



# **PUNE BRANCH OF WICASA OF ICAI**

**The Institute of Chartered Accountants of India**

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

## **NEWSLETTER**

**Issue No. 7 - JULY 2021**

**(Subscribers copy not for sale)**



**JANVI SINGH**  
**CRO0648966**

## **PROFESSIONAL & VIRTUAL COMMUNICATIONS**

### **Meaning of Communication**



Well first let's get acknowledged with the word "Communication". In simple words Communication is a key to success. Communication means giving, receiving and exchanging ideas, information or messages which enables individual or group to seek information, to give information or to express emotions. When Communication occurs, it typically happens in one of them i.e. either Verbal, Non-verbal or Visual.

### **Significance of Communication**



Significance of communication is like the importance of breathing. Without communication what is there to life? just a mere superficial relationship. Communication influences your thinking about yourself and others too. Communication influences how you learn. Successful communication helps us to better understand the people and situations. It helps us overcome diversities, build trust and respect and create condition for sharing creative ideas and solving problems. Communication helps to spread knowledge and information among people. Because Communication is so important that business need people with good communication skills. The recruiters ranked four communication skills (Writing, Speaking, Listening, and interpersonal Communicating) in top criteria for selecting employees. Oral and written Communication proficiencies are consistently ranked in topmost skills by employer survey. Employees are often

encouraged to take online courses and in-person training to improve their presentation and communication skills.

In today's hectic world, we rely heavily on sharing information resulting in greater emphasis being placed on good communication skills. Being able to communicate effectively is a vital life skill and should not be overlooked. In contrast poor communication skills can have negative impact – a poor delivered message which may end up in misunderstanding, frustration and in some cases even disaster.

### **Importance of Communication Skills for the job of Chartered Accountants**

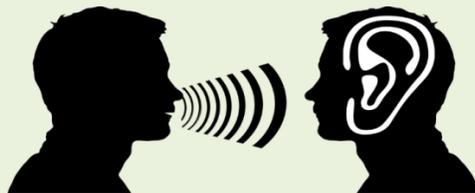


Communication skills are very important for the job of Chartered Accountants. Chartered Accountants play a very important role in area related to tax, audit and finance management of any business-oriented organization.

To perform well in their profession communicating with clients is very important. It is the base of their job.

The ability to communicate with the clients and offer sound financial information and advise with absolute clarity is very important skill for all CA professionals.

### **Is Listening a part of Communication?**

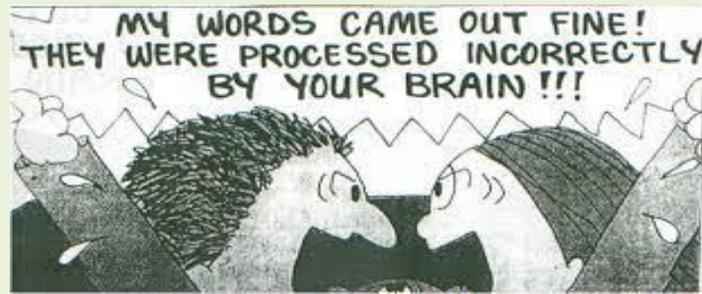


Yes, Listening is also an important part of Communication.

Its easily overlooked as people tends to focus on what they want to say and not in what the other person is saying. Active listening skills help colleagues to have more open and useful exchange of innovative ideas and information, where each contributor's point of view is expressed and heard. This leads to more positive work environment.

Communication Skills are needed to speak appropriately with a wide variety of people whilst maintaining good eye contact, demonstrating a good vocabulary, tailoring your message to audience, writing clearly and concisely and presenting your ideas appropriately.

### **What will Miscommunication result into?**



A lack of knowledge results into negativity.  
Employee mistrust and absenteeism.  
Bad interpersonal relationship.  
The 'Grapevine Effect'.

### **Benefits of Communication**



Now let's discuss some benefits of Communication.

