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FACTS**

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**PAYROLL**

**ASSET MANAGEMENT**

**The**

**COMMUNIQUE**



# Our CFO Speaks

The Domino Effect: Domino's fall one by one. They fall to show how one thing leads to another. A single event kicks off an unstoppable series that gains momentum and then spins out of control. It is likely, that a similar situation can occur in fixed assets management wherein a failure at one step can bring in a situation which can be often hard to control or correct.

The chain of fixed assets keeps getting longer as we add multiple links to it. At the very basic level, it begins with the entries that need to be made -starting from the recording of the asset purchase, to the depreciation and maintenance and ending with the disposal or writing-off of the assets. At the next level, the business grows and the requirement to add new assets to the existing bucket of assets is imperative. To take it to new heights, multiple locations come into view and the complexity scales up.

When a business spans across various geographical locations tracking and tracing of assets seems like a maze often leading us to a dead end. Tangling is easy but untangling the tangled, is the difficult task. Movement of fixed assets from one department to another may not be reflected in the asset register. An asset register which is not capable of covering all the asset movements can swiftly turn into an unproductive tool.

With the aid of technology and an efficient asset management solution, strengths can be capitalized and weaknesses can be tackled. An efficient system can provide the asset visibility that an organisation requires. A complete financial picture of the assets is quintessential and an unquestionable requirement. Vital Issues such as ghost assets which can cause an effect on the productivity as well as costs will require proper asset tracking measures to be put into place.

Sound internal control and a robust asset management system provides a full audit trail which can set the organisation on a path to the positive domino effect.

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## What's New

- ✔ Instantly link PAN with Aadhaar card
- ✔ Quick and hassle free-process
- ✔ Avoiding marking of PAN card as inoperative and penalty of ₹ 10,000 u/s 272B
- ✔ Eliminate the chance of TDS being deducted at higher rates



Feature Update with TdsPac & SalTds

## Never miss a date

November

**7<sup>th</sup>**

Due date for deposit of Tax deducted/collected for the month of October, 2020.

\*All sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan

November

**14<sup>th</sup>**

Due date for issue of TDS Certificate for tax deducted under Section 194-IA, 194-IB and 194M in the month of September, 2020

November

**15<sup>th</sup>**

Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending September 30, 2020

Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of October, 2020 has been paid without the production of a challan

November

**30<sup>th</sup>**

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA,194-IB and 194M in the month of October, 2020

**Happy to enhance our footprints**

Trust at the core of every relationship



## Transformation Story-

FOR ONE OF THE LARGEST  
MANUFACTURERS OF  
DIAMOND & MINING IN  
THE WORLD



## Challenge

- Fixed assets register(FAR) was maintained in traditional spreadsheets leading to inaccurate data
- Assets were spread across various geographical locations with an inefficient tracking system
- Lack of asset visibility as they moved from one location to another
- Numerous audit queries surrounded around poor internal control

## Solution

- We automated the complete asset lifecycle from procurement to maintenance to disposal
- Provided a solution which would help them to have better and complete control over asset movement
- With a comprehensive system in place physical verification of assets is being conducted which ensures the correct value being reflected in the financial statements
- The auditor's burden is reduced due to use of system generated reports
- Asset verification is streamlined for the auditor thus enhancing productivity and also providing the required level of assurance

## Result

- Shift from reactive to predictive asset management
- Monitoring and maintaining assets with a systematic approach
- Error-free system with real-time asset tracking capabilities

# ALL YOU NEED TO KNOW

## Guidelines on Applicability of TCS

### Transactions carried through various exchanges

Section 194-O & 206C (1H) will not be applicable to:  
Transactions in securities and commodities traded through

- Recognised stock exchange
- Recognised clearing corporation
- Plus, those located in International Financial Services Centre
- Transactions in electricity, renewable energy certificates and energy savings certificate traded through power exchanges (Regulation 21 of Central Electricity Regulatory Commission)

### Payment Gateway (Section 194O)

Payment gateway will not be required to deduct tax if the e-commerce operator has already deducted the tax on the same transaction.(Avoidance of double deduction)

### Insurance Agent/Aggregator (Section 194O)

- In years subsequent to the 1st year if there is no involvement of the agent in the transaction between the company and the buyer of insurance policy then the agent would not be liable to deduct tax.
- If commission is paid for subsequent years then the insurance company shall be required to deduct tax

### Sale of Motor Vehicle

- In case of receipt of sale consideration from dealer: Subject to TCS u/s 206C(1H) if not subject u/s 206C(1F).
- In case of receipt of sale consideration from consumers :
  - \*If value of the motor vehicle is ₹ 10 Lakhs or less:- TCS u/s 206C(1H) if receipt exceeds ₹ 50 Lakhs in previous year.
  - \*If value of the motor vehicle is more than ₹ 10 Lakhs- If subject to TCS u/s 206C(1F) then it will not be subject to TCS u/s 206(1H)

### Fuel supplied to non-resident airlines at airports in India

Section 206C(1H) shall not be applicable on sale consideration received for fuel supplied.

