



**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

*(Set up by an Act of Parliament)*

**Pune Branch of WIRC of ICAI**

**NEWSLETTER SEPTEMBER 2023**

**ISSUE NO. 09**

Subscribers copy not for sale.



## CHAIRMAN'S MESSAGE



CA Rajesh Agrawal

Chairman  
Pune Branch of WIRC of ICAI

Dear Members & Students,

October started with the grateful tribute to father of nation Mahatma Gandhiji and the stalwart leader and past prime minister of India Shri. Lal Bahadur Shastri.

Now the Branch is gearing up for the forthcoming period and planning various growth oriented events, the details of which are published elsewhere in the Newsletter.

Dussehra is celebrated to mark the triumph of Lord Rama over the demon king Ravana in the Hindu epic, the Ramayana. Cleaning and worshiping objects on this day symbolize the victory of good over evil and the removal of impurities from one's life.

In alliance with above motive we arranged various activity under Celebration of 75 years of ICAI-Swachhata Pakhwada - Swachhata Hi Seva (SHS), 2023, Swachh Bharat-Swachh ICAI etc.

Considering various amendments and supreme court judgements related to trust provision, we conducted full day seminar on trust along with we have submitted representation before CIT (Exemptions), Pune for "Grievances of the trusts, funds and institutions"

Further, we have planned Virtual Interactive Meet-International Study Tour to Vietnam-Pre-departure meet.

As usual my perennial request to please keep visiting our website [www.puneicai.org](http://www.puneicai.org) from time to time and also, while concluding this message I take the opportunity to extend my best wishes for Dussera.

May these festivities bring in fresh ray of hope and confidence & refreshing breeze of happiness, health, peace and prosperity to you, your family members and friends.

"Education is not the amount of information that is put into your brain and runs riot there, undigested, all your life." - Swami Vivekananda



INAUGURATION OF FREE LEGAL AID CENTRE FOR THE TRUSTS : 3<sup>RD</sup> OCTOBER 2023





SEMINAR ON TRANSFER PRICING : 7<sup>TH</sup> OCTOBER 2023





CHESS COMPETITION & CARROM (SINGLE) COMPETITION 2023 : 20<sup>TH</sup> OCTOBER 2023





FULL DAY SEMINAR ON GST LITIGATION : 21<sup>ST</sup> OCTOBER 2023





DISCUSSION ON CO-OPERATIVE EMPANELMENT : 23<sup>RD</sup> OCTOBER 2023





## Employee Life Cycle

CA. Chandan Lahoti, Partner with Ahuja Valecha & Associates LLP

Employee Engagement is directly linked to improved customer experiences & can increase customer loyalty over time. Engaged employees are more aligned with company's mission and goals, meaning their customer interactions are more on-brand.

Keeping track of an organization's employee lifecycle is important as it gives employees a consistent series of steps through their career with a company, as well as it gives employers an option to analyze the trend.



### ATTRACTION:

The best employees won't join a company that doesn't represent the very best itself.

The power of employer brand is very real: 55% of job seekers will stop applying after reading negative reviews about a company, and a staggering 92% of individuals would consider leaving their current job for an opportunity with a company with greater reputation.

Companies also face challenges of getting CV's internally and externally. In this Digital World, this challenge can be overcome by creating social media presence and awareness about the brand.



## Employee Life Cycle

### RECRUITING:

Hiring employees who align with your culture can positively impact all subsequent stages of the employee life cycle. The recruitment process isn't just about evaluating and selecting candidates, it's also a chance for candidates to get a closer look at the company.

Factors to improve recruiting process:

- Online Assessment
- Technical Question bank
- Background Verification

### ONBOARDING:

The onboarding stage is where the foundation of the employer-employee relationship is laid. Onboarding period is critical in getting your new hires well-adjusted in their new job and the organization as quickly and smoothly as possible. Making them feel welcomed in the team and well-acclimatized to their role and the organization is critical.

Key strategies to ensure smooth onboarding:

- Discuss the company's vision and values.
- Outline the expectations clearly.
- Follow up with employees regularly, schedule face-to-face meetings for feedback.
- Assign a Mentor/Buddy to each Employee

### RETAINING:

RETAINING IS ONE OF THE MOST IMPORTANT PART IN EMPLOYEE LIFE CYCLE

Focus your energies on keeping your top employees, and ensuring they are happy and sufficiently challenged in their respective roles. Improving the retention stage is a great way to counteract risks and promote longevity and satisfaction amongst your team's career paths.

