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A new norm

Hello! We hope that all of you are social distancing and maintaining strict standards of hygiene. Working remotely is now the new norm and we felt almost no difference in getting this month's newsletter ready. As our country and the world gears up to slowly reopen it's economies, let us too ensure that we are ready for this juncture in history. We hope that this edition is both informative and instructional. Our thanks and best wishes to you all. Stay safe!

**Regards,
PKP Presentation Team**

FROM THE MANAGING PARTNER'S DESK

Dear PKPians,

Another month has passed with the country entering the extension of the lockdown, albeit with more signs of reopening of the economy. This time around the impression one gets is that the extension of lockdown was necessitated due to increase of numbers, which needed to be balanced with the prolonged shutdown.



Interestingly two CEOs, one of a famed Indian two wheeler manufacturer and another of an MNC, manufacturer of engines, which prides itself as being an Indian MNC aired their views on the lockdown. While the former advocated a demand stimulus, he also came across as the young generation, willing to speak their mind, and not be apprehensive about upsetting the powers that be. His approach was to remove the fear factor in the minds of people and the demand stimulus. The second proponent was also vocal that the damage to the economy was self inflicted and traced the confusion of the steps they needed to take in coming out of the lockdown. I wanted to bring this out to place before you the state of mind and the reactions of the business community.

After the reopening of our office , we have slowly progressed to the new normal, and working with masks on ! Disinfecting, social distancing and wearing of mask are followed rigorously. Our completion of the Bank audit in branches in the Red Zone, with a lot of restrictions, brought out the spirit of our staff in ensuring the adherence to timelines, and the need to go beyond the call of duty. We have now moved on to our annual requirements of planning and completing assurance services, filings etc. Its business as usual.

FROM THE MANAGING PARTNER'S DESK

I would also like to mention that we recently acquired clients , a Chinese Company in manufacturing and a Energy based company from Gujarat, which is part of a business group. We continue to reach out to our clients and understand their needs during this downturn and offer them a helping hand.

Kudos to the team on bringing out the 8th issue of this newsletter. Best wishes and continue to follow the protocol in maintaining social distancing and wear your masks.

Pratapkaran Paul
Managing Partner

OCCUPATIONAL FRAUDS AND IT'S IMPACT

Introduction

Fraud is a well-known term which is not extensively defined anywhere. Frauds are of many types and one such is Occupational Fraud. Many organisations including the Governments across the nations lose a significant amount of money on account of these Occupational frauds.

Occupational Fraud is formally defined as the use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets.

Association of Certified Fraud Examiners (ACFE) headquartered at United States as part of its regular study on Occupational Frauds released its **Report to Nations 2020**. The facts below are the extracts of the mentioned report.



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Categories of Occupational Fraud

At the highest level, there are three primary categories of occupational fraud. **Asset misappropriation**, which involves an employee stealing or misusing the employing organization's resources, occurs in the vast majority of fraud schemes (86% of cases); however, these schemes also tend to cause the lowest median loss at USD 100,000 per case.

In contrast, **Financial statement fraud** schemes, in which the perpetrator intentionally causes a material misstatement or omission in the organization's financial statements, are the least common (10% of schemes) but costliest category of occupational fraud.

KEY FINDINGS

OUR STUDY COVERED



2,504 CASES
from
125 COUNTRIES

Causing total losses of more than
\$3.6 BILLION



TYPICAL FRAUD CASE

lasts
14 MONTHS
before
detection

causes a
loss of
\$8,300
per month

CFEs ESTIMATE THAT
ORGANIZATIONS
LOSE

5% OF REVENUE
TO FRAUD
EACH YEAR

MEDIAN LOSS
PER CASE:

\$125,000

AVERAGE LOSS
PER CASE:

\$1,509,000

CORRUPTION

WAS THE
MOST COMMON
SCHEME IN EVERY
GLOBAL REGION



ASSET MISAPPROPRIATION SCHEMES

are the
most common and least costly

86%
OF CASES

\$100,000
median loss

FINANCIAL STATEMENT FRAUD SCHEMES

are the
least common and most costly

10%
OF CASES

\$954,000
median loss

Organizations with
FRAUD AWARENESS TRAINING
for employees were
more likely to gather tips through



FORMAL REPORTING MECHANISMS

56% of tips with training

37% of tips without training



43% OF SCHEMES WERE DETECTED BY TIP,
and half of those tips
came from employees



TELEPHONE HOTLINE and EMAIL

were each used by
whistleblowers in

33%
OF CASES



The third category corruption—which includes offenses such as **Bribery, Conflicts of Interest, and Extortion**—falls in the middle in terms of both frequency and financial damage.

These schemes occur in 43% of cases and cause a median loss of USD 200,000

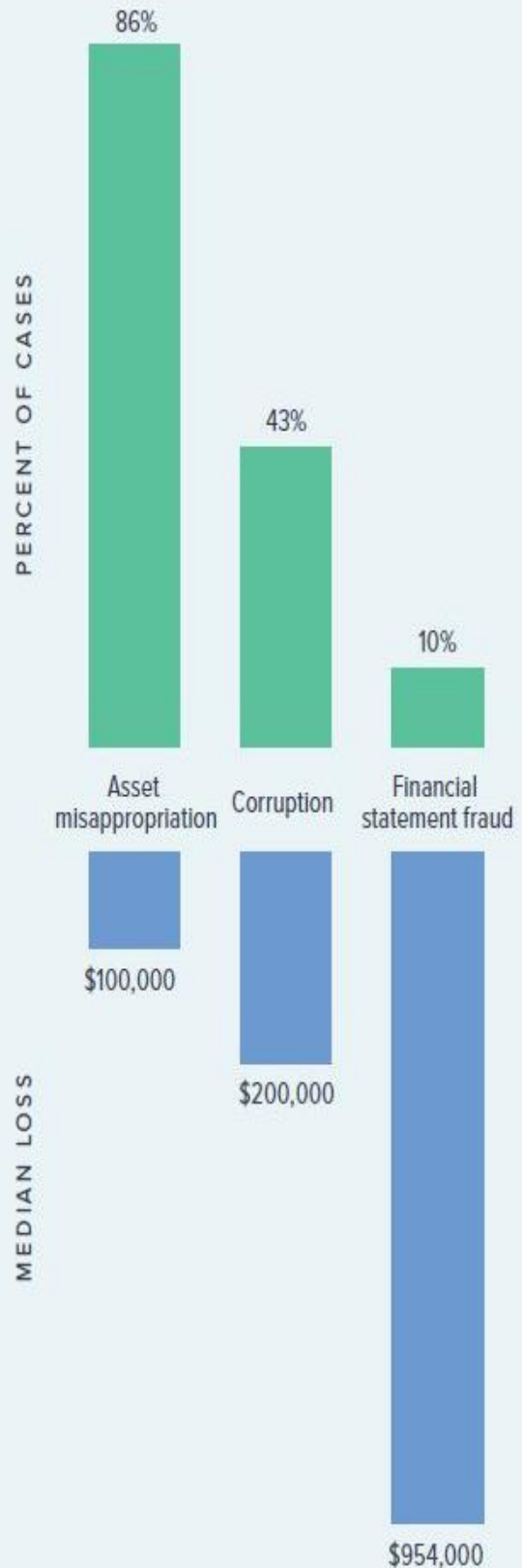
How an Occupational Fraud is Concealed

Majority of the Occupational frauds involves highly educated employees with a degree from a prominent university, Good experience in the area of work and significant period of association with the Company in which fraud is committed.

This makes them at an advantageous position to know about the level of Controls in the organisation and all his experience would be put to conceal the fraud.

Understanding the methods fraudsters use to conceal their crimes can assist organizations in more effectively detecting and preventing similar schemes in the future.

FIG. 2 How is occupational fraud committed?



How Occupational Fraud Is Concealed

Understanding the methods fraudsters use to conceal their crimes can assist organizations in more effectively detecting and preventing similar schemes in the future.

TOP 4 CONCEALMENT METHODS USED BY FRAUDSTERS



40%

Created fraudulent physical documents



36%

Altered physical documents



27%

Altered electronic documents or files



26%

Created fraudulent electronic documents or files



12% did not involve any attempts to conceal the fraud

As depicted above in majority of the cases the fraudster has used alteration of documentation physical or electronic. With more controls in maintaining Electronic documentation comparing to physical documentation makes it lesser prone to alteration or unauthorized modification.

