



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



# **Pune Branch of WIRC of ICAI**

NEWSLETTER

MAY 2024

**ISSUE NO. 05**

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2024 - 2025



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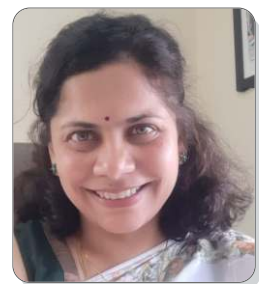
## Our Torch Bearer



**CA. Chandrashekhar V. Chitale**  
CCM, ICAI



**CA. Yashwant Kasar**  
RCM, WIRC of ICAI



**CA. Ruta Chitale**  
RCM, WIRC of ICAI

## Chairperson's Message



**CA. Amruta M. Kulkarni**

**Chairperson**  
Pune Branch of WIRC of ICAI

**Dear Members,**

As we embrace the vibrant month of May, I extend warm greetings to each of you. It is with great pleasure that I update you on the latest developments and initiatives undertaken by our Pune Branch of WIRC of ICAI.

**Reflecting on Achievements:** The past month has been particularly eventful for us. We have successfully conducted several professional development programs aimed at enhancing the skills and knowledge base of our members. We have facilitated Expert Virtual Helpdesk for Bank Audit for 10 days during the bank audit season, wherein the experts have shared their experience and valuable guidance to members on a real-time basis.

The program for discussion on Taxation issues of Charitable Trusts got an overwhelming response. The insightful "GST Litigation Conclave" was very well appreciated by the members. The seminar on "All about External Borrowings" was very interactive and helpful for the members.

I am extremely delighted to share with you all that Pune Branch celebrated the "Accounting Standards Day" with the discussions by the expert faculties on the Evolution of Accounting Standards and Accounting Standards in the profession. The Chairman and Vice Chairman of Accounting Standards Board have appreciated the role of our branch for organising this program to create awareness about importance of Accounting standards in true and fair presentation of financial statements. I thank our Central Council Member CA C V Chitale Sir for all the support and guidance to organise this unique program at our Pune branch, the only branch to celebrate "Accounting Standards Day" this year in the month of April.

The Post Qualification Course on Information System Audit and Certificate Course on Forensic Accounting and Fraud Detection was organised in physical mode at Pune branch. Also, One Day Training Program for Peer Reviewers was hosted at Pune Branch.

Various programs were organised for our students on variety of topics like financial planning, mastering the CA exam journey etc.

**Looking Ahead:** Looking forward, month of May promises to be another exciting month filled with opportunities for growth and innovation. We have planned an array of events, including interactive seminars, conferences, and workshops, designed to equip our members with the skills needed to navigate the evolving landscape of finance and accounting.

**Gratitude:** I would like to express my heartfelt gratitude to our Central Council Members, Regional Council Members, my colleagues in the Managing Committee, staff members, volunteers and each member of Pune Branch of ICAI for your continued dedication and contribution. Your enthusiasm and commitment are instrumental in driving our collective success, and I look forward to achieving greater milestones together.

Best wishes,

**CA Amruta Meghasham Kulkarni**

Chairperson, Pune Branch of ICAI (2024-25)

## Upcoming Events / Seminars

Date	Name	CPE Hrs.	Venue
4 <sup>th</sup> , 5 <sup>th</sup> , 11 <sup>th</sup> & 12 <sup>th</sup> May 2024	Direct Tax Refresher Course (DTRC)-2024	16 Hrs.	MES Auditorium, Balshikshan School Campus, Mayur Colony, Kothrud, Pune – 411038
6 <sup>th</sup> to 10 <sup>th</sup> May 2024	Series on Recent Issues in GST	10 Hrs.	ICAI Bhawan, Bibwewadi, Pune
14 <sup>th</sup> May 2024	Seminar on Beyond Borders: Navigating US Taxation for NRIs & OCIs	02 Hrs.	ICAI Bhawan, Bibwewadi, Pune
18 <sup>th</sup> & 19 <sup>th</sup> May 2024	National Conference on "Share Market"	12 Hrs.	Siddhi Banquets, 7/2-4, 100 Ft DP Road, Near Mhatre Bridge, Erandwane, Pune-411004
31 <sup>st</sup> May to 3 <sup>rd</sup> June 2024	RRC at Pench in May 2024	08 Hrs.	Pench National Park

for more details visit : [www.puneicai.org](http://www.puneicai.org)