Tips to improve employee retention:

- Cultivate great relationships with your team members.
- Openly communicate your organizational mission and team aspirations.
- Seek out employee feedback and measure team morale frequently.
- Understand what motivates your employees.



## Employee Life Cycle

### DEVELOPMENT:

Employers who invest in employee development, help them with their strengths and skills, better equips them for their current roles, adds more value to the work they do and directly benefits the business.

Benefits of training & development:

- 1) Provides an opportunity to instill the needed skills in the employees and helps expanding the knowledge base of all employees.
- 2) Timely training improves employees work productivity.
- 3) Conducting trainings frequently develops the organization's employer brand, thus making it a prime consideration for the top employees working for competitor firms, as well as graduates.

Employers can arrange technical and non-technical trainings, which helps to improve employee's productivity and clarify doubts. Taking feedback and survey from employees about trainings helps to identify trainings which are important from company's perspective.

### EMPLOYEE ENGAGEMENT:

Employee engagement describes the level of enthusiasm and dedication an employee feels towards their job. Engaged employees often display a greater commitment to their company's values and goals.

An engaged employee is in it for more than a paycheck and may consider their well-being linked to their performance, and thus instrumental to their company's success.

Ways to engage employees:

- Offering rewards and promotion for their excellent work.
- Conducting events and programs which will enhance, motivate, and boost employee's productivity.
- Taking feedbacks regularly from employees and ensuring that their ideas are being heard and understood.

Engaged employees often develop an emotional connection with their company and will be focused on working toward their organization's goals.

### EMPLOYEE EXIT EXPERIENCE:

Process of employee exit should be as smooth as onboarding process. Many organizations fail here, which has direct impact on the Company.

- 1) Right from the acceptance of employee resignation to approval by the manager and full & final payment by HR, automation helps in the exit management process, making it more transparent and efficient.
- 2) Conducting final exit interview: HR can ask for actual exit reason and give a chance for employee retention.



## Employee Life Cycle

### ALUMNI:

Keeping a connection with an employee even after they have left can benefit an organization later:

- Brand Advocacy: Even after the exit, your ex-employees are your brand advocates for life, they might come back to you as potential customers, clients, or your Company's advocates.
- Referral: Ex-employees can be beneficial for the company as they can refer candidates when hiring. A well-managed employee alumni is a great source of referrals for future talent needs.
- Alumni can become key influencers or buyers of a company's services. This happens quite frequently in the domain of professional services when people move from the seller side to the client-side of the industry.

CA. Chandan Lahoti,  
Partner with Ahuja Valecha & Associates LLP



## Part IV of Income Tax Rules 1962

### Compliance needed while Tax Deduction at Source

Rahul Sharma, Senior Manager, UCO Bank, Johari Bazar, FCA, MBA(Fin.), LL.b., CAIIB

While conceptual law is stipulated under Income Tax Act, 1961 its procedural law is enumerated under Income Tax Rules 1962. At times demand has been made for single comprehensive law as 'Income Tax Code' but time and again same could not find statutory garb due to one or the other reason. Codification of all law, procedures and practices is always beneficial from the point of compliance and enforcement. However in current scenario when Tax Law is scattered in the form of Act, Rules, notifications and circulars its overall compliance is a tedious task and needs holistic approach. For the said purpose I have tried to compile some of the rules which are vital and to be observed while Deduction of Tax at Source.

Some Rule needs discussion are as follows :-

How a deductee can provide particulars of his other income to deductor :-

**Rule 26A.** Furnishing of particulars of income under the head "Salaries" - The assessee may furnish to the person responsible for making the payment referred to in sub-section (1) of section 192, the details of the income under the head "Salaries" due or received by him from the other employer or employers referred to in sub-section (2) of that section and of any tax deducted at source from such income in Form No. 12B.

**Rule 26B.** Statement of particulars of income under heads of income other than "Salaries" for deduction of tax at source. The assessee may send to the person responsible for making payment under sub-section (1) of section 192, a statement of any income chargeable under any head of income other than "Salaries" (not being a loss under any such head other than the loss under the head "Income from house property"), received by the assessee for the same financial year, and of any tax deducted on such income. A verification in the following form shall be annexed to the statement referred to in sub-rule (1), - Form of Verification - I, .....(name of the assessee), do declare that what is stated above is true to the best of my information and belief.

