



Since 1957

KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R.)



Date: 28th January 2021

To,

Smt. Nirmala Sitharaman

Hon'ble Minister of Finance & Minister of Corporate Affairs,

15, Safdarjung Road

New Delhi - 110001

Hon'ble Madam,

Subject: Concerns of Chartered Accountants

The Karnataka State Chartered Accountants Association (in short 'KSCAA') is an association of Chartered Accountants, registered under the Karnataka Societies Registration Act, in the year 1957. KSCAA is primarily formed for the welfare of Chartered Accountants and represents before various regulatory authorities to resolve the professional problems faced by chartered accountants and business community.

In the past, we have written to your good selves many a times, populating various issues and possible solutions on tax and company law matters and on many occasions we have also received positive reciprocal actions from your good selves on those issues and solutions. We congratulate and applaud Ministry of Finance, Government of India for being very pro-active and dynamic in its intent and actions in rolling out financial packages and various other relief measures in the wake of Covid-19 pandemic situation that our Nation is fighting with a view to substantially reduce the impact this Pandemic has made on Citizens of our Nation. Those were major steps in the right direction from the Government in ensuring restoration of normalcy in the nation. However as your



Since 1957

KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R.)



good selves may be aware, the dangerous health hazards related to Covid-19 are still looming in our Nation and hence we are still not out of this dangerous situation.

In this backdrop, through this representation we would like to highlight concerns the Chartered Accountants in Karnataka have as regards the manner in which tax administration and company law administration is being done without taking cognizance of various representations which we have been regularly submitting to your good selves. Although the Government has been very forthcoming in addressing various issues posed by Covid-19 situation to our Nation, alas, we would regretfully like to mention that, these efforts from the Government are still not enough having regard to the ground reality and gravity of the situation at the end of honest and law abiding tax payers and companies at grass root level to whom we cater our professional services to, including our own firms of professional practice and indispensable human resource force, which are also severely impacted by the Covid-19 situation. Further to this, myriad churn out of frequent notifications, circulars, rules, sudden change of forms, etc. by Government authorities coupled with never-ending technical glitches in the portals has been resulting in humongous amount of hardships and inconveniences to Chartered Accountants in getting themselves acquainted with those frequent changes. Moreover, persistent technical glitches in the portals have also been resulting in payment of unintended payment of late filing fees and interest by Tax payers in general. These are certainly not acceptable practices followed by Governments of any civilized society in the world.

Of late, since October 2020 we have made few important representations to your good selves bringing to light some of very pressing pain points & hardships faced by Chartered Accountants and Tax payers in Industry in general due to Covid-19 pandemic and other reasons attributable to Government, along with possible solutions in the matters of taxation and company law compliances. However, to our dismay we have not noticed any heed being extended towards various issues and possible solutions we have



Since 1957

KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R.)



proposed through those representations to your good selves and it gives an impression to us that the same were safely brushed aside by your ministry.

Following is the list of recent representations as referred above:

<i>S No.</i>	<i>Description</i>	<i>Submission Date</i>
1	Request for taking up certain matters under the Income-tax Act, 1961 in the backdrop of COVID-19 Pandemic	15-10-2020
2	Press release issued in the interest of lakhs of tax payers and tax professionals of the country	21-10-2020
3	Request to extend various time limits under section 54 to 54GB of the Income tax Act, 1961 (the Act)	26-11-2020
4	Request to permit utilization of accumulated funds for purposes other than the purpose for which it is so accumulated under section 11(2) of the Income tax Act, 1961	15-12-2020
5	Request for relief from Late Fees for delayed filing of GST Statements / Returns from August 2020	17-12-2020
6	Request for extension of various due dates under Income-tax Act, 1961 for AY 2020-21 and for filing the Annual Reconciliation Statement (GSTR9C) along with the annual return (GSTR9) for financial years 2018-2019 & 2019-2020	15-12-2020
7	Request for Extension of Companies Fresh Start Scheme i.e. CFSS 2020 and LLP Settlement Scheme 2020	02-01-2021

The Chartered Accountants, as your good selves may agree, are partners in Nation building as they aid Government in mobilizing tax revenues by training & educating their clients on the compliance of complex and ever changing tax laws that our various Tax Statutes mandates for implementation. The role of Chartered Accountants should not be undermined by the Government in any situation as they are important



Since 1957

KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R.)



concomitant for successful tax administration by Government. However as per our recent past experience, it is quite disappointing to note that the Government is not at all paying any heed to the various issues and possible solutions our Association has been presenting time and again before your good selves. It is true, which your good selves may also agree, that without the close co-operation and continuous mutual dialogue between Government machineries and the professionals like Chartered Accountants, no law, scheme, rule, etc. of the Government could be implemented successfully and effectively. The Chartered Accountants have an important and deserving place in the economy our Nation and the same must be well recognized and due respect must be given by the Government to Chartered Accountants.

We from Karnataka State Chartered Accountants Association would like to sincerely urge to your good selves to please intervene into this issue by creating a befitting environment to foster mutual co-operation and mutual respect between the Government machineries and Chartered Accountants. We sincerely trust that your good selves would view these concerns seriously and would make best of your efforts to ensure the same are appropriately addressed.

Yours sincerely,

For Karnataka State Chartered Accountants Association ®

CA. Kumar S Jigajinni
President

CA. Pramod Srihari
Secretary

CA. Ganesh V Shandage
Chairman
Representation Committee



Since 1957

KARNATAKA STATE CHARTERED ACCOUNTANTS ASSOCIATION (R.)



Cc to:

1. Shri. Narendra Modi, Hon'ble Prime Minister of India, 152, South Block, Raisina Hills, New Delhi – 110 011.
2. Shri. Shri Anurag Thakur, Hon'ble Minister of State, Finance.
3. Shri P C Mody, Hon'ble Chairman, CBDT.
4. Shri Ajay Bhushan Pandey, Hon'ble Revenue Secretary and Special Secretary, GST Council, New Delhi.
5. The Secretary, Ministry of Corporate Affairs, Government of India, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi – 110001.
6. Registrar of Companies, E Wing, 2nd Floor, Kendriya Sadan, Kormangala, Bengaluru, Karnataka – 560034.