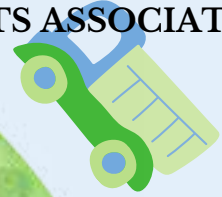


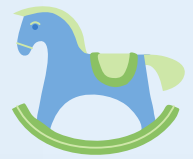
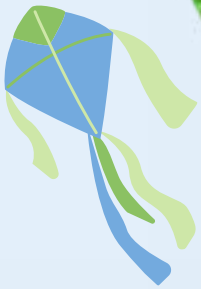
M O N T H L Y N E W S L E T T E R



SOUTHERN INDIA CHARTERED ACCOUNTANTS STUDENTS ASSOCIATION
THIRUVANANTHAPURAM



Rewind



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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
THIRUVANANTHAPURAM

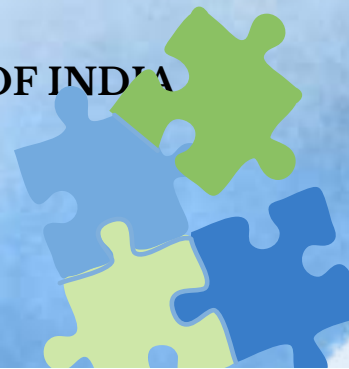


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SICASA Chairperson's Address



Beloved students,

The month of November will be remembered for Children's Day. As we all know we celebrate Children's Day across India on November 14th on the Birthday of our first Prime Minister Pandit Jawaharlal Nehru. It is to raise awareness about the rights, education, and welfare of children.

World Children's Day is celebrated on November 20 annually. The theme for International children's day 2022 is, "Inclusion, for every child". This theme means that every child belonging to any society, community or nationality is entitled to equal right.

For CA students November is the month which determines success or failure in career as a Chartered Accountant. Let all your hardwork come out optimistically at the time of exam...

CA Julie G Varghese
Chairperson
SICASA Thiruvananthapuram.



Secretary's Report



Dear Readers,

I hope all of you have written November 2022 exams well. Now all of you must be in restful mood. I suggest you to engage your upcoming days in knowledge enrichment programmes.

Soon SICASA Thiruvananthapuram will be organizing a seminar on GST Audit. Expecting all of your presence there.

I would like to end by quoting the famous words of Mr Nelson Mandela "The greatest glory in living lies not in never falling, but in rising every time we fall".

Enjoy Reading!!

Karthika K

**Secretary
SICASA Thiruvananthapuram**



Editor's Desk



Here comes our November edition, which is themed as "Children's Day."

November 14 is a day celebrated to honour all children in the world as well as to honour the person who was the epitome of great love towards children and who worked passionately towards their welfare of children. A day where every child can unleash themselves as children, also a day on which we can feel the child in us. And the child within you never really dies. Whenever you wish to meet him, he still runs your way without any grudges. Or rather, leaving behind all the grudges you should simply remember this one thing: you and I both have the child in us alive.

By remembering the great man behind the great day, I wish you all "Happy Children's Day."