There is no form specified for submission of information under Rule 26B only verification has to be made

**Rule 26C.** Furnishing of evidence of claims by employee for deduction of tax under section 192. The assessee shall furnish to the person responsible for making payment under sub-section (1) of section 192, the evidence or the particulars of the claims referred to in sub-rule (2), in Form No.12BB for the purpose of estimating his income or computing the tax deduction at source. The assessee shall furnish the evidence or the particulars specified in column (3), of the Table below, of the claim specified in the corresponding entry in column (2) of the said Table:-

Sl. No	Nature of claims	Evidence or particulars
(1)	(2)	(3)
1.	House Rent Allowance.	Name, address and permanent account number of the landlord/landlords where the aggregate rent paid during the previous year exceeds rupees one lakh.
2.	Leave travel concession or assistance.	Evidence of expenditure.
3.	Deduction of interest under the head "Income from house property".	Name, address and permanent account number of the lender.
4.	Deduction under Chapter VI-A.	Evidence of investment or expenditure.



Here again no form is prescribed for furnishing particulars in respect of Income other than salary.

**Rule 29C.** Declaration by person claiming receipt of certain incomes without deduction of tax.- A declaration under sub-section (1) or under sub-section (1A) of section 197A shall be in Form No.15G and declaration under sub-section (1C) of section 197A shall be in Form No.15H. The declaration referred to in sub-rule (1) may be furnished in any of the following manners, namely:-

(a) in paper form; (b) electronically after duly verifying through an electronic process in accordance with the procedures, formats and standards specified under sub-rule (7). The person responsible for paying any income of the nature referred to in sub-section (1) or sub-section (1A) or sub-section (1C) of section 197A, shall allot a unique identification number to each declaration received by him in Form No.15G and Form No.15H respectively during every quarter of the financial year in accordance with the procedures, formats and standards specified by the Principal Director-General of Income-tax (Systems) under sub-rule (7). The person referred to in sub-rule (3) shall furnish the particulars of declaration received by him during any quarter of the financial year along with the unique identification number allotted by him under sub-rule (3) in the statement of deduction of tax of the said quarter in accordance with the provisions of clause (vii) of sub-rule (4) of rule 31A.

**Rule 29D.** Form of declaration under second proviso/third proviso to clause (i) of sub-section (3) of section 194C. The declaration under the second proviso to clause (i) of sub-section (3) of section 194C by a sub-contractor shall be in Form No. 15-I and shall be verified in the manner indicated therein by such sub-contractor. The declaration referred to in sub-rule (1) may be furnished to the contractor responsible for paying or crediting any sum to the account of the sub-contractor before the event of such sum being credited or paid to such sub-contractor. The particulars under the third proviso to clause (i) of sub-section (3) of section 194C to be furnished by a contractor responsible for paying any sum to such sub-contractor shall be in Form No. 15J. The particulars referred to in sub-rule (3) shall be furnished,-(i) to the Commissioner of Income-tax, so designated by the Chief Commissioner of Income-tax, within whose area of jurisdiction, the office of the contractor referred to in sub-rule (3) is situated;(ii) on or before the 30th June following the financial year.

**Rule 30.** Time and mode of payment to Government account of tax deducted at source or tax paid under sub-section (1A) of section 192.-I. All sums deducted in accordance with the provisions of Chapter XVII-B by an office of the Government shall be paid to the credit of the Central Government-(a) on the same day where the tax is paid without production of an income-tax challan; and (b) on or before seven days from the end of the month in which the deduction is made or income-tax is due under sub-section (1A) of section 192, where tax is paid accompanied by an income-tax challan.II. All sums deducted in accordance with the provisions of Chapter XVII-B by deductors other than an office of the Government shall be paid to the credit of the Central Government-(a) on or before 30th day of April where the income or amount is credited or paid in the month of March; and (b) in any other case, on or before seven days from the end of the month in which-(i) the deduction is made; or(ii) income-tax is due under sub-section (1A) of section 192. Notwithstanding anything contained in sub-rule (2), in special cases, the Assessing Officer may, with the prior approval of the Joint Commissioner, permit quarterly payment of the tax deducted under section 192 or section 194A or section 194D or section 194H for the quarters of the financial year specified to in column (2) of the Table below by the date referred to in column (3) of the said Table:-