1. There will be stronger decision making and problem solving at fast pace.
2. There will be an upturn productivity.
3. There will be convincing and compelling corporate materials.
4. There will be clearer rather more streamlined workflow.
5. There will be sound business relationship. Successful response is ensured.
6. It enhances one's personal image. Effective Communication skills aids in development of leadership skills.
7. Communication is among the top traits of successful entrepreneur. Effective communication skills aids in development of strong entrepreneurial skills as well.
8. It mitigates conflict.
9. It fuels innovation and builds existing skills.
10. It improves public relationship. Boosts morale value of the employees and encourages exchange of new ideas.

### **Professional Communication**



Now let's brush up our knowledge on "Professional Communication".

Professional Communication is a specialty subfield of communication that pays close attention to the theories and practice of communication within professional contexts. The term Professional Communication refers to the various forms of speaking, listening, writing and responding i.e. carried out both in and beyond the workplace whether in person and electronically. From meetings and presentations, memos to mails business reports to annual reports, in business communication, its essential to take a professional, formal and civil tone to make the best impression on your audience, whether its our colleagues or, reviewer or of any senior most level. In a professional setting, we use a range of vehicles and types of communication to convey our message. For example, we communicate verbally, digitally and through writing. We speak in writing and send emails. Many people hone to online courses to enhance their professional communication. Professional Communication can be classified into Interviews, Group Projects, Writings, Mails, Presentation and Management.

Leaders need to be able communicate with everyone from reports to their own managers to the public. If the senior most level people are able to communicate effectively the goals and missions to their employees the work they are doing and why they are doing that particular work, they will likely be more satisfied that their work has a purpose. And since the ability to deliver results depends on team member's ability to their work well, this means the best service rendered. When the team collaborates team member needs to be in constant communication to make sure that the project is going as planned. For specific projects they need to work together to develop communication strategies that will work for everyone.

## **Benefits of Professional Communication**



Now as discussed what professional communication is, lets highlight few of the importance of Professional Communication in the workplace.

1. First, it ensures us to pick the right communication method for our audience. For example, in some cases, it may be important to send the quick mail, however by reading the situation we may realize that for certain messages it will be appropriate if we arrange telephonic interview or even meet face to face.
2. It is seen as a desirable skill by employers. This can be beneficial in one's existing role, when being considered for promotion or job hunting.
3. It can help avoid misunderstanding.
4. With poor communication, it's easy for messages to get misunderstood. By mastering professional communication, the potential for misunderstanding can be minimized.
5. It will inspire others. If you have the good communication skills you have the ability to encourage and inspire those around you

6. We are not born presenters, but public speaking and communication skills are still an important skill to master.

Communicators in the professional world have lots of tools at their disposal and should choose which one to go for carefully. Communication needs to be accurate, brief, to the point, continuous, specific and segmented. They should take into consideration the intended goals to ensure that their hard work pays off.

### **What is Virtual Communication then?**



Well, it's an electronic transfer between individuals/groups through the internet. It can be text based or Podcasts. Virtual communication leads to increase in productivity, reduced business costs, and a better work-life balance of the workforce.

In addition to potential technical difficulties, the importance of full integration and management of remote workers must be considered. In this pandemic virtual communication indeed played and is playing a crucial role today. Successfully doing business internationally is now dependent on effective virtual communication.

Communicating effectively across culture through virtual means requires an understanding of this culture variables and their impact. Participating in Global Virtual working, a cross cultural training programme for the business and management will provide us with the practical strategies to deal with the challenges of virtual communication and will harness the benefits it can bring.

One should become more productive and effective with virtual Communication. Virtual communication has changed the way the employees communicate, presenting major advantages and few challenges.

Today's mobile workforce has an amazing array of technologies available at their fingertips to connect themselves with other workers, customers, competitors and resources available across the world in ways unknown and that were unheard of ten years ago. There is no doubt that novel coronavirus has led business into extreme work challenges. To overcome these challenges, companies have shifted their working pattern and embraced "Remote work".

### **Benefits of Virtual Communication**



Acquainted with the concept of "Virtual Communication" lets have a look at some of its importance and benefits.

