



**GOA BRANCH OF WESTERN INDIA
REGIONAL COUNCIL OF THE INSTITUTE
OF CHARTERED ACCOUNTANTS OF
INDIA E-NEWSLETTER**

(SET UP BY AN ACT OF PARLIAMENT)



जागृती

Arise, Awaken, Aspire

E-NEWSLETTER
Volume VI Part 1
February 2025

**Women's Day
Special**

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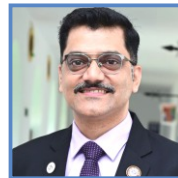
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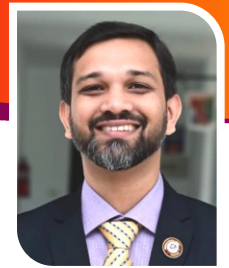
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Member



Chairperson's Communique

Respected Seniors and Colleagues in the Profession,

It is with extreme humility and honor that I accept the responsibility as the 44th Chairperson of the Goa Branch (WIRC) of ICAI. I extend my heartfelt thanks to each one of you for placing your trust and considering me worthy to lead your branch for the council year 2025-26. Your confidence in my abilities is both humbling and deeply motivating!!

I am joined by a passionate and an energetic team of CA Vinayak Dhumatkar – Vice Chairperson, CA Vaibhav Bale – Secretary, CA Akshay Mulgaonkar – Treasurer, CA Sneha Menon – WICASA Goa Chairperson & CA Venkatesh Shenai, Managing Committee Member. The new committee took charge on February 18, 2025. Together, we are committed to upholding the values of ICAI and carrying forward and strengthen the legacy of excellence of Goa Branch established by our illustrious predecessors.

I must place my appreciations to the Outgoing Managing Committee Members - CA Gaurav Kenkre, CA Thomas Andrade and CA Milind Shirodkar not just for the stellar work done but also for their invaluable guidance, encouragement, and mentorship over the past three years that have played a pivotal role in shaping our journey with the branch.

As Chartered Accountants, we have long been the pillars of financial integrity, compliance and governance. While the traditional areas of practice remain our foundation, the ever-evolving landscape of technology and innovation presents new opportunities and challenges. Embracing this evolution, our vision for the year — "Sustain Tradition... Embrace Change"—aims to harmonize time-tested principles and practices with modern advancements. Through a series of insightful programs and seminars, we will try to foster a synergy between tradition and innovation and develop a bridge between conventional wisdom and emerging trends, ensuring that we stay ahead in an increasingly dynamic world.

We are equally committed to the development of CA students in Goa by providing them with the skills and knowledge necessary to become future leaders of the profession.

In the month of February, our branch had the privilege of conducting several impactful events. We jointly hosted the Annual Budget Talk with the Goa Chamber of Commerce & Industry, and organized a first-of-its-kind Workshop on Tax and Securities Law in association with the Goa High Court Bar Association. This unique workshop featured Retired & Sitting Judges of the Bombay High Court, who engaged in thought-provoking discussions on various academic topics. Additionally, we had the honour of hosting an analysis session on the Income Tax Provisions in Budget 2025, led by the esteemed CA. Dr. Girish Ahuja Sir. His insights not only covered the changes in the Budget but also shed light on the New Income Tax Bill 2025. All these events received an overwhelming response from our members, reflecting the high level of engagement and interest in these crucial topics.

We were also privileged to host an outreach program on the New Income Tax Bill 2025, in collaboration with the GCCI and the AGTPA. We sincerely appreciate the proactive efforts of the Income Tax Department in educating stakeholders about the proposed bill. Organizing an outreach program just seven days after the introduction of the bill truly reflects their commitment to keeping the community informed and engaged.



The Goa Branch of WICASA, in addition to organizing the ICITSS Batch, collaborated with the Pune Branch of WICASA and other branches to host a virtual seminar on 'Introduction and Opportunities in ESG'. This seminar provided valuable insights into the growing significance of ESG practices in today's business world. Furthermore, Goa WICASA organized an insightful Industrial Visit to Kineco Ltd – Aerospace and Defence Division. During the visit, students had the unique opportunity to interact with the management, gain a deeper understanding of their accounting systems and processes, and tour their state-of-the-art plant.