Sl. No.	Quarter of the financial year ended on	Date for quarterly payment
(1)	(2)	(3)
1.	30th June	7th July
2.	30th September	7th October
3.	31st December	7th January
4.	31st March	30th April



**Rule 31. Certificate of tax deducted at source to be furnished under section 203.**-The certificate of deduction of tax at source by any person in accordance with Chapter XVII-B or the certificate of payment of tax by the employer on behalf of the employee under sub-section (1A) of section 192 shall be in-(a) Form No. 16, if the deduction or payment of tax is under section 192; and(b) Form No. 16A if the deduction is under any other provision of Chapter XVII-B. (2) The certificate referred to in sub-rule (1) shall specify:- (a) valid permanent account number (PAN) of the deductee;(b) valid tax deduction and collection account number (TAN) of the deductor;(c) (i) book identification number or numbers where deposit of tax deducted is without production of challan in case of an office of the Government;(ii) challan identification number or numbers in case of payment through bank;(d) (i) receipt number of the relevant quarterly statement of tax deducted at source which is furnished in accordance with the provisions of rule 31A;(ii) receipt numbers of all the relevant quarterly statements in case the statement referred to in clause (i) is for tax deducted at source from income chargeable under the head "Salaries". (3) The certificates in Forms specified in column (2) of the Table below shall be furnished to the employee or the payee, as the case may be, as per the periodicity specified in the corresponding entry in column (3) and by the time specified in the corresponding entry in column (4) of the said Table:-

Sl. No.	Form No.	Periodicity	Due date
(1)	(2)	(3)	(4)
1.	16	Annual	By Substituted for "31st day of May" by the Income-tax (Tenth Amendment) Rules, 2017, w.e.f. 2-6-2017.15th day of June of the financial year immediately following the financial year in which the income was paid and tax deducted.
2.	16A	Quarterly	Within fifteen days from the due date for furnishing the statement of tax deducted at source under rule 31A.

**31A. Statement of deduction of tax under sub-section (3) of section 200.** - (1) Every person responsible for deduction of tax under Chapter XVII-B, shall, in accordance with the provisions of sub-section (3) of section 200, deliver, or cause to be delivered, the following quarterly statements to the Director General of Income-tax (Systems) or the person authorised by the Director General of Income-tax (Systems), namely:- (a) Statement of deduction of tax under section 192 in Form No. 24Q; (b) Statement of deduction of tax under sections 193 to 196D in(i) Form No. 27Q in respect of the deductee who is a non-resident not being a company or a foreign company or resident but not ordinarily resident; and(ii) Form No. 26Q in respect of all other deductees.Statements referred to in sub-rule (1) for the quarter of the financial year ending with the date specified in column (2) of the Table below shall be furnished by the due date specified in the corresponding entry in column (3) of the said Table:

Sl. No.	Date of ending of quarter of financial year	Due date
(1)	(2)	(3)
1.	30th June	31st July of the financial year
2.	30th September	31st October of the financial year
3.	31st December	31st January of the financial year
4.	31st March	31st May of the financial year immediately following the financial year in which the deduction is made



**Rule 31AC.** Maintenance of particulars of time deposits by a banking company for furnishing quarterly return under section 206A.- Every branch of a banking company, which is required to make a quarterly return under sub-section (1) of section 206A in respect of interest on time deposits without deduction of tax at source, shall keep and maintain the particulars of such time deposits in Form No. 26QA. Every branch referred to in sub-rule (1) which is maintaining its daily accounts on computer media, shall keep and maintain the particulars in Form No. 26QA on computer readable media.

**Rule 31ACA.** Quarterly return under section 206A.-The quarterly return to be furnished by a banking company under sub-section (1) of section 206A in respect of time deposits shall be in Form No. 26QAA and shall be verified in the manner indicated therein.  
of Income-tax (Systems).