1. Virtual Communication makes it easy to stay in touch and share information with those who are often thousands of miles away.
2. Consistent communication increases employee efficiency and productivity.
3. Communicating electronically requires a mere fraction of time needed to write and mail a letter, organize and travel a meeting, or create and distribute printed documents.
4. It also saves money. Virtual Communication tools are cost-effective way to dramatically reduce the operating expenses.
5. Permitting employees to work from slashes the business expenditure on office space, equipment and utilities. It also improves Communication.
6. The paper trail generated by virtual communication hold participants accountable – and reduces the risk of misunderstandings, since presentations can be replayed as needed.
7. The business is usually resistant as remote work is a norm in the IT industry and can be considered as one of the benefits of encouraging virtual teams in the organization.

### **Final Word – Importance of Professional Communication in Virtual World.**



Effective Communication is critical to any organization. Good communication improves teams, inspires high performance and enhances the workplace culture. Just remember communication is a two way process, so take notice of other people's verbal and non-verbal signals as well as of your own. By teaching ourself to communicate effectively, we will interact in a more constructive and productive manner, making the workplace a positive and thriving environment.

Through effective communication a team can work successfully to reach its goals. Virtual teams work together by sharing quality information with the help of technology. Information that lacks substance or that is non-existent leads to misunderstanding and conflicts within the team. With technologies such as e-mail and instant messaging, or the more traditional method of teleconferencing, it has become easier for the virtual to communicate.

Business Communication is vital for success in all business. Success in this context means. Success in this context means, being able to accomplish a particular task, or to achieve a specific objective, in order to prosper in future. Business Success can be measured in terms of its relationships and relationships can be maintained when the quality of communication is maintained.



**MUSKAN MINDA**  
**ERO0228090**

## **FACELESS HEARING**

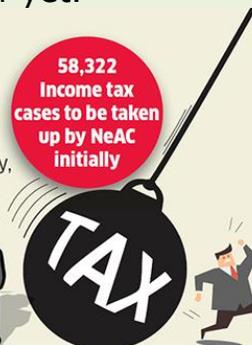
Income tax has been the bane of a businessman's existence. He cannot ignore nor avoid it because like a true friend it is at your doorstep every year knocking on the door and reminding you to pay your dues to the government. Each one of us is aware that the tax we pay is a guiding force that paves the way for a nation's growth and development, but still, we hesitate and ponder is it worth it? Why must I be the one who needs to pay? Let others do so is the mentality of nearly every one of us and this has led to bribery and corruption at every stage but we forget that this is our nation and it is the moral responsibility of each and every one of us to pay the income tax as diligently as possible. The government of India has taken various steps to counter the existing problem of corruption by removing the middlemen which in this case is the income tax officer. Who are you going to bribe now, when the human element has been removed from the chain. Is it the equipment or the machinery that will be dealing with the taxpayer but thank god it is not susceptible to emotions like bribery as of yet.

### **No More Taxing**

Faceless e-assessment scheme will eliminate physical interface between an assessing officer and an assessee



- Officer assessing a case will be selected randomly
- New scheme is aimed at bringing transparency, improving quality of assessment
- It will lead to better monitoring and fast disposal of cases



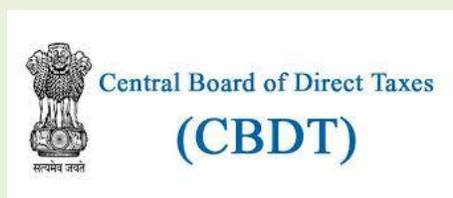
## **SOURCE ECONOMIC TIMES**

There is no need to interact with your assessment officer in person. This is a big leap towards transparent tax administration, by the income tax department which rolled out a faceless e-assessment and e-hearing scheme that eliminates physical interference between an assessing officer and an assessee. Faceless e-hearing for income taxpayers is a brand new concept and an innovative initiative to impart competence, transparency and accountability in the assessment process.

### **INTRODUCTION:**

On 5 July, Nirmala Sitharaman, the Finance Minister announced the Union Budget 2019. FM proposed to implement "faceless assessment" in a phased manner later this year. The Modi government has delegated the task of designing a framework concerning faceless tax assessments to a high-level committee.