March is always a bustling month for professionals, with various responsibilities, such as preparing tax calculations for advance tax payments, gearing up for Bank Audit assignments, and finalizing accounts. It is also an exciting month for us as we plan to organize seminar on GST Amnesty Scheme and Recent Amendments in GST, Bank Branch Audits, as well as celebrate International Women's Day to celebrate and recognize incredible achievements of women worldwide. The month promises to be full of activity and learning.

The new team, sincerely seek your continued support, guidance, suggestions and encouragement in our collective pursuit of professional development, just as before. With unwavering integrity and dedication, we pledge to serve our esteemed fraternity to the best of our abilities.

Yours Sincerely

CA Vishwanath S. S. Bhobe

Chairperson

Goa Branch (WIRC) of ICAI, 2025-26



Direct Tax Updates: February 2025

-CA. Rohan Bhandare

Given below are summarised versions of certain important Circulars/Notifications/Press Releases for February 2025 issued by the Central Board of Direct Taxes (CBDT) and Ministry of Corporate Affairs for the general information of members. Readers are requested to use the website links/ QR Codes to access the full text of the desired circular/notification/press release.

Income Tax Updates

- CBDT vide Circular No. 3/2025 dated February 20, 2025 has provided the amendments made by Finance Act, 2024 and Finance Act, 2023 in respect of rates of deduction of income-tax under the head salaries under section 192 for financial year 2024-25. The circular has clarified that where no amendments have been made by the above mentioned Acts, then [Circular No. 24 of 2022 shall continue to apply for financial year 2024-25.](#)
- The CBDT vide Press Release dated Feb 13, 2025 has informed of the salient features of the New Income Tax Bill 2025:
- The simplification exercise was guided by three core principles:
 - Textual and structural simplification for improved clarity and coherence.
 - No major tax policy changes to ensure continuity and certainty.
 - No modifications of tax rates, preserving predictability for taxpayers.
- The review has led to a substantial reduction in the Act's volume, making it more streamlined and navigable. Key reductions are summarized below:

Item	Existing Income Tax Act 1961	Proposed in the Income Tax Bill 2025	Change (Reduction/Addition)
Words	512,535	259,676	252,859 words
Chapters	47	23	24 Chapters
Sections	819	536	283 sections
Tables	18	57	39 tables
Formulae	6	46	40 formulae

Qualitative Improvements

- Simplified language, making the law more accessible.
- Consolidation of amendments, reducing fragmentation.
- Removal of obsolete and redundant provisions for greater clarity.
- Structural rationalization through tables and formulae for improved readability.
- Preservation of existing taxation principles, ensuring continuity while enhancing usability.

Important Links:

MCA Updates	MCA Updates	ICAI Updates
https://bit.ly/2LZIZmH	https://bit.ly/2AUnLFN	https://bit.ly/2XydhU6





ARBITRAGE MUTUAL FUNDS

- CA. David Pinto

What would one need to know when a client asks about Arbitrage funds?

Low Risk and equity like low taxation...

What is an arbitrage fund?

An arbitrage fund is a mutual fund that generates returns by capitalizing on the difference in prices of securities in different markets by buying and selling them at the same time. Therefore, the risk that the fund is exposed to remains low. This is highlighted in the brochures of respective fund houses which offer such arbitrage funds.

Let us consider an example:

The share price of Bharti Airtel is INR 1,622 in the spot market and INR 1,625 in the futures market. The fund will purchase the share in the spot market (market in which securities are traded for immediate delivery) at INR 1,622 and at the same time create a futures contract to sell the share in futures market (market in which securities are traded at a future date) at INR 1,625.

Therefore, they will make a profit of INR 3 (excluding costs of transaction) with a very low amount of risk.

The price difference however will always be small, so a fund manager will have to make multiple trades to register a profit.

A fund manager will make it with a large backing of capital, so while the price difference is small, the volume allows the fund manager to register a profit.

Why are investors looking at arbitrage funds increasingly?

Budget 2023 removed Indexation on long term capital gains for debt mutual funds.

For debt mutual funds (funds with an equity exposure of less than 35%) purchased after 1st April 2023, the taxation will be as per your slab rate irrespective of holding period. Earlier an investor would pay a tax of 20% along with an indexation benefit.

