



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



AMRITSAR BRANCH OF NIRC

NEWSLETTER APRIL - 2020



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Executive Members	CA DEEPAK VERMA CA SUMIT JAITLEY

ADDRESS:-

1. ICAI Bhawan Bhai Gurdas Ji Nagar (New Amritsar)
 2. Room No. 401-402, Aaykar Bhawan,
Central Revenue Building, The Mall, Amritsar.
- Phone :
E-mail : amritsar@icai.org, amritsar.icai@gmail.com
Website : nircamritsar.org
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From the Desk of the Chairman.

Respected Members,

"The true strength of leadership is in the strong sense of responsibility"

Esteemed Professional Colleagues

I hope this message finds you all in good health. I wish new Financial year brings prosperity to world so that it can move out of this standstill situation much faster than anticipated.

As per ICAI Circular, it is here by decided to maintain social distancing & not to conduct any programmes / classes relating to members & students till April 15,2020 or any further direction in the matter. It has been decided to conduct a series of Webinars during the month of April 2020 covering various topics relating to profession. So, I request members to suggest the topics to be covered for various sessions.

Our institute is continuously striving to update us through various academic & skill enhancing programmes through webinars enabling the members to take benefit of available time. it is therefore requested you all to grab the opportunity of lockdown for sharpening your skills & writing some articles on any topic of your choice relating to profession, impact of covid 19 on economy etc. For E-news letter.

As of now entire globe is entrapped with outbreak of corona virus, india being a densely populated nation needs to be proactive at all times in such a pandemic. In this scenario, the affected people need our help to tide over this viral disease. So, as partners in nation building, we all should stand firmly for the target set by our honourable president of ICAI to contribute towards 'Prime Minister National Relief Fund' You all are requested to donate generously for this noble cause.

I appeal all members to follow guidelines issued by government & to take protective measures against Covid-19, as this crisis has no precedent-there is no rule book that tells the government what to do ,how to shut down economies & when to reopen them. it is pernicious because it seems to find new ways to hide itself, & we can be a symptomatic & yet to be carrier of infection." Deadly & devastating"

I would like to sincerely thank members who made contribution to branch for ration kits & essential items, which was distributed to more than 400 families at branch & in remote areas.

Stay indoors & take care of yourself & your family members

Valuable suggestions/feedback are always welcome.

Warm Regards,

April, 2020

With Warm regards.

CA SANJAY ARORA

Chairman, 2020-21

Amritsar Branch of NIRC of ICAI





From the Desk of the Editor.

Dear Professional Friends and Colleagues

Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results. During the month of April which is the start of financial year, Let us give a start for the new financial year with greater vigour and commitment. Every one's life is affected with Covid-19 Pandemic and we are staying home. Members are requested to stay home and stay safe to fight against this disaster of Covid-19 for the nation. Now Let me remind my professional friends to pay your annual lumpsum seminar fees for the session 2020-21. Relevant circular has already been issued through email and whatsapp in recent time. Members are requested to participate in all the programmes scheduled in the upcoming months. In this month, we are regularly organizing series of webinars on different topics with eminent speakers to abreast the knowledge of members. Let us be abreast with all the changes happening in our profession and maintain the quality of our prestigious profession. We are very much sure that with your support and guidance, we will be able to conduct various programmes for the benefit of Members and CA Students maintaining the bench mark set by our predecessors.

Dear Students, Many ideas grow better when transplanted into another mind than the one where they sprang up. William Arthur said "Opportunities are like sunrises,if you wait too long, you can miss them."

Persistence can change failure into extraordinary achievement. Every one of you is going through a challenge to crack this a very noble Professional CA course. Work hard, develop the habits of self motivate and set your goals for the future, you just need to do dedicated working for exams. Be calm, have faith in yourself and be confident. You will achieve your targets as nothing is impossible in the world. Keep yourself happy, determined to succeed and enthuse yourself, envision yourself doing well and you will do so.

E-learning Hub of ICAI :

ICAI Digital Learning Hub is an integrated Learning Management System (LMS) which brings a new knowledge ecosystem in a collaborative pedagogical model and with participatory learning to improve learner outcomes. The platform brings you professional and academic content in multiple formats which can be used in a self-paced manner. It provides a platform for interaction with your peers through knowledge sharing engagements making the best use of technology such as smartphones and tablets to disseminate learning snippets. The content is tailored to suit each niche learner segment. For example, it can help members earn CPE hours or help students understand a concept.

The platform is a single source of knowledge and functions as a central repository of both professional and academic learning material for members and students, containing publications, guidance notes and courses facilitated by an ICAI committee or department. With this, I thank everyone once again for their continuous support and guidance. All feedbacks, suggestions and grievances are always welcome and request you to Stay home stay safe during lockdown.