How to detect the Frauds

Detection is an important concept in fraud investigation because the speed with which fraud is detected as well as the way it is detected can have a significant impact on the size of the fraud.

It is also key to fraud prevention because organizations can take steps to improve how they detect fraud, which in turn increases the staff's perception that fraud will be detected and might help deter future misconduct. The data revealed several notable trends relating to how fraud is initially detected, when it is detected, and who detects it, all of which can help fraud examiners improve the effectiveness of fraud detection and prevention at their organizations.

The below chart breaks down the sources of tips that led to fraud detection.

Half of all tips came from employees, while a substantial number of tips came from outside parties, including customers, vendors, and competitors. These findings demonstrate that anti-fraud education and the communication of designated reporting mechanisms should target not only internal staff, but external parties as well.

FIG. 9 How is occupational fraud initially detected?

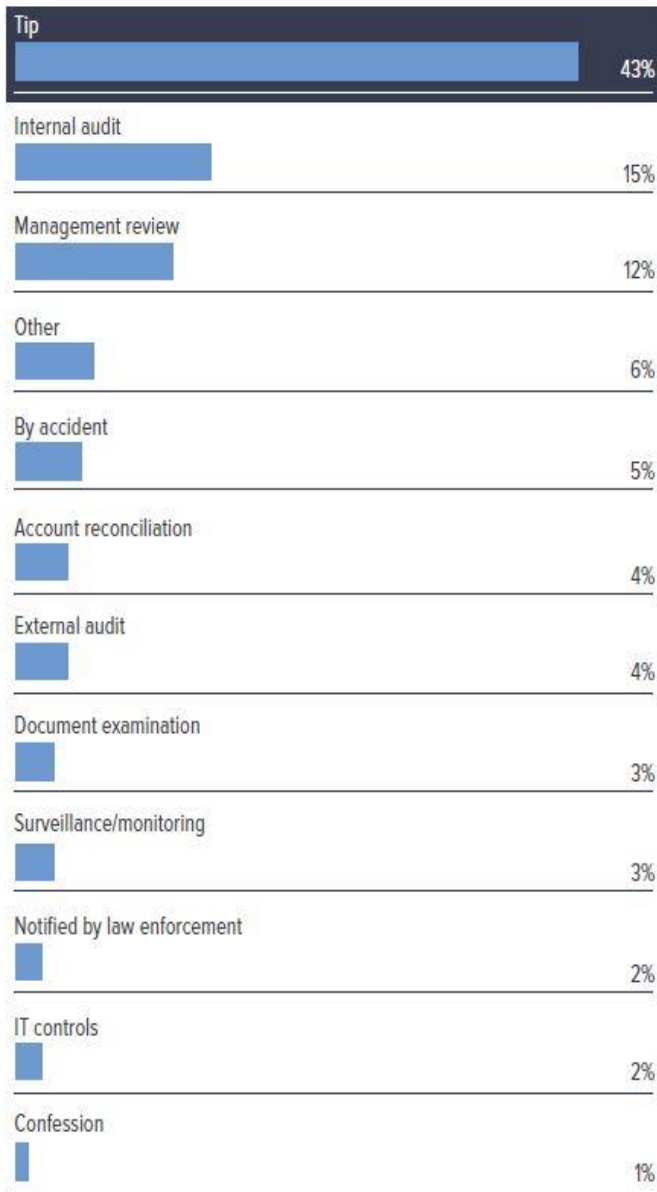
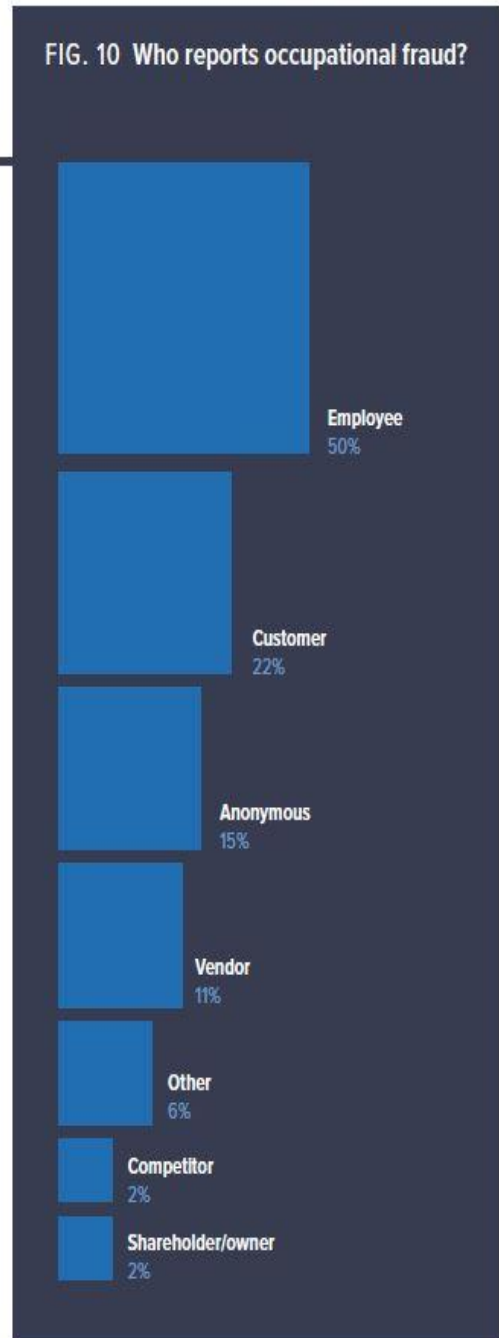


FIG. 10 Who reports occupational fraud?



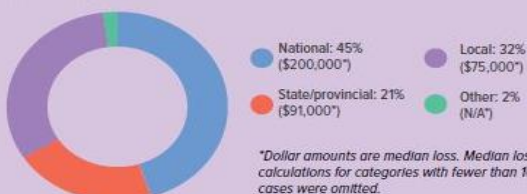
Victim Organisations

From the chart below, it is evident that 70% of frauds occurred in for-profit organizations, with 44% of the victim organizations being private companies and 26% being public companies. Private and public organizations each suffered a median loss of USD 150,000. Non-profit organizations only reported 9% of fraud cases and suffered the smallest median loss of USD 75,000; however, many non-profits have limited financial resources to begin with, so a loss of this amount can be particularly devastating to these entities.

FIG. 14 What types of organizations are victimized by occupational fraud?



FIG. 15 What levels of government are victimized by occupational fraud?



*Dollar amounts are median loss. Median loss calculations for categories with fewer than 10 cases were omitted.

The Involvement of High level Management or the Owners of the Private Organizations with the nature of frauds being Financial Statement frauds make it more easy as they are the ultimate point of control lies with them and these are not easier to detect unless a red flag identified by any of the stake holders or an external agency.

Conclusion

The most cost-effective way to limit fraud losses is to prevent fraud from occurring. Proactive anti-fraud controls play a key role in an organization's fight against fraud. The Study also shows that Inclusion of Anti-Fraud Policy and Anti- Fraud program training to employees has contributed for early detection of frauds in many organisations

CONDUCTING ANNUAL GENERAL MEETING (AGM) BY COMPANIES THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM)

Eligibility for Conducting the AGM by Companies through VC or OAVM

1. AGM may be conducted through the facility of VC or OAVM only by a company which has in its records, the email addresses of at least half of its total number of members, who
 - In case of a Nidhi Companies, hold shares of more than 1000/- in face value or more than 1% of the total paid-up share capital, whichever is less.
 - In case of other companies having share capital, who represent not less than 75% of such part of the paid-up share capital of the company as gives a right to vote at the meeting.
 - In case of companies not having share capital, who have the right to exercise not less than 75% of the total voting power exercisable at the meeting.



Note:

The company to check both the things and not one

- (a) 50% of number of members and
 - (b) Having threshold of holding of shares or voting power
2. The company shall take all necessary steps to register the email addresses of all persons who have not registered their email addresses with the company.



Manner and Mode of Issuing notices for Conducting AGM by Companies through VC or OAVM

1. (a) The company to comply with Rule 18 of the Companies (Management and Administration) Rules, 2014 and the Notice of AGM may be given to the members only through the email registered with the Company or Depository Participants or Depository.

