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(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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Dear Professional Colleagues,

Greetings and a very Happy Independence Day to all!

As we usher in the month of August, let us take a moment to reflect on our collective achievements and look forward to the exciting opportunities ahead.

July marked the successful conclusion of income tax return filings for non-audit cases. I commend the dedication and hard work of all members involved in this critical process, ensuring compliance and maintaining our professional standards.



We celebrated the 76th CA Day with great enthusiasm and pride. The grand celebrations reflected our unity, achievements, and the enduring spirit of our community. It was a moment to honor our legacy and to envision the future of our profession.

Our commitment to social responsibility was once again evident in the successful organization of a blood donation camp. The event saw commendable participation from our members and students, showcasing our collective effort to give back to society and support those in need.

July was a month dedicated to the knowledge enhancement of our members. We conducted numerous programs aimed at keeping our members updated with the latest developments in the field. These initiatives are crucial for maintaining the high standards of our profession and ensuring that we remain at the forefront of industry knowledge.

A landmark event was the Super Mega Career Guidance Program held at Jaivabai Municipal Girls Higher Secondary School, Tirupur, which saw an impressive turnout of 5500 students. This program provided invaluable guidance to students, helping them make informed career choices. I extend my heartfelt gratitude to the Career Counselling Committee and Chairman CA P. Rajendrakumar for gracing the occasion. A special thanks to all the career counsellors who participated and contributed to the success of this event.

As we move forward, members will be deeply engaged in company audits and tax audits. These are crucial tasks that require our utmost diligence and expertise.

I am pleased to inform that the SIRC Conference "Jignasa" will be held on the 9th and 10th of August 2024 in Bengaluru. This conference is an excellent opportunity for learning, networking, and professional growth. I urge all members to register and participate in this significant event.

We have planned several Continuing Professional Education (CPE) seminars focusing on tax audits and trust audits. Additionally, we are organizing workshops on tax audits specifically designed for article assistants and audit assistants. These sessions aim to equip our members and students with the latest knowledge and practical skills needed to excel in their roles.

In our ongoing efforts to support young members in practice, we are organizing a Residential Refresher Course.

This course is designed to help young professionals gain practical insights and knowledge that will aid them in establishing successful practices. I encourage our young members to take advantage of this valuable opportunity.

Let us continue to strive for excellence and uphold the values of our esteemed profession. Together, we can achieve greater heights and make a lasting impact.

With Best Regards,

CA. Senthilkumar K C
Chairman
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)
Tirupur Branch (SIRC)

Forthcoming Programs

Date	Day & Timing	Program	CPE Hours	Speaker/Guest	Venue
02.08.2024	Friday 5.00 pm to 8.00 pm	CPE Seminar on Company Audit	3	CA Sripriya Kumar, CCM	ICAI Bhawan Tirupur
05.08.2024	Monday 6.00 pm to 8.00 pm	Study Circle Meeting on Tax Audit	-	TBA	ICAI Bhawan Tirupur
15.08.2024	Thursday 9.30 am	Independence Day Celebration	-	Flag Hoisting	ICAI Bhawan Tirupur
16.08.2024	Friday 5.00 pm to 8.00 pm	CPE Seminar on Income Tax - Tax Audit	3	CA P M Veeramani , Cochin	ICAI Bhawan Tirupur
17.08.2024	Saturday 5.00 pm to 8.00 pm	International Financial Literacy Day Celebration	-	Chief Guest: Shri.A.Karthikeyan, Chairman, A.V.P. Educational Institutions	ICAI Bhawan Tirupur
25.08.2024 & 26.08.2024	Sunday & Monday	Young Member Residential Refresher Course	8	TBA	TGI Star Holiday Resort, Yercaud, Salem
29.08.2024	Thursday 10.30 am to 12.30pm	Super Mega Career Counselling Programme	-	TBA	TBA
30.08.2024	Friday 5.00 pm to 8.00 pm	CPE Seminar on Taxation of Charitable Trusts - Recent Developments and Practical Issues	3	CA Prasanth Srinivas, Kottayam	ICAI Bhawan Tirupur

Budget through a Bird's Eye View – Beyond the Taxation Aspects & Fresher Avenues for CAs

- CA S Sundarraman & CA J R Shravana Deepan

Many of you would have already familiarized with the taxation related amendments and proposals in the budget. Most people tend to miss the forest for the trees, by reducing the budget reading to just direct and indirect tax proposals. That is something I would like to harp upon in this write-up. Though that is a vast subject, I will try my best to be succinct.

