

The Institute of Chartered Accountants of India



# VASAI BRANCH OF WIRC NEWSLETTER

[www.vasai-icai.org](http://www.vasai-icai.org)

**November 2019**

*On 5th November, Vasai Branch has successfully completed 14 years of journey. Thanks for your support & cooperation.*

*Happy Gurm Nanak Jayanti*





## CHAIRMAN'S COMMUNICATION

Today, Chartered Accountants play an important role in contributing to strategic decision-making. They are the ambassadors of the country's economic system and Partners in Nation Building - interfacing between government & tax-paying companies and individuals. CAs are committed to their work and the key to their success is that they possess an ethical mindset, creativity, analytical & presentation skills, professional equanimity and collaborativeness.

Mahatma Gandhi gave us message that *"wealth without work; pleasure without conscience; knowledge without character; religion without sacrifice; politics without principle; science without humanity; business without ethics,* can lead us to the wrong path. Values – altruism, honesty, respect and like – keep the cycle of life smoothly going forward. Ethical values push everyone to move forward on a single path of the right, making concepts like development, progress and advancement feasible in the first place. Absence of these would push for a directionless world predominantly run on vices, where selfish greed would make living in one community impossible.

Branch successfully organized 10th International Residential Refresher Course (IRRC) at Baku with overwhelming response of 51 participants.

Branch also conducted Interactive meeting with Shri. Piyush Goyalji (Cabinet Minister of Railways & Commerce, India) on 17th Oct 2019 at Bhayander.

For the benefit of Students, branch conducted Foundation/Intermediate/IPCC & Final Mock Test (November 2019 Exam).

### Forthcoming Events

Certificate Course on Concurrent Audit of Banks schedule in the month of November 2019. For details & registration visit - [https://icai.org/post.html?post\\_id=8236](https://icai.org/post.html?post_id=8236)

Certificate Course on Forensic Accounting & Fraud Detection in the month of November 2019. For details & registration visit - <http://pqc.icai.org/>

Mega Members Conference 2019 schedule in the month of December 21 & 22 at Maheshwari Bhawan, Bhayander. Details of the same shortly publish & inform.

Branch jointly with Vasai Virar CPE Study Circle organizing Residential Refresher Course (RRC) at Vadodara in the of month of Jan/Feb 2020.

Before I conclude, I wish to inform that last date for payment of Membership/COP fee for the year 2019-20 has been extended up to 30th November, 2019.

With the festive atmosphere around and new Samvat starting, I am sure you all will be taking all possible opportunities to connect with and send wishes to your near and dear ones. This is the time for celebrations and also to enjoy the diversity of Indian culture. I conclude my message, with hearty wishes on the occasion of Id-e-Milad and Guru Nanak Jayanti.

**CA. Xavier Rajan**  
Chairman – Vasai Branch of WIRC

## MANAGING COMMITTEE

<b>CA. Xavier Rajan</b> Chairman	9371720027
<b>CA. Ankit Rathi</b> Vice Chairman	9029059911
<b>CA. Amit Agarwal</b> Secretary	9821374485
<b>CA. Sorabh Agrawal</b> Treasurer	9930357066
<b>CA. Lokesh Kothari</b> WICASA Chairman	8108484120
<b>CA. Vijendra Jain</b> Committee Member	9320942555
<b>CA. Abhishek Tiwari</b> Committee Member	9029326651
<b>CA. Lalit Bajaj</b> RCM & Ex Officio Member	9867692321
<b>CA. Vimal Agarwal</b> RCM & Ex Officio Member	9320617447

## EDITORIAL BOARD

<b>CA. Xavier Rajan</b> Chairman	9371720027
<b>CA. Abhishek Tiwari</b> Committee Member	9029326651

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### FORTHCOMING PROGRAMMES FOR MEMBERS

