



***E-NEWSLETTER OF SICASA OF  
CHENGALPATTU DISTRICT BRANCH OF  
SIRC OF ICAI***

***February 2024***

***Vol VIII/No.08***

***“The more you Read, The  
more things you will Know,  
the more you Learn, The more  
places you’ll Go”.***

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**SICASA of Chengalpattu District Branch  
of SIRC of ICAI**

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## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

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## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **FROM THE SICASA CHAIRPERSON'S DESK TO STUDENTS**

Dear Students,

Swami Vivekananda's word,

“We are what our thoughts have made us; so take care about what you think. Words are secondary. Thoughts live; they travel far.”

What you think defines who you are. We may feel that we don't have control over our thoughts, but we actually do. Train your mind and thoughts to serve you. Words can be manipulated and you may not always speak what is on your mind. But your thoughts reflect on your being. They multiply and reach places, so take care of what you think.

Best Wishes,

CA Aanand P

SICASA Chairman

1<sup>st</sup> February 2024.



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **FROM THE BRANCH CHAIRMAN'S DESK TO STUDENTS**

My dear beloved Students (future CAs),

My term as Chairman for this prestigious Branch of SIRC of ICAI is at the edge of closing. I feel very proud of having held this position for the past one year and cherishing the various happy and encouraging moments, which I encountered.

SICASA Chengalpattu District Branch, has been an example of Active & Vibrant TEAM. I thank SICASA Chairman CA Aanand. P, all Managing Committee Members & Students Committee Members for their unstinted support for all our SICASA programs. Whatever we had achieved during this tenure was all because of the hard work done by the team members, who are the pillars of this success.

Activities carried out in the previous month:

- ❖ CA Students Half Day “Workshop on Tally “ held on 12<sup>th</sup> January 2024
- ❖ New Year 2024 & Harvesting Festival held on 13<sup>th</sup> January 2024
- ❖ 75<sup>th</sup> Republic Day Celebration held on Friday, 26<sup>th</sup> January 2024



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

During the Previous Month, CA Exam Results were declared, I extends hearty congratulations to all students who have successfully cleared the examinations and wish them all success in their future endeavours.

With these few words, I close my final write up, by extending best wishes to the SICASA team a great future in the coming years. I once again thank you all.

Best wishes,

**CA T SIVAGURUNATHAN**

Chairman

Chengalpattu District Branch of SIRC of ICAI



**SICASA of Chengalpattu District Branch of  
SIRC of ICAI**

**STUDENTS ARTICLES FOR THE MONTH OF  
FEBRUARY 2024**

**Life of Chartered Accountant**

**About Chartered Accountant:**

**Chartered accountants** work in all fields of business and finance, including auditing, taxation, financial and general management. Some are engaged in public practice work, others work in the private sector and some are employed by government bodies.

'**Chartered accountants**' institutes require members to undertake a minimum level of continuing professional development to stay professionally competitive. They facilitate special interest groups (for instance, entertainment and media, or insolvency and restructuring) which lead in their fields. They provide support to members by offering advisory services, technical helplines and technical libraries. They also offer opportunities for professional networking, career and business development. Chartered Accountants Worldwide comprises 15 institutes with over 1.8 million Chartered Accountants and students in 190 countries.



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **Responsibility and Day to Day Task of CA:**

When we think of Chartered Accountants, the first picture that comes to mind is books, papers, excel sheets and numbers everywhere. But the life of a Chartered Accountant isn't just limited to this picture; the duties of a Chartered Accountant extend way beyond what meets the eye. As a CA, practicing individually or working for a corporate firm, this prestigious title opens doors to several accounting-related opportunities. Whether you wish to continue with your practice as a CA or expand your base and venture into new possibilities, the choice is entirely yours. After acing the most difficult examinations, you can surely think about studying further and achieving global accreditations by taking an up Association of Certified Chartered Accountants, Chartered Public Accountant or Chartered Financial Analyst course.

### **Key Responsibilities of a Chartered Accountant:**

A Chartered Accountant, as the name suggests, handles all things related to accounting. They could be working at a corporate firm, an SME or probably practicing individually, but their job roles are almost synonymous everywhere. Here are some of the key responsibilities that CAs, across the spectrum handle.