With Warm regards.

Sd/-

CA Shashi Pal

Editor in Chief

Secretary, ICAI Amritsar Branch

April, 2020





Annual maintenance Contracts-Whether covered under sec 194 C or 194 J



BY CA MANISH MIDHA
The Author can be reached at
manishmidhaca@yahoo.com



An interesting issue has always arisen that whether charges paid for Annual maintenance of Lifts, Medical Equipment, Medical Devices etc are liable for TDS @1%/2% as per section 194C of the Income Tax Act, 1961 considering it as a Works Contract or @10% as per section 194J of the aforesaid Act considering the same as professional or technical service. Thus becoming a matter of litigation in many cases.

In such situations, Revenue has usually contented that such payments were in the nature of professional and technical services though defined by a contract and therefore, assessee was required to deduct tax at source under section 194J of the Income Tax Act. This results in initiation of proceedings against the assessee for the default and he is held liable to pay demands for tax and in some cases, interest under section 201(1A) of the Act.

In order to **reduce the litigation, section 194 J of the Income Tax Act** has been amended and TDS rate for payments for technical services has been reduced to 2% on all transactions after 01.04.2020. This will give relief to hardships faced by the assessee.

But even after the amendment in the Income Tax Act, following questions remain unanswered:-

- 1) What about the period upto 31.03.2020 ?
- 2) What about the cases when the payments are made to individual or HUFs where TDS rate is 1% under section 194C and 2% WEF 01.04.2020 under section 194J.

So it is very important to analyse the provisions of section 194C and 194J to throw light on the matter and also highlight the landmark judgement which has resolved the issue mentioned above.

First of all we shall discuss the relevant terminology used in section 194C, 194J

Section 194C deals with all payments to a resident for carrying out any work (including supply of labour for carrying out any work) in pursuance of a contract between the contractor and specified person.

Sec 194J deals with all payments being fees for professional or technical services.

Professional services as per Explanation (a) to section 194J of the Income Tax Act 1961 means services rendered by a person in the course of carrying on legal, medical, engineering or architectural profession or the profession of accountancy or technical consultancy or interior decoration or advertising or such other profession as is notified by the Board for the purposes of section 44AA of this section;

"fees for technical services" as per explanation (b) to section 194J of the Income Tax Act 1961 shall have the same meaning as in Explanation 2 to clause (vii) of sub-section (1) section 9 and as per that section technical services means "any consideration (including lump sum consideration) for the rendering of any managerial, technical or consultancy services (including the provision of services of technical or other personnel) but does not include consideration for any construction – assembly, mining or like project undertaken by the recipient or consideration which would be the income of the recipient chargeable under the head salaries



Scope of Annual maintenance Contracts

Annual maintenance contracts of Lifts, Medical Equipments, Medical Devices are contracts where the contractor undertakes to service the machine at periodical intervals for the better performance of the aforesaid machine ,rectify minor defects in the machine or its parts on calls by the contractee, replaces spare parts which have been damaged, guides the contractee or its staff about the usage and proper maintenance of the machine etc.

From the nature of such contracts they are either treated as contracts which involve technical expertise and TDS is deducted @10% under the provisions of section 194J or as work contracts where TDS is deducted @1%/2% considering them as only contracts for carrying out any work.

CONCLUSION

Hon'ble Supreme Court of India in the case of **Commissioner of Income Tax, (TDS) 1 V Mumbai Metropolitan Regional Development authority ([2019] 263 taxmann 365 (SC) ,[2019] 105 taxamnn.com 125 (SC)]** has dismissed the SLP filed against Bombay High Court ruling that “where the assessee has made payments in respect of maintenance contracts which relates to minor repairs, replacement of spare parts, greasing of machinery etc since these services did not require any technical expertise, same could not be categorised as 'technical services' as contemplated under section 194J.

Thus the litigation has been finally put to end after the aforesaid landmark judgement on the issue.



CBIC clarifies: There is no extension in GST Returns 3B and GSTR 1



BY CA RAKESH CHAWLA
The Author can be reached at
carakesh98@gmail.com



CBIC issued a circular No. 136 dated 03.04.2020 and clarified about the various notifications issued on same date that there is no change in any due dates of GST returns and only relief in respect of Interest and Late fees has been granted. Since implementation of new GST Return Forms have been deferred till 01.10.2020, therefore notification numbers 28/2020, 29/2020 and 30/2020 has been issued. The due dates of GSTR1 and GSTR 3B returns have been announced for the period upto Sept 2020. There is no change in any due dates of GSTR1 and GSTR3B for any months.