**Rule 37.** Prescribed returns regarding tax deducted at source under section 206. - Every person, being a person responsible for deducting tax under Chapter XVII-B shall, in respect of a previous year, deliver or cause to be delivered to the Director-General of Income-tax (Systems) or the person or agency authorised by the Director General of Income-tax (Systems) referred to in rule 36A, the returns mentioned in column (1) of the Table below in Form No. specified in the corresponding entry in column (2) of the said Table by the end of the month falling in the financial year immediately following the previous year as specified in the corresponding entry in column (3) of the said Table :-

Sl. No.	Nature of returns	Form No.	Month
(1)	(2)	(3)	
1.	Annual return of deduction of tax under section 192 from "Salaries"	24	June
2.	Annual return of deduction of tax under section 193 from "Interest on securities", under section 194 from "Dividends", under section 194A from "Interest other than interest on securities", under section 194B from "Winnings from lotteries or crossword puzzles", under section 194BB from "Winnings from horse races", under section 194C from "Payments to any contractor or sub-contractor", under section 194D from "Insurance commission", under section 194EE from "Payments in respect of deposits under the National Savings Scheme, etc.", under section 194F from "Payments on account of repurchase of units by Mutual Fund or Unit Trust of India", under section 194G from "Commission, etc., on sale of lottery tickets", under section 194H from "Commission or brokerage", under section 194-I from "Rent", under section 194J from "Fees for professional or technical services", under section 194K from "Income in respect of units" and under section 194LA from "Payment of compensation on acquisition of certain immovable property".	26	June.

**Rule 37BA.** Credit for tax deducted at source for the purposes of section 199.- Credit for tax deducted at source and paid to the Central Government in accordance with the provisions of Chapter XVII, shall be given to the person to whom payment has been made or credit has been given (hereinafter referred to as deductee) on the basis of information relating to deduction of tax furnished by the deductor to the income-tax authority or the person authorised by such authority.(i) Where under any provisions of the Act, the whole or any part of the income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, credit for the whole or any part of the tax deducted at source, as the case may be, shall be given to the other person and not to the deductee.



Some other rule Related with NRIs :-

**Rule 26.** Rate of exchange for the purpose of deduction of tax at source on income payable in foreign currency.- For the purpose of deduction of tax at source on any income payable in foreign currency, the rate of exchange for the calculation of the value in rupees of such income payable to an assessee outside India shall be the telegraphic transfer buying rate of such currency as on the date on which the tax is required to be deducted at source under the provisions of Chapter XVIIB by the person responsible for paying such income. It has been explained that for the purposes of this rule, "telegraphic transfer buying rate", in relation to a foreign currency, means the rate or rates of exchange adopted by the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955), for buying such currency, having regard to the guidelines specified from time to time by the Reserve Bank of India for buying such currency, where such currency is made available to that bank through a telegraphic transfer.

**Rule 29A.** Form of certificate to be furnished along with the return of income under sub-section (4) of section 80QQB, sections 80R, 80RR and 80RRA, and sub-section (3) of section 80RRB and the prescribed authority for the purposes of sub-section (4) of section 80QQB and sub-section (3) of section 80RRB. - shall be in Form No. 10H.

**Rule 29AA.** Form of certificate to be filed with the return of income for claiming deduction under section 80-O- shall be in Form No. 10HA.

**Rule 29B.** Application for certificate authorising receipt of interest and other sums without deduction of tax - Any person entitled to receive any interest, or other sum, on which income-tax has to be deducted under sub-section (1) of section 195 may, if he fulfils the conditions specified make an application for the grant of a certificate under sub-section (3) of section 195 authorising him to receive without deduction of tax under sub-section (1) of that section any such income. The application under sub-rule (1) by a banking company or an insurer shall be in Form No. 15C and by any other person referred to in clause (ii) of sub-rule (1) shall be in Form No. 15D.

The Assessing Officer may give a certificate authorising the person concerned to receive the income specified in clause (i) or clause (ii) of sub-rule (1), without deduction of tax under sub-section (1) of section 195, if he is satisfied that all the conditions laid down in sub-rule (2) are fulfilled and the issue of any such certificate will not be prejudicial to the interests of revenue. The certificate shall be valid for the financial year specified therein, unless it is cancelled by the Assessing Officer at any time before the expiry of the said financial year. An application for a fresh certificate may be made, if required, after the expiry of the period of validity of the earlier certificate, or within three months before the expiry thereof.

**Rule 29BA.** Application for grant of certificate for determination of appropriate proportion of sum (other than Salary), payable to non-resident, chargeable in case of the recipients.- An application by a person for determination of appropriate proportion of sum chargeable in the case of non-resident recipient under sub-section (2) or sub-section (7) of section 195 shall be made in Form 15E electronically, -

(i) under digital signature; or

(ii) through electronic verification code.

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