- Chartered Accountants work closely with the tax authorities and assist with tax.
- Collaborating with the internal teams to prepare and plan for income tax.



- Review complex taxing forms and simplify them for the individuals or company employees.
- Creating monthly/annual budgets and keeping track of the company's/individual's income and expenses.
- Undertaking financial audits and providing financial advice to the management.
- Research on the finance and accounting related issues affecting the company, and provide them with relevant solutions.
- Negotiating terms and conditions with the suppliers and sharing invoices.

### **CA Spending their Usual Workday:**

After speaking with CAs, we managed to get a glimpse of how CAs in India usually spend their working day, what are the tasks involved and how do they fight monotony.

- **Kick-starting the day with a cup of tea or coffee:**

Chartered Accountants aren't any different from the rest of us. Just like everyone else, they also prefer starting their day with a warm cup of tea/coffee, to fight the early morning blues and get ready for some serious calculations.

- **Going through the email to check for any new client requirements:**

To make the most of their time, CAs often tend to go through their email while sipping on their morning beverage. After checking their email with requests of client calls, feedback, they prepare their to-do list and accept or deny requests based on their schedule.

- **Work begins with a client meeting:**

For a CA professional with their own practice, it's essential to build their own client base and have constant communication with them in case of any doubts or queries. CA professionals often arrange meetings with their clients in their office or they go visit their clients on-site to discuss financial matters.

- **Creating MOMs and analysing the financial risk:**

While discussing financial matters, CAs work in sync with the senior analysts and auditors to understand the risk factors involved in new ventures as well as existing markets. They provide businesses and individuals with relevant information and a helpful solution.

- **Going through excel sheets and reviewing accounting issues:**

The main job of CA is to ensure that the accounts-related details tally with one another and there are no mistakes or discrepancies in any of them. This is essential for tax filing, bank loans and further investments. A CA also ensures that your money is safe and secure.

- **Maintaining financial records and training aspiring accountants:**

To keep a better track of their client's finances, a CA constantly updates their financial records to make sure that they and their clients are up to date with income as well as the expenditure. Another part of an independent CA's job profile includes training aspiring accountants and CAs who join their firm for articleship or perhaps internship.

### **Conclusion:**

Chartered Accountants are a crucial pillar in a country's economic development and play a significant role in nation building. CAs offer taxation services, accounting services, year-end audits, as well as financial counselling to promote nation building.



R KEERTHANA

SRO0837390



SICASA of Chengalpattu District Branch of SIRC of ICAI

## **Evolution of the Income Tax Department Engaged in Intelligence and Investigation of Revenue**

### **Brief Introduction:**

The Directorate General of Income Tax Investigation is the law enforcement agency under the Ministry of Finance responsible for investigating violations of India's tax laws, including fraud, evasion and money laundering. The controlling authority is the Investigation Division of the Central Board of Direct Taxes.

The Investigation Division of the CBDT, abbreviated as Inv-CBDT, is the revenue enforcement agency of the Central Board of Direct Taxes, Government of India. It functions under the Department of Revenue in the Union Ministry of Finance and is concerned with the collection and administration of, as well as enforcement and prosecution of cases related to, the various direct taxes accruing to the Union Government.



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **Formation:**

- ❖ In 1975, the Income Tax Department formed the Central Information Branch (CIB) for strengthening tax data-base. Initially, CIB operated under the supervision of DGsIT (Investigation). This was later brought under the Directorate of Income Tax (Intelligence) in June 2007.
  
- ❖ As the world was changing very fast and India became increasingly integrated with foreign economies restrictions become more liberal for the movement of people. The capital was flowing in and out of the country, new issues of tax evasion cropped up. However, there is an increasing pressure on financial institutions, tax heavens and the recalcitrant countries from all over the world to conform to new norms regarding exchange of information and greater transparency by the financial institutions. In response to this changing scenario, in August 2011, a new directorate named as Directorate of Income Tax (Intelligence & Criminal Investigation) was setup under a DGIT which included the erst while intelligence set up and CIB setup.
  