Date	Seminar on	Timings	Venue	Speakers	Coordinator	Fees	CPE	
16th Nov to 1st Dec 2019 (Every Sat & Sun)	Certificate Course on Concurrent Audit of Banks	9.30 am to 5.30 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Bhayander (West)	Eminent	CA. Ankit Rathi CA. Amit Agarwal CA. Sorabh Agrawal	9029059911 9821374485 9930357066	Rs. 10,000 (Members born on or after 01.01.1989) & Rs. 12,750 (Members born before 01.01.1989)	30 Hrs
10th Nov to 1st Dec 2019 (Every Sat & Sun)	Certificate Course on Forensic Accounting and Fraud Detection	9.30 am to 5.30 pm	Branch Premises, Maxus Mall B Wing, 7th Floor, Bhayander (West)	Eminent	CA. Lokesh Kothari CA. Vijendra Jain CA. Abhishek Tiwari	8108484120 9320942555 9029326651	Rs. 20,000	20 Hrs
21st & 22nd Dec 2019	Mega Member Conference 2019	9.30 am to 5.30 pm	Maheswari Bhawan, Bhayander (West)	Eminent	CA. Ankit Rathi CA. Amit Agarwal CA. Sorabh Agrawal CA. Lokesh Kothari CA. Vijendra Jain CA. Abhishek Tiwari	9029059911 9821374485 9930357066 8108484120 9320942555 9029326651	Rs. 2,500	12 hrs

### FORTHCOMING PROGRAMMES FOR STUDENTS

Date	Seminar on	Timings	Venue	Speakers	Coordinator	Fees	CPE	
15th Dec 2019	CA Students (Youth) Festival	5.00 pm	Maheswari Bhawan, Bhayander (West)	-	CA. Lokesh Kothari	8108484120	Rs. 100 per paper	-

## VASAI VIRAR CA CPE STUDY CIRCLE OF WIRC

### RRC 2020 AT VADODARA

Dear members,

We have organised our regular annual RRC at Vadodara at **The Fern : An Ecotel** for 3 days in the month of Jan. / Feb. 2020.

**Schedule of the event in brief :**

**31st January 2020** We begin from Vasai near Gurudwara at 5.30 a.m. Reach Vadodara by afternoon. Two CPE sessions of two hours each. Late Evening free for networking and entertainment.

**1st February 2020** Entire day for sightseeing. Major attractions includes : Visit to Laxmi Vilas Palace, Visit to Statue of Unity, Valley of Flowers, Sardar Sarovar Dam, Tent City, River Rafting, Laser & Sound Show etc. Night stay at hotel.

**2nd February 2020** Two CPE sessions of two hours each after Breakfast, and proceed journey back to Vasai.

**Total CPE credit: 8 hours.**

Accommodation on twin sharing basis, inclusive of breakfast, lunch and dinner. Round trip transportation and local sightseeing by AC coach.

**RRC cost : Rs. 12,500/- for adults and Rs. 9,900/- for child (5-12)**  
(if enrolled on or before 16th Nov. 2019)

**RRC cost : Rs. 13,500/- for adults and Rs. 10,900/- for child (5-12)**  
(if enrolled after 16th Nov. 2019)

**Hurry up...**

We assure you the excitement and knowledge enrichment...

**For enrollment, contact :**

CA Alpesh Shah  
CA Bala Iyer  
CA Haresh Mehta  
CA Hiren Pandya

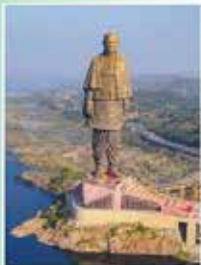
**CA Anadi Bhave,**  
Convener  
9890121996

**CA Mit Kamani,**  
Deputy Convener  
9819792004

**CA Sharmila D'mello,**  
Co-ordinator  
9689698220

CA Jagadish Devadiga  
CA Joyima Tuscano  
CA Prasad Chitre  
CA Kalpesh Shah

Committee reserves right to make any changes in the program schedule.





## Key Audit Matters, Emphasis on Matters & Other Matters to be communicated in Independent Auditors Report (Simplified Content of SA 701 & SA 706)



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### [A.] SA 701 → COMMUNICATING KEY AUDIT MATTERS IN THE INDEPENDENT AUDITOR'S REPORT

#### DEFINITION

**Key Audit Matters** – Those matters that, in the auditor's professional judgment, were of **most significance** in the audit of financial statements of the current period. Key audit matters are selected from matters communicated with TCWG.