Happy Reading



Dhanya L

Editor

SICASA Thiruvananthapuram



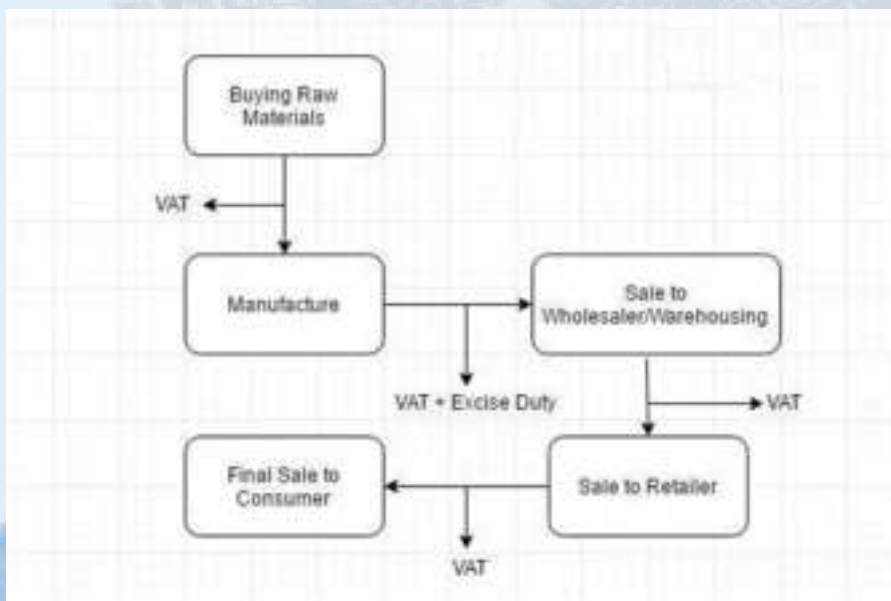
What is GST? and the Impact of GST on the Indian Economy.

-Md Ashir Shamsi
ERO0260258

GST is known as the Goods and Services Tax. It is an indirect tax which has replaced many indirect taxes in India such as the excise duty, VAT, services tax, etc. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017 and came into effect on 1st July 2017.

In other words, Goods and Service Tax (GST) is levied on the supply of goods and services. Goods and Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition. GST is a single domestic indirect tax law for the entire country.

Before the Goods and Services Tax could be introduced, the structure of indirect tax levy in India was as follows:



Under the GST regime, the tax is levied at every point of sale. In the case of intra-state sales, Central GST and State GST are charged. All the inter-state sales are chargeable to the Integrated GST.

Now, let us understand the definition of Goods and Service Tax, as mentioned above, in detail.

Multi-stage

An item goes through multiple change-of-hands along its supply chain: Starting from manufacture until the final sale to the consumer.

Let us consider the following stages:

- Purchase of raw materials
- Production or manufacture
- Warehousing of finished goods
- Selling to wholesalers
- Sale of the product to the retailers
- Selling to the end consumers



Value Addition

A manufacturer who makes biscuits buys flour, sugar and other material. The value of the



inputs increases when the sugar and flour are mixed and baked into biscuits.

The manufacturer then sells these biscuits to the warehousing agent who packs large quantities of biscuits in cartons and labels it. This is another addition of value to the biscuits. After this, the warehousing agent sells it to the retailer.

The retailer packages the biscuits in smaller quantities and invests in the marketing of the biscuits, thus increasing its value. GST is levied on these value additions, i.e. the monetary value added at each stage to achieve the final sale to the end customer.

Destination-Based

Consider goods manufactured in West Bengal, Kolkata and sold to the final consumer in Maharashtra. Since the Goods and Service Tax is levied at the point of consumption, the entire tax revenue will go to Maharashtra and not West Bengal, Kolkata.

Impact of GST on the Indian Economy

GST the biggest tax reform in India founded on the notion of “one nation, one market, one tax” is finally here. The moment that the Indian government was waiting for a decade has finally arrived. The single biggest indirect tax regime has kicked into force, dismantling all the inter-state barriers with respect to trade. The GST rollout, with a single stroke, has converted India into a unified market of 1.4 billion citizens.

The idea behind implementing GST across the country in 29 states and 7 Union Territories is that it would offer a win-win situation for everyone. Manufacturers and traders would benefit from fewer tax filings, transparent rules, and easy bookkeeping; consumers would be paying less for the goods and services, and the government would generate more revenues as revenue leaks would be plugged. Ground realities, as we all know, vary. So, how has GST really impacted India? Let's take a look.

GST- The short-term Impact

From the viewpoint of the consumer, they would now have pay more tax for most of the goods and services they consume. The majority of everyday consumables now draw the same or a slightly higher rate of tax. Furthermore, the GST implementation has a cost of compliance attached to it. It seems that this cost of compliance will be prohibitive and high for the small scale manufacturers and traders, who have also protested against the same. They may end up pricing their goods at higher rates.