# GST Litigation Conclave

Date : 13<sup>th</sup> & 14<sup>th</sup> April, 2024



Speaker : Dr. Adv. CA. IP. Avinash Poddar



Speaker : CA. Ravi Somani



Speaker : Adv. J K Mittal



# GST Litigation Conclave

Date : 13<sup>th</sup> & 14<sup>th</sup> April, 2024



Speaker : CA. Pritam Mahure



Speaker : CA. Amit Agarwal



Speaker : CA. Swapnil Munot



# Celebration of Accounting Standards Day

Date : 22<sup>nd</sup> April, 2024



Speaker : CA. (Dr.) S. B. Zaware



Speaker : CA. Chandrashekhar V Chitale, CA. Kusai Goawala, CA. Nachiket Deo, CA. Amit Borkar, CA. Paul Alvares & CA. Charuhas Upasani



# One Day Training Programme For PEER REVIEWERS AT PUNE

Date : 28<sup>th</sup> April, 2024



Speaker : CA. Chandrashekhar V Chitale



Speaker : CA. Hemant Godse



Speaker : CA. Kusai Goawala



# One Day Training Programme For PEER REVIEWERS AT PUNE

Date : 28<sup>th</sup> April, 2024



Speaker : CA. Amruta Kulkarni



Speaker : CA. Shekhar Sane



Speaker : CA. Jagdeesh Dhongde



# Seminar on All About External Commercial Borrowings

Date : 29<sup>th</sup> April, 2024



Speaker : Mr. Suhas Bendre



Speaker : CA. Vinit Deo



Speaker : CA. Gita Patwardhan-Kulkarni



# Input Service Distributor under GST AND WAY FORWARD



**CA Aumkar Surendra Prachi Gadgil**  
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The concept of Input Service Distributor, hereinafter referred as "ISD", exists under the Indirect taxes from the 'pre-gst' regime. The idea behind the introduction of this concept was, laying down basis for distribution of Input tax credit in respect of services which are commonly consumed across various 'cost and profit centers' engaged in manufacture of goods or engaged in rendering taxable services. Under the GST regime, as well the concept of ISD has continued to exist. With the introduction of 'Distinct Person' concept under GST, now the ISD is more a prominent aspect under the Indirect Tax Laws. Also due to the existence of concept of 'Destination Based consumption tax' this all the more holds a important position.

After the Union Budget this concept has caught supreme importance, as now the debate, 'Is ISD compulsory'?? has been put to rest. With the amendment in the provisions of section 2 and Section 20 to the CGST Act. Let us analyse how ISD amendment would impact and what would be the way forward (challenges and impacts).

## **Provision prior to amendment vide Finance Act 2024**

Section 2(61) "Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices issued under section 31 towards the receipt of input services and issues a prescribed document for the purposes of distributing the credit of central tax, State tax, integrated tax or Union territory tax paid on the said services to a supplier of taxable goods or services or both having the same Permanent Account Number as that of the said office.

## **Provision post amendment to vide Finance Act 2024**

Section 2(61) "Input Service Distributor" means an office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, and liable to distribute the input tax credit in respect of such invoices in the manner provided in section 20;

## Impact of the amendment in definition

The new definition of 'Input Service Distributor' will certainly increase the connotation of the applicability of 'ISD' mechanism. This provision is applicable if a 'registered person' holds more than 1 registration across the states/UT, but is in receipt of 'input services' in one of such state/UT, whereas the utilization of such service is across all or more than 1 of his registration which are recognized as 'distinct person'. A common service receiving state/UT which now will be required to hold a mandatory 'ISD' registration to distribute the following Input tax credits. Input tax credit on, 'Input service' received from a vendor in one state, when such service is consumed by 'registered person' as well as one or more 'distinct persons' to him. Input tax credit on 'Input service' received from a vendor in one state, which is liable to be taxed under 'Reverse Charge Mechanism' consumed by 'registered person' as well as 'distinct persons' to him.

## Provision prior to amendment vide Finance Act 2024

Section 20(1) of the CGST Act 2017, The Input Service Distributor shall distribute the credit of central tax as central tax or integrated tax and integrated tax as integrated tax or central tax, by way of issue of a document containing the amount of input tax credit being distributed in such manner as may be prescribed.

- (2) The Input Service Distributor may distribute the credit subject to the following conditions, namely
- a) the credit can be distributed to the recipients of credit against a document containing such details as may be prescribed;
  - (b) the amount of the credit distributed shall not exceed the amount of credit available for distribution;
  - (c) the credit of tax paid on input services attributable to a recipient of credit shall be distributed only to that recipient;

## Provision post amendment to vide Finance Act 2024

"20. (1) Any office of the supplier of goods or services or both which receives tax invoices towards the receipt of input services, including invoices in respect of services liable to tax under sub-section (3) or sub-section (4) of section 9, for or on behalf of distinct persons referred to in section 25, shall be required to be registered as Input Service Distributor under clause (viii) of section 24 and shall distribute the input tax credit in respect of such invoices.

2) The Input Service Distributor shall distribute the credit of central tax or integrated tax charged on invoices received by him, including the credit of central or integrated tax in respect of services subject to levy of tax under sub-section (3) or sub-section (4) of section 9 paid by a distinct person registered in the same State as the said Input Service Distributor, in such manner, within such time and subject to such restrictions and conditions as may be prescribed.