Revenue Secretary Shri Ajay Bhushan Pandey inaugurated the National e-Assessment Scheme NeAC on 7<sup>th</sup> October in the presence of CBDT Chairman Shri P.C. Mody and Members Shri P.K. Das, Shri Akhilesh Ranjan and Shri Prabhaskar Shankar. Shri Pandey said that with the launch of NeAC, the Income Tax Department will usher in a paradigm shift in its working by introducing faceless e-assessment and e-hearing to impart greater transparency, efficiency and accountability in the assessment process. He said that with NeAC, there won't be any physical interface between the taxpayers and the tax officers. In the first phase of the process, the Income Tax Department has selected 58,322 cases for scrutiny under the faceless e-Assessment Scheme 2019 and the e-notices have been already served before 30<sup>th</sup> of September 2019 for the cases related to Assessment Year 2018-19. The taxpayers have been advised to check their registered e-filing accounts/ email ids and have been requested to furnish a reply within 15 days. The Department believes that with the ease of compliance for taxpayers, the cases would be disposed off expeditiously. Faceless Assessment Scheme (1<sup>st</sup> Amendment) 2021 has also been notified by the government.



### **ABOUT NATIONAL E-ASSESSMENT CENTRE (NEAC):**

NeAC is an independent office that will look after the work of e-Assessment scheme which is notified for faceless e-assessment for income taxpayers. There will be a NeAC in Delhi to be headed by Principal Chief Commissioner of Income Tax (Pr.CCIT). There are a total of 8 Regional e-Assessment Centres (ReAC) set up at Delhi, Mumbai, Chennai, Kolkata Ahmedabad, Pune, Bengaluru and Hyderabad which would comprise Assessment unit, Review unit, Technical unit and Verification units. Each ReAC would be headed by Chief Commissioner of Income Tax (CCIT). Cases for the specified work shall be allocated by the NeAC to different units by way of automated allocation systems. In view of the dynamic and all India jurisdiction of officers of NeAC and ReAC, this kind of connective and collaborative effort of officers is likely to lead to better quality of assessments. The setting up of NeAC is a momentous step towards the larger objectives of better taxpayer service, reduction of taxpayer grievances in line with Prime Minister's vision of 'Digital India' and promotion of Ease of Doing Business.



### **NEED FOR FACELESS HEARING**

The CBI on Tuesday arrested Income Tax Commissioner Sanjay Kumar Srivastava in a corruption case for allegedly passing backdated appeal orders to obtain undue benefits, officials said.



After sacking errant IT officers, the government on Sept 27, 2019, also dismissed from service 15 senior officials, including one of the rank of principal commissioner, on charges of corruption and bribery.

Hence, it was time to change the mechanism in income tax.

The government introduced faceless IT assessment, hearing and scrutiny to reduce the scope for corruption and potential overreach by tax officials.

Alleged tax harassment by officers also became a hot-button subject in India after V.G. Siddharta, the founder of India's largest coffee shop chain, committed suicide in July 2019 and reportedly left behind a note accusing the tax authorities of persecuting him. Indian newspapers published the "suicide note", though there was no official confirmation of its authenticity.



## **HOW DOES THE NEW IT ASSESSMENT SYSTEM AND FACELESS HEARING WORK?**

### **Let me explain this through the case study of Mr X (a taxpayer)**

Mr X will receive notices on his registered email address and in his accounts held on the IT department's portal "www.incometaxindiaefiling.gov.in."

A real-time alert via SMS will be sent to his registered mobile numbers intimating receipt of such notice.

Each notice or any form of communication from the IT department will hold a document identification number (DIN).

All replies to the notices from the IT department have to be made electronically in the account in the e-filing portal and not personally or through the post (unless it is an exceptional case).



## SOURCE TAX GURU

Mr X has 15 days to respond to the notices.

The response shall be considered successfully submitted when the individual receives the acknowledgement from the National e-assessment Centre.

After receiving a reply from Mr X, NeAC will allocate the case to an assessing officer at the regional level through an automated system.

Regional assessments requiring assistance from the verification unit or technical assistance from the technical unit shall go through the automated allocation system.

If the regional assessment unit requires further information or document from Mr X, the request will first be made to the National e-assessment centre.

A draft assessment order will be sent from the regional unit to the National e-assessment centre.

A personal hearing would be allowed in certain cases.

Hearings of the cases will be conducted exclusively via video links or a facility that does not require Mr X or his representative to be physically present.