(b) The Company to give a Public Notice by way of advertisement as per Rule 20 (4) (v) of the Companies (Management and Administration) Rules, 2014 and the same to be published at least once in vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated and having wide circulation in that district and at least once in English language in an English newspaper having a wide circulation in that district, preferably both newspapers having electronic editions, and shall specify in the advertisement the following information

- a statement that the AGM is proposed to be conducted through VC or OAVM in compliance with applicable provisions of the Act / Rules and these Circulars
 - The date and time of the AGM to be conducted through VC or OAVM
 - Availability of Notice of AGM on the website of the company and the stock exchange for listed company
 - The manner in which the members who are holding shares in physical form or who have not registered their email addresses with the company can cast their vote through remote e-voting or through the e-voting system during the meeting
 - The manner in which the members who have not registered their email addresses with the company can get the same registered with the company;
 - The manner in which the members can give their mandate for receiving dividends directly in their bank accounts through the Electronic Clearing Service (ECS) or any other means;
 - any other detail considered necessary by the company
- (c) The Chairman of the meeting shall satisfy himself and cause to record the same before considering the business at the meeting that all efforts feasible under the circumstances have indeed been made by the company to enable the members to participate and vote on the items being considered in the meeting.
2. In the AGM through VC or OAVM, Ordinary Business Items and only those Special Business Items which are considered to be unavoidable by the Board, may be transacted.
 3. Financial Statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), shall be sent only by email to the members, trustees for the debenture-holder of any debentures issued by the company and to all other persons entitled to receive the same.
 4. Public Notice for AGM should be published with details as mentioned in point (b) above.

5. In case, the company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the company shall upon normalization of the postal services, dispatch the dividend warrant/cheque to such shareholder by post.

6. The Notice for AGM shall make the following disclosure:

- Detailed manner and framework of conducting the AGM as per this Circular
- How to access the meeting
- How to participate in the meeting
- Helpline number through Registrar & Share Transfer Agents or technology provider or otherwise for the members who need assistance with using the technology before or during the meeting
- Notice of the meeting to be prominently displayed on the website of the Company.

7. If the Notice for AGM has been served prior to 05th May, 2020, being the date of Circular, than the Company with the consent of not less than 95% of members in number who are entitled to vote,

issue a fresh Notice with shorter duration with detailed disclosure as mentioned in the above point (o).

8. Quorum : In case, the company has received the permission from the relevant authorities to conduct its AGM at its Registered Office, or at any other place as provided under section 96 of the Act, after following any advisories issued from such authorities, the company may in addition to holding such meeting with physical presence of some members, also provide the facility of VC or OAVM, so as to allow other members of the company to participate in such meeting.

All members who are physically present in the meeting as well as the members who attend the meeting through the facility of VC or OAVM shall be reckoned for the purpose of quorum under section 103 of the Act. All resolutions shall continue to be passed through the facility of e voting system.

Guidelines for Conducting the AGM in VC or OAVM

(a) It is unavoidable that AGM was allowed to be conducted by VC or OAVM. However to read it with Circular 20 with reference to conducting AGM it should be read that in the AGM only four Ordinary

Business as per Section 102 (2) (a), to be transacted and items of special business as per Section 102 (2) (b), which are considered to be unavoidable by the Board, may be transacted. Further the entire proceedings of the meeting to be recorded and such recorded transcript shall be maintained in the safe custody by the Company. The public Company to upload the recorded transcript on the website of the Company, if any.

(b) While deciding the time for AGM through VC or OAVM, the management shall keep in mind the convenience of different persons positioned in different time zones in the globe. For that reason, the management must know and check the list of its shareholders with their addresses and ensure availability of its Directors, Independent Directors, Nominee Directors and Auditors.

(c) The Company to ensure and provide proper teleconferencing facility as follow :

➤ Arrangement for two-way communication through teleconferencing or webex for the ease of participation by the members and the participants are allowed to pose the question concurrently or given time to submit their questions in advance on the email of the Company

➤ Capability of system of hosting upto 500 members or members equal to the total number of members of the Company, whichever is lower, to participate on first come first serve basis principle. The large Shareholders, holding 2% or more, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders and Relationship Committee and the Auditors may be allowed to attend the meeting without restriction of first- come- first- served basis principle.

(d) The facility of joining the meeting shall be kept open at-least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time of the AGM.

(e) The Members who attend through VC or OAVM are counted for the purpose of reckoning quorum under Section 103 of the Act.

(f) Unless the Articles of Association of the company require any specific person to be appointed as a Chairman for the meeting, the Chairman for the meeting shall be appointed as follow :

- If there are less than 50 members present, the Chairman shall be appointed in accordance with Section 104 of the Act, that is by show of hands ; and
- If there are equal to or more than 50 members present, then the Chairman shall be appointed by a poll conducted through e-voting system during the meeting.

(g) At least one Independent Director (where the company is required to appoint) and the Statutory Auditor / Secretarial Auditor or their authorized representative who are also qualified to be the Statutory Auditor / Secretarial Auditor, as the case may, shall attend such meeting through VC or OAVM.

(h) Proxies as per section 105 of the Act, cannot be appointed for participation in the AGM conducted as per this Circular. However, the Authorised Representative in pursuance of Section 112 and Section 113 of the Act are deemed to be member of the Company and are entitled to exercise same rights and powers as the member could exercise and hence appointment of Authorised Representative for participating in the AGM held through VC or OAVM is allowed.

(i) The Company to encourage the Institutional Investors who are members of the Company, to attend and vote in the AGM through VC or OAVM.

(j) The Notice for AGM to include a designated email address of the company so that the members can cast their vote through such designated email address, whenever a poll is demanded during the AGM on any resolution.

(k) The confidentiality of the password and other privacy issues associated with the designated email address shall be strictly followed by the Company and also due safeguards shall be taken by the Company with respect to authenticity of email address(es) and all the other details of its members.

(l) During the AGM through VC or OAVM facility, where a poll on any item is required, in such case the members shall cast their vote on the resolutions only at such stage on items considered in the meeting by sending email to the designated email address circulated by the Company through their email address(es) which are registered with the Company. Such voting is not allowed to be sent by email in advance to the Company before the meeting is actually held through VC or OAVM facility.

(m) The Chairman may decide to conduct a vote by show of hands if the members present in the meeting are less than fifty (50). If the demand for poll is made by any member in accordance with Section 109 of the Act then the procedure mentioned above in point (L) shall be followed.

(n) The meeting may be adjourned for the purpose of counting votes and be called later to declare the result.

(o) All Resolutions passed in AGM conducted through this mechanism of VC or OAVM shall be filed with the Registrar of Companies within 60 days of meeting, clearly indicating therein that the mechanism provided in this Circular along with other provisions of the Act and Rules were duly complied with during such meeting.



Micro, Small & Medium Enterprises

Definition:

Micro, Small & Medium Enterprises
In accordance with the provision of
Micro, Small & Medium Enterprises
Development (MSMED) Act, 2006
the Micro, Small and Medium
Enterprises (MSME) are classified
in two Classes:



Nitheesh Kumar
Article Assistant



MSME
MICRO, SMALL & MEDIUM ENTERPRISES
सूक्ष्म, लघु एवं मध्यम उद्यम

1. Manufacturing Enterprises:

The enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the first schedule to the industries (Development and regulation) Act, 1951) or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use

2. Service Enterprises:

The enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

MSME Classification			
Composite Criteria : Investment and Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs 1 crore And Turnover < Rs 5 crore	Investment < Rs 10 crore And Turnover < Rs 50 crore	Investment < Rs 20 crore And Turnover < Rs 100 crore

Note:

Investments are defined in the term of investing in the Plant and Machinery

Importance of MSME in India

- MSME's have played a great role in ensuring the socialistic goals like equality of income and balance regional development as envisaged by the planners soon after the independence.
- With the meagre investment in comparison to the various large scale private and public enterprises, the MSMEs are found to be more efficient providing more employment opportunities at relatively lower cost.
- The employment intensity of MSMEs is estimated to be four times greater than that of large enterprises.
- Currently, around 36 million SMEs are generating 80 million employment opportunities, contributing 8% of the GDP,

45% of total manufacturing output and 40% of the total exports from the country.

