

PAYROLL

ASSET MANAGEMENT

The

COMMUNIQUE



Our CFO Speaks

The wind does not break a tree that bends: the kind of resilience exhibited by our country and its people during these testing times. The pandemic has changed how businesses operate and this month brought with it expectations from the budget, a budget which would provide the required impetus to get the ball rolling.

The first budget of the decade is growth oriented and promotes transparency. One of the primary factors that will contribute to growth is the sharp increase (34.5%) in capital expenditure as compared to the previous year. The rising government spending will revive the economy and bring it back on the rails. With the mass vaccination program launched in January 2021 the pandemic which served as an impediment to growth is now walking away leaving us with an opportunity to capitalise on our untapped potential.

Steps taken on the direct tax front are focussed towards minimizing the compliance burden. The introduction of the Faceless Tribunal and exemption from filing returns for senior citizens who are 75 years and above is indeed a positive step. The reduction in the time period of re-opening of the assessment to 3 years from the present 6 years and the constitution of Dispute Resolution Committee is set to promote efficiency. With dividend now being taxable in the hands of the shareholder, the advance tax liability arising only on declaration /payment of dividend will alleviate the burden.

Every small step taken in the right direction counts. The retrospective amendment in the interest related provision in GST and eliminating the requirement of GST audit certification has been one such step. In the Customs arena the focus stands on ease of doing business, promotion of domestic manufacturing while also penalizing the exporters for fraudulent refund claims. Deployment of deep analytics and artificial intelligence in the GSTN system will help identify tax evaders and fake billers.

India's monumental gain on the ease of doing business, by ranking 63rd on the list according to the last report published in 2020 has been praise worthy. By permitting NRIs to incorporate One Person Companies (OPC), change in residency criteria for Indian citizens to incorporate an OPC and allowing conversion of the OPC to any other form has been a step to take India higher on the ladder. Small companies have fewer compliances as versus the other companies, therefore the increase in the capital and turnover threshold limits will drive businesses in the positive direction. Digitization has been promoted by implementation of the e-courts system and the launch of MCA21 version 3.0.

The journey for translating Atma Nirbhar Bharat from a dream into a reality has begun. With an unwavering commitment let us all strive to make India the fastest growing economy.

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What's New

COST CATEGORY ANALYSIS IN FAMS

- ✓ Categorization of costs into groups
- ✓ Easy tracking of cost belonging to a particular group
- ✓ Comprehensive reports provided specifically for all assets
- ✓ Facilitates effective accounting
- ✓ Provides a birds-eye view of the various costs elements



Never miss a date

January
7th

- Due date for deposit of Tax deducted/collected for the month of January, 2021

*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

January
14th

- Due date for issue of TDS certificate for tax deducted in December 2020 u/s 194-IA, 194-IB & 194M

January
15th

- Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of January, 2021 has been paid without the production of a challan
- Due date for filing return of income for AY 2020-21 if the assessee is : (a) corporate assessee or (b) non corporate assessee (whose books are required to be audited) or (c) partner of a firm whose accounts are to be audited or (d) required to submit a report u/s 92E relating to international/specified domestic transactions
- Quarterly TDS certificate for the quarter ending December 31,2020

Note: Due dates are subject to extension as may be notified

Happy to enhance our footprints

Trust at the core of every relationship



TRANSFORMATION STORY- FOR ONE OF THE LARGEST COMMERCIAL OIL COMPANY IN INDIA



Challenge

- High volume of transactions
- Difficulty in updating current systems to comply with the new TCS regime
- Increase in manual intervention to ensure accuracy of data so as to comply with the new provision
- Lack of an appropriate solution in place for filing TCS returns within a short time frame
- Inability to abide by the necessary compliances and regulations

Solution

- Customised solution to handle transactions efficiently
- Assistance in understanding the regime and its applicability
- PAN verification and validation of certificates through automated TRACES integration
- Adjustment of surplus across quarters
- Corrective action in advance with Default Notice Forecaster(DNF)

