| ***** | | of standing etc. during the period of one month |
| **** | | immediately preceding the period of six weeks, |
| 0 | Maternity Benefits Act, | before the date of her expected delivery. |
| 9. | 1961 | If any woman employee is entitled for maternity |
| | | benefit, medical bonus and nursing break and if |
| ***** | | yes, whether payment has been made and |
| | | nursing break was allowed in accordance with |
| ***** | | the Act, and the documentary evidence of the |
| ***** | | |
| | same. | |
| | The employer exhibited the abstract of the | |
| **** | | provisions of the Act and the rules made |
| * * * * * * | | thereunder in accordance with Section 19 of the |
| **** | | Act. |
| **** | | Whether the employer has maintained muster |
| | | roll, register and records as prescribed, if any, |
| **** | | by the appropriate Government. |
| **** | ************* | · |



➤ Compliance Requirements under The Code on Wages, 2019

The Code on Wages Bill, 2019 (received the assent of President on 8th August, 2019) is a historic Bill which aims to transform the old and obsolete labour laws into more accountable and transparent ones which is need of the hour and universalizes the provisions of minimum wages and timely payment of wages to all employees irrespective of the sector and wage ceiling. The Code on Wages Bill, 2019 subsumes relevant provisions of:

- a. The Minimum Wages Act, 1948,
- b. The Payment of Wages Act, 1936,
- c. The Payment of Bonus Act, 1965 and
- d. The Equal Remuneration Act, 1976.

Key Compliance Requirements in brief:

i) Minimum Wages:

No employer shall pay to any employee wages less than the minimum rate of wages notified by the appropriate Government.

Overtime Wage Rate: the rate has been fixed at twice the normal rate of wages for the hours worked in excess of the normal working hours.

ii) Payment of Wages

The Payment of wages shall be made in currency notes or by cheque or by crediting the wages in the bank account of the employee or by the electronic mode, except for certain specified establishments, wages shall be paid only by cheque or by crediting the wages in his bank account.

Time limits for payment of wages for respective wage periods:

| | Sl. | Wage Period | Time Limits |
|----|-----|---|--|
| ** | No. | · • • • • • • • • • • • • • • • • • • • | |
| | 1 | For daily basis | at the end of the shift |
| | 2 | For weekly basis | on the last working day of the week |
| | 3 | For fortnightly basis | before the end of the second day after the |
| | | | end of the fortnight |



| 4 | For monthly basis | before the expiry of the seventh day of the succeeding month |
|----|--|---|
| 5. | Miscellaneous Cases: • removed or dismissed from service; or • retrenched or has resigned from service, or | within two working days of his removal, dismissal, retrenchment or, as the case may be, his resignation |
| | unemployed due to closure of the establishment, | |

iii) Deductions from Wages

- Only authorized deduction allowed as mentioned under the Code.
- The total amount of deductions in any wage period shall not exceed 50% of such wages otherwise the excess deductions may be recovered in such manner, as may be prescribed.

iv) Revision of Minimum Wages

Minimum Wages shall be revised/reviewed at the interval of not exceeding 5 years.

v) Prohibition of discrimination

The Code expressly prohibits any discrimination on the basis of gender.

vi) Fines and Penalty Provisions:

- The total amount of fine which may be imposed in any one wage-period on any employee shall not exceed an amount equal to 3% of the wages payable to him in respect of that wage-period.
- No fine shall be imposed on any employee who is under the age of 15 years.
- No fine imposed on any employee shall be recovered from him by installments or after the expiry of 90 days from the day on which it was imposed.

vii) Particulars about payment of Bonus:

- Eligibility: establishments in which 20 or more persons are employed or were employed on any day during an accounting year, drawing wages not exceeding the notified threshold.
- The limitation period for filing the claims for minimum wages, bonus, equal remuneration etc., by workers has been raised to 3 years as against the varying period between 6 months to 2 years

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 the Code additionally provides that dismissal from service due to conviction for sexual harassment would also be considered as a ground for disqualification for receipt of bonus under the Code.

viii) Preparation of Records and Registers

All the employers are required to maintain registers under this code containing details including the details of the employees, the wages payable to the employees, muster rolls and any such other details as prescribed by the rules.

The Code on wages, 2019, Ensure that:

- a) "Right to Sustenance" for every worker and intends to increase the legislative protection of minimum wage from existing about 40% to 100% workforce.'
- b) every worker gets minimum wage which will also be accompanied by increase in the purchasing power of the worker thereby giving fillip to growth in the economy.