Imagine a skilled gardener planting a vast array of seeds in a garden. To ensure a bountiful harvest in the future, the gardener doesn't merely focus on watering the plants (funding) and removing weeds (efficiency in utilisation) in the present; instead, they carefully select diverse seeds (future sectors), prepare the soil meticulously (roadmap), and plan for the seasons ahead. This forward-thinking approach, with its emphasis on long-term benefits and thoughtful preparation, mirrors the essence of economic reforms.

Just as the gardener's foresight in planting and nurturing diverse seeds shapes the future of the garden, so too do economic reforms, through their strategic planning and visionary outlook, shape the future of a nation's economy. They are not about immediate gains but about setting the stage for sustainable growth and prosperity.

Focus Areas

In her budget address, the finance minister underscored four primary focal points: job creation, skills enhancement, support for MSMEs and initiatives for the middle class.

- 1. Job Creation** The first focus area is on generating employment in the formal sector. The strategy involves three key measures:
 - The government will subsidize the first month's salary for new employees.
 - Businesses that generate new positions will receive government support for two years' worth of provident fund contributions.
 - In the manufacturing sector, the government will extend coverage to four years of provident fund contributions for both employees and employers. These measures are anticipated to create job opportunities for around 30 million individuals, addressing the current gap in job availability for the educated workforce.
- 2. Skills Enhancement** The second focal point is on advancing skill development. This includes the modernization of 1,000 industrial training institutes, which aims to equip 2 million individuals with new skills over the next five years. Additionally, the budget provides educational loans to 125,000 students.
- 3. Support for MSMEs** The third theme centers on bolstering the MSME sector. This includes government-backed guarantees for consistent bank loans, instructions for banks to approve loans based on internal assessments rather than external credit ratings, a dedicated fund to assist MSMEs during economic downturns, and an increase in the MUDRA scheme's maximum loan limit from ₹1 million to ₹2 million.

4. **Middle-Class Support** The fourth theme is dedicated to the middle class. It includes an annual income tax relief of ₹17,500, along with significant savings from last year's new scheme. There is also a ₹10 trillion housing initiative aimed at benefiting one crore urban middle-class families and providing loan opportunities for overseas education.

A wonderful savings initiative has slipped through the media glare for middle class, NPS-Vatsalya, a plan for contribution by parents and guardians for minors will be started. On attaining the age of majority, the plan can be converted seamlessly into a normal NPS account.

In addition to these core areas, the budget includes notable elements such as a plan to establish one million certified natural farmers with continuous marketing structures and an allocation of ₹11.11 trillion for infrastructure development. This investment is crucial for fostering job creation and the effective execution of various schemes. Since 2014, a strong emphasis on infrastructure has been a cornerstone of industrial growth and has significantly contributed to economic expansion. While the Finance Minister emphasized these core themes due to present political considerations, there are several important long-term aspects of the budget that have not been highlighted prominently.

Let's delve into some of these key elements.

1. Global Pollution Control Commitment: India has pledged to meet pollution reduction targets by 2070, focusing on reducing thermal power usage and pollution.
2. Clean Energy Investments:
 - a. Nuclear Power: Allocation increased from ₹442 crore to ₹2,228 crore for research and development of small nuclear power plants.
 - b. Solar Power: Budget doubled from ₹4,970 crore to ₹10,000 crore to support clean energy production.
 - c. Semiconductor Industry: Funding doubled from ₹3,000 crore to ₹6,000 crore, recognizing its importance for future technology.
 - d. PM Surya Ghar Muft Bijli Yojana – Harness solar energy 1 crore households obtain free electricity up to 300 units every month. to increase the share of solar rooftop capacity and empower residential households to generate their own electricity. The scheme has an outlay of Rs 75,021 crore and is to be implemented till FY 2026-27
3. Focus on R&D and innovation:
 - a. Financing pool of Rs. 1 lakh crore - Anusandhan National Research Fund for basic research and prototype development.
 - b. Research and Development: Allocation raised from ₹840 crore to ₹1,200 crore to boost innovation.
 - c. Space Economy – 1,000 crore venture capital fund created
4. Next Generation Reforms that will spring into action in the future that have been just mentioned in the budget
 - a. A new Economic Policy Framework to drive next-generation reforms
 - b. Encouragement of Land-related reforms by state governments
 - c. Urban Land related reforms including ULPIN & Rural Land related actions (Bhu-Aadhar)
 - d. Shram Suvidha & Samadhan Portal – enhance ease of compliance for industry and trade.