The new system is hoped to reduce harassment of taxpayers and ensure that all tax proceedings including scrutiny are done on a centralized basis without direct interaction.

## **PARADIGM SHIFT IN THE TAX APPELLATE SYSTEM DUE TO FACELESS APPEAL PROCEDURE:**

Faceless assessments, faceless appeals, and a taxpayer charter are the platform's three key features. The framework - For the objective of facilitating anonymous appeals in a centralised manner, the Central Board of Direct Taxes (CBDT) will establish the following centers/units:

National Faceless Appeal Centre (NFAC)

Regional Faceless Appeal Centre (RFAC)

Appeal Unit (AU)

### **Hearing via video conferencing**

A taxpayer may request a personal hearing to clarify its position under the system. If the taxpayer's condition fits within the authorised categories, the appropriate authorities will approve the request to be alerted. Even in these circumstances, however, the hearing will be conducted solely by video conference or video telephony. As a result, the current physical process is no longer necessary.

### **BOON OF FACELESS HEARING:**

This new initiative of faceless hearing is expected to increase the ease of compliance for taxpayers as the cost and anxiety of taxpayers are likely to be greatly reduced. No human interface with the department would prove to be a game-changer. This is one other initiative by CBDT in the field of ease of compliance for our taxpayers.

**No middlemen** - NeAC eliminates human interface between Assessing Officer and Assessee

**Resource utilization** - The new initiative optimizes resource utilization through economies of scale

**Dynamic control** - NeAC introduces team-based assessment and hearing with dynamic jurisdiction and control

**Ease of compliance** - An important benefit of e-hearing is ease of compliance for taxpayers

**More productive** - Brings transparency and efficiency which leads to greater productivity via improved assessment and monitoring

**Functional specialization**- Standardization and quality management will lead to prompt disposal of cases

### **TAX OFFICIALS IRKED BY PM MODI'S SWITCH TO FACELESS HEARING AND HEARING: IS IT A CURSE?**

Indian tax officials are pushing back against Prime Minister Narendra Modi's new e-assessment program, complaining about a lack of consultation and inadequate resources to implement the changes, a letter reviewed by Reuters shows.

In a joint letter sent to the CBDT this month, representatives of the Income Tax Employees Federation and the Income Tax Gazetted Officers' Association voiced their unhappiness by the scheme is being implemented in a hurry.

Several tax officers have told Reuters that e-hearing is likely to reduce tax collection and raise pressure on officers already under stress to meet a lofty tax targets for the current fiscal year amid an economic slowdown and a cut in corporate tax rates..

The tax unions' letter said the transfer of officers to fill newly created posts at regional e-assessment centers was heaping extra work on those colleagues which were left behind. Those officers in new posts lacked office accommodation, necessary infrastructure, seating arrangements, and computers, the letter said.

Modi's government has already faced heat for the botched rollout of the goods and services tax (GST) - a new indirect tax policy that tax experts say hurt small and medium business and contributed in part to the current economic slowdown.

### **Comments of Pramod Chandra Mody, chairman of the Central Board of Direct Taxes to clarify the process:**

**What if a taxpayer wants to meet and explain his case?**

Two situations may arise. One, the AU [Assessment Unit] wants to probe a case further if it is not satisfied with the response. In that case, the matter will be assigned to a VU [Verification Unit] again by an automated random allotment system. Whether it goes to X or Y [official] will be decided by the computer. So there is transparency. In the other case, if an assessee insists he wants to be heard, a video-conferencing will be arranged where the assessee will be put on a call with a third person who need not be the same person framing the assessment.

**Is there a threshold that only cases falling under particular criteria will be scrutinised?**

If we have set, say, 10 parameters, then a case may be picked up on seven or may be just two parameters. If less number of parameters match, there will be limited scrutiny. If it is more, we will go for complete scrutiny. Everything depends on the points of consideration set by us.

**What are those points of considerations?**

They are confidential.

**What is the role of artificial intelligence in e-assessments?**

Third-party cases will get allotted on an automatic basis using AI so that subjectivity is eliminated and more objectivity is brought in. It will also ensure uniformity for all cases with similar parameters. It should not happen that if 10 cases fulfill parameters for verification, only half of them get picked up. All cases falling under the same parameter would automatically get picked up using AI. The idea is to concentrate on bigger cases and take a uniform approach. At the same time, smaller cases will not be put through a difficult phase.

