

FSIA E-circular dt 11th December, 2007



Rajive Chawla
President, FSIA



Sangeet Kr Gupta
Hony Consultant, FSIA

Dear Members,

Part 1 of today's Circular

This is the time to know the deadlines in the coming few weeks.

15 th December	Advance Tax for Income Tax	
15 th December	Fringe Benefit Tax (Advance tax)	
20 th December	EPF	
21 st December	ESI	
15 th December	Advance Tax	

Please note the change in the Income Tax rate for this year (Fin year 2007-08, that is Asst Year 2008-09)

1. **I-T exemption limit has gone up by Rs. 10000 for all individuals etc**
 - a. This is the Basic amount of income, till which , you do not have to pay any tax. (This is the tax free limit) . Now this has been increased.
 - i. For normal people : Rs. 1,10,000
 - ii. For women hiked to Rs 1,45,000
 - iii. For Senior Citizens = Rs. 1,95,000
 - b. So, ?? All of you save → minimum Rs. 1020 each.
 - c. (Thank God, for small mercies...!!!)

2. **Corporate Tax rate goes down for small companies and Firms → How ? Surcharge goes down from 10% to NIL from small companies and firm**
 - a. All firms and companies with profits of less than Rs. 1 crores, will now pay NIL surcharge.
 - b. So, effective tax rate goes down from approx 33% to 30%.
 - c. Have a look at the chart below

Corporate Tax Rates

for firms and companies

	Basic rate	Surcharge	Cess	Total
		10%	2%	
Tax Rate – Old (till last year were)	30	3	0.66	33.66

New Rates for AY 2008-09 are

For small companies (95% of the FSIA members)

	Basic rate	Surcharge	Cess	Total
		10%	3%	
Tax Rate – New	30	0	0.9	30.9
*surcharge is NIL since, most of the general companies will fall in profit of less than Rs. 1 crore slab.				

For Large companies (profit of more than Rs. 1 crores)

	Basic rate	Surcharge	Cess	Total
		10%	3%	
Tax Rate – New	30	3	0.99	33.99
*surcharge remains 10% since, Govt feels, if you are big, you can pay more (!!!) Your rate increased from 33.66% to 33.99%				

Part 2 of today's Circular = Major Change in ROC = Last date of Registration of Charges
Applicable to : Pvt Limited or Limited Companies.

Old Law (applicable till November 2007) was :

- You have to register your “Charges” ex. Taking a new CC limit from the Bank – within 30 days (with facility of extension for next 30 days on pymt of a penalty)
- You have to register your “Satisfaction of Charges” ex. Repayment of some Term Loan from the Bank – within 30 days (with NIL facility of extension)

So, what happened :

- A lot of companies, had this default, due to various small technical reasons
- And for each such event they had to apply to CLB = Company Law Board for Condonation

New Law is :

Recently the CLB , itself has made things easy as follows :

- The ROC will henceforth be allowed to accept Registration of Charge and also Satisfaction of Charges – till 300 days (that is 10 times increase in time, almost 10 months instead of just 1 month earlier)
- However , a slab based delay penalty will be imposed.
- This order is w.e.f. 27th October 2007.



(Source : General Circular no 13/2007 (No. 8/2/2007 CL-V) dt 27th September 2007.by Ministry of Company Affairs)

Part 3 of today's Circular = Income Tax Liability/TDS of yours Staff Directors' Salary

This is also the time to know that now it is the time to ask your Directors, Staff, and senior workers, if they have done their NSC / LIC / Mutual Fund savings u/s. 80C or Medclaim u/s. 80D. Thus now, calculate their final Tax liability for the Financial year 2007-08. And Deduct the same in the salary of next 4 months (Dec 07 to March 2008).

Part 4 of Circular= Request for pending FSIA membership fee

Most of the members, have already paid their annual fee for the Financial year 2007-08. However our FSIA secretariat tells us that some of you are still to do that. We understand that some pre-occupations, and oversight might have prevented you at that time. We request you to get in touch with your accounts department and make it sure that your FSIA membership fee is duly paid(if not yet paid). In case you have already done this, please ignore this para. We thank all members for their co-operation.

	<p><i>Sangeet Kumar Gupta</i> FCA, ICWA, PGDMM, B.Com(Hons) Honorary Consultant, Faridabad Small Industries Association 93126-08426 groupmlg@eth.net Camp Off : 63, Sector-15, Faridabad FSIA Off : FSIA Park, Opp. Plot No.23, Sector- 24, Faridabad- 121005</p>	
---	---	---

Subscription to this mail

Please send your details, and request e-mail to groupmlg@eth.net

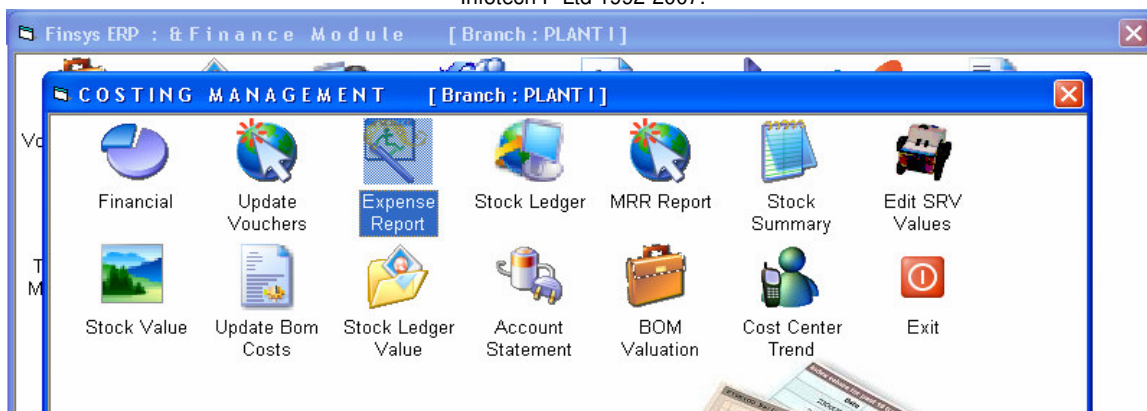
for Discontinuation of this E-mail

To discontinue receipt of e-mails from this account, please reply mentioning "Discontinue" in the Subject.

