



The Institute of Chartered Accountants of India
(Setup by an Act of Parliament)

TIRUPUR BRANCH (SIRC)



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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

TIRUPUR BRANCH (SIRC)

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Views expressed herein are the opinion of the respective authors and not that of the branch or the Managing / Newsletter committee.

Your views / suggestions / comments are welcome. Kindly send your queries to tiruicai@gmail.com

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Dear Professional Colleagues,

Greetings to all of you!

As the summer sun warms our days, I am delighted to reach out to you through our June newsletter. The past month has been an eventful period for the ICAI Tirupur Branch, marked by a series of enriching and engaging activities. I am pleased to share some highlights with you and provide a glimpse of the exciting events we have planned for June.



We held a wonderful Residential Refresher Course in Wayanad with the Chengalpattu District Branch. It was a great mix of learning and relaxation, allowing us to develop our skills and network with others in a beautiful setting.

Our workshop on ChatGPT explored how AI can improve our work in accounting and auditing. Members learned how to use this technology to be more productive and efficient.

The Peer Review Seminar highlighted the importance of maintaining high professional standards. We discussed updates and best practices to ensure we continue to uphold the integrity of our profession.

Looking ahead to June, we have several exciting events planned:

I am pleased to inform that the President of the Institute of Chartered Accountants of India, CA Ranjeet Kumar Agarwal will be visiting the Tirupur Branch on 16th June 2024. He will be delivering a talk on "Discussion on Current Development in Profession and Vision 2047."

In light of this significant occasion, I cordially invite all members to attend and participate in this event. The President's address will provide valuable insights into the latest developments and trends in the accounting profession, as well as ICAI's strategic roadmap for the future.

Join us for our Foundation Day Seminar to celebrate our achievements and hear from distinguished speaker about topic. I am delighted to note that SIRC Chairperson CA Geetha A B will be participating as the Chief Guest for the Foundation Day celebration.

We will host a series of GST Refresher Seminars to keep everyone updated on the latest changes and compliance requirements in GST.

I encourage all members to motivate their students to attend the Students State Level Conference. It's a great chance for them to learn, network, and showcase their talents.

Thank you all for your active participation and support. The success of our branch is due to your dedication and enthusiasm. As we continue to grow, your involvement is our greatest asset.

Let's look forward to another month of growth, learning, and community. Together, we can achieve great things and uphold the proud tradition of our profession.

With Best Regards,

CA. Senthilkumar K C
Chairman

Tirupur Branch (SIRC)

June 2024

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Forthcoming Programs

Date	Day & Timing	Program	CPE Hours	Speaker/Guest	Venue
03.06.2024	Monday 10.00 am to 1 pm	Foudation Day Celebration CPE Seminar	3	CA A B Geetha, Chairperson, SIRC of ICAI & CA Gopal Krishna Raju, Past Regional Council Member, SIRC of ICAI	ICAI Bhawan Tirupur
10.06.2024	Monday 5.00 pm to 8.00 pm	CPE Seminar on GST - Audit, Inspection and Investigation	3	CA T R Srinivasan Chennai	ICAI Bhawan Tirupur
12.06.2024	Wednesday 5.00 pm to 8.00 pm	CPE Seminar on GST - Show Cause Notices and Reply to Notices	3	CA T R Rajesh, Bengaluru	ICAI Bhawan Tirupur
13.06.2024	Thursday 5.00 pm to 8.00 pm	CPE Seminar on GST - Drafting of Appeals and Appearing Before Authorities	3	CA V.Prasanna Krishnan, Chennai	ICAI Bhawan Tirupur
14.06.2024	Friday 5.00 pm to 8 pm	CPE Seminar on GST - Offences and Penalties	3	CA B Ganesh Prabhu, Chennai	ICAI Bhawan Tirupur
16.06.2024	Sunday 3.00 pm to 5.00 pm	Meet the President of ICAI - Discussion on Current Development in Profession and Vision 2047	-	CA Ranjeet Kumar Agarwal, President, ICAI	ICAI Bhawan Tirupur
21.06.2024	Friday 7.00 am to 8 am	International Yoga Day Celebration	-	Yet to finalise	ICAI Bhawan Tirupur
28.06.2024 & 29.06.2024	Friday & Saturday 9.00 am to 5.00 pm	State Level CA Students Conference	-	CA K Ravi, CA Dokania Manojkumar, CA P Raja, C M Vishnukumar, CA Shandip Sabapathy, CA S Rajeshkannan, CA B Saravana Prasath, Dr S Shenbaganathan, CA Survajith Krishnan, CA Lakshmanan	ICAI Bhawan Tirupur
30.06.2024	Sunday 6.00 am	Viksit Bharath Run	-	Yet to finalise	Yet to finalise

Company Audit 2023-24
- CA Jomon K George, Cochin



We are at the threshold of the 2023-24 company audit season. The recent changes in presentation and reporting requirements need to be understood and applied by corporates and company auditors.