Does this mean that taxation on debt mutual funds and fixed deposits are the same?

A key difference between debt mutual funds and fixed deposits, is that the interest that an investor will receive on fixed deposits are taxed at accrual. This means that when the interest is due to you (even if it isn't received in cash), the bank will deduct TDS, or the investor will have to pay tax in their return. While in debt mutual funds, you will pay only on sale of the fund's unit.

Because of this, fixed deposits end up with a smaller principal and a lower compounding benefit.

What is the taxation on arbitrage funds?

For mutual funds that hold over 65% of their corpus in equity securities, the rate of taxation for an investor would be 20%, and if the fund's unit is held for over 12 months, the rate of tax will be 12.5% (both will also have surcharges and cess).

What kind of investors invest in arbitrage mutual funds?

Investors put their money into arbitrage mutual funds if they have a low-risk appetite and may need to use these funds in the near term.



What kind of returns do arbitrage mutual funds provide?

Arbitrage mutual funds tend to do better in volatile markets and can provide returns of 8-9%. This coupled with the taxation benefits give them the upper hand on debt mutual funds and fixed deposits in these situations.

In the last one-year, major arbitrage funds (not a conclusive list) have been providing returns of approx. 6.4% to 7.8%.

This provides comparable returns to fixed deposits but is beneficial for investors with shorter than a year funding needs or perhaps needs that can be unpredictable, as breaking a fixed deposit will require you to pay a penalty.

Are all investors now moving to Arbitrage Funds for short-term/emergency needs?

While arbitrage mutual funds do surpass debt mutual funds in volatile markets, these returns vary and can be lower in more stable markets and even in bear markets. Therefore, investors would need to be careful in their allocations based on their needs.

What do investors need to watch out for while investing in arbitrage funds?

- **Exit load (early withdrawal)** : This means that if an investor makes an investment and then needs to withdraw it before the specified period of time, he will have to pay a percentage of his Net Asset Value (NAV) as a penalty. This is usually done to protect longer term investors from instability due to short-term buying and selling. Arbitrage funds often have exit loads if withdrawn within a month or 15 days. Debt funds usually do not have such or have lower exit loads. This however will have a shorter fixed term than that needed for a fixed deposit.

- **Expense Ratio of the Fund:** This means the percentage of the investment that the fund will retain in order to pay their expenses. Arbitrage funds tend to have higher expense ratios than liquid funds or money market funds which investors generally use to park short term cash.

- **Cashflow in an emergency:** Arbitrage funds can have more volatile returns than debt funds, an investor will need to understand in what duration will he need cash and invest accordingly, investors who can invest for over 3 months could consider arbitrage funds, if not they may just end up paying an exit load or have lower returns.

Investors often keep a portion of their emergency corpus in debt funds or fixed deposits to hedge themselves against this risk.

Those keeping a portion of their emergency corpus in fixed deposits though will have to be careful of the tenure of the deposit and would need to note that fixed deposits often have lower returns for short term deposits.

- **No day-to-day predictability:** Small or short-term declines may occur in bearish or flat markets and one may not be able to predict the return over a day-to-day basis as if there are a lower number of arbitrage opportunities fund managers may keep their funds in cash or short-term securities, over 6 months to 1 year however the historical track record has been shown to be positive in most major funds.