(3) The credit of central tax shall be distributed as central tax or integrated tax and integrated tax as integrated tax or central tax, by way of issue of a document containing the amount of input tax credit, in such manner as may be prescribed.

### Impact of the amendment in definition

If Input services are received currently by a 'registered person' but the consumption of such services are done by such 'registered person' along with its 'distinct persons'. In such case distribution of Input tax credit of such commonly consumed services is proposed to be made mandatory by way of taking a 'ISD registration'. The ISD registration should distribute the Input tax credit of 'Invoices for Input services received by it', along with the Input tax credit in respect of tax paid under reverse charge mechanism by the 'non ISD ie regular registration in the same state, where such commonly consumed services are liable for tax payments under reverse charge mechanism. Here it is pertinent to note that the ISD registration has a fundamental attribute that it can only 'avail' and 'distribute' the Input tax credit. No tax payments are through the ISD registration. Rules will be prescribed to determine the revised mechanism of distribution.

### Illustration on how ISD mechanism will work once brought into effect:

KP Limited is engaged in business of manufacture of Goods and Engineering Services. It holds GST registration in 5 states namely MH KA, TN, GJ, AP. Currently it does not hold any ISD registration. In the light of introduction of mandatory ISD registration, let us analyze the impact of following Input services which are received by the GST registration in state of Maharashtra and which are commonly used and consumed by registrations in all states.

Sr. No.	Type of Service	Implications vis-à-vis ISD DISTRIBUTION
1.	Services of Statutory Audit	Since the service is presumably for the entire company ie the consumption of this service will be across the registrations, distribution will be mandatory by taking a 'ISD registration' in 'MH'. The said 'ISD registration' in 'MH' will 'avail the Input tax credit' and distribute the same to regular registration in 'MH', 'KA', 'TN', 'GJ' and 'AP'
2.	Services of Company Secretary	Since the service is presumably for the entire company ie the consumption of this service will be across the registrations, distribution will be mandatory by taking a 'ISD registration' in 'MH'. The said 'ISD registration' in 'MH' will 'avail the Input tax credit' and distribute the same to regular registration in 'MH', 'KA', 'TN', 'GJ' and 'AP'
3.	Services of 'travel booking assistance' located in MH, who undertakes bookings centrally for all employee travel across India	Since the service is presumably for the entire company ie the consumption of this service will be across the registrations, distribution will be mandatory by taking a 'ISD registration' in 'MH'. The said 'ISD registration' in 'MH' will 'avail the Input tax credit' and distribute the same to regular registration in 'MH', 'KA', 'TN', 'GJ' and 'AP'

Sr. No.	Type of Service	Implications vis-à-vis ISD DISTRIBUTION
4.	Services by a Advertisement Agency who has made advertisements for regional news papers in 'MH', 'KA', 'GJ'	This service is consumed only by 'MH', 'KA' and 'GJ' registrations, however Input tax credit distribution will still be required to be done by taking a 'ISD registration' in 'MH'. The ISD in 'MH' will 'avail the Input tax credit' and distribute the same to regular registration in 'MH', 'KA', 'GJ'.
5.	Security Services in state of 'MH'	Since this service received by 'MH' is not on behalf of or for any of other 'distinct persons', this Input tax credit will be availed under regular registration in 'MH' and 'ISD' availment and distribution will not be applicable in this case

- The ISD mechanism to distribute the 'Input tax credit' of common services is now made mandatory that means from 1/7/2017 to the date of effective applicability of this provision, ISD mechanism cannot be considered as being applicable 'compulsorily'. If till now the distribution of Input tax credit is being done through applying mechanism of 'Cross Charge' there will be no repercussions to it. No scrutiny, audit, adjudication will sustain to the extent if it is on this aspect alone, as to why till date 'ISD registration was not sought.

- Any registered person who is holding more than one registration across various state and where there is a case of common consumption of services, distribution through 'ISD mechanism' shall be made mandatory.

- This will entail obtaining ISD registrations in each of states/UT where there are vendors who provide services, and where consumption of such services is done by 'registered person in such state/UT' along with its 'distinct persons' in other states/UT's.

- One major activity which will be required to be undertaken by every person liable for ISD is, that the vendors for services will be required to be given the ISD registration numbers, it will be necessary that the 'ISD enabled ITC' is reflected in the GSTR-2B/6A/B returns. Even though the Invoice may be received by a ISD registration, but for determination of eligibility all the conditions under section 16 of the CGST Act remain as currently required. It should be strictly remembered ISD is only for 'Input services', so no ITC can be 'availed' or 'distributed' for any 'Input goods' or 'Capital Goods'. The effective date for ISD implementation is yet to be notified.