- ❖ There are 18 field formations under this Directorate which include 09 DsIT (Intelligence & Criminal Investigation) at Ahmedabad, Chandigarh, Chennai, Delhi, Jaipur, Kolkata, Lucknow, Mumbai and Nagpur; and 09 DsIT (Intelligence) at Bangalore, Bhubaneswar, Bhopal, Guwahati, Hyderabad, Kochi, Kanpur, Pune, and Patna. Besides DIT (Administration) also functions directly under the DGIT at New Delhi.



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **Functions:**

- Processing of complaints regarding evasion of tax.
- All matters relating to administrative approval for filing, dropping or withdrawing of prosecution cases in respect of offences mentioned in Chapter XXII of the Income Tax Act and corresponding provisions in other direct taxes.
- All technical and administrative matters relating to provisions of sections 147 to 153 (both inclusive) of the Income-tax Act, 1961.
- Searches, seizures and reward to informants.
- Survey.
- Voluntary disclosure schemes.
- Matters relating to the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976.
- Work connected with High Denomination Bank Notes (Demonetizations) Act, 1978.
- Supervision and control over the work of Directorate General of Income Tax Investigation Directorate of Income Tax Intelligence and Criminal Investigation, Chief Commissioner of Income Tax Central, to collect intelligence and information regarding aspects of the black economy which require close watch and investigation. Also, keeping in view the scene of economic offences, the Bureau is required to collect information and provide periodical and special reports to the concerned authorities.
- To keep a watch on different aspects of economic offences and the emergence of new types of such offences. The Bureau was made responsible for evolving counter - measures required for effectively dealing with existing and new types of economic offences.



### **SICASA of Chengalpattu District Branch of SIRC of ICAI**

- To act as the nodal agency for cooperation and coordination at the international level with other customs, drugs, law enforcement and other agencies in the area of economic offences.
- To implementation of the COFEPOSA (i.e. Conservation of Foreign Exchange & Prevention of Smuggling Activities Act, 1971 which provides for preventive detention of persons involved in smuggling and foreign exchange rackets under certain specified circumstances).
- The DCI is a nodal agency of Income Tax Department for strengthening tax data- base. Its key function areas are
  - widening of tax base through identification of stop filers and non-filers
  - Deepening of tax base by providing information for proper selection of cases for scrutiny assessments
  - through collection, collation of information from internal as well as external sources and its dissemination to Assessing officers (AOs) and other users in I.T. Dept. It also collects information relating to financial transactions like investment, expenses, payment of taxes, etc. and details of persons who are involved in some specified activities. The mandate also provides for identification and investigation of cases of tax evasion arising out of criminal matters, having any financial implication punishable as an offence under any Direct Tax Law.

## **Restructuring of the Income-tax department:**

The restructuring of the Income-tax Department was approved by the Cabinet in its meeting held on 31-8-2000 to achieve the following objectives:-

- Increase in effectiveness and productivity.
- Increase in revenue collection.
- Improvement in services to tax payers.
- Reduction in expenditure by downsizing the workforce.
- Improved career prospects at all levels.
- Induction of information technology and
- Standardization of work norms.

The aforementioned objectives have been sought to be achieved by the department through a multi-pronged strategy of:

- a. redesigning business processes through functionalization.
- b. increasing the number of officers to rationalize the span of control for better supervision, control and management of workload and to improve tax-payer services and
- c. re-orient, retrain and redeploy the workforce with appropriate incentives in the form of career advancement.

## **Some of the important events undertaken by the income-tax department to enhance investigation functions for the past decade:**

### **2013**

The Government approved the Cadre restructuring of the Department for the creation of 20,751 additional posts and for carrying out various measures to increase the effectiveness of the Department.



- ❖ Briefly, the salient features of the approved restructuring are as under:
- Number of assessment units (AUs) increased by 1080 from 3420 to 4500, for strengthening the tax-administration;
  - Each Range to have one more Assessing Officer;
  - Increase in the number of Administrative CsIT deployed on assessment related functions to increase from 228 to 250;
  - 114 Special Ranges to be created, with adequate supporting manpower;
  - Creation of reserves numbering 620 created in the IRS cadre;
  - Bifurcation of the posts of the CITs in the HAG and SAG scales, on functional basis;
  - Upgradation of all existing 116 posts of CCsIT in HAG+ and Apex scales along with an increase of their number by 1 post;
  - Strengthening of the training set-up with creation of three more RTIs;
  - Strengthening the Appellate/Advocacy Structure by increasing the number of CIT Appeals and providing them supporting manpower. Advocacy structure in the ITAT to be strengthened.

