

PAYROLL



The **COMMUNIQUE**



Our CFO Speaks

India's quest for internationalisation of rupee

India has had an enduring pursuit for the internationalization of the rupee (INR₹). To internationalize the rupee means to increase its use and acceptance in international trade, finance, and as a global reserve currency.

In this regard, the RBI has been taking several measures, which include limiting the use of the US dollar to keep the rupee stable and allowing the invoicing of international trade in INR₹ instead of dollars and other major currencies. It has recently allowed quite a few banks to settle in the rupee with almost 18 countries. The RBI has also been easing regulations and making it easier for foreign investors and businesses to use the rupee in cross-border transactions.

Dating back to the early post-independence period, India has used its rupee for making payments in trades with neighboring countries like Kuwait and the UAE, among others. However, the convertibility and acceptance of the rupee were limited.

The internationalization process is quite complex, and the rupee faces several challenges such as exchange rate stability, inflation, and the need for deep and liquid financial markets.

Besides, India has to overcome the competition from other global reserve currencies, especially the Chinese renminbi, as China is trying to make its sovereign currency more international now than ever before.

The future outlook looks promising, taking into account the measures taken by the RBI and the Indian government. Rupee internationalization would without a doubt benefit India, as it would boost its economic progress and strengthen its standing among other global countries. India's efforts will be fruitful if it maintains macroeconomic stability, builds and fosters strong and liquid financial markets, and brings in economic reforms every so often.

Inside the Edition

01

Never miss a date

02

Happy to enhance our footprints

03

Feature Updates

04

All you need to know - Financial Reporting of Non-Corporate Entities

Never miss a date

October 7th

Due date for deposit of Tax deducted/collected for the month of September, 2023.

October 15th

Due date for issue of TDS Certificate for tax deducted under Sections 194-IA, 194-IB, 194M and 194S in the month of August, 2023.

October 15th

Quarterly statement of TCS deposited for the quarter ending September 30, 2023.

October 15th

Quarterly TDS/TCS certificate for the quarter ending June 30, 2023.

October 30th

Due date for furnishing of challan-cum-statement in respect of tax deducted under Sections 194-IA, 194-IB, 194M and 194S in the month of September, 2023.

October 31st

Quarterly statement of TDS deposited for the quarter ending September 30, 2023.

October 31st

Due date for filing of return of income for the assessment year 2023-24 if the assessee (not having any international or specified domestic transaction) is (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A apply.

October 31st

Audit report under section 44AB for the assessment year 2023-24 in the case of an assessee who is also required to submit a report pertaining to international or specified domestic transactions under section 92E.

October 31st

Report to be furnished in Form 3CEB in respect of international transaction and specified domestic transaction.

Happy to enhance our footprints

Trust at the core of every relationship



Feature Updates

The logo for PayPac, featuring the text "PayPac" in white on a green rounded rectangular background. A small "TM" trademark symbol is positioned to the upper right of the word "Pac".

PayPacTM

Enhanced Employee Self Service Management!

The following feature updates have been made with respect to the following –

Employee Exit management - Outgoing Employees can now view and download their employment related documents such as service letter, relieving letter and payslips.

Employees can now also manage and claim their Out of Pocket Expenses more easily.

Budgeting of out-of-pocket expenses and comparing them with the actuals.

Also, the users can now define custom reimbursement components.

The logo for FAMS, featuring the text "FAMS" in blue on a yellow rounded rectangular background. A small "TM" trademark symbol is positioned to the upper right of the word "FAMS".

FAMSTM

Track and Manage Fixed Assets – Out and Out!

The following feature updates have been made to the web-version with respect to the following –

Trouble-free viewing and printing of Barcodes and QR Codes for asset identification and its related transactions.

Depreciation journal voucher for managing depreciation more effectively.

ALL YOU NEED TO KNOW - FINANCIAL REPORTING OF NON-CORPORATE ENTITIES

Introduction

The quality of financial information reported through the financial statements of any type of business entity depends on whether such information is comparable, understandable, reliable, and relevant for decision-making by a wide variety of users. Good-quality financial information acts as the basis for making better and more informed decisions.

To enhance the quality, comparability and comprehensiveness of financial reporting of a wide spectrum of non-corporate entities, Institute of Chartered Accountants of India (ICAI) has issued '**Guidance Note on Financial Statements of Non-Corporate Entities.**' recommending the formats for financial statements to strengthen and standardize the reporting by such non-corporate entities.

This enables these entities to communicate their financial performance and financial position in standardized formats, thereby enhancing their comparability with other similar entities or with other accounting periods of the same entity.

Effective

The guidance note is effective from **April 1, 2024** i.e., in other words, it is effective for financial reporting for the periods starting on or after April 1, 2024. This guidance note replaces the earlier version "The Technical Guide on Financial Statements of Non-Corporate Entities.