Further, in notification number 31/2020, the relaxation in rate of interest u/s 50 has been provided, which is as under:

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed after	
Turnover upto 1.5 crores	February 2020	20/22/24 March 2020	30.06.2020	No Interest	30.06.2020	Interest Rate 18%
	March 2020	20/22/24 April 2020	03.07.2020	No Interest	03.07.2020	Interest Rate 18%
	April 2020	20/22/24 May 2020	06.07.2020	No Interest	06.07.2020	Interest Rate 18%

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed after	
Turnover between 1.5 crores to 5 crores	February 2020	20/22/24 March 2020	29.06.2020	No Interest	29.06.2020	Interest Rate 18%
	March 2020	20/22/24 April 2020	29.06.2020	No Interest	29.06.2020	Interest Rate 18%
	April 2020	20/22/24 May 2020	30.06.2020	No Interest	30.06.2020	Interest Rate 18%

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed between		If return is filed after	
Turnover above 5 crores	February 2020	20 March 2020	04.04.20	No Interest	05.04.20 to 24.06.20	Interest Rate 9%	24.06.20	Interest Rate 18%
	March 2020	20 April 2020	05.05.20	No Interest	05.04.20 to 24.06.20	Interest Rate 9%	24.06.20	Interest Rate 18%
	April 2020	20 May 2020	04.06.20	No Interest	05.04.20 to 24.06.20	Interest Rate 9%	24.06.20	Interest Rate 18%



Further, in notification number 32/2020, the relaxation in late fee leviable has also been provided, which is as under:

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed after	
Turnover upto 1.5 crores	February 2020	20/22/24 March 2020	30.06.2020	No Late Fee	30.06.2020	Late Fee calculated from original due date
	March 2020	20/22/24 April 2020	03.07.2020	No Late Fee	03.07.2020	Late Fee calculated from original due date
	April 2020	20/22/24 May 2020	06.07.2020	No Late Fee	06.07.2020	Late Fee calculated from original due date

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed after	
Turnover between 1.5 crores to 5 crores	February 2020	20/22/24 March 2020	29.06.2020	No Late Fee	29.06.2020	Late Fee calculated from original due date
	March 2020	20/22/24 April 2020	29.06.2020	No Late Fee	29.06.2020	Late Fee calculated from original due date
	April 2020	20/22/24 May 2020	30.06.2020	No Late Fee	30.06.2020	Late Fee calculated from original due date

Assessee Type	Tax Periods	Due Dates of GSTR3B	If return is filed Upto:		If return is filed after	
Turnover above 5 crores	February 2020	20 March 2020	24.06.20	No Late Fee	24.06.20	Late Fee calculated from original due date
	March 2020	20 April 2020	24.06.20	No Late Fee	24.06.20	Late Fee calculated from original due date
	April 2020	20 May 2020	24.06.20	No Late Fee	24.06.20	Late Fee calculated from original due date



Other Extensions allowed by CBIC

Notification No. 30/2020 **(Effective Date 31.03.2020)**

1. Person Opting to migrate to Composition Scheme

- a) Registered Person in this category Can file Form CM P-02 for FY 2020-21 till **30.06.2020**
- b) Form ITC 03 in this case can be filed upto **31.07.2020**

2. Amendment in Rule 36(4) by addition of Proviso to said rule

- a) The said condition shall now apply cumulatively for the period February 2020 to August 2020.
- b) The GSTR 3B of September 2020 shall now be adjusted with cumulative data of ITC from February 2020 to September 2020 and suitable adjustment shall be made according to provisions of Rule 36(4).

Notification No. 34/2020

1. Filing of Quarterly Return CMP 08 by Composition Person

- a) Due date for Quarterly return CMP 08 for composition persons has been extended to **07.07.2020** from 18.04.2020 vide insertion of proviso in the second paragraph of Notification No 21/2019 dated 23.04.2019

2. Filing of Annual Return GSTR 4 by Composition Person

- a) Due date for Annual return GSTR 04 for composition persons has been extended to **15.07.2020** from 30.04.2020 vide insertion of proviso in the third paragraph of Notification No 21/2019 dated 23.04.2019

Notification No. 36/2020

Due Dates for GSTR 3B for May 2020

Person	Original Due Date	Extended Due Date
Taxable Person having Aggregate Turnover of Rs. 5 crores and above in previous FY	20.06.2020	27.06.2020
Taxable Person having Aggregate Turnover upto Rs. 5 crores in previous FY	22.06.2020 & 24.06.2020	12.07.2020 & 14.07.2020



Notification No. 35/2020

(Effective Date 20.03.2020)

Extension of Eway Bills Generated but validity unexpired upto 15.4.20

Where an e-way bill has been generated under rule 138 of the Central Goods and Services Tax Rules, 2017 and its period of **validity expires during the period 20th day of March, 2020 to 15th day of April, 2020**, the validity period of such e-way bill shall be **deemed to have been extended till the 30th day of April, 2020**