What the future looks like

Talking about the long-term benefits, it is expected that GST would not just mean a lower rate of taxes, but also minimum tax slabs. Countries where the Goods and Service Tax has helped in reforming the economy, apply only 2 or 3 rates – one being the mean rate, a lower rate for essential commodities, and a higher tax rate for the luxurious commodities.

Currently, in India, we have 5 slabs, with as many as 3 rates – an integrated rate, a central rate, and a state rate. In addition to these, cess is also levied. The fear of losing out on revenue has kept the government from gambling on fewer or lower rates. This is very unlikely to see a shift anytime soon; The impact of GST on macroeconomic indicators is likely to be very positive in the medium-term. Inflation would be reduced as the cascading (tax on tax) effect of taxes would be eliminated.

The revenue from the taxes for the government is very likely to increase with an extended tax net, and the fiscal deficit is expected to remain under the checks. Moreover, exports would grow, while FDI (Foreign Direct Investment) would also increase. The industry leaders believe that the country would climb several ladders in the ease of doing business with the implementation of the most important tax reform ever in the history of the country.

Summing up

On priority, it is up to the government to address the capacity building amongst the lesser-endowed participants, such as the small-scale manufacturers and traders. Ways have to be found for lowering the overall compliance cost, and necessary changes may have to be made for the good of the masses. GST will become good and simple, only when the entire country works as a whole towards making it successful.

FAR AWAY

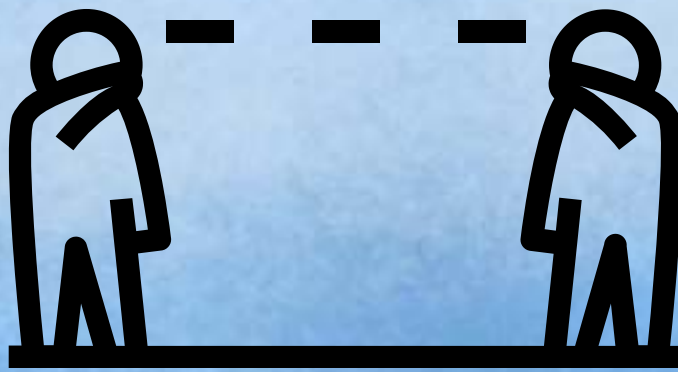
Neither did she speak
Nor did he talk
It was just their moment
She stared at him

He never knew the beautiful eyes
Stuck only onto him
Busy beside his blinking ones
He fails to spot the real glow

Miles away he was shining
So she was, washed in his
Both waned both waxed
Neither did she speak
Nor did he talk



Aiswaryaa Jayakumar
SRO0763004



Why Income Tax?

-Md Ashir Shamsi
ERO0260258

Every citizen in India needs to pay the tax to government on their income, as per the Rules and Regulations of Income Tax Act, 1961. Be whoever you are, an individual or an association, firm, local authority, LLP, or even a Hindu undivided family. Your income for every financial year is taxed according to the Income Tax Laws. That is why filing the Income Tax return on an annual basis is important. To do so, you can choose to file an income tax return either online or offline that suits you best. So, let's move forward to know more about the income tax return and the benefits one can get from it.

What is Income Tax Return?

ITR or Income Tax Return is the form that a person submits to the Income-tax department of India to file information about his or her income and the amount of taxes payable in that particular year. The filed information must apply for a specific financial year between 1st April to 31st March of the following year. Your income can be of many sources, for example, salary, sale of house or property, dividend or capital gains, profit in business, and the interest received, among others. However, if you have paid extra taxes during the year, then the income tax department refunds your money as soon as possible.

What makes filing ITR compulsory?

Income tax rules depict that if you cross the limit of earning, that is, try to get exempted from being taxed by the government, you must file the tax return as per the tax slabs appointed for you each year



•You may be thinking to yourself, "Why should I be concerned about filing my taxes? After all, I don't owe anyone anything. " Well, let me tell you, there are many benefits as well as consequences of filing/not filing an income tax return that can have a huge impact on your life. Here are few of them!