- MSMEs account for more than 80% of the total industrial enterprises in India creating more than 8000 value added products.
- The most important contribution of SMEs in India is promoting the balanced economic development.
- Urban area with around 857,000 enterprises accounted for 54.77% of the total working enterprises in Registered MSME sector whereas in rural areas around 707,000 enterprises (45.23% of the working enterprises) are located.

Benefits prevail for MSME

❖ Financial Assistance to MSMEs

- Prioritize lending to MSMEs from banks by including small enterprises in the earmarked priority sector and raising sub-target limit to 10% from 7.5%

❖ Long Term Strategy for Sustainability of MSMEs - "Smart Industrial Village" Policy

- To promote de-centralized economic structure to avoid concentration of the population resulting into the exodus of migrant workers Promoting "Swadeshi" Ideology via Policy & Strategy Drafting



- Collateral free & MUDRA small loans to encourage self-Employment.
- Relaxing ceiling on working capital by banks.
- Safe Trade Policy to be devised for sectors dependent on Chinese imports e.g. Chemicals, Pharmaceuticals and electronics sectors, etc.

- By price advantage incentive for import substitution & indigenous product development
- Price Advantage incentive is a percentage additional advantage on a price to Indian supplier compared with cost of import for a particular product
- ☑ Defining & introduction of "Indian quality standard & certification" system to provide

“non- tariff barriers” cover for incentivizing locally manufactured “SWADESHI” products

- To stimulate the local investment in manufacturing segment through promotion schemes & incentives, so that India becomes manufacturing hub

❖ **Credit Support for MSME's**

- Moratorium period of 6 months for repayment of MSME loans and other forms of debts, together with a provision of 'no change' in the credit rating during the said period.
- Norms for declaring NPA period in banks be extended to 180 days for at least next 2 years as the MSMEs need uninterrupted banking assistance to deal with this crisis situation.
- Interest rate subvention @ 3% on loans to MSMEs that are healthy and not NPAs.

❖ **Some other benefits for MSME's**

- It has a benefit that bank loans become cheaper as the interest rate is very low i.e. around 1 to 1.5% which is much lower than interest on the regular loans.

- Under MSME, various tax rebates are offered to the owners.
- Credit for minimum alternate tax (MAT) is also allowed. It can be carried forward for up to 15 years instead of 10 years
- For MSME industries, there are many government tenders which are especially open for them.
- They can get credit easily.
- Many rebates and concessions are available for them which reduces the cost of getting a patent or setting up of the industry once they are registered.
- Business registered under MSME are given higher preference for government license and certification.
- There is a One Time Settlement Fee for non-paid amounts of MSME



Some of the relief measures under the mega Rs 20 lakh crore stimulus package

❖ Rs 3 lakh crore collateral-free loans

Banks and NBFCs will offer up to 20 per cent of entire outstanding credit as on February 29, 2020, to MSMEs. Units with up-to Rs 25 crore outstanding credit and Rs 100 crore turnover are eligible for taking these loans that will have four-year tenor with a moratorium of 12 months on principal payment. The scheme can be availed till October 31, 2020. The government will provide complete credit guarantee cover to lenders on principal and interest amount.

❖ Rs 20,000 crore subordinate debt

❖ MSMEs declared NPAs or those stressed will be eligible for

equity support as the government will facilitate the provision of Rs 20,000 crore as subordinate debt. The government will also provide Rs 4,000 crore to CGTMSE that will offer partial credit guarantee support to banks for lending to MSMEs.

❖ Rs 50,000 crore equity infusion

The government will infuse Rs 50,000 in equity in MSMEs through a Fund of Funds that will be operated through a Mother fund and a few daughter fund. The Fund of Funds will be set-up with a corpus of Rs 10,000 crore to give equity-based funding to MSMEs having growth potential and viability. It will also urge MSMEs to list on stock exchanges.

“The amount allocated for collateral-free automatic loans, subordinate Debt for MSMEs and equity infusion through MSME

Fund of Funds amounts to 76 per cent of the credit disbursed to MSMEs during FY20,”.During FY20, Rs 450 billion were disbursed to MSMEs under collateral-free loans and units who are likely to face increased risk averseness would benefit hugely from the Rs 200 billion subordinate loans announced for MSME’s.

❖ **Clearing MSME Dues**

Smt. Nirmala Sitharaman said that the government and central public sector enterprises will release all pending MSME payments in 45 days. The minister also said that fintech enterprises will be used to boost transaction-based lending using the data by the e-marketplace. This e-market for developing linkages for MSMEs will be promoted to replace trade fairs and exhibitions.

MSME Registration process



➤ **Step 1**

You have to fill basic details in MSME Registration form that will include all the necessary details of your business such as company name, registration number, GST number and so on.

➤ **Step 2**

You are required to fill in all your personal details such as name, address, PAN Card, bank account details and some common information that is mandatory during the MSME registration process. Also, a photo needs to be uploaded. Ensure that the size of the photo is within the permissible limits for it to be uploaded on the site.

➤ **Step 3**

At this process, an MSME executive will review your application. In case of any discrepancy, you will be notified about the process and make the relevant changes.

➤ **Step 4**

After filling the complete form, you will get the certificate for MSME Registration. To know how it would be, you can download a copy of the Sample MSME Certificate. The Ministry will not issue you any hardcopy for it. You will get a virtual certificate for MSME Registration.

This is the process for the MSME registration for companies

➤ **Note**

The entire registration process is free of cost. However, there are many online portals that do the registration process on behalf of the companies at a certain fee.

Documents required for MSME Registration

The following are the documents required for the registration process for MSME:

- Aadhar number of the applicant
- Name, Gender, PAN Number, E-mail Id and Mobile number of the applicant.
- PAN, Location, and Address of the organization.
- A number of employees and the date, you are planning to start your business.
- A number of employees and the date, you are planning to start your business.
- Bank Account Number and IFSC code
- The basic business activity of the enterprise
- National Industrial Classification code
- Investment in plant and machinery and equipment and
- MOA and AOA of the business

Vlookup, Index and Match Functions



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Vlookup?

VLOOKUP function enables Excel to search for a certain value in a 'table array' and to return a value from a different column in the same row.

The Vlookup function has lots of shortcomings and this article provides you few hacks to overcome such shortcomings.

Syntax: =VLOOKUP (value, table, col_index, [range_lookup])

A. Firstly, the static nature of the Vlookup function and way to overcome it.

1. The amount of incentive varies depending upon the performance rating (if the rating is "1", then the incentive is "10,000"; "2", then it is "25,000" and so on)

2. The result of the Vlookup function is as follows,

E16 =VLOOKUP(D16,\$H\$7:\$I\$11,2,0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Performance rating	Incentive Amount
<500	1	10,000
501-1000	2	25,000
1001-2000	3	35,000
2001-3000	4	45,000
>3001	5	60,000

3. If any column is added anywhere in the base array, then the formula turns erroneous as the Vlookup formula entered has standard hard-coded column index number in its syntax,

MATCH =VLOOKUP(D4,\$H\$7:\$I\$11,2,0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	=VLOOKUP(D4,\$H\$7:\$I\$11,2,0)
Agent B	1,000	2	
Agent C	1,500	3	
Agent D	200	1	
Agent E	3,500	5	
Agent F	800	2	
Agent G	2,500	4	
Agent H	750	2	
Agent I	2,000	3	
Agent J	1,800	3	
Agent K	1,250	3	
Agent L	600	2	
Agent M	200	1	

Units Sold	Performance rating	Incentive Amount
<500	1	10,000
501-1000	2	25,000
1001-2000	3	35,000
2001-3000	4	45,000
>3001	5	60,000

SMALL =VLOOKUP(D16,\$H\$9:\$I\$13,2,0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	Bad
Agent B	1,000	2	Below
Agent C	1,500	3	Average
Agent D	200	1	Bad
Agent E	3,500	5	Exceeds the expectation
Agent F	800	2	Average
Agent G	2,500	4	Meets the Expectations
Agent H	750	2	Below
Agent I	2,000	3	Average
Agent J	1,800	3	Average
Agent K	1,250	3	Average
Agent L	600	2	Below
Agent M	200	1	=VLOOKUP(D16,\$H\$9:\$I\$13,2,0)

Units Sold	Performance rating	Performance Category	Incentive Amount
<500	1	Bad	10,000
501-1000	2	Below	25,000
1001-2000	3	Average	35,000
2001-3000	4	Meets the Expectations	45,000
>3001	5	Exceeds the expectation	60,000

The "Incentive Amount" got replaced with the "Performance Category" as new column("Performance category") is added to the base array

4. This can be overcome by introducing the Match function as below,

MATCH X ✓ f_x =VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Performance rating	Performance Category	Incentive Amount
<500	1	Bad	10,000
501-1000	2	Below Average	25,000
1001-2000	3	Average	35,000
2001-3000	4	Meets the Expectations	45,000
>3001	5	Exceeds the expectation	60,000

3

=VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

How the Match formula automates the Vlookup,

Before

MATCH X ✓ f_x =VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Performance rating	Performance Category	Incentive Amount
<500	1	Bad	10,000
501-1000	2	Below Average	25,000
1001-2000	3	Average	35,000
2001-3000	4	Meets the Expectations	45,000
>3001	5	Exceeds the expectation	60,000

Value of Match formula 2

=VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

Match ?