The Key Aspects in this regard are :

- Statutory Framework (Chapter X – CA 2013)
 - Professional Pronouncements (Accounting & Auditing Standards)
 - Specific Reporting Requirements (CARO, ICOFR etc..) with the following focus areas :
 - True & Fair
- Format of FS
 - AS Compliance
 - Internal Controls
 - Informed Reporting

Conduct of the Audit in total compliance with Standards on Auditing (mandatory – ICAI & The Companies Act 2013 – Section 143(9))

What's New

- Schedule III - Revised format (Section 129)
- CARO 2020
- Mandatory Nature of Auditing Standards
- **Audit Trail**

Schedule III – Major Changes

- ❖ Rounding off made mandatory (00s to Crs).
- ❖ The term “Property Plant & equipment” in place of Tangible Assets.
- ❖ Disclosure of Promoters Shareholding.
- ❖ Ageing & date of Completion of Capital WiP/Intangibles under Development
- ❖ Current Maturities of LT borrowings to be under ST Borrowings.
- ❖ Ageing of Trade Payables (MSME)

(<1 yr, 1-2 yrs, 2-3 yrs, MT 3 yrs)

- ❖ Ageing of Trade Receivables (Disputed separately)

(< 6 months, 6m-1 yr, 1-2 yrs, 2-3 yrs, MT 3 yrs)

- ❖ Details of Immovable Properties not held in the name of the company
- ❖ Whether revaluations if any has been done by a Registered Valuer u/s 247.
- ❖ Amount of change on Revaluation, if more than 10% of the NCV.
- ❖ Utilisation of Borrowings.
- ❖ Whether Quarterly Returns of Current assets filed with banks are in agreement with Books of Account
- ❖ Whether the company has been declared a Wilful Defaulter
- ❖ Whether registration/satisfaction of charges have been filed on time.
- ❖ Details of Loans & Advances to RPs...
- ❖ Whether any proceedings have been initiated against the company under The Benami Transactions (Prohibition) Act.
- ❖ Whether the company has acted as an intermediary in a Money Laundering Transaction
- ❖ Details of Transactions with Struck off Companies.
- ❖ Whether the provisions of Section 2(87) on No. of Layers have been complied with.
- ❖ Full details of CSR expenses .. Spent/Unspent etc..
- ❖ Details of Crypto Transactions, if any
- ❖ **Ratios with explanation for items included in numerator & denominator and reasons for 25% or more variation as compared to Previous Year**
 - Current Ratio
 - Debt-Equity Ratio
 - Debt Service Coverage Ratio
 - Return on Equity Ratio
 - Inventory turnover Ratio
 - Trade Receivables turnover Ratio
 - Trade payables turnover ratio

- Net capital turnover ratio
- Net profit ratio
- Return on Capital Employed
- Return on Investment

In the Profit & Loss Account

Total Revenue is replaced with Total Income.

Grants/Donations received included (Sec 8 Cos).

To give details of unrecorded transactions surrendered/disclosed in IT assessments.

CARO 2020

(Notified on 25th February, 2020 Applicable from FY 2021-22)

Overview of the Order	
New Clauses (including 2 re-introduced)	7
Modified Clauses	7
Retained Clauses	7
Total	21
Sub Clauses	47

Summary of Changes

Newly Added (Clauses)(7)	Modified (Clauses) (7)	Retained (Clauses)(7)
Transaction Not recorded in Books	Fixed assets	Acceptance of deposits
Ability of Company to meet its Liabilities CSR - Transfer of Unspent Amount to Fund	Inventory	Maintenance of cost records
CSR - Transfer of Unspent Amount to Fund	Repayment of Loans granted by company	Loans, Investments, securities & guarantee's - Sec 185 & 186
Statutory Auditor Resignation	Default in repayment of dues	Application of funds raised
CFS: reference to negative remarks in Subsidiary CARO	Reporting of frauds	Related Party Transactions
Internal Audit System (CARO 2003)	Nidhi Company	Non-Cash Transactions
Cash Loss (CARO 2003)	Registration with RBI	Payment of statutory dues

APPLICABLE FROM	APPLICABLE TO	NOT APPLICABLE TO
Financial year commencing on or after 1st April, 2021.	Every company including a foreign company as defined in section 2(42) of the Companies Act, 2013.	Banking company
		Insurance company
	Government Company	Section 8 company
		One person company
Branches	Small company under section 2(85) of Companies Act, 2013*	

CFS: Report on negative remarks of Auditors Report (CARO) of Subsidiaries.