- e. Financial sector vision and strategy document to be prepared
- f. Taxonomy for climate finance

5. Current Needs that are continued to support baseline population as a springboard to better opportunities:

- a. Rural Employment Scheme: Allocation increased by 60%, from ₹60,000 crore to ₹86,000 crore.
- b. Free Cooking Gas Scheme: Budget expanded tenfold, from ₹180 crore to ₹1,800 crore.
- c. Free Food Distribution Program: Continued support for the underprivileged, initially introduced during the COVID-19 pandemic
- d. Extension of Awaz Yojana - PM Awas Yojana- 3 crore additional houses under the PM Awas Yojana.
- e. Full saturation of basic amenities among five crore Scheduled Tribe families in 63,000 villages
- f. More benefits to poor and middle class?

When compared with previous year's budget, MNREGA Allocation has increased by 40% to Rs. 86,000 crores and LPG DBT allocation has increased 10 times to Rs. 1,500 crores indicating more relief to poor and middle class through subsidy.

States to be incentivized to reduce stamp duty especially for properties purchased by women.

Why are we borrowing and how is it different?

A pressing question often debated by CAs and economists is whether government borrowing is directed towards development projects or non-development expenses like subsidies and freebies. In the current budget, the government has earmarked ₹15 lakh crore for development expenditures. This year, the Modi administration plans to borrow ₹16 lakh crore, indicating that approximately 94% of the borrowing is allocated to development purposes. This reflects a clear shift towards prioritizing development.

In contrast, during the UPA regime, the borrowing pattern was different. For the fiscal year 2013-14, the UPA government borrowed ₹5.42 lakh crore. Of this, only ₹3 lakh crore (55%) was allocated to development spending, while the remaining ₹2.42 lakh crore was used for non-development purposes, including subsidies and freebies. This contrast underscores the Modi government's focus on development through its borrowing strategy.

Wish to share certain data shared by senior CA and journalist Gurumoorthy in his budget analysis recently:

Metrics	UPA Regime[2009-2014]	Modi Regime[2014-2024]
Development Expenses	32000 Crores Per Annum	4.43 Lakh Crores per annum– 14 times more
Wealth Acquisition	2.6 Lakh Crores per annum	32 Lakh Crores per annum 12 times more

Increase in forex reserves	Increase in forex reserves	\$350Billion Per annum – 32 times more
Decrease in Bank Non-Recoverable / Bad Debts	11%	11%

Opportunities for CAs

- Start-up momentum is here to stay.
 - With the start-up ecosystem expanding rapidly, there is an increasing demand for advisory services tailored to new ventures. Fresh opportunities for CAs lie in providing comprehensive advisory services to start-ups, including guidance on various incentives and benefits available to them.
 - This involves familiarizing oneself with government schemes such as TREDS (Trade Receivables Discounting System), DPIIT (Department for Promotion of Industry and Internal Trade) requirements, and other benefits that start-ups can leverage.
 - By assisting start-ups in navigating these incentives, CAs can play a critical role in helping them secure funding, streamline operations, and achieve growth milestones.
 - This advisory role not only enhances the CAs' involvement in dynamic and innovative sectors but also establishes their reputation as valuable partners in the start-up ecosystem.

- Climate reporting, a hidden gem
 - A move towards climate finance taxonomy has been announced in the budget. What is it? A climate finance taxonomy is a system that classifies which parts of the economy may be marketed as sustainable investments. It helps guide investors and banks in directing trillions toward impactful investments to tackle climate change.
 - Borrowing from a report in The Indian Express – *“For India, a taxonomy could bring in more climate funds from international sources. Currently, green finance flows in India are falling far short of the country's current needs — they only account for around 3% of total FDI inflows to India, according to the Landscape of Green Finance in India 2022 report, published by Climate Policy Initiative.”*
 - In short, it establishes clear criteria for what qualifies as a green or sustainable investment, such as green bonds or eco-friendly projects. This system ensures transparency and helps in directing financial resources toward initiatives that effectively address climate change and reduce environmental impact.
 - The taxonomy provides a framework for compliance with climate finance regulations and reporting standards, enabling CAs in accurate and transparent financial reporting and documentation.
 - CAs can offer services such as sustainability reporting, compliance with green finance regulations, and advisory on environmental impact assessments.
 - By integrating sustainability into their practice, CAs can align with global trends and cater to the growing demand for transparent and responsible business practices.
 - This expansion into sustainability not only aligns with current global priorities but also positions CAs as forward-thinking professionals who are essential in guiding businesses through the complexities of green finance.