## Changes in Form 3CD

PART	SL.NO	NATURE OF CHANGE	DESCRIPTION
Part A	8	New section code added	<p>8a. Whether the assessee has opted for taxation under section 115BA/ 115BAA/ 115BAB?</p> <p>Section 115BA: Tax on income of certain manufacturing domestic companies at the rate of 25%</p> <p>Section 115BAA: Tax on income of certain domestic companies at the rate of 22%</p> <p>Section 115BAB: Tax on income of new manufacturing domestic companies at the rate of 15% (plus surcharge and cess)</p>
Part B	18	New clause added	<p>18(ca) Adjustment made to the written down value u/s 115BAA (for assessment year 2020-21 only)</p> <p>18(cb) Adjusted written down value</p> <p>In case the assessee is being taxed under Section 115BAA, for AY 2020-21 the additional depreciation claim under section 72A shall be added to the WDV of the assets as on 01.04.2019</p>
	26	New dropdown values added	<p>Section 43B: Proviso to clause(c) of Rule 5 of First Schedule added back as per clause (a) of Rule 5</p> <p>Any sum payable by the assessee which is added back under section 43B in accordance with clause (a) of the said rule shall be allowed as deduction in computing the income under the rule in the previous year in which such sum is actually paid.</p>
	31	New dropdown values added	<p>Section 269SS: Additional options added to the clause as regards mode of payment: Credit card/Debit card/Net Banking/IMPS/UPI/RTGS/NEFT/ BHIM</p> <p>Section 269T- Additional options added to the clause as regards mode of payment: Credit card/Debit card/Net Banking/IMPS/UPI/RTGS/NEFT/BHIM</p>
	32	New fields added in clause 32(a)	<p>All losses/allowances not allowed under Section 115BAA</p> <p>Amount as adjusted by withdrawal of additional depreciation on account of opting for taxation under Section 115BAA</p>
	10	New business codes added	Co-operative sector added to the list of business codes

## Extension of Due Dates

RETURN OF INCOME

- TP Audit
- Company Assessee
- Mandatory Audit cases
- Partner's return (mandatory audit of firm)



- Any other case

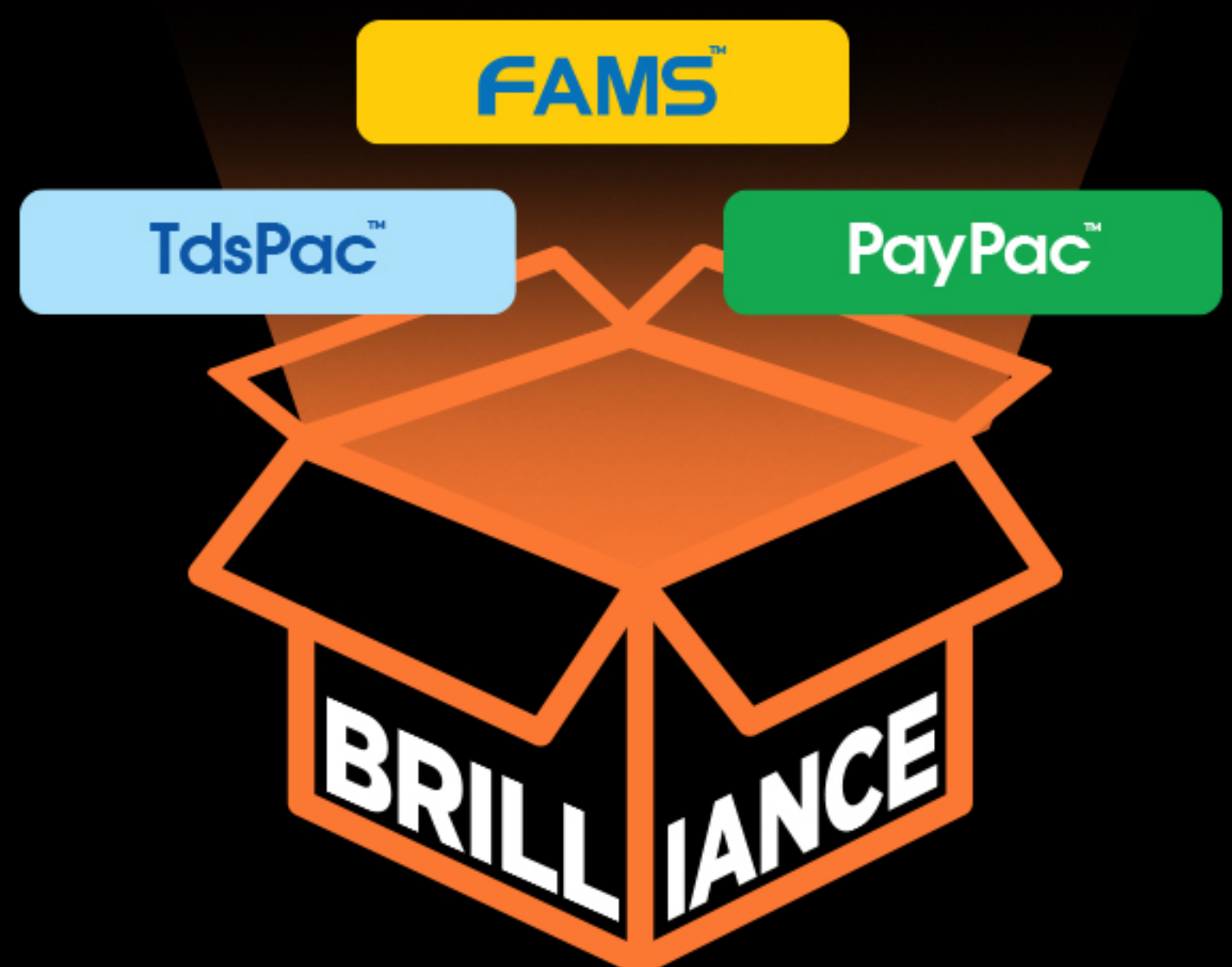


REPORTS

- Various Audit reports including Tax Audit Report
- Report in respect of international/specified domestic transaction



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Email :  
**sales@fastfacts.co**

Contact no :  
**+91 9582005110**

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