



**THE INSTITUTE OF CHARTERED
ACCOUNTANTS OF INDIA**

(Set up by Act of Parliament)



**Issue
NO. 05**

**► PUNE BRANCH
OF WIRC OF ICAI**

NEWSLETTER

MAY 2023

(Subscribers copy not for sale)



CA. Rajesh Agrawal
Chairman
Pune Branch of WIRC of ICAI

Chairman's Communique

Dear Members & Students,

"Not everything is important. Give priority to prioritizing" - Bhagavad Gita

We are very proud that we are celebrating G20 Presidency. As India hosts the G-20 Summit this month it is a very proud moment for all of us to showcase our potential not only as a 'Youth Nation' with innovative and entrepreneurial mindset, but also as a voice for Oneness, Inclusivity Equality and Sustainable growth, as envisaged in our G-20 theme "One Earth, One Family, One Future" or "Vasudhaiva Kutumbakam"

As a signature series of Pune Branch, In May 2023, we have successfully organized Direct Tax Refresher Course with good participation of members at large.

As there is mandatory peer review for 5 and above partners firm from 1st July 2023, we have organized one day Training Program on Peer Review.

Happy to announce [five Days Virtual Internal Audit Refresher Course from 8th May to 12th May, 2023](#) with best structure of topics and faculties. Considering the best structure one of the members sponsored the series and made it free for members.

In the month of May 2023, we have also planned various other physical and virtual programs and expected excellent response from the members and students.

Let us all resolve to aim for the continuous growth and I am sure that we will be guaranteed success in our field.

CA Rajesh Agrawal
Chairman
Pune Branch of WIRC of ICAI

Due Date Calender for the Month of May 2023



COMPLIANCE CALENDER

CONNECT WITH US ON       MONTH: JUNE 2023

Due Date	Period Covered	Return Form	Description of the returns
10 June	May – 2023	GSTR – 7	Return for Tax Deducted at Source [TDS]
		GSTR – 8	Statement for Tax Collected at Source [TCS] by E-Commerce Operator
11 June	May – 2023	GSTR – 1	Details of outward supplies of goods and/or services by taxpayers having turnover more than ₹ 5 Crores or taxpayers having a turnover less than ₹ 5 Crores but not opted for the QRMP scheme
13 June	May – 2023	GSTR – 1 [IFF]	Option to declare details of B2B Supply of taxpayers having a turnover less than ₹ 5 Crores and who have opted for the QRMP scheme
		GSTR – 5	Return for Non-resident taxable person
		GSTR – 6	Return of Input Service Distributor [ISD]
20 June	May – 2023	GSTR – 5A	Details of supplies of online information and database access or retrieval services by a person located outside India made to non-taxable persons in India [OIDAR]
		GSTR – 3B	Summary return of outward and inward supplies of goods and/or services for taxpayers having more than ₹ 5 Crores or taxpayers having turnover less than ₹ 5 Cr but not opted for the QRMP scheme
25 June	May – 2023	PMT – 06	Monthly payment for the taxpayers who have opted QRMP scheme
28 June	May – 2023	GSTR – 11	Statement of inward supplies by persons having Unique Identification Number (UIN), as applicable based on inward supply for the month
30 June	2017 To 2021	GSTR - 4	Amnesty scheme for Composition Dealer
	-	-	One time RELIEF for revocation of cancelled registration
	-	GSTR – 3B & GSTR – 10	Amnesty scheme for closure of ex-parte order passed against non-return filers
	2017 - 2022	GSTR – 9	Amnesty scheme for non-filer of Annual return
	-	GSTR – 10	Amnesty scheme for non-filers of GSTR – 10 [Final Return]



Use of RTI in professional Practice Overview

Contributed by :- CA Manikchand Baheti

Email :- mlbaheti1@gmail.com

Right to information act is an important tool in the hands of Citizens to get the information from Public Authority. Many times we write a letter to Public Authority to perform specific function as per Law, but they just ignore the same & do not give response to us. In such situation use of RTI is very useful. RTI plays very important role in bringing transparency in the functioning of public Authority.