- Internally generated services within the organization or transactions under Schedule-I to distinct persons, will continue to be charged under Cross Charge mechanism.

**Disclaimer: The opinion expressed above is on the basis of our understanding of the GST Laws and rules thereunder, the courts, judicial authorities, GST authorities may hold a different view.**





THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA  
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# ICAI CALL SAHAYATA



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# New Logo Guidelines



### Incorporation of Tricolor:

The incorporation of the tricolor into the logo is a powerful symbol of the Institute's connection to India. The three colors of the Indian flag represent unity, diversity, and sovereignty, and they reflect the brand's commitment to serving the people of India and contributing to the nation's development. The tricolor has been used in such a fashion that it hints at motion, a flight, and a journey toward progress, showcasing the Institute's forward-thinking approach.

### Significance of blue color:

The primary color of the new logo is blue, which has been culled from the ICAI logo. Blue is a color that is associated with divinity, immortality, bravery, and determination. It reflects vastness, being the colour of the sky and ocean, and has been an integral part of the Indian cultural, political, and social landscape over the years. Blue is also culturally significant, as it has been a part of the Indian tradition for more than 5,000 years.

### In a nutshell:

The new logo of CA India reflects the brand's connection to India while retaining its existing identity. The incorporation of the tricolor, the significance of the blue color, and adaptability on all platforms are all essential elements of the new logo. The design is intended to be aesthetically pleasing and culturally significant, making it a strong representation of the Institute's values and commitment to serving the people of India.

### Colour Palette

- Orange: #F3792D, CMYK: M62 Y91 K0
- Blue: #145886, CMYK: C93 M61 Y24 K9
- Green: #55B848, CMYK: C67 M0 Y88 K0

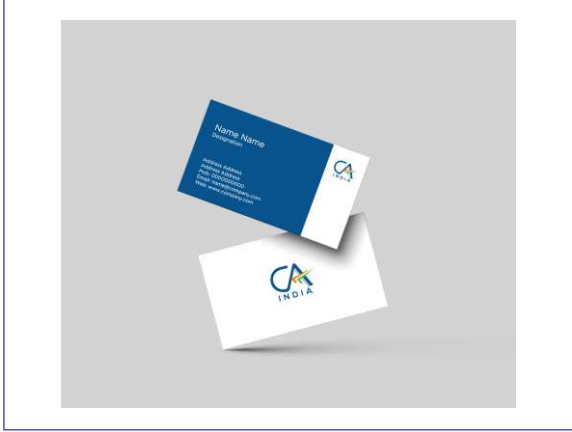
### Guidelines (2023) for using the new CA India logo for CA members

- The logo consists of the letters 'CA' in blue colour with a tri colour tick mark (upside down) with white background. The blue colour not only stands out on any background but also denotes creativity, innovativeness, knowledge, integrity, trust, truth, stability, and depth. The upside-down tick mark, typically used by Chartered Accountants, has been included to symbolise the wisdom and value of the professional.
- 'India' is also added in the logo, as it epitomizes the Institute's connection to India First approach and commitment to the serve the Indian economy in public interest.

- There should be no alteration of the font (colour, bold/unbold, size). Moreover, there should be no change in spacing and dimensions.
  - The colour palette is
  - Do not change the design and colours including the white background.
  - Refrain from rotating or tilting the logo clockwise and anti-clockwise.
  - The logo should not be shrunk or distorted changing the original proportion.
  - While members are encouraged to use the new CA India Logo as published on letterheads, visiting cards, website etc, a transition time of one year has been provided to use existing stationary/signage replacement etc.
- \*Effective from 24<sup>th</sup> November, 2023.

### Correct Logo

- Do not change background: Shows the logo on a red background (incorrect) and on a white background (correct).
- Do not change the colours: Shows the logo with altered colors (incorrect) and in the correct color palette (correct).
- Do not Rotate: Shows the logo rotated (incorrect) and upright (correct).
- Do not shrink, shear or distort: Shows the logo distorted (incorrect) and in its original proportion (correct).





# Invitation to Write Articles



**Dear Member,**

**Your contribution for Pune Branch E-newsletters is welcome in following ways:**  
Contribute your own articles in areas of Professional Interest; the article may cover any topics relevant to auditing, finance, laws, strategy, taxation, technology and so on.

**While submitting articles.**

Please keep following aspects in mind:  
The length of articles should be about 2500 words  
Articles should be original in nature

**Please send articles with:**

A Photograph, your full name, membership number etc.  
Editable soft copy of file  
Declaration of originality of articles

***Please send in your articles to : [editor@puneicai.org](mailto:editor@puneicai.org) ; [cpe@puneicai.org](mailto:cpe@puneicai.org)***

latest by 25th of every month.

All contributions are subject to approval by the editorial board.



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