Activity Report February 2025

Sr. No.	Date	Programme	Speakers	CPE Hrs.
1	01-02-2025	Goa Branch Managing Committee Members attended Live Union Budget Presentation organised by Goa Chamber of Commerce and Industry		Nil
2	01-02-2025 to 02-03-2025	Chartered Challengers - Team of Goa Branch Chartered Accountants participated in Cricket Tournament "Corporate and Professional League (CPL) - Season 2" organised by Rising Stars of Anthruz		Nil
3	03-02-2025	Goa Branch (WIRC) of ICAI in association with Goa Chamber of Commerce & Industry organised Talk on Budget 2025	Mr. Rishi Kapadia Mr. Venkatasubramanian Krishnan	Nil
4	03 to 21-02-2025	ICITSS Course for CA Students		Nil
5	13-02-2025	Goa Branch Managing Committee Members submitted Representation to The Commissioner, State Goods and Service Tax regarding issues faced by trade for GST Registration		Nil
6	15-02-2025	Goa Branch (WIRC) of ICAI in association with The Goa High Court Bar Association is organised a Workshop on "Tax and Securities Laws" Income Tax Overview with regard to appeals & Writ Petitions in the High Court Working on Income Tax Matters Facets of Market Abuse and Financial Sector Regulation	Address by Hon'ble Shri. Justice Mahesh S. Sonak, Judge, High Court of Bombay Hon'ble Shri Justice M. S. Sanklecha, Retired Judge, High Court of Bombay Hon'ble Shri Justice Jitendra Jain, Judge, High Court of Bombay Hon'ble Shri Justice Somasekhar Sundaresan, Judge, High Court of Bombay	Nil
7	15-02-2025	Goa Branch of WICASA jointly with Pune Branch & others Branches of ICAI organised Students Seminar on Introduction & Opportunities in ESG	CA. Mayur Agarwal	Nil
8	16-02-2025	Goa Branch (WIRC) of ICAI organised Seminar on "Analyses of Income Tax Provisions in Budget 2025"	CA. Dr. Girish Ahuja	3 Hrs.
9	16-02-2025	Goa Branch (WIRC) of ICAI organised Interactive Meeting with Newly Qualified Chartered Accountants who cleared November 2024 Final Examination.		Nil



Sr. No.	Date	Programme	Speakers	CPE Hrs.
10	20-02-2025	Goa Branch (WIRC) of ICAI in association with Goa Chamber of Commerce & Industry & All Goa Tax Practitioners Association hosted an Outreach Programme organised by the Income Tax Department, Panaji on "New Income Tax Bill 2025"		Nil
11	22-02-2025	Goa Branch of WICASA organised Industrial visit to Kineco Limited, Pilerne Industrial Estate, Bardez, Goa		Nil
12	25-02-2025	Goa Branch (WIRC) of ICAI organised Meeting with Shri. Shishir Dhamija, IRS, Chief Commissioner of Income Tax, Panaji		Nil
13	25-02-2025	Goa Branch (WIRC) of ICAI organised Meeting with Shri. Bipin Kumar Upadhyay, CGST Commissioner, Panaji		Nil
14	25-02-2025	Goa Branch (WIRC) of ICAI organised Meeting with Shri. Prabhakar Jha, Regional Director, Reserve Bank of India, Panaji		Nil



Live Union Budget Presentation held on 1st February 2025



Chartered Challengers - Team of Goa Branch Chartered Accountants participated in Corporate and Professional League (CPL) - Season 2 organized by Rising Stars of Anthruz held from 1st February to 2nd March 2025