WHY RTI:

The General question raised by Indian is that Right to information is a Fundamental right provided to us by the constitution, so why there is an act to enforce right that we possess by virtue of our Indian citizenship? If one walks in to govt office & demand explanation of money spend that we paid through tax, they would ideally mock or ask person to leave office without reply, but when same right becomes law, public authorities bound to give answers. In the worlds of Manmohan singh "The legislature would ensure that benefit of growth would flow to all sections of people, eliminate corruption & bring concerns of common man to the heart of all processes of governance"

In practice we come across difficulty in getting things done for our client in hassle free manner. Some of the examples are

- Mismatch under J-1 & J-2 in M vat act, Non receipt of Refund after filling RFD -01 in GST,
- No action on Return Defaulters by Nodal officers in term of section 62 ,76 & section 9 in spite of repeated follow up.
- Wrongful cancellation of GST No with no effort for recovery after GSTN cancellation. Receipt of notice u/s 46 in case of various parameters mismatch.
- Non receipt of refund under I Tax, Non disposal of Rectification Application under income tax act. After passing order by JAO rectification rights are with CPC, so non closure of demand or non issue of valid Refund & so on.
- Adjustment of arrears in demand payable against any existing refund;

I Tax Refund are one of most common issues faced by the assessee. After introduction of electronic system there is still huge gap between the electronic & manual system in terms of updating & co-ordination. This widespread complaint of taxpayer has been noticed to be majorly because of these two reasons.

- a) E-filing of IT return & lack of co-ordination between the assessing officer & Centralised Processing Centre (CPC) in relation to revised return and/or rectification application filed online and vice-versa.
- b) Adjustment of arrears in demand payable against any existing refund; an

electronic adjustment that generally skips any applications/letters filed manually with the assessing officer.

An RTI application can in most cases, solve this issue in a very simple and hassle free Manner. The following points must be taken care of while drafting an RTI application for obtaining IT refund-

Section 4 pro active disclosure:

Section 4 is the soul of RTI, if all public Authority complies with sec 4 then there would be hardly any need to file RTI. Section 4(1) b contains 1 to 17 proactive disclosure regarding functions of Organisation. Section 4(1)(b) iii & iv specifies that every function of public authority there should be pre defined norms & time frame for every function of public Authority (say in GST registration, refund, cancellation) relating to monitoring, supervision & ultimate responsibility. Sec 4(1) C is related to statement of facts for every decision made by public Authority & sec 4(1) d there should be justification for taking particular decision affecting Public. This is the beauty of RTI. Even if person handling these functions are different, there should be uniformity in implementation. This is in real term called the Transparency. Burocrats are not in favor of this, but World Bank & other countries insisted for transparency. So India decided to implement Right to information act.

There is rider clause in RTI: Any information that is available to M.P. or MLA has to be made available to ordinary Citizen.

Purpose of RTI Application: RTI is for procuring information from public Authority under their control. You cannot complain through RTI, It is request to provide information. You have to draft comprehensive letter relating to your issue before moving RTI application, then after reasonable period you can ask status of action taken on your letter. Illustrated by example below.

RTI application for obtaining Refund: Question posed before PIO must not be "why my Income Tax refund not processed. No direct allegation of any kind whatsoever must be made.

- The question must be " Please provide status of my Income tax Refund" or "as per schedule of issuing Income tax Refund, by when can I expect to get my refund?"
- Appeal made to RTI without following the hierarchical procedure as per I T act -If the matter is I T related, the appellant must first follow the grievance redressal procedure as per IT act and pursuant to that only , if need be resort to RTI act.

What is Information: Section 2(f) of RTI act defines 'information' as any material held, in any form. Including – Records, documents, Memos, E mail ,opinion, advices, press Releases, circular, order, log book, contract , reports, papers, samples, Models, Data Material held in any electronic form, information related to any private body which can be accessed by public Authority under any other law for the time being in force.

File noting made by Government officers or any other persons are also open to disclosure as declared in Union of India v/s R.S.Khan [2010(173)DLT 680 page 98]

Any of the above can be asked in any form, physical or electronic & have to be

provided to the applicant without any concealment and/or tampering of information.
 What is Third Party: As per section 2(n) of the RTI act, "Third party" means a person other than citizen making request for information and includes a Public Authority.
 Section 11 of the RTI act deals with "Disclosure of Third party information" Following are important clauses with respect to third party.

If an individual wishes to seek any information pertaining to third party & the concerned PIO intends to disclose information or part thereof on request made under RTI act, the PIO shall within 5 days from receipt of request give Notice to third party & invite third party to make submission in writing or orally

Third party shall within 10 days from date of receipt of such notice opportunity to make representation against proposed disclosure.

PIO shall within 40 days from receipt of RTI application make decision as to whether or not to disclose information & give in writing notice of such decision to third party. Notice shall include statement that third party entitled to prefer Appeal u/s 19 against the decision.

Who is Public Authority?