#### SCOPE OF THIS SA

**Communicating key audit matters in the auditor's report is not:**

- A Substitute for disclosures in the financial statements that the AFRF requires management to make, or that are otherwise necessary to achieve fair presentation.
- A substitute for the auditor expressing, a modified opinion when required by the circumstances of a specific audit engagement in accordance with SA 705 (Revised)
- A substitute for reporting in accordance with SA 570 (Revised) when a material uncertainty exists relating to events or conditions that may cast significant doubt on an entity's ability to continue as a going concern; or
- A separate opinion on individual matters.

#### DETERMINING KEY AUDIT MATTERS

The auditor shall determine, from the matters communicated with TCWG, those matters that required significant auditor attention in performing the audit. In making this determination, the auditor shall take into account the following:

- Areas of higher assessed risk** of material misstatement, or significant risks identified in accordance with SA 315.
- Significant auditor judgments relating to areas in the financial statements that involved significant management judgment, including accounting estimates that have been identified as **having high estimation uncertainty**.
- The effect on the audit of **significant events** or transactions that occurred during the period.

The auditor shall determine which of the matters determined were of most significance in the audit of the financial statements of the current period and therefore are the key audit matters.

#### COMMUNICATING KEY AUDIT MATTERS

The auditor shall describe each key audit matter, using an appropriate sub heading, in a separate section of the auditor's report under the

heading "Key Audit Matters"

The introductory language in this section of the auditor's report shall state that:

- Key audit matters are those matters that, in the auditor's professional judgment, were of most significance in the audit of the financial statements [of the current period]; and
- These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and the auditor does not provide a separate opinion on these matters.

#### DETERMINATION OF MATTERS OF MOST SIGNIFICANCE

- Matters that required significant interaction with TCWG
- The importance of the matter to intended users' understanding of the financial statements.
- The nature of the underlying accounting policy relating to the matter or the complexity or subjectivity involved in management selection of an appropriate policy.
- The nature and materiality, quantitatively or qualitatively, of corrected and accumulated uncorrected misstatements.
- The nature and extent of audit effort needed to address the matter, including:
  - The extent of specialized skill or knowledge needed to apply audit procedures to address the matter or evaluate the results of those procedures, if any;
  - The nature of consultations outside the engagement team regarding the matter.
- The nature and severity of difficulties in applying audit procedures, evaluating the results of those procedures, and obtaining relevant and reliable evidence on which to base the auditor's opinion.
- The severity of any control deficiencies identified relevant to the matter.
- Whether the matter involved a number of separate, but related, audit considerations. For example, long-term contracts may involve significant auditor attention with respect to revenue recognition, litigation or other contingencies, and may have an effect on other accounting estimates.

#### DESCRIPTION OF INDIVIDUAL KEY AUDIT MATTERS

The description of each key audit matter in the Key Audit Matters section of the auditor's report shall include a reference to the related disclosure(s), if any, in the financial statements and shall address:

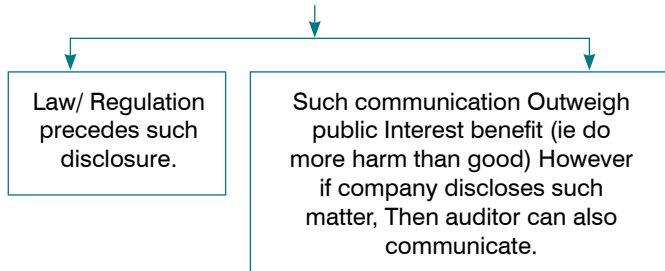
- Why the matter was considered to be one of most significance in the audit and therefore determined to be a key audit matter; and
- How the matter was addressed in the audit.





### NO KEY AUDIT MATTERS TO BE COMMUNICATED

NO KAM to be communicated, if



The following illustrates the presentation in the auditor's report if the auditor has determined there are no key audit matters to communicate:

#### Key Audit Matters

[Except for the matter described in the Basis for Qualified (Adverse Opinion Section or Material Uncertainty Related to Going Concern Section]. We have determined that there are no [other] key audit matters to communicate in our report.