1. **Acts as a crucial document for loans (Bank Finance)**

An individual must provide Income tax return for the previous 3 years while applying for house/ car loan or medical treatment.

2. **Always acts as a legal document**

The income tax return can have immense legal value. As it is recorded with the government, it acts as legal proof in two ways: identity proof and income proof.

3. **Carry Forward of Losses**

You cannot carry forward any losses to next financial year if not filed Income tax return.

4. **Claim Of Refund Of Taxes**

You cannot claim refund of TDS in case you have not filed your Income tax return.

5. **Easy Visa Processing**

The tax return filing ensures in smooth processing of VISA applications, as you may be asked to provide ITR of last couple of years when you apply for visa. Keep your ITR documents handy for hassle-free visa processing.

6. Penalties

The tax authority levy heavy penalties on individuals who do not file Income tax return. Here they are –

•You would be required to pay a penalty of Rs 5000 if you submit a return after the due date. However, if the total income of the person does not exceed Rs 5 Lakhs, the fees payable shall not exceed Rs 1000

- From April of an AY till July, you must pay interest at a monthly rate of 1% on the unpaid tax payable if the amount owing is Rs 10,000 or more. The monthly interest rate will climb to 2% between August and March of the AY.
- If you don't submit your return before the end of an AY, you'll be subject to steep penalties and interest until you do.
- You must pay an additional 25% of the total amount if the return is filed within 12 months of the end of the AY.

So, by now, you must have had a pretty good idea why filing the income tax return is essential. Not only does it help you but also your nation. The tax you pay, the government uses it to build proper infrastructure and also improve the other facilities of the nation, like hospitals, educational institutions, etc.

Therefore, the more you file the return, the more good the government does to you.

INCOME TAX SLABS & RATES FOR FINANCIAL YEAR 2022-2023

Income Slabs (Rs)	Tax Rates (New Regime)	Tax Rates (Old Regime)
Upto Rs 2,50,000/-	Nil	Nil
2,50,001/- to 5,00,000/-	5%	5%
5,00,001/- to 7,50,000/-	10%	20%
7,50,001/- to 10,00,000/-	15%	20%
10,00,001/- to 12,50,000/-	20%	30%
12,50,001/- to 15,00,000/-	25%	30%
15,00,001/- to 20,00,000/-	30%	30%
20,00,000/- to 30,00,000/-	30%	30%