Section 2(h) defines 'public authority' as

"Any authority or body or institution of self Government established or constituted-

i) By or under the constitution II) by or under any law made by the parliament
 iii) by or under law made by state legislature iv) By Notification issued or made by Appropriate Government, and includes any-

- a. Body owned, controlled or substantially financed;
- b. Non govt organization substantially financed, directly or indirectly by funds provided by appropriate government"

Information that can be denied is defined u/s 8(1)a & b

Section 8(1) enlist type of information that is exempted from disclosure under the act as below

- a) Information, disclosure of which would prejudicially affect the sovereignty & integrity of India
- b) Information, disclosure of which expressly forbidden to be published by any court or tribunal.
- c) Information, including commercial confidence, trade secret or intellectual property, whose disclosure would harm the competitive position of third party, unless competent authority is satisfied that larger public interest warrants disclosure of such information.
- d) Information available to a person in fiduciary relationship.
- e) Information, the disclosure of which would endanger the life or physical safety of any person.
- f) Information which would impede the process of investigation.
- g) Cabinet papers including record of deliberation of council of ministers, secretaries & other officers.

h) Personal information disclosure of which no relation with public activity.

Clause 2 of section 8 provides that any information relating to any occurrence, event or matter which has taken place, occurred or happened 20 years before the date on which any request is made u/s 6 shall be provided to any person making a request under that section, provided that where any question arises as to the date from which the said period of 20 years has to be computed, the decision of the central govt shall be final, subject to the usual appeals provided for in the act.

Various Steps involved in RTI Application.

Step 1: Gather facts for which information is sought:

The facts of the case for which information is sought from the "Public Authority" must be gathered before filling the RTI application. Further, one must try to find a solution in the organization at local level and then proceed to file an RTI application.

Step 2: Draft the Suitable RTI Application

Drafting the RTI application carefully is very important in order to obtain true and correct information. The four most important parts of an RTI application are:

- I. Name & address of applicant
- II. Office of PIO
- III. The facts of the case/subject matter of information
- IV. Period pertaining to which the information is asked for

Step 3: Locate your PIO

Individuals called PIO Have to be appointed in every government office. They Responsible to collect and give to the appellant all the information that is asked for. PIO cannot refuse to supply any information requested in an application unless the information asked for is expressly excluded from Act. All RTI applications must be addressed to such PIO. If the appellant is aggrieved with the information provided/not provided by the PIO, he may approach the first appellate authority which may be the higher authority of the AO.

Step 4: File the application

The RTI application can be filed in following ways

- I. Manually submit to PIO
- II. Send to PIO by courier or Register Post
- III. Electronically on govt website

Step 5: Pay the application money

In the central govt fee has to be paid by way of postal order/bankers cheque. In most of the state the amount can be paid by way of postal order, DD, money order or by affixing court fee stamp in case of State Government.

Step 6: Receive the acknowledgement

After submitting application PIO has to give an acknowledgement specifying date on which the application has been filed. The RTI act promises to deliver required information within 30 days of filing application or 48 hours if the matter involves life and liberty of an individual.

Procedure to file an Appeal:

In case the applicant has not received the information fully/partially or information received is not satisfactory or no reply is received within 30 day she can go in appeal against the PIO to the first appellate authority ("FAA") who is from the same department and senior to PIO. If PIO refuses to give information he is also supposed to provide the name and address of appellate authority.

- No fee is required to be paid to the FAA for filing appeal in the department/ministries of central govt. In Maharashtra a fee of Rs 20 is payable for filing of appeal before FAA.
- FAA must dispose of the appeal within 30 days or after giving reason for delay in a further period of 15 days.
- If the FAA may give an opportunity of personal hearing to the appellant and PIO in accordance with principle of natural justice. However, it is not mandatory for appellant to attend a personal hearing.
- Appeal with FAA must be made within 30 days of receiving the PIO reply or within 30 days from the last date on which information should have been received.
- Abbreviation used

PIO: public information officer, FAA: First Appellate Authority



The Impact of ChatGPT on the Accounting Function: Enhancing Efficiency and Transforming Decision-Making

CA. Rishikesh Kshirsagar
Email ID: rishikeshuk492@gmail.com

Introduction

Advancements in artificial intelligence (AI) have brought about significant changes in various industries, and the field of accounting is no exception. ChatGPT, an AI-powered language model, has emerged as a valuable tool for the accounting function, offering enhanced efficiency and transforming decision-making processes.

In this article, we will explore the impact of ChatGPT on the accounting function, highlighting its benefits, various used cases and potential challenges.