### [B.] SA 706 (REVISED) → EMPHASIS OF MATTER PARAGRAPHS AND OTHER MATTER PARAGRAPHS IN THE INDEPENDENT AUDITOR'S REPORT

#### OBJECTIVE

The objective of the auditor, having formed an opinion on the financial statements, is to draw users attention, when in the auditors judgment it is necessary to do so, by way of clear additional communication in the auditor's report, to:

- A Matter, although appropriately presented or disclosed in the financial statements, that is of such importance that it is fundamental to users understanding of the financial statements; or
- As appropriate, any other matter that is relevant to users understanding of the audit, the auditor's responsibilities or the auditor's report.

#### EMPHASIS OF MATTER PARAGRAPHS IN THE AUDITOR'S REPORT

The auditor shall include an Emphasis of Matter paragraph in the auditor's report provided:

- The auditor would not be required to modify the opinion in accordance with SA 705 (Revised) as a result of the matter; and
- When SA 701 applies, the matter has not been determined to be a key audit matter to be communicated in the auditor's report.

#### When the auditor includes an Emphasis of Matter paragraph in the auditor's report, the auditor shall:

- Include the paragraph within a separate section of the auditor's report with an appropriate heading that includes the term "Emphasis of matter";

- Include in the paragraph a clear reference to the matter being emphasized and to where relevant disclosures that fully describe the matter can be found in the financial statements. The paragraph shall refer only to the information presented or disclosed in the financial statements; and
- Indicate that the auditor's opinion is not modified in respect of the matter emphasized.

#### EXAMPLES OF EMPHASIS OF MATTER

- When a financial reporting framework prescribed by law or regulation would be unacceptable but for the fact that it is prescribed by law or regulation. (SA 210)
- To alert users that the financial statements are prepared in accordance with a special purpose framework (SA 800)
- When facts become known to the auditor after the date of the auditor's report and the auditor provides a new or amended auditor's report (SA 560)
- An uncertainty relating to the future outcome of exceptional litigation or regulatory action.
- A significant subsequent event that occurs between the date of the financial statements and the date of the auditor's report.
- Early application (where permitted) of a new accounting standard that has a material effect on the financial statements.
- A major catastrophe that has had, or continues to have, a significant effect on the entity's financial position.

#### OTHER MATTER PARAGRAPHS IN THE AUDITOR'S REPORT

The auditor shall include an Other matter paragraph in the auditor's report, provided:

- This is not prohibited by law or regulation; and
- When SA 701 applies, the matter has not been determined to be a key audit matter to be communicated in the auditor's report.

When the auditor includes an Other Matter paragraph in the auditor's report, the auditor shall include the paragraph within a separate section with the heading "Other Matter", or other appropriate heading.

#### EXAMPLES OF OTHER MATTER

- Reason why auditor is unable to resign from the engagement even though there is a limitation on scope
- Law, regulation or generally accepted practice in a jurisdiction may require or permit the auditor to elaborate on matters that provide further explanation.
- Auditor has been asked to perform and report on additional specified procedures, or to express an opinion on specific matters.
- Another set of financial statements has been prepared by the same entity in accordance with another general purpose framework and that the auditor has issued a report on those financial statements.



- Auditor's report is intended solely for the intended users, and should not be distributed to or used by other parties.
- Law or regulation may require the auditor to communicate about planning and scoping matters in the auditor's report, or the auditor may consider it necessary to communicate about such matters in an Other matter paragraph (SA 260).

#### COMMUNICATION WITH TCWG

If the auditor expects to include an Emphasis of Matter or an Other Matter paragraph in the auditor's report, the auditor shall communicate with TCWG regarding this expectation and the wording of this paragraph.

Examples of Emphasis of Matters which may not affect the Functioning of the Company are:

- When a financial reporting framework prescribed by law or regulation would be unacceptable but for the fact that it is prescribed by law or regulation.
- To alert users that the financial statements are prepared in accordance with a special purpose framework.