Notes & disclaimer


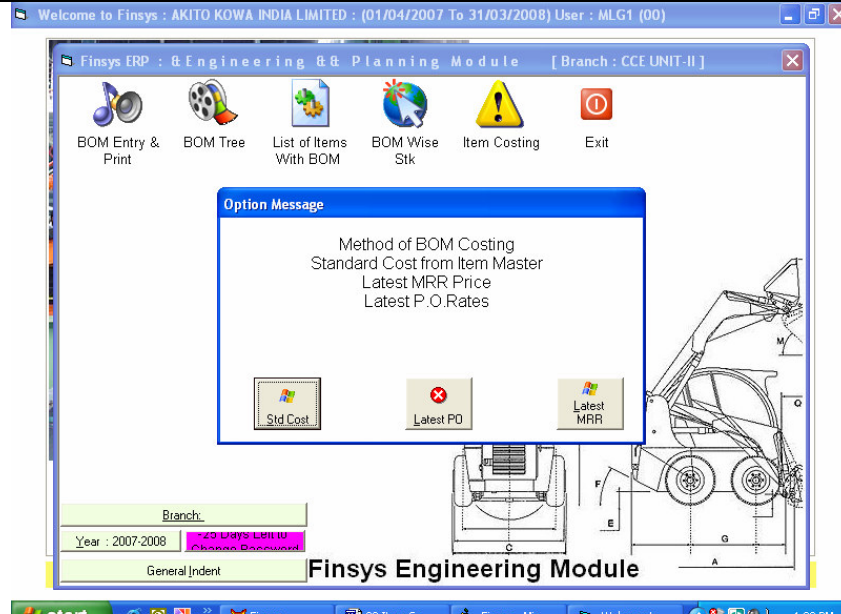
For private circulation. Intended for recipient only. This is only for personal information of the members. Based on information & interpretations available as on Tuesday, December 11, 2007. Please contact your Consultant / Chartered Accountant / counsel for his final opinion, if deemed fit.

Advt. : Many Successful businesses are controlling their Business operations, Accounts, Purchase, Sales, Complaints, Collections, Taxation, Production, ISO-9000/ ISO-14001 and TS-16949 systems on the Finsys ERP packages © MLG Infotech P Ltd 1992-2007.



Costing is very very important – Infact with Maruti, Hero Honda, TVS, Bajaj, and infact every customer today pushing you for more price cuts, you must be CLEAR what is your costing . Finsys ERP provides you excellent tools for that. → Infact you can even monitor your overheads → Example Telephone Expense– Cost Centre Wise, Conveyance /petrol = Salesman/Dept wise, Salaries -> Cost Centre Wise etc.

Item Costing

 <p>Welcome to Finsys : AKITO KOWA INDIA LIMITED : (01/04/2007 To 31/03/2008) User : MLG1 (00)</p> <ul style="list-style-type: none"> Engineering & Planning Purchase & Procurement Inventory Management Quality Inspection Manufacturing Sales & Marketing Excise & Sales Tax Finance H.R.M System(Payroll) Maintenance System Admin MIS For M.D. Year : 2007 Exit <p>Finsys Finsys Online Live</p>	<p>Finsys ERP has Detailed functionalities for <u>Process Industry</u> Auto Components Castings, Chemicals, Forgings, Rubber, Plastics, Sheet Metal</p> <p><u>Capital Goods Industries</u> = manufacturers of EOT Cranes, Large Projects, Hydraulics, Printing Machines etc</p>
 <p>Welcome to Finsys : AKITO KOWA INDIA LIMITED : (01/04/2007 To 31/03/2008) User : MLG1 (00)</p> <p>Finsys ERP : Engineering & Planning Module [Branch : CCE UNIT-II]</p> <p>BOM Entry & Print BOM Tree List of Items With BOM BOM Wise Stk Item Costing Exit</p> <p>Option Message</p> <p>Method of BOM Costing Standard Cost from Item Master Latest MRR Price Latest P.O.Rates</p> <p>Std Cost Latest PO Latest MRR</p> <p>Branch: _____ Year : 2007-2008 20 Days Left to Close Document General Indent</p> <p>Finsys Engineering Module</p>	<p>The Special Costing Module of the ERP System has the facility to give you –</p> <p>A) Pure RMC Cost B) Bill of Material as defined by the Engineering Dept C) Raw Materials and BOP at the cost .. as selected by you – Standard or Actual.</p>

Costing is based on 5 methods

- First : Standard Qnty, Standard Rate, **What you planned to earn on that item ?**
- Second : Standard Qnty, Latest PO Rate,
- Third : Standard Qnty, Latest MRR Rate,
- Fourth : Actual Qnty, Standard Rate
- Fifth : Actual Qnty, Actual Rate -- **What did you actually earn on that item ?**

For Trade Enquiries contact : Puneet Gupta 93500-18744, Dinesh Verma 9313136494 - MLG Infotech Pvt Ltd – the company that can give you both the full ERP and also modules , according to your need.