General Extension

Where, any time limit for completion or compliance of any action, **by any authority or by any person**, has been specified in, or prescribed or notified under the said Act, which falls during the period from the 20th day of March, 2020 to the 29th day of June, 2020, and where completion or compliance of such action has not been made within such time, then, the time limit for completion or compliance of such action, shall be **extended upto the 30th day of June, 2020**

This general extension **shall include:**

- a) Completion of any proceeding or passing of any order or issuance of any notice, intimation, notification, sanction or approval or such other action, by any authority, commission or tribunal.
- b) Filing of any appeal, reply or application or furnishing of any report, document, return, statement or such other record, by whatever name called, under the provisions of the Acts

Exclusions to this general extension

Certain Exclusions have been provided under this notification, which are explained in the following Table:

Reference Given	Explanation	Remarks
Chapter IV	Time and Value of Supply	This extension shall not affect any of the provisions wrt time and valuation of supply as prescribed under Chapter IV
Section 10(3)	Lapse of Option availed by Composition dealers	Option availed u/s 10(1) by a composition dealer wrt composition levy shall stand lapsed wef date on which his aggregate



		turnover exceeds the specified limits. If such date falls between 20.3.20 to 30.06.2020, there shall be no extension for such person for switching to regular person.
Section 25	Application for Registration	No extension for person liable to get himself registered u/s 22 and 24 within the time limits prescribed.
Section 27	Casual Taxable person and Non Resident taxable person	No extension in time limits for Registration by a Casual Taxable person and Non Resident taxable person liable to register.
Section 31	Tax invoices	No extension in time limits prescribed for issuance of a tax invoice as per provisions of Act. ie Tax Invoice has to be issued if any supply of Goods or Services are made between the specified period as per existing provisions only.
Section 37	Details of Outward Supplies GSTR-1	No extension shall apply to the provisions of furnishing of details of outward supplies on the common portal ie GSTR-1
Section 47	Late Fees	This notification shall not extend the levy of late fees applicable under the Act except for certain specific provisions under other notification issued.
Section 50	Interest Leviable	This notification shall not extend the levy of any interest chargeable @ 18% or 24% under the Act except for certain specific provisions under other notification issued. For eg: if any interest is chargeable for wrong availment of ITC



and its subsequent reversal, the same shall be chargeable even if done within the specified period.

Section 69	Power to Arrest	There is a provision for arrest u/s 132 and the accused is to be presented before the Magistrate within 24 hours in such cases. No extension shall apply in such cases also.
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Section 90	Partners Liability	No extension to the liability of partners of firm to pay tax, interest or penalty.
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Section 122	Penalty for offences	This extension shall not be applicable for any offence covered under 21 clauses of section 122 falling in this specified period.
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Section 129	Detention, Seizure and release of goods and conveyances	This notification excludes the provisions of the Act as specified u/s 129 wrt to detention of goods and conveyances in transit and its seizure and release.
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Section 39 <i>Except sub section (3), (4), (5)</i>	Furnishing of Returns u/s 39 [GSTR 3b, etc]	There is no extension for the returns specified u/s 39 and to be filed except for returns under sub sections: (3)- TDS Returns (4)-ISD Returns (5)-Return- Casual Person
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Section 68	E Way Billing	No extension in E Way Bill provisions. The same have to be complied with before the movement of Goods as per relevant provisions of Act and Rules.
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Further, there shall be no extension with respect to any rules made wrt to above provision of the Act



BLOCKCHAIN : A COMPUTING REVOLUTION



BY CA NITISH KALIA

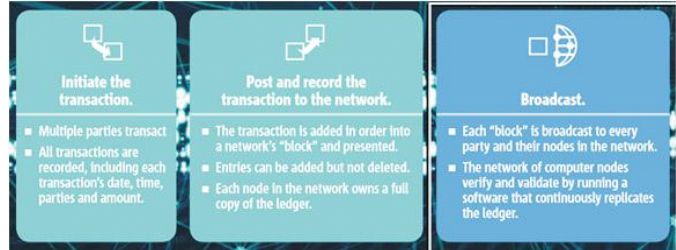
The Author can be reached at
nitishkalia54@yahoo.com



For a little over a decade, the term blockchain has been flitting in and out of news cycles, especially in connection with the digital cryptocurrency. It is a foundational technology or a platform that allows designing a secure way to record transactions and circulate it among signatories, or any kind of target group with an Internet connection. At its core it is an extremely democratic ledger that cannot be arbitrarily manipulated and easily shareable.