- When facts become known to the auditor after the date of the auditor's report and the auditor provides a new or amended auditor's report (i.e., subsequent events).
- on managerial remuneration which is subject to the approval of the Central Government.
- relating to accrual of a contractually receivable claim based on management estimate.
- where the ultimate realisation could be different from the amount accrued.
- on frauds that have been dealt with in the financial statements of the company and would not have any accounting effect on the financial statements.

#### PLACEMENT OF EMPHASIS OF MATTER PARAGRAPHS AND OTHER MATTER PARAGRAPHS IN THE AUDITOR'S REPORT

The placement of an Emphasis of Matter paragraph or Other Matter paragraph in the auditor's report depends on the nature of the information to be communicated, and the auditor's judgment as to the relative significance of such information to intended users compared to other elements required to be reported in accordance with SA 700 (Revised)



## CSR – some of the query



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**Query-1. Once a transporter carrying the goods had an accident resulting in a death of a local person. The company has made a settlement and paid an amount to the deceased family. The same amount was shown as CSR expenditure in the books of accounts.**

#### Is its correct accounting?

**Comment-** The payment is done for avoiding the legal suit by the deceased family against the transporter. The company paid the amount for non-confiscation of the goods it needed to deliver to its customer on time and avoiding any defame.

There are no CSR expenditure in this scenario and the payment is all towards a case settlement, it cannot be termed as CSR.

**Query-2. A Company has a temple inside its factory which is normally used by its employee and the workers. There are some expenditures done for renovation and same is claimed as CSR?**

**Comment-** Major purpose of CSR is to reach common people in a group, society and not for the only staff of the Company. If there is

any such expenditure limited benefiting only to the staff, it will not be termed as CSR. However, if the same temple is open to all public than it would be termed as CSR expenditure.

**Query-3. A Company has made some plantation near the Guest House and Director's Bungalow.**

**Comment-** It is not CSR expenditure as the same is done within the company's premises.

**Query-4. The ponds are excavated on request of the Government for the village.**

**Comment-** It is for the village and so it is CSR.

**Query-5. The Company has its own school and hospital registered as trust/ LLP, there are spending towards assets and operating expenditure. Is it CSR?**

**Comment-** Yes, it would be CSR subject to that the services of the school and the hospital should be open for the public in common and not limited to only the company's staff.

If considering all above queries and the comments. It is need to be understood that the CSR expenditure should have a focus to provide the benefits to the people in common, community instead of only Company' staff.





## Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019



**CA Dr Mahesh Gour**

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**NOTIFICATION NO. 5/2019 CENTRAL-NT [F.NO. 267/78/19-CX8 (Pt III)], DATED 21-8-2019**

In exercise of the powers conferred by sub-sections (1) and (2) of section 132 of the Finance (No. 2) Act, 2019 (23 of 2019), the Central Government hereby makes the following rules, namely:—

### Short title and commencement

- 1.(1) These rules may be called the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019.
- (2) They shall come into force on the 1st day of September, 2019.

### Definitions

2. In these rules, unless the context otherwise requires, -
  - (a) "Scheme" means the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019, specified under Chapter V of the Finance (No.2) Act, 2019 (23 of 2019);
  - (b) "section" means the section of the Finance (No. 2) Act, 2019;
  - (c) "Form" means the Form annexed to these rules;
  - (d) Words and expressions used in these rules but not defined in these rules and defined in the Scheme shall have the meanings respectively assigned to them in the Scheme.

### Form of declaration under section 125

- 3.(1) The declaration under section 125 shall be made electronically at <https://cbic-gst.gov.in> in Form SVLDRS-1 by the declarant, on or before the 31st December, 2019.
- (2) A separate declaration shall be filed for each case.

Explanation.- For the purpose of this rule, a "case" means –

- (a) a show cause notice, or one or more appeal arising out of such notice which is pending as on the 30th day of June, 2019; or
- (b) an amount in arrears; or
- (c) an enquiry or investigation or audit where the amount is quantified on or before the 30th day of June, 2019; or
- (d) a voluntary disclosure.