The MATCH function searches for a value in an array and returns the relative position of that item. The Match function returns the column / row number in the selected array. Whereas the Vlookup returns the value in that column.

Syntax: =MATCH (lookup_value, lookup_array, [match_type])

1. The Match function in the above example returns the following value

H4 X ✓ f_x =MATCH(E3,\$H\$6:\$I\$6,0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Performance rating	Performance Category	Incentive Amount
<500	1	Bad	10,000
501-1000	2	Below Average	25,000
1001-2000	3	Average	35,000
2001-3000	4	Meets the Expectations	45,000
>3001	5	Exceeds the expectation	60,000

Value of Match formula 3

After

MATCH X ✓ f_x =VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Performance rating	Performance Category	Incentive Amount
<500	1	Bad	10,000
501-1000	2	Below Average	25,000
1001-2000	3	Average	35,000
2001-3000	4	Meets the Expectations	45,000
>3001	5	Exceeds the expectation	60,000

Value of Match formula 3

=VLOOKUP(D16,\$H\$7:\$I\$11,MATCH(\$E\$3,\$H\$6:\$I\$6,0),0)

Thus, the Vlookup function gets automatically updated, even if columns are added / deleted to the base array, by introducing the Match function into it.

B. The second shortcoming in the Vlookup formula is that the lookup value must be at the far left of the lookup table. This can be overcome by introducing the Index function & Match function.

Index?

The INDEX function returns the value at a given position in a range or array.

Syntax: =INDEX (array, row_num, [col_num], [area_num])

SMALL X ✓ f_x =INDEX(\$C\$4:\$C\$19,SMALL(IF(\$B\$22=\$B\$4:\$B\$19,ROW(\$B\$4:\$B\$19)-ROW(\$B\$4)+1),3))

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	600	1	10,000
Agent B	1,000	2	25,000
Agent A	500	1	10,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent A	2,500	4	45,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent A	550	2	25,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Incentive Amount	Performance rating	Performance Category
<500	10,000		1 Bad
501-1000	25,000		2 Average
1001-2000	35,000		3 Average
2001-3000	45,000		4 Expectations
>3001	60,000		5 Exceeds the expectation

SMALL X ✓ f_x =INDEX(\$C\$4:\$C\$19,SMALL(IF(\$B\$22=\$B\$4:\$B\$19,ROW(\$B\$4:\$B\$19)-ROW(\$B\$4)+1),3))

SMALL X ✓ f_x =INDEX(\$C\$4:\$C\$19,SMALL(IF(\$B\$22=\$B\$4:\$B\$19,ROW(\$B\$4:\$B\$19)-ROW(\$B\$4)+1),3))

SMALL X ✓ f_x =INDEX(\$C\$4:\$C\$19,SMALL(IF(\$B\$22=\$B\$4:\$B\$19,ROW(\$B\$4:\$B\$19)-ROW(\$B\$4)+1),3))

SMALL X ✓ f_x =INDEX(\$C\$4:\$C\$19,SMALL(IF(\$B\$22=\$B\$4:\$B\$19,ROW(\$B\$4:\$B\$19)-ROW(\$B\$4)+1),3))

MATCH X ✓ f_x =INDEX(\$H\$6:\$H\$11,MATCH(D16,\$I\$6:\$I\$11,0),0)

Sales Agent Name	Quantity sold	Performance rating	Incentive amount
Agent A	500	1	10,000
Agent B	1,000	2	25,000
Agent C	1,500	3	35,000
Agent D	200	1	10,000
Agent E	3,500	5	60,000
Agent F	800	2	25,000
Agent G	2,500	4	45,000
Agent H	750	2	25,000
Agent I	2,000	3	35,000
Agent J	1,800	3	35,000
Agent K	1,250	3	35,000
Agent L	600	2	25,000
Agent M	200	1	10,000

Units Sold	Incentive Amount	Performance rating	Performance Category
<500	10,000		1 Bad
501-1000	25,000		2 Average
1001-2000	35,000		3 Average
2001-3000	45,000		4 Expectations
>3001	60,000		5 Exceeds the expectation

MATCH X ✓ f_x =INDEX(\$H\$6:\$H\$11,MATCH(D16,\$I\$6:\$I\$11,0),0)

The above formula is a roundabout to overcome the shortcomings of Vlookup as it would return only the first match. By introduction of the SMALL Function & ROW Function the user can return the value of “nth” match as well.

The above function will not only overcome the shortcoming of Vlookup, as discussed in A-segment of this article, but also automates the look up function. Any addition / deletion of columns to the base array will not make the formula erroneous.

Lots of excel hacks / methods are available to make the excel formulae more efficient & effective. Of which few were discussed above. Hope it made a new addition to your excel skills.

Thanks.

C. The Third shortcoming in Vlookup formula is that it will return only the value of the First Match. If you have multiple records in the lookup array that match the lookup value, then it returns only the first value.

Introduction

1. Implementation of Goods and Services Tax (GST) across India with effect from 1st of July, 2017 was a very significant step taken by the Government of India. The key objective to bring in this reform was to make India "one nation one tax". The salient feature of GST was to bring uniformity in the taxation system across India. In line with, this thinking the Government introduced E-way bill system as a part of GST compliance tool. It is an online mechanism for quick and easy movement of goods across India without any hindrance. It has done away with the annoyance to be standing in long queues at the inter-State check-posts. Now, there is no requirement of separate transit pass for every State as per the prevailing road permits system. One E-way bill will be valid throughout the country for the movement of goods. The e-way bill mechanism has been used in GST to prevent inter-State or intra-State movement of goods without payment of GST.
2. Electronic Way Bill (E-Way Bill) is basically a compliance mechanism wherein by way of a digital interface the person



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- causing the movement of goods uploads the relevant information prior to the commencement of movement of goods and generates e-way bill on the GST portal.
3. E-way bill is a document to be generated from the common portal, i.e., 'ewaybill.nic.in' after filling the required information. It shall be required as and when the goods are being shifted for transportation. It is to be carried by a person in charge of the conveyance carrying any consignment of goods of value exceeding fifty thousand rupees as mandated by the Government in terms of Section 68 of the Goods and Services Tax Act, read with Rule 138 of the rules framed thereunder. However, in case of transportation of goods by way of air or rail or vessel, person-in-charge shall not be liable to carry the said document.



4. It is important to note that “information is to be furnished prior to the commencement of movement of goods” and “is to be issued whether the movement is in relation to a supply or for reasons other than supply”.

5. E-way bill system has become mandatory w.e.f 1st April, 2018 for inter-State movement of goods.

Requirement to generate E-Way Bill:

1. As per Rule 138 of the CGST Rules, 2017, every registered person who causes movement of goods (which may not necessarily be on account of supply) of consignment value more than Rs. 50000/- is required to furnish above mentioned information.

Note: The value of goods shall be calculated as per Sec 15 Valuation

Rules and includes Central Tax, State Tax and Integrated Tax and shall exclude the value of exempt goods.

2. However, e-way bill must be generated for inter-State movement, even if value of consignment is below Rs. 50,000 –

- i. Sending material by Principal inter-State for job work or,
- ii. handicraft goods transported inter-State under exemption if turnover of person is below Rs. 20/10 lakhs.