Blockchain is a series of data linked together. Every single transaction is linked to the chain using cryptographic principles in batches, making blocks. The blocks are connected to each other and have unique identifier codes (called hashes) that connect them to the previous and the subsequent blocks. This forms a blockchain, usually in the form of a continuous ledger of transactions. It is essentially a distributed database of records, or public ledger of all transactions or digital events that have been executed and shared among participating parties. Each transaction in the public ledger is verified by consensus of a majority of the participants in the system. Once entered, information can never be erased. The blockchain contains a certain and verifiable record of every single transaction ever made.

It isn't owned by any one individual. The series is managed and stored across several computer systems. Each ledger is shared, copied and stored on every computer connected in the system. This decentralised nature of storage provides security, since changing the details of one record will cause the hash of that block to change, disconnecting it from the next one and causing the latter's hash to change, and further such disruptions. Since the data is stored on multiple systems, any person looking to change the details on one system will have to do it for every other system as well.



compromised. This is where the blockchain technology comes handy. It has the potential to revolutionize the digital world by enabling a distributed consensus where each and every online transaction involving digital assets, past and present, can be verified at any time in the future. It does this without compromising the privacy of the digital assets and parties involved. The distributed consensus and anonymity are two important characteristics of blockchain technology. The advantages of Blockchain technology outweigh the regulatory issues and technical challenges.

One key emerging use case of blockchain technology involves "smart contracts". Smart contracts are basically computer programs that can automatically execute the terms of a contract. When a preconfigured condition in a smart contract among participating entities is met then the parties involved in a contractual agreement can automatically make payments as per the contract in a transparent manner. Smart Property is another related concept which is regarding controlling the ownership of a property or asset via blockchain using Smart Contracts. The property can be physical such as car, house or smartphone, or it can be non-physical such as shares of a company. Blockchain technology is finding applications in wide range of areas; both financial and non-financial. Financial institutions and banks no longer see blockchain technology as a threat to traditional business models. The world's biggest banks are in fact



looking for opportunities in this area by doing research on innovative blockchain applications.

Blockchain can be used for putting proof of existence of all legal documents, health records, and loyalty payments in the music industry, notary, private securities and marriage licenses in the block-chain. By storing the fingerprint of the digital asset instead of storing the digital asset itself, the anonymity or privacy objective can be achieved.

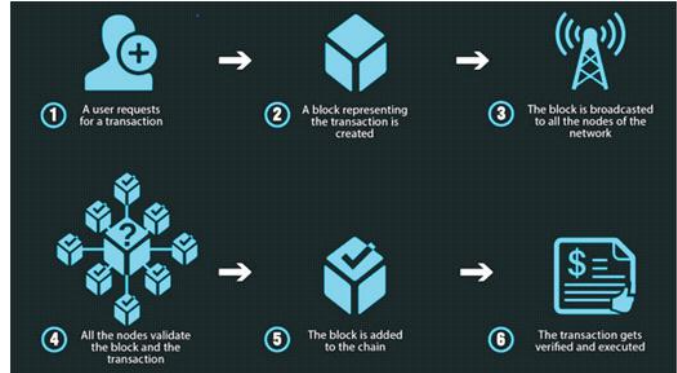
Blockchain technology has potential to become the new engine of growth in digital economy where we are increasingly using Internet to conduct digital commerce and share our personal data and life events.

UNDERSTANDING THE PROCESS

The blockchain technology is applicable to any digital asset transaction exchanged online. It ensures the following:

1. Validate Entries
2. Safeguard Entries
3. Preserve Historic Record

Internet commerce is exclusively tied to the financial institutions serving as the trusted third party who process and mediate any electronic transaction. The role of trusted third party is to validate, safeguard and preserve transactions. A certain percentage of fraud is unavoidable in online transactions and that needs mediation by financial transactions. This results in high transaction costs. The idea of blockchain introduces cryptocurrencies which uses cryptographic proof instead of the trust-in-the-third-party mechanism for two willing parties to execute an online transaction over the Internet. Each transaction is protected through a digital signature, is sent to the “public key” of the receiver, and is digitally signed using the “private key” of the sender. In order to spend money, the owner of the cryptocurrency needs to prove his ownership of the “private key”.



The entity receiving the digital currency then verifies the digital signature, which implies ownership of the corresponding “private key”, by using the “public key” of the sender on the respective transaction. Each transaction is broadcasted to every node in the cryptocurrency network and is then recorded in a public ledger after verification. Every single transaction needs to be verified for validity before it is recorded in the public ledger. The verifying node needs to ensure two things before recording any transaction:

1. Spender owns the cryptocurrency, through the digital signature verification on the transaction.
2. Spender has sufficient cryptocurrency in his account, through checking every transaction against the spender's account, through checking every transaction against the spender's account, or “public key”, that is registered in the ledger. This ensures that there is sufficient balance in his account before finalizing the transaction.