### Auto acknowledgment

4. On receipt of declaration, an auto acknowledgment bearing a unique reference number shall be generated by the system.

### Constitution of designated committee

5.(1) The designated committee under section 126 shall consist of -

- (a) the Principal Commissioner or Commissioner of Central Excise and Service Tax, as the case may be, and the Additional Commissioner or Joint Commissioner of Central Excise and Service Tax, as the case may be, in a case where the tax dues are more than rupees fifty lakh:

Provided that there shall be only one such designated committee in a Commissionerate of Central Excise and Service Tax;

- (b) the Additional Commissioner or Joint Commissioner of Central Excise and Service Tax, as the case may be, and the Deputy Commissioner or Assistant Commissioner of Central Excise and Service Tax, as the case may be, in a case where the tax dues are rupees fifty lakh or less:

Provided that there will only be one such designated committee in a Commissionerate of Central Excise and Service Tax;

- (c) the Principal Additional Director General (Adjudication) or Additional Director General (Adjudication), Directorate General of Good and Services Tax Intelligence (DGGI), and Additional Director or Joint Director, Directorate General of Good and Services Tax Intelligence(DGGI), Delhi.

- (2) The members of the designated committee mentioned in clause (a) and (b) of sub-rule (1) shall be nominated by the Principal Chief Commissioner or Chief Commissioner of Central Excise and Service Tax, as the case may be.
- (3) The members of the designated committee mentioned in clause (c) of sub-rule (1) shall be nominated by Pr. Director General or Director General, Directorate General of Good and Services Tax Intelligence (DGGI), as the case may be.

### Verification by designated committee and issue of estimate, etc.-

- 6.(1) The declaration made under section 125, except when it relates to a case of voluntary disclosure of an amount of duty, shall be verified by the designated committee based on the particulars furnished by the declarant as well as the records available with the Department.

- (2) The statement under sub-sections (1) and (4) of section 127, as the case may be, shall be issued by the designated committee electronically, within a period of sixty days from the date of receipt of the declaration under sub-rule (1) of rule 3, in Form SVLDRS-3 setting forth therein the particulars of the amount payable:

Provided that no such statement shall be issued in a case where the amount payable, as determined by the designated committee is nil and there is no appeal pending in a High Court or the Supreme Court.



- (3) Where the amount estimated to be payable by the declarant exceeds the amount declared by the declarant, then, the designated committee shall issue electronically, within thirty days of the date of receipt of the declaration under sub-rule (1) of rule 3, in Form SVLDRS-2, an estimate of the amount payable by the declarant along with a notice of opportunity for personal hearing.
- (4) If the declarant wants to indicate agreement or disagreement with the estimate referred to in sub-rule (3) or wants to make written submissions or waive personal hearing or seek an adjournment, he shall file electronically Form SVLDRS-2A indicating the same:
- Provided that if no such agreement or disagreement is indicated till the date of personal hearing and the declarant does not appear before the designated committee for personal hearing, the committee shall decide the matter based on available records.
- (5) On receipt of a request for an adjournment under sub-rule (4), the designated committee may grant the same electronically in Form SVLDRS-2B:
- Provided if the declarant does not appear before the designated committee for personal hearing after adjournment, the committee shall decide the matter based on available records.
- (6) Within thirty days of the date of issue of Form SVLDRS-3, the designated committee may modify its order only to correct an arithmetical error or clerical error, which is apparent on the face of record, on such error being pointed out by the declarant or suo motu by issuing electronically a revised Form SVLDRS-3.

#### Form and manner of making the payment

7. Every declarant shall pay electronically the amount, as indicated in Form SVLDRS-3 issued by the designated committee, within a period of thirty days from the date of its issue.
- Proof of withdrawal of appeal from High Court or Supreme Court
8. Proof of withdrawal of appeal or writ petition or reference before a High Court or the Supreme Court, as the case may be, under sub-section (7) of section 127 shall be furnished electronically by the declarant.