■ Energy Audit - the new vertical?

- The recent budget has allocated significant financial support to transition micro and small industries to cleaner forms of energy. This presents a burgeoning opportunity for Chartered Accountants to expand into the field of energy audits.
- As businesses seek to comply with new environmental regulations and optimize their energy usage, CAs can leverage their expertise to offer energy audit services. This new vertical involves evaluating energy consumption, identifying areas for improvement, and advising on the implementation of cleaner technologies.
- By becoming early adopters in this area, CAs can position themselves as experts in a growing field, enhancing their professional portfolio and tapping into a new revenue stream.

DUE DATES CHART FOR THE MONTH OF AUGUST 2024:

GST Due Dates:

Date	Period	Form No	Description
10-08-24	July, 24	GSTR-7	Summary of Tax Deducted at Source (TDS) and deposited under GST laws for the month of July, 2024
10-08-24	July, 24	GSTR-8	Summary of Tax Collected at Source (TCS) and deposited by e-commerce operators under GST laws for the month of July, 2024
11-08-24	July, 24	GSTR-1	Summary of outward supplies where turnover exceeds Rs.5 crore or have not chosen the QRMP scheme for the quarter of July - Sep, 24
13-08-24	July, 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).
13-08-24	July, 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.
13-08-24	July, 24	GSTR-5	Summary of outward taxable supplies and tax payable by a non-resident taxable person
20-08-24	July, 24	GSTR-5A	Summary of outward taxable supplies and tax payable by a person supplying OIDAR services
20-08-24	July, 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 July - Sep, 24
25-08-24	July, 24	PMT -06	Due Date of Payment of Tax for the month of July 2024 for Taxpayers Opting for the QRMP Scheme.

Income Tax:

Date	Period	Form No.	Description
07-08-24	July, 24	TDS/TCS Payment	Due date for deposit of Tax deducted/collected for the month of July, 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
14-08-24	Jun, 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 June, 2024
15-08-24	Apr-Jun 24	Form 16A	Furnishing of TDS certificates in respect of tax deducted (from payments other than salary) for the quarter ending June 30, 2024
15-08-24	July, 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 July, 2024
15-08-24	July, 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 July, 2024
15-08-24	July, 24	Form 24G	Last day for furnishing Form 24G by government offices for TDS or TCS payment in June 2024 without challan.
30-08-24	July, 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, 194S in the month of July, 2024
31-08-24	FY 23-24	Form 9A	Exercising the option available under Explanation to Section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income by October 31, 2024)
31-08-24	FY 23-24	Form 10	Furnishing of statement to accumulate/ set apart income for future application under section 10(21) or section 11(1) (if the assessee is required to submit return of income on October 31, 2024)

PF & ESIC:

Date	Period	Form No.	Description
15-08-24	July, 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



Chartered Accountants' Day Celebrations on 01.07.2024



Career Counselling Programs on 01.07.2024, 22.07.2024 & 25.07.2024



CPE Seminar on 05.07.2024



Financial & Tax Literacy Drive on 01.07.2024 & 16.07.2024

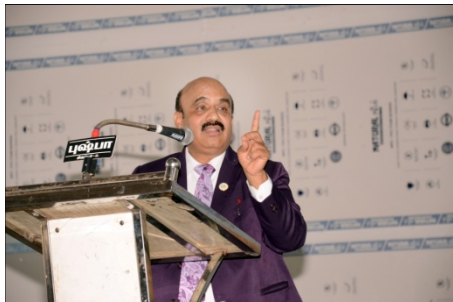


World Youth Skill Day - CPE Seminar on 15.07.2024





ICAI MSME Yatra & CPE Seminar on 07.07.2024



Super Mega Career Counselling Programme on 15.07.2024



One Day CPE Seminar on 26.07.2024