However, there is question of maintaining the order of these transactions that are broadcasted to every other node in the cryptocurrency peer-to-peer network. The transactions do not come in order in which they are generated, and hence there is a need for a system to make sure that double-spending of the cryptocurrency does not occur. Considering that the transactions are passed node by node through the cryptocurrency network, there is no guarantee that orders in which they are received at a node are the same order in which these transactions were generated. The above



means that there is a need to develop a mechanism so that the entire cryptocurrency network can agree regarding the order of transactions, which is a daunting task in a distributed system. This is where the blockchain technology comes into play. The cryptocurrency system orders transactions by placing them in groups called blocks and then linking these blocks through what is called Blockchain. The transactions in one block are considered to have happened at the same time. These blocks are linked to each-other (like a chain) in a proper linear, chronological order with every block containing the hash of the previous block. There still remains one more problem: Any node in the network can collect unconfirmed transactions and create a block and then broadcast it to the rest of the network as a suggestion as to which block should be the next one in the blockchain. There can be multiple blocks created by different nodes at the same time. One can't rely on the order since blocks can arrive at different orders at different points in the network. Cryptocurrency network solves this problem by introducing a mathematical puzzle: each block will be accepted in the blockchain provided it contains an answer to a very special mathematical problem. This is also known as "proof of work": a node generating a block needs to prove that it has put enough computing resources to solve a mathematical puzzle. For instance, a node can be required to find a "nonce" which when hashed with both transactions and hashes of previous blocks produces a hash with certain number of leading zeros. The average effort required is exponential in the number of zero bits required but verification process is very simple and can be done by executing a single hash. Understanding the two types of blockchains -

Public blockchain: In a public blockchain, access is wide-open; anyone can become a node and participate in the blockchain. Bitcoin is a prime example of a public blockchain.

Private blockchain: In a private blockchain, access is limited to specific users — such as a group of banks — through a permissions-based private

network. Anyone outside of the private blockchain cannot see or participate in blockchain transactions.

USE OF BLOCKCHAIN TECHNOLOGY

Compelling Use Cases in both Financial and Non - Financial Areas

1. Financial Applications:

Private Securities: It is very expensive to take a company public. A syndicate of banks must work to underwrite the deal and attract investors. The stock exchanges list company shares for secondary market to function securely with trades settling and clearing in a timely manner. It is now theoretically possible for companies to directly issue the shares via the blockchain. These shares can then be purchased and sold in a secondary market that sits on top of the blockchain.

Here are some examples : NASDAQ Private Equity: NASDAQ launched its Private Equity Exchange in 2014. This is meant to provide the key functionalities like Captable and investor relationship management for the pre-IPO or private companies. The current process of trading stocks in this exchange is inefficient and slow due to involvement of multiple 3rd parties. NASDAQ has joined hands with a San Francisco based Start-up called chain.com to implement private equity exchange on top of Blockchain. Chain.com is implementing Blockchain based smart contracts to implement exchange functionality. This product is expected to be fast, traceable and efficient. Blockstream is an open source project with focus on Side-chains to avoid fragmentation, security and other issues related to alternative cryptocurrencies. Uses can range from registering securities, such as stocks, bonds and derivatives, to securing bank balances and mortgages. Coinsetter is a New York based cryptocurrency exchange. It is working on a Project Highline, a method of using the blockchain to settle and clear financial transactions in T+ 10 minutes rather than the customary T+3 or T+2 days. Augur is a decentralized prediction market that will allow



users to buy and sell shares in anticipation of an event with the probability that a specific outcome occurs. This can also be used to make financial and economic forecasts based on the “wisdom of crowds”. Bitshares are digital tokens that reside in the blockchain and reference specific assets such as currencies or commodities. The Token holders may have the unique feature of earning interest on commodities, such as gold, and oil, as well as dollars, euros and currency instruments.

Insurance Assets which can be uniquely identified by one or more identifiers that are difficult to destroy or replicate can be registered in blockchain. This can be used to verify ownership of an asset and also trace the transaction history. Any property (physical or digital such as real estate, automobiles, physical assets, laptops, other valuables) can potentially be registered in blockchain and the ownership, transaction history can be validated by anyone, especially insurers. Everledger is a company which creates permanent ledger of diamond certification and the transaction history of the diamond using blockchain. The characteristics which uniquely identify the diamond such as height, width, weight, depth, colour etc. are hashed and registered in the ledger. The verification of diamonds can be done by insurance companies, law enforcement agencies, owners and claimants. Everledger provides a simple to use web service API for looking at a diamond, and create, read or update claims by insurance companies, and to the same for police reports on diamonds.