Budget Talk held on 3rd February 2025

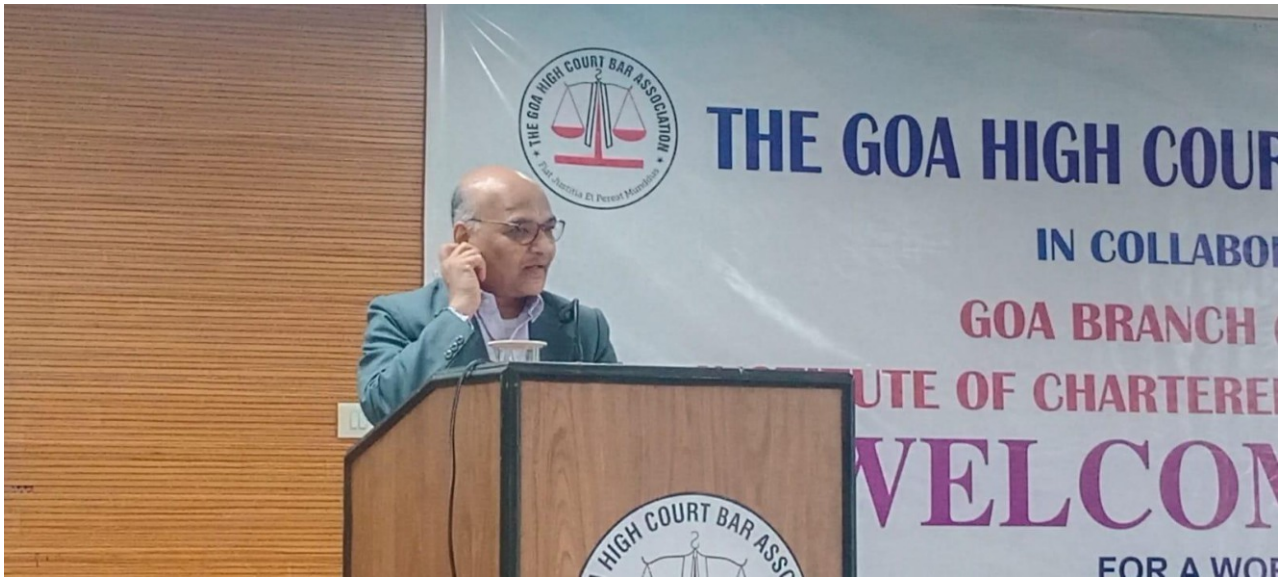




ICITSS Courses for CA Students held from 3rd to 21st February 2025



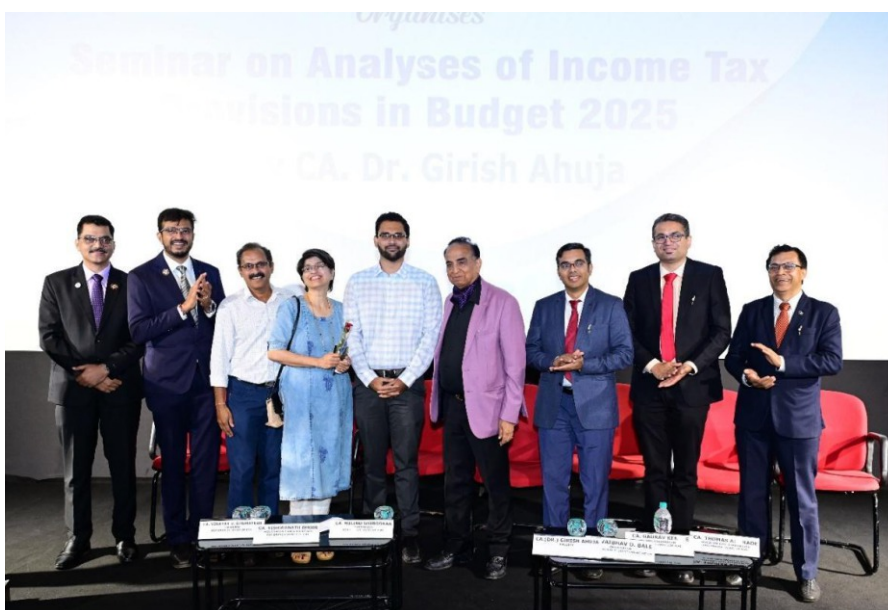
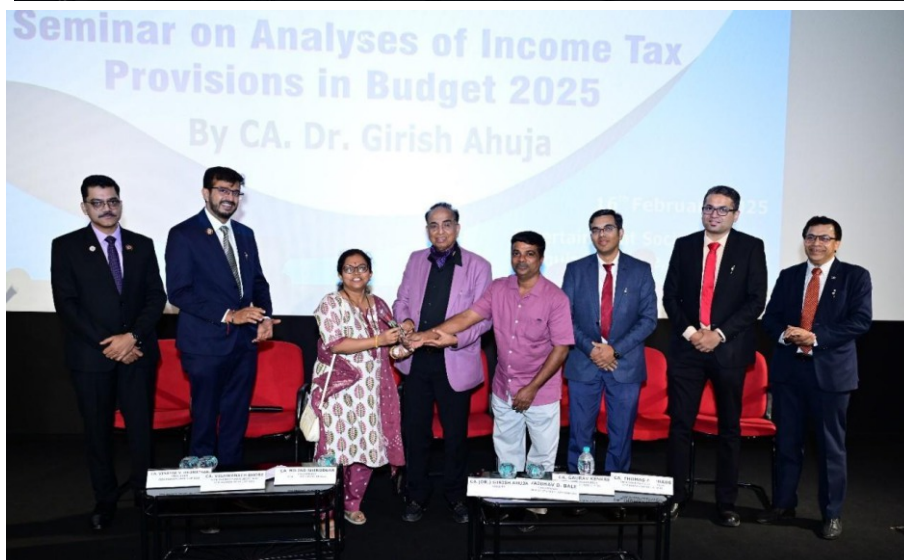
Workshop on Tax and Securities Laws held on 15th February 2025