#### Issue of discharge certificate

9. The designated committee on being satisfied that the declarant has paid in full the amount as determined by it and indicated in Form SVLDRS-3, and on submission of proof of withdrawal of appeal or writ petition or reference referred to in rule 8, if any, shall issue electronically in Form SVLDRS-4 a discharge certificate under sub-section (8) of section 127 within thirty days of the said payment and submission of the said proof, whichever is later:

Provided that in a case where Form SVLDRS-3 has not been issued by the designated committee by virtue of the proviso to sub-rule (2) of rule 6, the discharge certificate shall be issued within thirty days of the filing of declaration referred to in sub-rule (1) of rule 3.

#### Form SVLDRS-1

[Declaration under section 125 of the Finance Act (No. 2), 2019 read with rule 3 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

#### Form SVLDRS-2

[Estimate under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas

(Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

#### Form SVLDRS-2A

[ Written submissions, waiver of personal hearing and adjournment under section 127 of the Finance

(No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

#### Form SVLDRS-2B

[Intimation of personal hearing after adjournment under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

#### Form SVLDRS-3

[Statement under section 127 of the Finance (No.2) Act, 2019 read with rule 6 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme Rules, 2019 to be issued by the Designated Committee]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME, 2019

#### FORM SVLDRS-4

[Discharge Certificate for Full and Final Settlement of Tax Dues under section 127 of the Finance (No. 2) Act, 2019 read with rule 9 of the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019]

SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME RULES, 2019







## Analysis of SEBI circular dated 18.10.2019 – Resignation of Statutory Auditor of ‘A Listed Entity’



**CA Namita Agrawal**

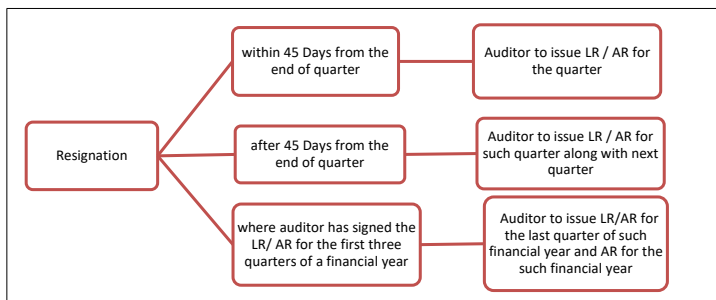
E-mail : namag0303@gmail.com

*A Very Happy Diwali to all members!* In this article we are going to discuss the new circular of SEBI dated 18.10.2019 which gives instructions of Compliances and Obligations to Listed Entities and its Material Subsidiaries on Resignation of Statutory Auditors. This circular is also important as it also affects the **terms of**

### auditors appointment.

We all are aware about the Companies Act, 2013 provisions related to ‘resignation of auditor’. But this SEBI circular requires listed entity and its material subsidiaries to bring more transparency for its investors on resignation of a statutory auditor. According to the SEBI circular, following conditions need to be complied upon resignation of statutory auditor of a listed entity/ material subsidiary:

A) The auditor on resignation has to issue limited review/ audit report in following manner before such resignation:



LR= Limited Review, AR= Audit Report

B) Other Conditions:

i) The statutory auditor shall report all its concern with the management of listed entity/ material subsidiary for

the proposed resignation to the Chairman of the Audit Committee/ Audit Committee as the case may be.

ii) The auditor shall provide an appropriate **disclaimer** in the audit report in accordance with the Standards of Auditing as per ICAI/ NFRA, for **non-receipt of information** as required by auditor from such listed entity/ material subsidiary.

The above conditions must be included in the ‘**terms of appointment/ reappointment**’ of the statutory auditor. Where auditor has already been appointed, the terms of appointment shall be suitable modified to give effect to such above conditions.

C) Obligations of listed entity and its material subsidiary:

- i) Need to obtain information in specified format (as per Annexure A of the circular) from the statutory auditor
- ii) Need to co-operate with auditor, till auditor submits such limited review/ audit report for such quarter/ financial year
- iii) Communicate Audit Committees views on such resignation of auditor to Stock exchange not later than 24 hrs after the date of such audit committee meeting

The above circular need to be complied by the board of directors of the entity in case audit committee is not mandated.