3. E-way bill is to be issued irrespective of whether the movement of goods is caused by reasons of supply or otherwise. In respect of transportation for reasons other than supply, movement could be in view of export/import, job-work, SKD or

CKD, recipient not known, line sales, sales returns, exhibition or fairs, for own use, sale on approval basis etc.

Components of E-Way Bill:

Every registered person who causes movement of goods (which may not necessarily be on account of supply) of consignment value more than Rs. 50000/- is required to furnish information in part A of e-way bill. The part B containing transport details helps in generation of e-way bill.

Part – A:

Part A comprising of details of GSTIN of recipient, place of delivery (PIN Code), invoice or challan number and date, value of goods, HSN code, transport document number (Goods Receipt Number or Railway Receipt Number or Airway Bill Number or Bill of Lading Number) and reasons for transportation

Part – B:

Part B comprising of transporter details (Vehicle number).

Responsibility of generation of e-way bill:

1. An E-way bill may be generated by –
 - i. A registered person
 - ii. Unregistered person or
 - iii. A transporter
2. E-way bill is to be generated by the consignor or consignee himself if the transportation is being done in own/hired conveyance or by railways by air or by Vessel.
3. If the goods are handed over to a transporter for transportation by road, E-way bill is to be generated by the Transporter.
4. Where neither the consignor nor consignee generates the e-way bill and the value of goods is more than Rs.50,000/- it shall be the responsibility of the transporter to generate it.
5. Where a supply is made by an unregistered person to a registered person, the movement is deemed to have caused by a registered recipient and liability to generate e-way bill lies on recipient, i.e., the receiver will have to ensure that all the compliances are met as if he was the supplier.
6. Where e-way bill is neither generated by consignor nor by consignee and the goods are handed over to a transporter for

transportation by road, then transporter shall generate FORM GST EWB-01 on the basis of invoice or bill of supply or delivery challan and may also generate consolidate e-way bill in FORM GST EWB-01 prior to movement of goods.

7. In case of unregistered transporters, they will be provided with a Transporter ID on registering on E-way bill portal.

Generating E-Way Bill:

1. An e-way bill contains two parts- Part A to be furnished by the person who is causing movement of goods of consignment value exceeding Rs.50,000/- and part B (transport details) to be furnished by the person who is transporting the goods.

2. Where the goods are transported by a registered person whether as consignor or recipient, the said person shall have to generate the e-way bill by furnishing information in part B on the GST common portal. Where the e-way bill is not generated by registered person and the goods are handed over to the transporter for transportation by road, the registered person shall furnish the information relating to the transporter in Part B of FORM GST EWB-01 on the common portal and the e-way bill shall be generated by the transporter on the said portal on the basis of the information furnished by the registered person in Part A of FORM GST EWB-01.

Generation of E-Way Bill



3. A registered person may obtain an Invoice Reference Number from the common portal by uploading, on the said portal, a tax invoice issued by him in FORM GST INV-1 and produce the same for verification by the proper officer in lieu of the tax invoice and such number shall be valid for a period of thirty days from the date of uploading. In the above case, the registered person will not have to upload the information in Part A of FORM GST EWB-01 for generation of e-way bill and the same shall be auto populated by the common portal on the basis of the information furnished in FORM GST INV-1.

4. Upon generation of the e-way bill on the common portal, a unique e-way bill number (EBN) generated by the common portal, shall be made available to the supplier, the recipient and the transporter on the common portal. The details of e-way bill generated shall be made available to the recipient, if registered, on the common portal, who shall communicate his acceptance or rejection of the consignment covered by the e-way bill. In case,



the recipient does not communicate his acceptance or rejection within seventy two hours of the details being made available to him on the common portal, it shall be deemed that he has accepted the said details.

Validity of E-Way Bill:

Type of conveyance	Distance	Validity of EWB
Other than Over dimensional cargo	Less Than 100 Kms	1 Day
	For every additional 100 Kms or part thereof	Additional 1 Day
For Over dimensional cargo	Less Than 20 Kms	1 Day
	For every additional 20 Kms or part thereof	Additional 1 Day

1. In general, the validity of the e-way bill cannot be extended. However, Commissioner may extend the validity period only by way of issue of notification for certain categories of goods.
2. Further, if under circumstances of an exceptional nature, the goods cannot be transported within the validity period of the e-way bill, the transporter may generate another e-way bill after updating the details in Part B of FORM GST EWB-01.

Note:

The E-Way bill generated on or before 24.03.2020 and its period of validity expiring during 20.03.2020 to 15.04.2020, the validity period of such e-way bill has been extended till 31.05.2020.

Cancellation of E-Way Bill:

Where an e-way bill has been generated under this rule, but goods are either not transported or are not transported as per the details furnished in the e-way bill, the e-way bill may be cancelled electronically on the common portal, either directly or through a Facilitation Centre notified by the Commissioner, within 24 hours of generation of the e-way bill. However, an e-way bill cannot be cancelled if it has been verified in transit

E- Way bill in case of a transporter:

1. An e-way bill has to be prepared for every consignment where the value of the consignment exceeds Rs.50,000/-. Where multiple consignments of varying values (per consignment) are carried in a single vehicle, e-way bill needs to be mandatorily generated only for those consignments whose value exceeds Rs.50,000/-. This does not however preclude the consignor/consignee/transporter to generate e-way bills even for individual consignments whose value is less than Rs.50000/- per consignment.
2. For multiple consignments

being carried in the same vehicle, the transporter to prepare a consolidated e-way bill by indicating serial number of each e-way bill, on the common portal prior to commencement of transport of goods.

3. There is always a possibility that multiple vehicles are used for carrying the same consignment to its destination or unforeseen exigencies may require the consignments to be carried in a different conveyance than the original one. For such situations, that any transporter transferring goods from one conveyance to another in the course of transit shall, before such transfer and further movement of goods, update the details of the conveyance in the e-way bill on the common portal in FORM GST EWB-01. The person in charge of a conveyance has to carry the invoice or bill of supply or delivery challan, as the case may be; and a copy of the e-way bill or the e-way bill number, either physically or mapped to a Radio Frequency Identification Device embedded on to the conveyance in such manner as may be notified by the Commissioner.

4. However, where circumstances so warrant, the Commissioner may, by notification, require the person-in-charge of the conveyance to carry the following

documents instead of the e-way bill:

- (a) Tax invoice or bill of supply or bill of entry; or
- (b) A delivery challan, where the goods are transported for reasons other than byway of supply.

5. It is also be noted that the Commissioner may, by notification, require a class of transporters to obtain a unique Radio Frequency Identification Device and get the said device embedded on to the conveyance and map the e-way bill to the Radio Frequency Identification Device prior to the movement of goods.

Exceptions to e-way bill requirement:

No e-way bill is required to be generated in the following cases:

- a) Transport of goods as specified in Annexure to Rule 138 of the CGST Rules, 2017
- b) Goods being transported by a non-motorised conveyance;
- c) Goods being transported from the port, airport, air cargo complex and land customs station to an inland container depot or a container freight station for clearance by Customs;

- d. In respect of movement of goods within such areas as are notified under rule 138(14) (d) of the SGST Rules, 2017 of the concerned State; and
- e. Consignment value less than Rs. 50,000/-

Consequences of non-conformance to E-way bill rules:

- 1. If E-way bills, wherever required, are not issued in accordance with the provisions, the same will be considered as contravention of rules. As per Section 122 of the CGST Act, 2017, a taxable person who transports any taxable goods without the cover of specified documents (e-way bill is one of the specified documents) shall be liable to a penalty of Rs.10,000/- or tax sought to be evaded (wherever applicable) whichever is greater.
- 2. As per Section 129 of CGST Act, 2017, where any person transports any goods or stores any goods while they are in transit in contravention of the provisions or the rules made there under, all such goods and conveyance used as a means of transport for carrying the said goods and documents relating to such goods and conveyance shall be liable to detention or seizure.

Virtual Trading

Introduction

Entering the stock market can be a tedious job for beginners. First, you need to open your brokerage account (Demat and trading account). This means that you have to pay the account opening charges and go through the complex documentation process. Further, as stock market trading involves market risk, you can always lose some money especially, you are a beginner.

So, how to solve this problem? How to learn stock trading in without actually risking any money? The answer is by using virtual stock trading platforms.

Virtual stock trading

In the era, virtualization plays a vital role in almost every aspect of technology-oriented architectures. A virtual trading system is where traders can practice investing without using their money. The advent of online trading makes this much simpler and impeccable, as intelligent systems compute and predict the majority of proceedings.