1. Streamlining Routine Tasks:

ChatGPT can automate several routine accounting tasks, such as data entry, invoice processing, and report generation. By leveraging natural language processing capabilities, ChatGPT can extract relevant information from various sources, populate spreadsheets, and perform calculations accurately and efficiently. This automation of mundane tasks allows accountants to focus on more strategic and analytical activities, ultimately increasing productivity and reducing the likelihood of errors.

2. Improved Financial Analysis:

With its ability to understand and interpret vast amounts of financial data, ChatGPT can assist accountants in performing in-depth financial analysis. By analysing historical financial data, the language model can identify trends, detect anomalies, and generate insightful reports. Accountants can leverage these reports to make informed decisions, identify cost-saving opportunities, and optimize financial performance.

3. Enhanced Audit Procedures:

Auditing processes can be time-consuming and resource intensive. ChatGPT can support auditors by quickly reviewing large volumes of financial data, flagging potential irregularities or inconsistencies.

This AI-powered assistant can assist in ensuring compliance with regulations, identifying high-risk transactions, and streamlining the audit trail. As a result, auditors can allocate their time and expertise more effectively, focusing on critical areas that require human judgment and analysis.

4. Real-time Financial Insights:

ChatGPT's ability to process and analyse data in real-time enables accountants to access up-to-date financial insights instantly. By integrating with accounting systems and data sources, ChatGPT can provide real-time financial metrics, key performance indicators (KPIs), and forecasts. This empowers accountants and decision-makers to make timely and data-driven decisions, helping businesses respond swiftly to market dynamics and emerging trends.

Challenges and Considerations:

While the impact of ChatGPT on the accounting function is undeniably positive, certain challenges must be addressed. Accuracy and reliability remain critical concerns, as AI models are prone to biases and errors. Maintaining data privacy and security is another important consideration when integrating ChatGPT into accounting processes. Additionally, training and upskilling accountants to effectively leverage ChatGPT and interpret its outputs are crucial for successful implementation. Here are a few examples of specific use cases where ChatGPT can have a significant impact on the accounting function:

1.Expense Management: ChatGPT can streamline the expense management process by automatically extracting data from receipts, invoices, and other financial documents. It can categorize expenses, flag potential discrepancies, and generate expense reports. This reduces the manual effort required by accountants, eliminates errors, and improves overall expense tracking and control.

2.Financial Reporting: Accountants spend a significant amount of time preparing financial reports, such as balance sheets, income statements, and cash flow statements. ChatGPT can automate the report generation process by extracting relevant data from accounting systems, performing calculations, and formatting reports according to predefined templates. This saves time, improves accuracy, and allows accountants to focus on analysing the financial information and providing valuable insights.

3.Forecasting and Budgeting: ChatGPT can assist in financial forecasting and budgeting activities. By analysing historical data and market trends, it can generate accurate predictions and projections of revenue, expenses, and cash flow. This enables accountants to develop more robust budgets, evaluate different scenarios, and make informed decisions regarding resource allocation and financial planning.

4.Tax Compliance: Tax compliance is a critical aspect of accounting. ChatGPT can help accountants stay up to date with changing tax regulations by continuously monitoring and analysing relevant laws and guidelines. It can provide guidance on tax implications, assist in tax planning, and ensure accurate and timely filing of tax returns. This reduces the risk of non-compliance and potential penalties while optimizing tax strategies.

5.Risk Assessment: ChatGPT can assist accountants in assessing financial risks by analysing various data sources, including internal financial records and external market data. It can identify potential areas of concern, such as liquidity risks, credit risks, or operational risks, and provide early warning indicators. This helps organizations proactively address risks, strengthen internal controls, and make more informed decisions to mitigate potential financial threats.

6.Compliance and Regulatory Reporting:

Accounting professionals must adhere to numerous

compliance and regulatory requirements, such as Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS). ChatGPT can assist in interpreting and applying these standards correctly, ensuring accurate financial reporting and compliance. It can also generate regulatory reports by extracting relevant information and formatting it according to regulatory guidelines.

By leveraging ChatGPT in these and other use cases, accounting professionals can significantly enhance their efficiency, accuracy, and decision-making capabilities, ultimately driving business success.