The crux of the circular is that the above provisions of the circular shall not be applicable in case “the auditor is rendered to be disqualified due to operation of any conditions of s. 141 of the Companies Act, 2013”

For reading detail circular, please refer the below link:

[https://www.sebi.gov.in/legal/circulars/oct-2019/resignation-of-statutory-auditors-from-listed-entities-and-their-material-subsidiaries\\_44703.html](https://www.sebi.gov.in/legal/circulars/oct-2019/resignation-of-statutory-auditors-from-listed-entities-and-their-material-subsidiaries_44703.html)

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## Seminar on Amnesty Scheme & E Way Bill held on 6th October, 2019 at Branch Premises



CA. Manish Gadia  
(RCM & Speaker)



Mr. Shivam Dhamanikar  
(Speaker)

(L-R):- CA. Vijendra Jain (Committee Member - Vasai Branch of WIRC), CA. Manish Gadia (RCM & Speaker), Mr. Shivam Dhamanikar (Speaker), CA. Xavier Rajan (Chairman - Vasai Branch of WIRC), CA. Amit Agarwal (Secretary - Vasai Branch of WIRC) & CA. Abhishek Tiwari (Committee Member - Vasai Branch of WIRC) at the inaugural session



### Seminar on How to use Chanakya Niti in Share Market, 13th October, 2019 at Branch Premises



Mr. Sumeet Bagadia  
(Speaker)

(L-R):- CA. Abhishek Tiwari (Committee Member - Vasai Branch of WIRC), CA. Sorabh Agrawal (Treasurer- Vasai Branch of WIRC), Mr. Sumeet Bagadia (Speaker), CA. Amit Agarwal (Secretary - Vasai Branch of WIRC) & CA. Lokesh Kothari (WICASA Chairman) at the dais



Group Photo

### Seminar on Transfer Pricing held on 20th October, 2019 at Branch Premises



CA. Saurabh Damani  
(Speaker)

(L-R):- CA. Amit Agarwal (Secretary - Vasai Branch of WIRC), CA. Saurabh Damani (Speaker), CA. Xavier Rajan (Chairman - Vasai Branch of WIRC) & CA. Vijendra Jain (Committee Member - Vasai Branch of WIRC) at the dais





## Lecture Meeting on Companies Act 2013 held on 15th October, 2019 at Branch Premises



(L-R):- CA. Vijendra Jain (Committee Member - Vasai Branch of WIRC), CA. Amit Agarwal (Secretary - Vasai Branch of WIRC), CA. Xavier Rajan (Chairman - Vasai Branch of WIRC), CS. S. K Jain (Speaker), CA. Vimal Agarwal (RCM & Branch Nominee) & CA. Nikunj Bhangaria (Convenor-Bhayander CPE Study Circle) at the inaugural session



CS. S. K Jain

## 10th International Residential Refresher Course (IRRC) at Baku from 10th to 14th October, 2019







**Seminar on Out Reach held on 18th October 2019 at Branch Premises. Bhayander (West)**



**Interactive meet with Shri. Piyush Goyalji (Cabinet Minister of Railways & Commerce, India) held on 17th October 2019 at Shree Maheswari Bhawan, Bhayander (West)**



Shri. Piyush Goyalji (Cabinet Minister of Railways & Commerce, India) addressing the meeting



Committee Members of Vasai Branch of WIRC presenting bouquet to Shri. Piyush Goyalji (Cabinet Minister of Railways & Commerce, India)



(L-R):- CA. Xavier Rajan (Chairman - Vasai Branch of WIRC), Shri. Piyush Goyalji (Cabinet Minister of Railways & Commerce, India), Shri. Narendra Mehta (MLA, Mira Bhayander) & Smt. Dimple Mehta (Mayor, Mira Bhayander)





## Celebration of Diwali Get Together held on 20th October, 2019 at Branch Premises, Bhayander (West)



## Swachh Bharat Abhiyan held on 2nd October 2019 at Jesal Park Chowpatty



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