Scope

Non-corporate entities include organizations such as sole proprietorships, partnerships, whether registered or unregistered, hindu undivided families, societies, trusts, associations of persons such as body of individuals, resident welfare associations, statutory corporations, autonomous bodies and authorities, or any form of organization involved in business or professional activities. LLPs have been excluded from the scope of this guidance note as they are incorporated under the Limited Liability Partnerships Act, 2008, and a separate guidance note has been issued by ICAI titled 'Guidance Note on Financial Statements of Limited Liability Partnerships.'

Financial Statements – Components and Formats

A complete set of financial statements usually include

- ⌚ a balance sheet as at the end of financial year,
- ⌚ a statement of profit and loss for the period ending the financial year,
- ⌚ a cash flow statement (wherever applicable), and
- ⌚ notes and explanatory statements.

Financial statements should give true and fair view of the financial performance and financial position, comply with the applicable accounting standards and shall be in the form as provided in the new guidance note which is given below for your advantage and quick reference.

ALL YOU NEED TO KNOW - FINANCIAL REPORTING OF NON-CORPORATE ENTITIES

Part I – Form of Balance Sheet

Name of the Non-Corporate Entity _____

Balance Sheet as at _____

	Particulars	Note No	Figures as at the end of (Current reporting period) (in ₹) (DD/MM/YYYY)	Figures as at the end of (Previous reporting period) (in ₹) (DD/MM/YYYY)
	1	2	3	4
I	OWNERS' FUNDS AND LIABILITIES			
1	Owners' Fund			
	(a) Owners' Capital Account (i) Owners'/Partners' Capital Account (ii) Owners'/Partners' Current Account			
	(b) Reserves and Surplus			
2	Non-current liabilities			
	(a) Long-term borrowings			
	(b) Deferred tax liabilities (net)			
	(c) Other Long term liabilities			
	(d) Long-term provisions			
	Current liabilities			
	(a) Short-term borrowings			
	(b) Trade Payable			
	(c) Other current liabilities			
	(d) Short-term provisions			
	Total			

ALL YOU NEED TO KNOW - FINANCIAL REPORTING OF NON-CORPORATE ENTITIES

II	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment and Intangible Assets			
	(i) Property, Plant and Equipment			
	(ii) Intangible Assets			
	(iii) Capital work-in-progress			
	(iv) Intangible assets under development			
	(b) Non-Current Investments			
	(c) Deferred tax assets (net)			
	d) Long-term loans and advances			
	(e) Other non-current assets			
2	Current Assets			
	(a) Current investments			
	(b) Inventories			
	(c) Trade receivables			
	(d) Cash and bank balances			
	(e) Short-term loans and advances			
	(f) Other current assets			
	Total			

See accompanying notes which form part of the financial statements.

ALL YOU NEED TO KNOW - FINANCIAL REPORTING OF NON-CORPORATE ENTITIES

Part II – Form of Statement of Profit and Loss

Name of the Non-Corporate Entity _____
Statement of Profit and Loss for the year ended _____

	Particulars	Note No	Figures as at the end of (Current reporting period) (in ₹) (DD/MM/YYYY)	Figures as at the end of (Previous reporting period) (in ₹) (DD/MM/YYYY)
	1	2	3	4
I	Revenue from Operations			
II	Other income			
III	Total Income (I+II)			
IV	Expenses			
	Cost of material consumed			
	Purchase of Stock-in-Trade			
	Changes in inventories of finished goods, Work-in-progress and Stock-in-Trade			
	Employee benefit expenses			
	Depreciation and amortization expense			
	Finance Cost			
	Other Expenses			
	Total Expenses			
	Profit before exceptional and extraordinary items, partners' remuneration and tax (III-IV)			
	Exceptional items			
	Profit before extraordinary items, partners' remuneration and tax (V-VI)			

ALL YOU NEED TO KNOW - FINANCIAL REPORTING OF NON-CORPORATE ENTITIES

VIII	Extraordinary items			
IX	Profit before partners' remuneration and tax (VII-VIII)			
X	Partners' Remuneration			
XI	Profit before tax (IX-X)			
XII	Tax Expense			
	(i) Current tax			
	(ii) Deferred tax			
XII	Profit (Loss) for the period from continuing operations (XI-XII)			
XIV	Profit/(loss) from discontinuing operations			
XV	Tax expense of discontinuing operations			
XVI	Profit/(loss) from discontinuing operations (after tax)			
XVII	Profit/ (Loss) (XIII+XVI)			

See accompanying notes which form part of the financial statements.

The official guidance note issued by the ICAI can be accessed at the link below —
<https://resource.cdn.icai.org/75516asb61093-a.pdf>

Conclusion

The use of standardized formats as prescribed by the new guidance note improves transparency, accountability, and efficiency in reporting financial information for a variety of non-corporate entities going forward, which helps their various stakeholders, including potential or existing investors, domestic or international.



Usher in the efficiency in operations
with Automation.

Act Smart!

TdsPac™

PayPac™

FAMS™

26AS Reconciler™

PO Module

Email ID :
sales@fastfacts.co

Contact no :
+91 98940 87264