## **2014**

SIT to investigate Black Money in Swiss Bank Accounts formed

**2015**

The concept of Place of Effective Management (POEM) was introduced.

**2019**

PAN and Aadhaar can be used interchangeably.

Introduction of Document Identification Number (DIN) to bring transparency in the functioning of the department.

**2022**

Introduction of Taxation of Virtual Digital Assets.

**Conclusion:**

From the above information, the rapid changes in administration of direct taxes, during the last decades, reflect the history of socio-economic thinking in India. From 1922 to the present day changes in direct tax laws have been so rapid that except in the bare outlines, the traces of the I.T. Act, 1922 can hardly be seen in the 1961 Act as it stands amended to date. It was but natural, in these circumstances, that the set up of the department should not only expand but undergo structural changes as well.



PARAMESHWARAN

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## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **Events to be conducted in the month of February 2024**

#### **1. Special Program**

We are planning to conduct a special program on Ethical Values.

#### **2. Study Circle Meeting**

The SICASA wishes to conduct a Study circle meeting covering a variety of awe-inspiring and informative content.

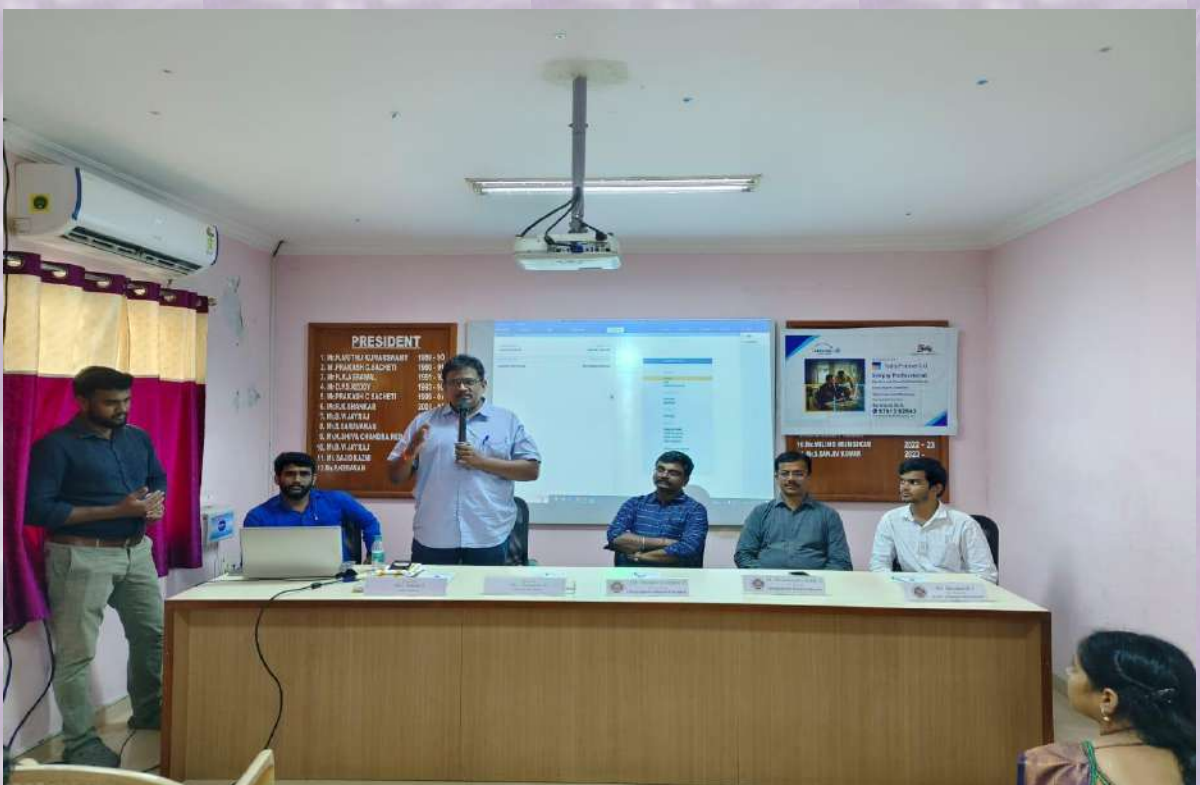
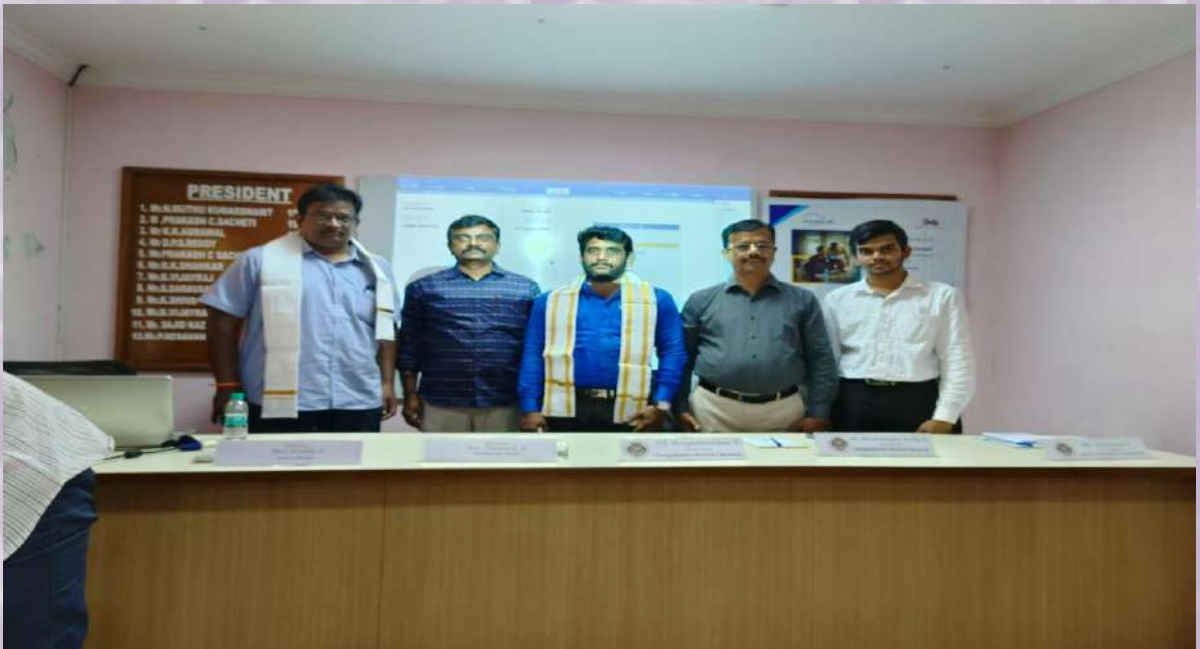