**Will rural people be able to communicate electronically?**

A person who has filed his returns in the electronic mode is expected to stay updated on any communication received. Had he not been savvy, he would not have been able to file his returns on the portal.

**How is the new 'dynamic jurisdiction' an improvement over assigning of tax cases to an assessing officer?**

Till some time ago, any I-T case was attached to an AO [assessing officer]. Any communication from the I-T department to the taxpayer and vice-versa happened only through this AO. We started e-assessment from last year and started communicating in the electronic mode. Now, instead of a jurisdiction AO, we will have dynamic jurisdiction under which a particular case in a particular locality will not be assessed by that AO who owns the PAN of that assessee.

Source:

[//economictimes.indiatimes.com/articleshow/71556845.cms?from=mdr&utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](http://economictimes.indiatimes.com/articleshow/71556845.cms?from=mdr&utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

**FUTURE OF FACELESS HEARING: A BOON FOR THE NEW DIGITIZED WORLD**

The only thing that is constant in this world is change!!

The newest and brightest feather in the '*Digital Indian Tax Administration Cap*' is the introduction of the '*New Scheme of Faceless E-assessment 2019*' encompassing within its fold the use of new technologies like 'machine learning', 'artificial intelligence' and 'advanced algorithm-based data analytical tools', in the conduct of these '**faceless**' and '**jurisdiction-less**' e-assessments and e-hearings.

It is now mandatory for the taxman to make all contact with you online. Tax notices will be issued by a centralised e-assessment and e-hearing centre which requires taxpayers

to reply only through digital mode. Through mobile app, real-time alerts will be sent to assessee updating about the progress in the case.

The move is expected to cut down on harassment of taxpayers and improve the image of the Income-Tax Department by ensuring that all tax proceedings including scrutiny are done on a centralized basis without any direct interaction with the assessee.

### **CONCLUSION: BOON OR CURSE:**

This step clearly is a positive step in line with the Prime Minister Modi's commitment towards staying non-corrupted as he had said in one of his speeches in 2014, "Na khaunga, na khane dunga".



At the initial stage it seems that it is a boon for the tax payers and the tax officials as well and this process was introduced to prove a curse on the corruption, bribery and any such ill practices that was taking place in the name of tax collection. This move will enhance the tax revenue by bringing into net more tax assessee through a systematic approach of scrutiny assessments and hearings and shall help the government in achieving its fiscal deficits target even without raising the tax rates. As was recognised by the Kelkar Task Force, the tax revenue to GDP ratio can be increased not merely by increasing the tax rates but by simplifying the tax structures, by widening the tax base and by improving the tax administration. CBDT said that it would increase transparency, reduce litigation, standardize processes and improve the ease of doing business.

The structure is ready and so is the government and the income tax department with its list of taxpayers who have been shortlisted at the initial stage. On paper, this initiative looks like a blessing in disguise but it is only time that will decide and explain to every one of us whether it will be a boon or a curse. It is a fact that technical glitches will be a part and parcel of the game at the onset but the new process seems exciting and challenging and the best part is that it has the potential to run the distance and become the winner in the long run.

"Innovation means replacing the best practices of today with those of tomorrow." - Paul Sloane and this is what the government is aiming to do through its recent changes.

### **REFERENCES:**

<https://taxguru.in/income-tax/all-about-income-tax-e-assessment-scheme-2019.html>

<https://economictimes.indiatimes.com/news/politics-and-nation/government-compulsorily-retires-21-tax-officials-on-graft-charges/articleshow/72241194.cms?from=mdr>

<https://www.thehindubusinessline.com/economy/policy/faceless-e-assessment-scheme-for-taxpayers-launched/article29615650.ece>

<https://www.indiatoday.in/business/story/income-tax-department-launches-faceless-e-assessment-scheme-for-taxpayers-1607088-2019-10-08>

<https://inc42.com/buzz/govt-launches-faceless-e-assessment-for-income-tax-scrutinies/>