New Clause 1

Internal Audit System (xiv)

(a) whether the company has an internal audit system commensurate with the size and nature of its business; ***(Re-introduced from CARO 2003)***

(b) whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor

New Clause 2

Cash Loss (xvii)

Whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses ***(Re-introduced from CARO 2003)***

New Clause 3

Unrecorded Income (viii)

Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year.

New Clause 4

Resignation of Statutory Auditor (xviii)

Whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;

New Clause 5

Capability of meeting its liabilities (xix)

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

New Clause 6

Ttransfer of unspent CSR amounts to fund (xx)

(a) whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

(b) whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub- section (6) of section 135 of the said Act.

New Clause 7

CARO remarks of other auditors – CFS (xxi)

Whether there have been any qualifications or adverse remarks by the respective auditors in the CARO reports of the *companies included* in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.

Cash Flow Statements

All companies except Small, Dormant & OPCs must prepare Cash Flow Statements

Auditor to report on the Cash Flow statements too...

Depreciation

Schedule II with detailed list of assets and useful lives. Residual Value Percentage fixed @ 5%

Component Accounting introduced ...For Intangible Assets, AS 26 to apply...

Accounting Standards

All ASs (29-2) will apply.

Please refer Companies (Accounting Standards) Rules 2021.

ASs 15, 16, 18, 22, 26 etc.... Special care

IFC Reporting (ICOFR)

Small companies and companies with Turnover < 50 Crs and Borrowing < 25 Crs are exempt provided they are compliant in filing returns.

Other Reporting Requirements 143 (3) (f) & (h)

-Any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.

-Observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company..

-Impact of Pending Litigations on Financial Position

-Provision as required by AS for material foreseeable losses on long term contracts including derivative contracts have been made.

-Delay if any in transferring funds to IEPF.

AUDIT TRAIL

Section 143(3) of the Companies Act, 2013 provides various matters on which auditors are required to report in their auditor's report. Clause (j) of Section 143(3) states that auditor's report shall also state such other matters as may be prescribed.

Rule 11 of the Companies (Audit and Auditors) Rules, 2014 specifies such other matters that are to be reported by the auditor.

The Ministry of Corporate Affairs (MCA) vide its notification No. GSR 206(E) dated March 24, 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021" read with sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred as "the Act") introducing new Rule 11(e), new Rule 11(f) and new Rule 11(g) and deleting Rule 11(d).

Rule 11(g) is reproduced below:

"Whether the company, in respect of financial years commencing on or after the 1st April, 2022, has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention."

This reporting requirement is applicable from April 1, 2023 ie. from the financial year 2023-24.

DUE DATES CHART FOR THE MONTH OF JUNE 2024:**GST Due Dates:**

Date	Period	Form No	Description
10-06-24	May, 24	GSTR-7	Summary of Tax Deducted at Source (TDS) and deposited under GST laws for the month of May, 2024
10-06-24	May, 24	GSTR-8	Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST laws for the month of May, 2024
11-06-24	May, 24	GSTR-1	Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme for the quarter of Apr - June, 24
13-06-24	May, 24	GSTR-6	GSTR 6 is a monthly return for Input Service Distributors (ISD) to provide the details of their inward supplies & distributed Input Tax Credit (ITC).
13-06-24	May, 24	IFF	Invoice Furnishing is an optional facility which enables the small registered person, furnishing the quarterly Form GSTR-1, to file their invoice details on monthly basis.
13-06-24	May, 24	GSTR-5	Summary of outward taxable supplies and tax payable by a non-resident taxable person
20-06-24	May, 24	GSTR-5A	Summary of outward taxable supplies and tax payable by a person supplying OIDAR services
20-06-24	May, 24	GSTR-3B	Summary of outward supplies, ITC claimed, and net tax payable for taxpayers with turnover more than Rs.5 crore in the last FY or have not chosen the QRMP scheme for the quarter of Apr - June, 24
25-06-24	May, 24	PMT -06	Due Date of Payment of Tax for the month of May2024 for Taxpayers Opting for the QRMP Scheme.

