

PAYROLL

ASSET MANAGEMENT

The COMMUNIQUE



Our CFO Speaks

Recovery of Indian Economy post pandemic

As per the latest report by RBI called 'Currency and Finance of the year 2021-22' it will take the economy 12 years to recover from the impact of the pandemic that hit the world. The RBI acknowledged that the structural changes triggered by the pandemic can alter the growth trajectory in the medium term.

Taking the growth rate trend of the past years and the projection for the coming years the RBI reported that India will overcome Covid 19 losses by 2034-35. The actual growth rate was (-) 6.6 percent for 2020-21, 8.9 percent for 2021-22 and assuming it will be 7.2 per cent for 2022-23, and 7.5 percent beyond that, the loss recovery has been projected in FY34. FY34 here means that the economy would be in the same position had there been no pandemic.

The output losses on account of the pandemic have been estimated to be over Rs. 52 lakh crore in aggregate for three years. {19.1 lakh crore (20-21), 17.1 lakh crore (21-22), 16.4 lakh crore (22-23)}

The theme of the report has been "Revive and Reconstruct" keeping in mind the sustainable recovery post-COVID and raising trend growth in the medium-term.

India is ranked second to the US in the number of COVID cases and a lot of factors put together contributed to the severe economic impact, the most prominent being the strict lockdown. Although the pandemic is not yet over, the report highlights the ways and means to overcome the losses already incurred.

The report also proposed a roadmap for the reform around seven wheels of economic progress - aggregate demand; aggregate supply; institutions, intermediate & markets, macroeconomic stability and policy coordination; productivity and technological progress; structural change; and sustainability.

The pandemic impacted individuals and all nations. While the economy will slowly bounce back the reforms will have to be implemented to the T, and the impact of the pandemic will be greatly reduced.

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WHAT'S NEW - eTDS Wizard

eTDS Wizard - Electronic TDS Return filing tool

- For all existing customers no setup download is required
- License can be activated on existing application
- UI changes for better user interface experience

Never miss a date

May 7th	Payment of TDS/TCS deducted /collected in April 2022.
May 15th	Quarterly statement of TCS deposited for the quarter ending March 31, 2022
May 15th	E-Payment of Provident Fund
May 15th	ESI Payment
May 31st	Quarterly Statement Form 24Q, 26Q, and 27Q

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TRANSFORMATION STORY-

THE LARGEST GOLD
NBFC ERASES FIXED ASSET
MAINTENANCE WORRIES



Challenge

- Tracking of assets across multiple locations
- Due dates of AMC, warranties missed leading to penalties
- Audit challenges due to multiple locations
- Timely Reporting asset maintenance

Solution

FAMS mobile application has the Geo tagging facility that enables real time tracking of assets. The centralized reports are also available on real time basis to the management for auditing purpose.

Result

- Accuracy in count of assets as per classification and sub classification
- Tracking of assets made hassle free and aids management
- Automation resulting in streamlined process of audit
- Reduced man hours
- 100% accuracy in report generation
- Adherence to report generation as per various norms

ALL YOU NEED TO KNOW - REASSESSMENT NOTICES UNDER SECTION 148/148A OF THE ACT

The pandemic had resulted in a lot of Income Tax filing deadlines being extended in favour of the assessee. Similarly to protect the rights of the revenue some deadlines had been extended under various sections. Issue of notices under Section 148 is one such section. So the notices that were getting time barred on 31st March 2021, were extended to 30.06.2021.

Now the Finance Act 2021 substituted the Section 147 and modified Section 148 of the Act and the time limits were modified and were effective from 01.04.2021. The revenue issued notices in the said period under the unamended provisions of Section 147. This created a lot of chaos as assessee's demanded that the new amendment must be applicable as the Finance Act 2021 was in force.

The high courts ruled these notices as bad in law. While the Supreme Court is in agreement with the High Court that the notices issued, must get the benefit of the new provisions of Section 148. However the Supreme Court also held that quashing the notices will lead to no reassessments at all and hence a middle ground must be reached. Statistics show that 90000 notices have been issued in the said period.

Accordingly Supreme Court has proposed to modify the judgements by High Court as under:

- 01** The notices issued under Section 148 issued by the Assessing Officers will be deemed to be issued under Section 148A of the new Finance Act 2021, and will be treated as show cause notices under Section 148A(b).
- 02** The Assessing Officer shall within 30 days from 04-05-2022, provide the information and material that forms the basis of the notice. The assessee will respond within two weeks.
- 03** For all the notices issued under old provisions from 01-04- 2021 till date, including the ones quashed by the High Court the requirement of conducting any enquiry with prior approval as per Section 148A(a) will be dispensed off with as a onetime measure.
- 04** Thereafter the Assessing Officer must follow the procedure as set out in Section 148A(d) and pass an order in accordance with it in respect of each of the concerned assesses.
- 05** All the defenses which may be available to the assessee under Section 149 and all rights of the Assessing Officer are kept open and available.

The order by the Supreme Court is applicable pan India and overrides the judgments by the High Courts.



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go hand in hand!**

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our innovative solutions!**

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