Conclusion:

POSH Laws apply to every employer whether an individual, partnership or a company. Therefore, every organization, be it Public Limited Company, Private Limited Company, Limited Liability Partnership, Partnership Firms, Association, Society, Trust, Proprietorship or even an NGO, irrespective of its size and number of the employees, has to comply with the laws enshrined in the Act. Labour Laws are imposed by the State as well as the Central Government. The labour law compliances are not just restricted to filing returns, but these records serve as evidence for the compliance of the laws and must be produced to the authorities in case of any discrepancies. All the records and disclosures should be made properly and kept in the custody of Properly Authorized Officer of the Company.



CS Lalit Raiput

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TEST YOUR KNOWLEDGE

| 1. Countries that employ explicit policies designed to attract international trade |
|--|
| oriented activities by minimization of taxes and reduction or elimination of other |
| restrictions on business operations is described as . |

- a. Tax Havens
- b. Tax Planning
- c. Tax Evasion
- d. Tax Management
- 2. A survey is conducted in the premises of the assessee and assessments are reopened for some assessment years. An application for settlement could be made to the Settlement Commission when the additional amount of income-tax payable on the income disclosed in the application exceeds
 - a. 50 lakhs
 - b. 25 lakhs
 - c. 10 lakhs
 - d. 100 lakhs
- 3. When an assessee has paid advance tax more than the tax due on the returned income and the return is filed before the 'due date' specified in section 139(1), the refund amount is eligible for interest @
 - a. 1% per month
 - b. ½% per month
 - c. 3/4% per month
 - d. 1.50% per month
- 4. If any person fails to keep and maintain any such information and document as required by sec. 92D in respect of an international transaction or specified domestic



transaction, the Assessing Officer or Commissioner (Appeals) may direct that such person shall pay, by way of penalty, a sum equal to _____

- a. Rs. 5,00,000
- b. 2% of the value of each international transaction or specified domestic transaction entered into by such person
- c. Rs. 1,00,000
- d. 1% of the value of each international transaction or specified domestic transaction entered into by such person
- 5. An application (in quadruplicate) for advance ruling by a resident applicant for determination of his tax liability arising out of one or more transactions valuing Rs. 100 crore or more in total which has been undertaken or is proposed to be undertaken by him is to be made in Form No.____.
 - a. 34D
 - b. 34DA
 - c. 34E
 - d. 34EA



FOR THE PREVIOUS EDITION

- 1. (A)
- 2. (C)
- 3. (A)
- 4. (B)
- 5. (B)

Answers may be sent to icaiebulletin@gmail.com

Correct answers will be out in the next edition.

The names of the first five persons who give correct answers to all the questions, will also be published.



WORDS OF WISDOM

"If you think you are too small to make a difference, try sleeping with a mosquito." "If you want others to be happy, practice compassion. If you want to be happy, practice compassion."

"We can deny everything, except that we have the possibility of being better."



"In order to be happy, we must first possess inner contentment—and inner contentment doesn't come from having all we want, but rather from wanting and appreciating all we have."

"If at the beginning and end of our lives we depend upon the kindness of others, why in the middle of our lives should we not act kindly toward them? It is the pragmatic choice."



WORDS FROM THE HOLY BOOK

Be careful, however, that the exercise of your rights does not become a stumbling block to the weak. 1 Corinthians 8:9

Do not be
misled: "Bad
company
corrupts good
character." 1
Corinthians
15:33

Remember this:
Whoever sows
sparingly will
also reap
sparingly, and
whoever sows
generously will
also reap
generously. 2
Corinthians 9:6

Love is patient, love is kind. It does not envy, it does not boast, it is not proud.

1 Corinthians
13:4

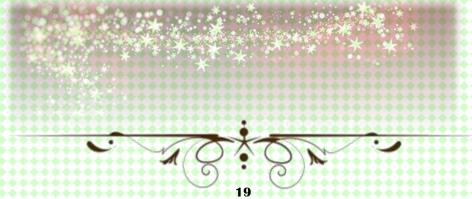
Do not let any unwholesome talk come out of your mouths, but only what is helpful for building others up according to their needs, that it may benefit those who listen. Ephesians 4:29



CHRISTMAS

Christmas is one of the world's most celebrated festivals, celebrated by Christians and others alike. It marks the birth of Jesus Christ- the Messiah who delivered mankind from its sins. This festival is celebrated with great joy and spirit – with sparkling decorations and enthusiastic gift giving. Beautifully decorated Christmas trees are a feast for the eyes, while the traditional sweets mark a sweet end to this challenging year. The festival of Christmas marks a beautiful, joyful end to a long year, preparing all to face the coming year in good spirit.







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The Managing Committee of Mangalore Branch of SIRC of ICAI invites articles, write ups and other similar materials in the areas of Accounting, Taxation or any other subject of professional interest for publishing in its E-Bulletin. The articles submitted for consideration of publication should be of 2000-4000 words typed. Soft copy of the article, along with the author's photograph may be sent to icaiebulletin@gmail.com.

Feedback on this e-bulletin can be sent to the editorial team at icaiebulletin@gmail.com

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