Virtual trading can be used to test new risk-free approaches and also help educate students and novice investors.



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Many organizations and devices provide these products free of charge, while others charge for it.

A virtual stock trading (also known as paper trading) is similar to the actual trading where you can buy and sell stocks. However, here no real money is involved. You invest only in virtual money. Such platforms that provide virtual trading facilities are called stock simulators.

When you register in these stock simulators, you will get virtual money (Say Rs 10 lakhs or 1 Crore) in your account. You can use this money to practice trading.

Stock simulators provide real-time stock data, which means that you can try out different strategies of trading in stocks just like the real world stock market, but risk-free.



How do virtual platform works:

It's a really straightforward process to use a stock simulator to do the virtual stock trading. Here are the steps required to start virtual stock trading-

1. Open a free account (using your email-id) on a simulating platform.
2. Get instant virtual money in your account.
3. Start buying/selling stocks like real trading scenarios.
4. Monitor your portfolio and track profit/loss.
5. Try different strategies and learn the trading basics.
6. When you get enough confidence and experience-move to real trading.

Pros and Cons of using virtual trading

Nothing is perfect in this world. Although there are many advantages of using virtual trading platforms (especially for beginners), however, there are also a few disadvantages.

Advantages of using Virtual stock trading platforms

1. No need to open a Demat/trading account or go through any documentation process.
2. No real money is required to start virtual trading.
3. Real-time market scenarios to try out different strategies and to learn the basics.
4. Risk-free trading practice.
5. Okay to make mistakes and take risks as there's no real loss here.

Disadvantages of using virtual stock trading platforms

1. There's no emotional attachment as real money is not involved.
2. You can quickly get bored as winning/losing virtual money is not much exciting.
3. The real market scenario might be a little different than the virtual trading environment. (In the virtual trading platforms, participants take extra risks and bets than they would actually take in a real scenario.

Best sites to learn virtual trading

I. Moneybhai

Moneycontrol website offers Moneybhai. It is a free virtual trading platform where you'll get Rs 1 crore virtual cash on registration which you can use to invest in shares, commodities, mutual funds, or fixed deposits on the platform. At Moneybhai, you can also compete with fellow Indian traders by joining different leagues. There's also a free forum on this website where you can ask your queries or participate in the on-going discussion threads.

II. TrakInvest

TrakInvest is a global trading platform that helps you to learn, develop and improve your investing skills. Currently, it provides a curated market data and news from 10 exchanges. It also offers beginners' guides and videos, certification courses designed by industry experts and simulations for competing for rewards. At TrakInvest, you can also track other traders and dig deeper into their trading activity (portfolio) where you can replicate their trades using the 'Copy Trade' facility. Overall, TrakInvest provides a simple and friendly platform for 'Social' virtual trading for beginners.

III. Dalal Street

Dalal Street Investment Journal (DSIJ) is a popular virtual stock trading platform in India which helps you to understand the different trading nuances and to test your investment strategies. On registration, you'll get virtual cash of Rs 1, 00,00,000 to create your portfolio. At DSIJ, you can also discuss strategies with like-minded participants in the discussion group.

Conclusion

Virtual stock trading in India is an excellent way to learn the basics of trading in the stock market. It's always advisable to try paper trading (virtual stock trading) for a few weeks before directly jumping into the market.

Compliance Calendar for the month of June'2020

Direct Tax

Compliance Due date	Purpose	Reporting Period	Particulars of Compliance
7th June	TDS /TCS Liability Deposit	May'20	Depositing TDS/ TCS liability
15th June	Advance Tax Payment	Apr'20 to Jun'20	First instalment for AY 2021-22
	PF/ESI	May'20	Depositing contribution towards PF/ESI
30th June	TDS Challan cum Statement in case of Section 194IA, 194IB and 194-M	May'20	Furnishing of challan-cum-statement under Section 194IA, 194IB and 194-M
30th June (Certain dates were extended because of COVID-19 outbreak From 20/3/2020 to 29/6/2020)	Belated ITR/Revised ITR	FY 2018-19 (AY 2019-20)	Last date of filing belated or revised ITR for FY 2018-19 where assessment is not complete
	CBCR	FY 2018-19 (AY 2019-20)	Due date for CBCR Reporting
	Aadhaar PAN Linking		Due date for linking of Aadhaar number with PAN
	Tax-saving investments	FY 2019-20	Tax-saving investments to be done by the taxpayers to save their taxes for FY 2019-20
	Salary TDS return (Form 24Q)	Jan'20 to Mar'20	Quarterly statement of TDS deposited for the quarter ending March 31, 2020

Compliance Calendar for the month of June'2020

Compliance Due date	Purpose	Reporting Period	Particulars of Compliance
30th June (Certain dates were extended because of COVID-19 outbreak From 20/3/2020 to 29/6/2020)	TDS Return (Quarterly)	Jan'20 to Mar'20	Statement of TDS deposited under Income Tax laws
	SFT Return	AY 2020-21	Due Date For Filing Of SFT Return For The Assessment Year 2020-21
	TCS Return (Quarterly)	Jan'20 to Mar'20	Due Date for filing TCS Return
	TDS Certificate (Form 16B/16C/16D)	Apr'20	Issuance of TDS certificate for Tax deducted under section 194-IA/194-IB/194-M

*Above due dates are subject to any changes notified by the department based on the recommendations and situations.

In-direct Tax

Compliance due date	Purpose	Reporting Period	Particulars of Compliance
24-June	GSTR-3B	Feb, Mar, & Apr 2020	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with an annual aggregate turnover of over Rs 5 crore in the previous financial year without the payment of a late fee, but with interest as may apply^

Compliance Calendar for the month of June'2020

Compliance due date	Purpose	Reporting Period	Particulars of Compliance
27-June	GSTR-3B	May-20	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with an annual aggregate turnover of over Rs 5 crore in the previous financial year
29-June	GSTR-3B	Feb & Mar 2020	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with an annual aggregate turnover of more than Rs 1.5 crore up to Rs 5 crore in the previous financial year without the payment of late fee and interest
30-June	GSTR-1 (Monthly)	Mar, Apr, & May 2020	Waiver of late fee for delay in furnishing the statement of outward supplies for taxpayers
	GSTR-1 (Quarterly)	Jan-Mar 2020	Summary of outward supplies by taxpayers with an annual turnover of up to Rs 1.5 crore who opted to file quarterly

Compliance Calendar for the month of June'2020

Compliance due date	Purpose	Reporting Period	Particulars of Compliance
30-June	GSTR-7 (Monthly)	Mar, Apr, & May'20	Summary of Tax Deducted at Source (TDS) and deposited under GST laws
	GSTR-8 (Monthly)	Mar, Apr, & May'20	Summary of Tax Collected at Source (TCS) by e-commerce operators under GST laws
	GSTR-6 (Monthly)	Mar, Apr, & May'20	Details of ITC received and distributed by an ISD
	GSTR-5 (Monthly)	Feb, Mar, Apr, & May'20	Summary of outward taxable supplies and tax payable by the non-resident taxable person
	GSTR-5A (Monthly)	Feb, Mar, Apr, & May'20	Summary of outward taxable supplies and tax payable by OIDAR
	ITC-04 (Quarterly)	Jan-Mar 2020	Summary of goods sent to/received from a job-worker

Compliance Calendar for the month of June'2020

Compliance due date	Purpose	Reporting Period	Particulars of Compliance
30-June	GSTR-3B	Feb-20	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with an annual aggregate turnover of up to Rs 1.5 crore in the previous financial year without payment of late fee and interest
	GSTR-3B	Apr-20	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with an annual aggregate turnover of more than Rs 1.5 crore up to Rs 5 crore in the previous financial year without payment of late fee and interest
	GSTR-3B	Apr-20	Summary of outward supplies, ITC claimed, and net tax payable by taxpayers with a turnover of up to Rs 5 crore in the last FY, registered in category Y states or UTs

Compliance Calendar for the month of June'2020

Compliance due date	Purpose	Reporting Period	Particulars of Compliance
30-June	RFD-11/LUT (Yearly)	FY 2020-21	Letter of Undertaking to make exports without payment of IGST by the GST registered exporters
	CMP-02 (Yearly)	FY 2020-21	Form to opt into the composition scheme under section 10 of the CGST Act and the CGST (Rate) notification no. 2/2019 dated 7th March 2019
	TRAN-01	--	All pre-GST registered persons who could not submit details of the pre-GST tax credits for transfer before earlier deadlines due to technical issues on the GST portal

*The due dates mentioned are subject to changes notified by the concerned department.