Result

- Processing large volumes of data ranging upto 40 lakhs in number
- Timely filing of returns in a duration as short as 3 days
- Completely compliant with the new TCS regime and updated with any new regulations as well
- Robust solution reducing man hours and cost
- Simplification of the tedious process and reduction of manual intervention

ALL YOU NEED TO KNOW: DECODING THE BUDGET 2021



Health & Wellbeing

- Launch of PM Atma Nirbhar Swasth Bharat Yojana, with an outlay of about ₹64,180 crores over 6 years
- Implementation of Jal Jeevan Mission with an outlay of ₹2,87,000 crores over 5 years
- Voluntary scrapping policy to phase out old and unfit vehicles. Vehicles would undergo fitness test after 20 years in case of personal vehicles and 15 years in case of commercial vehicles
- Merger of the Supplementary Nutrition Programme and the Poshan Abhiyan and launch of the Mission Poshan 2.0.

Physical & Financial Capital and Infrastructure

- To create manufacturing global champions for an Atma Nirbhar Bharat, Production Linked Incentive scheme announced for 13 sectors with a commitment of nearly ₹ 1.97 lakh crores over 5 years
- Bill to set up Development Financial Institution with a provision of ₹ 20,000 crores to capitalise the institution
- Consolidation of the provisions of the SEBI Act, 1992, the Depositories Act, 1996 and Securities Contracts Regulation Act, 1956 and Government Securities Act, 2007 into a rationalized Securities Markets Code
- Creation of a permanent institutional framework to instill confidence amongst the participants in the corporate bond market
- FDI limit to be increased to 74% from 49% in Insurance Companies
- Asset Management company and Asset Reconstruction Company Ltd to be set up to solve stressed asset problems of banks
- Privatization of two public sector banks and one general insurance company in the year 2021-22
- IPO of LIC in the year 2021-22



Inclusive Development for Aspirational India

- Extension of SWAMITVA scheme to all states and UTs
- One nation one ration card scheme through which ration can be claimed anywhere in the country specially benefitting the migrant workers
- MSP regime to assure price that is atleast 1.5 times of the cost of production across all commodities
- Increase in agricultural credit target to ₹ 16.5 lakh crores
- Establishment of Multipurpose Seaweed Park in Tamil Nadu to boost employment and additional income



Reinvigorating Human Capital

- More than 15000 schools will be qualitatively strengthened to include all components of the NEP
- Set up of 100 Sainik schools in partnership with NGOs/private schools/states
- Set up of central university in Leh to promote higher education
- Realignment of the existing scheme of National Apprenticeship Training Scheme in order to provide post-education apprenticeship, training of graduates and diploma holders in Engineering

Innovation and R&D

- Earmarking of ₹1500 Crores for a proposed scheme with a view to provide a further boost to digital transactions
- National Language Translation Mission- a new initiative to make governance and policy related knowledge available on the internet in major Indian languages
- Four Indian astronauts are being trained on Generic Space Flight aspects, in Russia. The 1st unmanned launch is slated for end of the year
- National Research Foundation will have an outlay of ₹ 50,000 Crores over 5 years
- Deep Ocean Mission with an outlay of over ₹ 4000 Crores over 5 years

Minimum Government & Maximum Governance

- In order to ensure efficient regulation of the 56 allied healthcare professions, introduction of National Commission for Allied Healthcare Professionals Bill
- Set up of Conciliation Mechanism for quick resolution of contractual disputes
- Rationalization of functioning of tribunals
- Forthcoming census will be the first digital census in the history of India with an amount of ₹ 3768 crores allocated for the same
- ₹ 1000 Crores for the welfare of Tea Workers in Assam and West Bengal

LEADERS PLAY CHESS NOT CHECKERS MAKE THE RIGHT MOVE, TO BEAT YOUR COMPETITION



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