Seminar on Analyses of Income Tax Provisions in Budget 2025 held on 16th February 2025



**Interactive Meeting with Newly Qualified Chartered Accountants
who cleared November 2024 Final Examinations held
on 16th February 2025**



Outreach Programme organised by the Income Tax Department, Panaji on "New Income Tax Bill 2025" held on 20th February 2025



Industrial visit to Kinenco Limited, Pilerne Industrial Estate, Bardez, Goa held on 22nd February 2025





Meeting with Shri. Shishir Dhamija, IRS, Chief Commissioner of Income Tax, Panaji held on 25th February 2025



Meeting with Shri. Bipin Kumar Upadhyay, CGST Commissioner, Panaji held on 25th February 2025



Meeting with Shri. Prabhakar Jha, Regional Director, Reserve Bank of India, Panaji held on 25th February 2025





Birthday Wishes



**NAIK RAJAN
RANNU
01-FEB**



**VINAYAK
DHUMATKAR
05-FEB**



**VEERA
RAGHAVAN S
06-FEB**



**SHIVDATTA
GURUNATH AMBE
08-FEB**



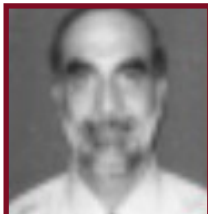
**ANUP RAVINDRA
SINAI BORKAR
10-FEB**



**VANESSA STELLA
VAZ
10-FEB**



**ADHIA CHAMPAKLAL
VRAJLAL
11-FEB**



**PATIL VILASRAJE
APPASAHEB
11-FEB**



**PRIYANKA MEHTA
12-FEB**



**SARMALKAR
DAMODAR YESHWANT
14-FEB**



**BHARATI DEELIP
PRABHUDESAI
15-FEB**



**VISHWANATH S. S.
BHOBE
15-FEB**



**HEGDE NAGESH
DEVIDAS
18-FEB**



**THOMAS PAUL
ANDRADE
18-FEB**



**FRANISA MARIA
GONSALVES
18-FEB**



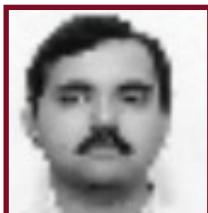
**BARGI VITHAL
NAGESH
19-FEB**



**PALLAVI SAGAR
SALGAOCAR
20-FEB**



**PRANAV ANANT
NAIK
22-FEB**



**SUHAS MANNUR
24-FEB**



**SEEMADEVI
J. TANEJA
27-FEB**



**BANDEKAR KISHOR
MANGESH
28-FEB**



**AMODA UTTAM
BENE
28-FEB**



March Birthdays

CA. Mathew Nadackel Thomas	01-Mar
CA. Kittur Suresh Subbaji	01-Mar
CA. Usha Ajay Sood	02-Mar
CA. Narsinva Namdev Lotlikar	03-Mar
CA. Pradeep Kumar Kulkarni	04-Mar
CA. Shilpa Narcinva Bene	04-Mar
CA. Naveen Ganesh Daivajna	05-Mar
CA. Geetali Rajesh Sinai Talaulicar	08-Mar
CA. Naik Supriya Deepak	09-Mar
CA. Vinay K. Shet	11-Mar
CA. Rowena Clena Vaz Dalgado	11-Mar
CA. Dinesh Shankarlal Heda	19-Mar
CA. Nandakishor Mahadev Shiolkar	20-Mar
CA. Shet Varsha Satish	24-Mar
CA. Karen Raquel Martins Furtado	25-Mar
CA. Srinivasan Sivaraman	26-Mar
CA. Madhavi Sanjay Pandit	26-Mar
CA. Thomas Sebastian Keeranchira	28-Mar
CA. Christina Thomas Keeranchira	31-Mar

It is our sincere attempt to be part of & wish you on your special day. We are in the process of updating our data. If we miss anyone or any wrong data is noticed, please call Ranjita @ 0832 2438516 so that we can update our records.



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or otherwise to*

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with your photo & brief profile.