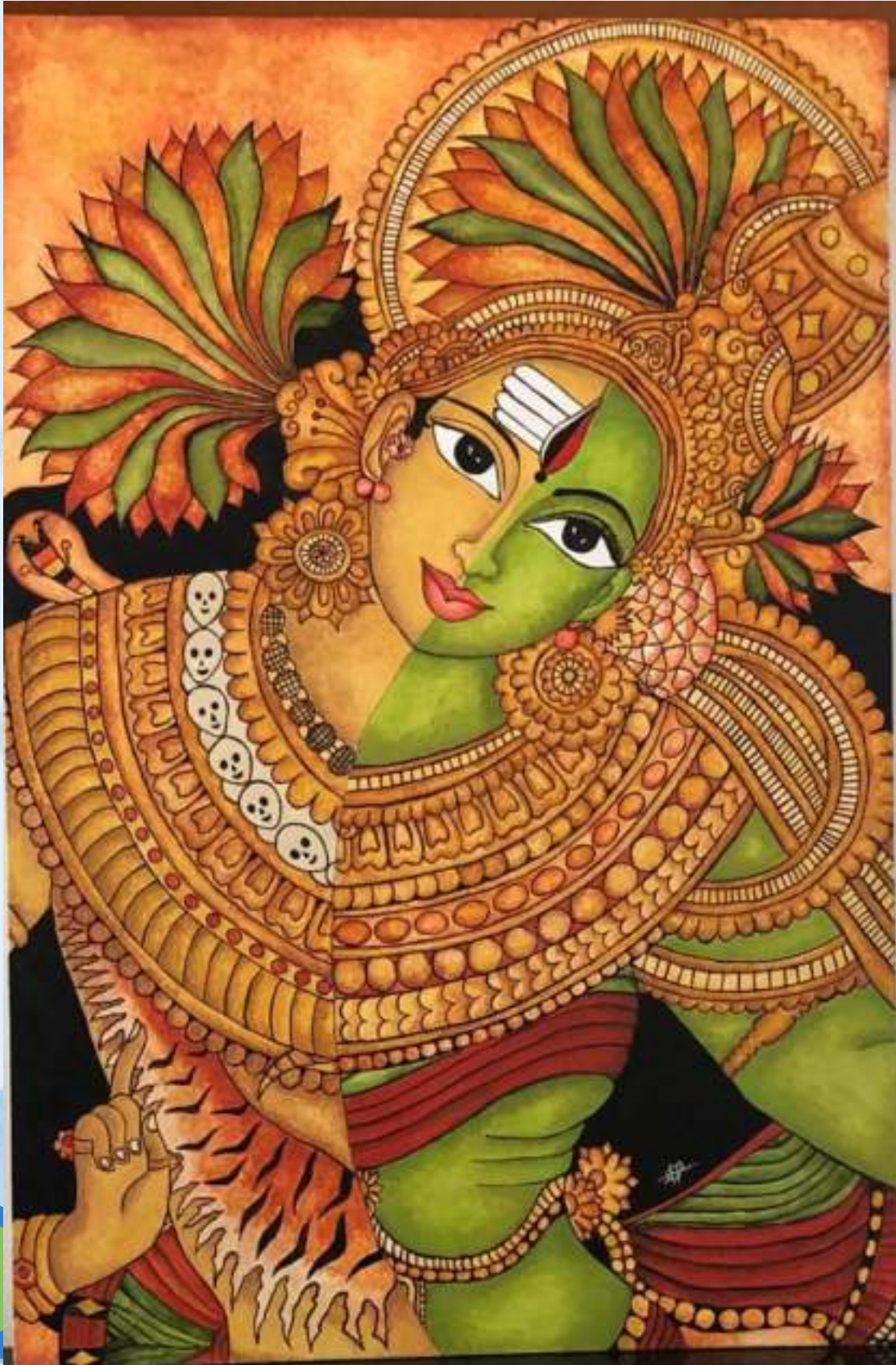
CBDT has mandated the filing of **Income Tax Return** in the following cases, even your income does not exceeds **Basic Exemption Limit**:

- **Deposited** more than **1 crore** in one or more Current Accounts; Or
- Incurred expenses more than **2 Lakhs** for **foreign travel**; Or
- **Turnover** of business **exceeds 60 lakhs** in a F.Y; Or
- Incurred expenses exceeding **1 Lakh** towards consumption of **electricity**; Or
- Gross **profession receipts** exceeds **10 lakhs** in a F.Y; Or
- **TDS & TCS** of a person is or exceeds **25,000/-** in a F.Y; Or
- Aggregate **deposit** in one or more SB account is **50 lakhs or more** in a F.Y.



Drawing

-Anagha G. Nair
SRO0703326



Announcement



SICASA THIRUVANANTHAPURAM
Cordially invite you to the

HALF DAY SEMINAR ON
GST AUDIT

On Wednesday, 14 December, 2022
10:00 AM to 1:00 PM

At Suri Centenary Hall, ICAI Bhawan, Thiruvananthapuram

Members are also welcome

PROGRAMME

09.00 am.	Registration
10.00 am.	Technical Session
Topic	GST Audit
Faculty	CA Spudarjanan S
Registration Fees	Rs.100 (for CA Students) Rs. 200 (for Others)

CA JULIE G VARGHESE
SICASA CHAIRPERSON

ADWAITH UMESH
VICE CHAIRMAN

KARTHIKA K
SECRETARY