2. Non-Financial Applications :

Notary Public verifying authenticity of the document can be done using blockchain and eliminates the need for centralized authority. The document certification service helps in Proof of Ownership (who authored it), Proof of Existence (at a certain time) and Proof of Integrity (not tampered) of the documents. Since it is counterfeit-proof and can be verified by independent third parties, these services are

legally binding. Using blockchain for notarization secures the privacy of the document as well as those who seek certification. By publishing proof of publication using cryptographic hashes of files into blockchain takes the notary time stamping to a new level. Using blockchain technology also eliminates the need for expensive notarization fees and ineffective ways of transferring documents. Stampery is a company which can stamp email or any files using blockchain. It simplifies certifying of emails by just emailing them to an email specifically created for each customer. Law firms are using Stampery's technology for a very cost effective way to certify documents. Viacoin is one of the companies which use clearinghouse protocol for notary service. Block Notary is an iOS app which helps you create proof of existence of any content (photo, files, any media) using TestNet3 or a cryptocurrency network. Ascribe is another company which does authorship certification using blockchain. It also offers transfer of ownership service with attribution to the original author.

Use in Music Industry : The music industry has gone a big change in last decade due to the growth of Internet and availability of a number of streaming services over the Internet. This change is impacting everyone in the music industry: artists, labels, publishers, songwriters and streaming service providers. The process by which music royalties are determined has always been a convoluted one, but the emergence of the Internet has made it even more complex giving rise to the demand of transparency in the royalty payments by both artists and songwriters. This is where the blockchain can play a role. The technology can help maintain a comprehensive and accurate distributed database of music rights ownership information in a public ledger. In addition to rights ownership information, the royalty split for each work, as determined by Smart Contracts, could be added to the database.



This Smart Contracts would in turn define the relationship relationships between different stakeholders (addresses) and automate their interactions Decentralized Storage Cloud file storage solutions such as Dropbox, Google Drive or One Drive are growing in popularity to store documents, photos, video and music files. Despite their popularity, cloud file storage solutions typically face challenges in areas such as security, privacy and data control. The major issue is that one has to trust a third party with one's confidential files. "Storj" provides a blockchain based peer-to-peer distributed cloud storage platform that allows users to transfer and share data without relying on a third party data provider. This allows people to share unused internet bandwidth and spare disk space in their personal computing devices to those looking to store large files in return for cryptocurrency based micropayments. Absence of a central control eliminates most traditional data failures and outages, as well as significantly increasing security, privacy and data control.

CHALLENGE IN BLOCKCHAIN TECHNOLOGY

Blockchain is not a panacea to eliminate all fraud and unauthorized transactions, as evidenced by recent publicized thefts exploiting programming flaws in early ventures centered on the technology. If implemented properly, it does, however, make it much more difficult. Companies seeking to use blockchain are smart to apply a risk assessment lens to management of private keys. They should also utilize consensus mechanisms and network access permissions, in addition to the security lessons learned over decades of technology innovation. Another challenge is that transactions on the blockchain, in particular cryptocurrency transactions, currently can take longer to process than credit card transactions, which may slow the pace of adoption. Blockchain is one part of a larger digital transformation that is disrupting transaction processing and accounting methods employed by organizations across myriad industries. In today's digital world, where financial information is being created faster than ever, digitizing transactions is an effective response to address the explosion of data. Blockchain is likely to gain even more popularity as companies continue to modernize their technologies.

INVITATION FOR ARTICLES

All members and students with academic passion and flair for writing are invited to share their expertise through monthly newsletter. The article may cover any topic relevant to accounting, auditing, finance, law, strategy, taxation, technology and so on.

While submitting articles, please keep in mind the following aspects-

- Length should be about 2000 words
- Articles should be original in nature.
- Details Required- Name, Membership No or NRO, passport size photograph, e-mail id

Research and Explore and put them on paper_

For submitting your articles and for any queries, send at amritsar@icai.org



BASIC PROTECTIVE MEASURES **AGAINST COVID-19**



Wash your hands frequently

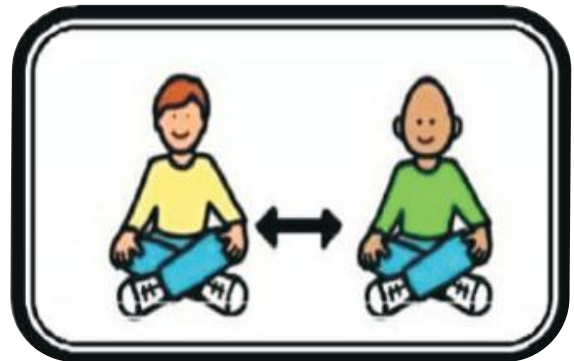
Regularly and thoroughly clean your hands with an alcohol-based hand rub or wash them with soap and water.