Income Tax:

Date	Period	Form No.	Description
07-06-24	May, 24	TDS/TCS Payment	Due date for deposit of Tax deducted/collected for the month of May, 2024. However, all the 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
14-06-24	Apr, 24	Issue of TDS Certificate- 194-IA, 194IB, 194M, 194S	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M, 194S in the month of April, 2024
15-06-24	FY 23-24	Form 16	Furnishing of TDS certificate to employees in respect of salary paid and tax deducted during the previous year 2023-24
15-06-24	FY 23-24	Form 64D	Annual statement of income distributed during the Financial Year 2023-24 by Alternative investment fund (AIF)
15-06-24	FY 24-25	Advance Tax	Payment of first instalment of advance tax for the assessment year 2025-26 (for any assessee other than the person who is covered under Section 44AD or Section 44ADA) (Challan No.280)
15-06-24	Jan – Mar 24	Form 16A	Furnishing of TDS certificates in respect of tax deducted (from payments other than salary) for the quarter ending March 31, 2024
15-06-24	May, 24	Form 24G	Due date for furnishing statement by an office of the Government where TDS/TCS for the month of May, 2024 has been paid without the production of a challan
15-06-24	May, 24	Form No. 3BC	Due date for furnishing statement by a recognised association in respect of transactions in which client codes been modified after registering in the system for the month of May, 2024

15-06-24	May, 24	Form no. 3BB	Due date for furnishing statement in Form no. 3BB by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of May, 2024
29-06-24	FY 23-24	Form 49D	Electronically submission of information pertaining to any transfer of the share of, or interest in, a foreign company/entity as referred to in Explanation 5 to section 9(1)(i), which takes place during the Financial Year 2023-24
29-06-24	FY 23-24	Form 3CEK	Statement under Section 9A(5) pertaining to an eligible investment fund for the Financial Year 2023-24
30-06-24	FY 23-24	Form 1, Form 2, Form 2A	Return in respect of securities transaction tax for the Financial Year 2023-24 (STT)
30-06-24	FY 23-24	Form 58C or Form 58D	Report by an approved institution/public sector company under Section 35AC(4)/(5) for the year ending March 31, 2024 (PGBP)
30-06-24	FY 23-24	Form 64B	Annual statement of income distributed by a business trust to unit-holders pertaining to the Financial Year 2023-24 (AIF)
30-06-24	FY 23-24	Form 64C	Annual statement of income distributed by investment fund to unit-holders pertaining to the Financial Year 2023-24 (AIF)
30-06-24	FY 23-24	Form 1	Electronically submission of annual return of equalisation levy pertaining to the Financial Year 2023-24
30-06-24	FY 23-24	Form 64F	Annual statement pertaining to income distributed during the year 2023-24 by a securitisation trust
30-06-24	FY 23-24	Form 3AF	Furnishing of the statement containing the particulars of expenditures specified under Section 35D(2)(a) (if the assessee is required to submit return of income by July 31, 2024)
30-06-24	FY 23-24	Form 10CCF	Deductions Section 80LA(3)
30-06-24	Jan – Mar 24	Form 26QAA	Furnishing of return of non-deduction of tax at source by a banking company from interest on time deposit in respect of the quarter ending March 31, 2024
30-06-24	May, 24	TDS Pay- 194-IA, 194-IB, 194M, 194S	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M in the month of May, 2024
30-06-24		Form 10AB	Filing of application in Form 10AB for conversion of provisional registration/approval into regular registration/approval for trusts or institutions under Section 10(23C), Section 12A, or Section 80G
30-06-24		Form 10A	Application for registration, approval, or notification of trusts, organizations, or research associations under Section 10(23C), Section 12A, Section 35, or Section 80G. This applies to trusts, organizations, or research associations that were already approved under these sections before the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020.

ROC:

Date	Period	Form No.	Description
30-06-24	FY 23-24	DPT – 3	Return of deposit or particulars of transaction not considered as deposit or both (For the Companies which has outstanding)

PF & ESIC:

Date	Period	Form No.	Description
15-06-24	May, 24	PF & ESIC	PF deducted from the Employees salary in the month of May 24, needs to be paid on or before 15th of June, 2024 The payment of ESIC is made by every employer to the ESIC department on a monthly basis.

PHOTO GALLERY



Residential Refresher Course on 02nd May – 04th May 2024 at Wayanad, Kerala



One Day CPE Workshop on 10.05.2024



CPE Seminar on 13.05.2024



One Day CPE Seminar on 17.05.2024



Financial Literacy Drive on 22.05.2024



**CPE Seminar on 24.05.2024
Tirupur Branch (SIRC)**



**Information Systems Audit Course 25.05.2024
June 2024**