^Interest must be paid for delay in GST payment being Nil for first 15 days from 20th of relevant month and thereafter calculated at 9% p.a. up to the actual date of payment (if paid within 24th June 2020). Note that interest at 18% p.a. shall apply if GST liability is not paid before 24th June 2020 for the entire period of delay.

Legal Updates

Income Tax Laws

NOTIFICATION NO. G.S.R. 338(E) [NO.31/2020/F.NO.370142/32/2019-TPL], dated 29-05-2020: The CBDT has notified new Rule 114-I which prescribes uploading of annual information statement in Form 26AS in the registered account of assessee. A new Form 26AS has been notified for reporting of information related to TDS/TCS, specified financial statements, payment of taxes, demand & refund, pending & completed proceedings & any information in relation to sub-rule(2) of 114-I which includes information received under agreement referred to in S.90 or 90A.

NOTIFICATION NO. G.S.R. 329(E) [NO.30/2020/F.NO.370142/20/2020-TPL], dated 28-05-2020: The CBDT has notified new Income-tax Return (ITR) forms applicable for the Assessment Year 2020-21. A new schedule 'Schedule DI' has been inserted to claim benefit of investment/ deposit/payments made between 01-04-2020 to 30-06-2020 for the previous year 2019-20.

The Finance Minister, Smt. Nirmala Sitharaman formally has launched the facility for instant allotment of PAN on 28-5-2020. The facility is available for those PAN applicants who possess a valid Aadhaar number and have a mobile number registered with Aadhaar. The allotment process is paperless and an electronic PAN (e-PAN) is issued to the applicants free of cost.



CIRCULAR NO. 12/2020 [F.NO.370142/35/2019-TPL], dated 20-5-2020: The CBDT had notified 'Debit card powered by RuPay' and 'UPI' notified as prescribed mode of payments for the purpose of section 269SU. Considering the maximum payment limit prescribed under these modes, which are aren't relevant for B2B businesses, the CBDT has clarified that Sec. 269SU shall not be applicable in case of person having only B2B transactions and at least 95% of business receipts shall be in any mode other than cash.

Legal Updates

Income Tax Laws

PRESS RELEASE dated 13-5-2020: The CBDT has notified the reduced rates of TDS for the specified non-salaried payments made to residents and TCS rates for specified receipts. The same has been reduced by 25% for the period from 14-05-2020 to 31-03-2021 and it has also been clarified that the benefit of reduced rate shall not be available if tax is deducted/collected due to non-furnishing of PAN/Aadhaar.

NOTIFICATION S.O. 1434 (E) [NO. 24/2020/F. NO. 176/8/2017/ITA-I], dated 8-5-2020: The CBDT has notified 'Shri Ram Janmabhoomi Teerth Kshetra' as place of historic importance and a place of public worship of renown for the purpose of section 80G(2)(b). The taxpayers shall be eligible to get deduction of donation made from the Financial Year 2020-21.

PRESS RELEASE dated 9-5-2020: The CBDT has decided to defer the implementation of new procedure for approval/ registration/notification referred to in sections 10(23C), 12AA, 35 and 80G of certain entities to 1st October, 2020. Now, they be required to file intimation within three months from 1st October, 2020, i.e., by 31st December, 2020.

Indirect Tax laws

CBIC has clarified that application of refund can be filed till 30.06.2020 where the period of two years is expiring between 20.03.2020 to 29.06.2020.

CBIC has clarified that application for Letter of Undertaking (LUT) for export without tax payment can be filed till 30.06.2020 for F.Y. 2020-21. CBIC has clarified that where the taxes have been paid in relation to any supply which got returned/cancelled subsequently, taxpayer can raise a refund claim in Form GST RFD-01 if no subsequent output liability exist for adjustment of Credit Note.

HC's directive to allow benefit of credit transition to all taxpayers till 30 June 2020 under Limitation act, but later the Government has issued a notification amending section 140 of Cgst act tacking away the right of filing Tran-1.

Form GSTR – 3B can be rectified. Earlier any of the GST Returns cannot be verified but now government has announced a relaxation stating GSTR – 3B return can be rectified.

Legal Updates

Corporate Law

A. COMPLIANCE REQUIREMENT UNDER COMPANIES ACT, 2013 AND RULES MADE THEREUNDER;

Applicable Laws/Acts	Due Dates	Compliance Particulars	Forms / Filing mode
Companies Act, 2013	Within 180 Days From The Date Of Incorporation Of The Company + An additional time of 6 more months shall be allowed by MCA (6+6 months)	As per Section 10 A (Commencement of Business) of the Companies Act, 2013, inserted vide the Companies (Amendment) Ordinance, 2018 w.e.f. 2nd November, 2018, a Company Incorporated after the ordinance and having share capital shall not commence its business or exercise any borrowing powers unless a declaration is filed by the Director within 180 days from the date of Incorporation of the Company with the ROC.	MCA E-Form INC 20A
Companies Act, 2013	First declaration within 90 days from the date of notification Dt. 08.02.2019	A person having Significant beneficial owner shall file a declaration to the reporting company, i.e. within 90 days of the commencement of the Companies (Significant Beneficial Owners) Amendment Rules, 2019 i.e. 08.02.2019	Form BEN-1
Companies Act, 2013	30.09.2020	Filing of form BEN-2 under the Companies (Significant Beneficial Owners) Rules, 2018. (Within 30 days from deployment of the E -form (earlier the date of receipt of declaration in BEN-1)	Form BEN - 2

Legal Updates

Companies Act, 2013	File between 1st April, 2020 to 30th September, 2020 without any Additional filing fee (Rs. 10,000/-)	Filing of the particulars of the Company & its registered office. (by every company incorporated on or before the 31.12.2017.)	Active Form INC -22A
Companies Act, 2013	File between 1st April, 2020 to 30th September, 2020 without any Additional filing fee (Rs. 5,000/-)	*DIN KYC through DIR 3 KYC Form is an Annual Exercise. Last date for filing DIR-3 KYC for Financial year 2018-19 has been extended till 14th November 2019	E-Form DIR – 3 KYC
Companies Act, 2013	within 60 days from the date of deployment of this form on the website of the Ministry	Reconciliation of Share Capital Audit Report (Half-yearly) Applicable w.e.f. 30.09.2019	E-Form PAS – 6
Companies Act, 2013	Within 210 days from the date of deployment of this Form	Annual Return To Be Filed By Auditor With The National Financial Reporting Authority	NFRA-2

B. MCA – ROC Relaxation due to COVID-19 Outbreak

No additional fees shall be charged for late filing during a moratorium period from 01st April to 30th September 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of companies/ LLPs at large, but also enable long-standing noncompliant companies/ LLPs to make a ‘fresh start’;

The mandatory requirement of holding meetings of the Board of the companies within prescribed interval provided in the Companies Act (120 days), 2013, shall be extended by a period of 60 days till next two quarters i.e., till 30th September;

Legal Updates

Independent Directors are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the year 2019-20, if the IDs of a company have not been able to hold even one meeting, the same shall not be viewed as a violation

Non-compliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under Section 149 of the Companies Act, shall not be treated as a violation.



C. MCA – ROC UPDATES:

1. Relaxation of additional fees and extension of last date in filing of forms MGT-7 (Annual Return) and AOC-4 (Financial Statement) under the Companies Act, 2013- UT of J&K and UT of Ladakh
2. MCA revised faq's on name reservation and resubmission forms
3. LLP Form 11 (Filing of Annual Return) : within 60 days of closer of financial year (For F.Y. 2018-19 due date is 30-05-2019 and can be filed up to 30.09.2020 without any additional fees.
4. The charge details i.e. creation, modification or satisfaction of charge, can be filed through Appendix to e-Form 8 (Interim)

A black and white photograph showing a hand holding a key to a door lock mechanism. The hand is on the left, and the key is inserted into the lock on the right. The lock mechanism is detailed, showing various components and a small 'NEMEF' logo. The background is a light, textured surface.

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