While ChatGPT can have a substantial impact on the accounting function, there are certain areas where its influence may be limited or non-existent. It's important to recognize these limitations to set realistic expectations. Here are some areas where ChatGPT may not have a significant impact on accounting:

❖ **Judgment and Interpretation:**

Accounting involves subjective judgment and interpretation, particularly in areas such as financial statement analysis, valuation, and complex transactions. While ChatGPT can assist in data analysis and provide insights based on historical information, it may not possess the ability to exercise professional judgment or interpret complex accounting principles and regulations in the same way as experienced accountants. Human expertise and experience

remain crucial in these areas.

❖ **Relationship Building and Communication:**

Accountants often engage with clients, stakeholders, and colleagues to understand their needs, provide financial advice, and explain complex financial information. While ChatGPT can assist with data analysis and generating reports, it cannot replace the interpersonal skills required for effective communication, building relationships, and understanding the unique context of each situation.

❖ **Strategy and Business Acumen:**

Accountants play a vital role in strategic decisionmaking and business planning. This involves a deep understanding of the organization's goals, industry dynamics, and market trends. While ChatGPT can provide data-driven insights, it may not possess the broader business acumen required to develop strategic initiatives, evaluate investment opportunities, or assess the overall financial impact of business decisions.

❖ **Compliance Oversight and Ethics:**

Accountants are responsible for upholding ethical standards and ensuring compliance with laws and regulations. While ChatGPT can assist in understanding and applying accounting standards, it cannot replace the role of ethics committees, regulatory bodies, and internal controls in overseeing compliance. Human judgment and accountability remain essential to maintain ethical practices and mitigate risks.

❖ **Management and Leadership:**

In addition to their technical accounting skills, accountants often hold management or leadership roles within organizations. This entails decision-making, team management, and strategic planning. While ChatGPT can provide data and insights to support these activities, it does not possess the qualities of leadership, emotional intelligence, and organizational understanding required to effectively fulfil management and leadership responsibilities.

Conclusion:

ChatGPT has the potential to revolutionize the accounting function by automating routine tasks, facilitating financial analysis, and enhancing audit procedures. By harnessing the power of AI, accountants can elevate their roles as strategic advisors, focusing on value-added activities that drive business growth. However, organizations must be mindful of potential challenges and invest in appropriate measures to ensure accuracy, privacy, and continuous professional development. With careful implementation and ongoing refinement, ChatGPT can be a game-changer for the accounting profession, driving efficiency and transforming decision-making processes. *A successful integration of ChatGPT into the accounting function requires a balance between leveraging AI capabilities and recognizing the unique value that human accountants bring to the table.*





Direct Tax Refresher Course - Day 1 - Speaker - CA. Vishal Doshi



Direct Tax Refresher Course - Day 1 - Speaker - Adv. Sagar Tilak



One Day Training Programme for Peer Reviewers



Direct Tax Refresher Course – Day 2 – Speaker –CA.C.V.Chitale



Direct Tax Refresher Course – Day 3 – Speaker –CA.Kishor Phadke ,CA.Bhuvanesh Kankani, CA.Ameya Kunte, CA Vardhaman Jain.



Full day seminar on Equity Market



ICAI Convocation 2023



Pune Branch of WIRC of ICAI

Plot No.8, Parshwanath Nagar, CST No. 333,
Sr.No.573, Munjeri,Opp. Kale hospital,
Near Mahavir Electronics,Bibwewadi, Pune 411037
Tel: (020) 24212251 / 52
Web: www.puneicai.org
Email: admin@puneicai.org

ADVERTISEMENT TARIFF

FOR PUNE BRANCH NEWSLETTER WEF NOVEMBER 2015

1) Back Page (19x15) Color	: ₹ 16,500/-
2) Inner Page of Front/Back Page (A4) Color	: ₹ 16,000/-
3) Full Page (A4) Color	: ₹ 15,000/-
4) Half Page	: ₹ 8,000/-
5) Quarter Page	: ₹ 4,500/-

Discount: *3 to 6 Insertions - 10%
*7 to 12 Insertions - 15%
*Additional GST - 18%

Disclaimer: The ICAI and the Pune Branch of WIRC of ICAI is not in any way responsible for the result of any action taken on the basis of advertisement published in the newsletter. The members, however, may bear in mind the provision of the Code of Ethics while responding to the advertisements. The views and opinion expressed or implied in the Newsletter are those of the authors / contributors and do not necessarily reflect of Pune branch. Unsolicited matters are sent at the owners risk and the publisher accepts no liability for loss or damage. Material in this publication may not be reproduced, Whether in part or in whole without the consent of Pune branch. Members are requested to kindly send material of professional interest to editor@puneicai.org the same may be published in the newsletter subject availability of space and editorial editing.

Web: www.puneicai.org