Why? Washing your hands with soap and water or using alcohol-based hand rub kills viruses that may be on your hands.

Maintain social distancing

Maintain at least 1 meter (3 feet) distance between yourself and anyone who is coughing or sneezing.

Why? When someone coughs or sneezes they spray small liquid droplets from their nose or mouth which may contain virus. If you are too close, you can breathe in the droplets, including the COVID-19 virus if



Avoid touching eyes, nose and mouth

Why? Hands touch many surfaces and can pick up viruses. Once contaminated, hands can transfer the virus to your eyes, nose or mouth. From there, the virus can enter your body and can make you sick.



Practice respiratory hygiene

Make sure you, and the people around you, follow good respiratory hygiene. This means covering your mouth and nose with your bent elbow or tissue when you cough or sneeze. Then dispose of the used tissue immediately.

Why? Droplets spread virus. By following good respiratory hygiene you protect the people around you from viruses such as cold, flu and COVID-19.



If you have fever, cough and difficulty breathing, seek medical care early

Stay home if you feel unwell. If you have a fever, cough and difficulty breathing, seek medical attention and call in advance, Follow the directions of your local health authority.

Why? National and local authorities will have the most up to date information on the situation in your area. Calling in advance will allow your health care provider to quickly direct you to the right health facility. This will also protect you.

GLIMPSES - NIRC AMRITSAR BRANCH ACTIVITIES



The branch arranged for an interaction meet with CCIT Mrs. Poonam Khaira Sidhu and Judicial Member Shri Nitin Saini on Vivad se Vishwas Scheme



CA Atul Kumar Gupta, President ICAI was the Chief Guest and CA Nihar Jambusaria, Vice President ICAI was the Guest of Honour



CA Charanjot Singh Nanda (CCM, ICAI) CA Rajesh Sharma (CCM, ICAI) CA Hans Raj Chugh (CCM, ICAI) CA Pramod Jain (CCM, ICAI) CA Sanjeev Singhal (CCM, ICAI, CA Shashank Aggarwal (Chairman NIRC) and CA Rachit Bhandari (Vice Chaiman, NIRC) were special guests.



The Branch organized a Seminar on Bank Audit under CBS environment (Practical Approach) by CA Kuntal P Shah (Ahmedabad) at Room No.406, CR Building (Income tax Office).The session aimed to guide members in various practical aspects while auditing under CBS environment including NPA detection, Fraud detection, generation of reports under various banking platforms and softwares

Seminar on All about Start Up :-



The Branch organized a Seminar on All about Start Up by Mr.Harsh Shrivastava at ICAI BHAWAN. Misc. topics were discussed in the session like Case study of Ola and OYO, Key aspects of a Business Plan, Types of Series Funding for startups, what an investor is looking for in a startup, Bootstrapping.



The COVID-19 pandemic marks an unprecedented time in modern history that will require the best of humanity to overcome. Little would have we realised the unfolding of epidemic like this, which situation is yet unfolding, and have brought the economic momentum to a much lower trajectory. Situation like this would need support to collaborate with the government initiatives to scale up governmental efforts to help those in distress. At this moment, the affected people in India will need help to tide over the viral disease, and in this scenario, ICAI has decided to stand with our distressed fellow countrymen, and actively participate in the national effort to support them at this difficult time. Due to the ongoing lockdown, much needed on the ground of social distancing and therefore 'stay home' advisory from the government; some of our fellow countrymen will need extensive support from the government. Further, we need to contribute to the government initiatives to bolster necessary infrastructure and human ware to fight this epidemic.

To provide much-needed relief for the people affected by the viral disease and those who are in distress; ICAI appeals to all its Members and Students to donate generously for this noble cause through the link ([click here](#)).

Donations can be made through Demand Draft, Cheque, RTGS and online mode; offline collections in form of cheques/demand draft should be given in the name of "**ICAI COVID 19 Relief Fund**". All such offline contributions can be made in the ICAI Bank Account having the following details:

Bank:	HDFC Bank
Account No.:	50100098409265
IFSC No:	HDFC0000590

The collected amount will be given to PRIME MINISTER'S NATIONAL RELIEF FUND. All contributions towards this Fund are exempt from Income Tax under Section 80G. The donors are requested to give their name, membership number /student registration number, address, amount and date of contribution, PAN details (if any) for the offline transfers, so that receipts could be obtained from Prime Minister's National Relief Fund for onward transmission to the donors. The letter/email can be sent to:

The Additional Secretary
M&C-MSS
The Institute of Chartered Accountants of India
ICAI Bhawan
A-29, Sector-62
Noida-201309
Email: msshead@icai.in

Looking forward for your generous contribution in these special circumstances in the interest of mankind.

(CA. Atul Kumar Gupta)
President ICAI