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## Glimpse of the events held in January

### 2024

## Tally Workshop







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## **Pongal Celebration**





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## **Republic Day Celebration**







## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### **TRIVIA CORNER**

The intersection of audit and ethics is critical for ensuring the integrity, transparency and trustworthiness of financial practices within organizations. Auditing, as a systematic examination of financial records and processes, not only verifies accuracy but also relies on ethical principles to maintain independence, objectivity, and integrity. Ethical conduct in auditing involves avoiding conflicts of interest, providing unbiased assessments, and upholding professional standards. The synergy between audit and ethics is evident in the role auditor's play in detecting and preventing fraudulent activities, promoting fair financial reporting, and building trust among stakeholders. Ultimately, the ethics founding of ethical foundation of audits is instrumental in reinforcing accountability and responsible business practices. Audit is a systematic examination of an organization's financial records, processes, and controls to ensure accuracy, compliance with regulations, and reliability of financial reporting. External auditors, independent professionals external to the organization, play a crucial role in conducting audit. They uphold ethical standards, maintain independence, and provide stakeholders, such as investors and creditors, with assurance regarding the organization's financial integrity. The audit process includes implementation of recommended changes. Ethics, in the context of business and professional conduct, refers to a set of principles and moral guidelines that govern the behaviour of individuals and organizations. Business ethics involves applying the principle to decision-making processes, ensuring that actions are fair, honestly, integrity, transparency, and respect for stakeholders. Adhering to ethical standards not only fosters trust among stakeholders but also contributes to the long-term sustainability and reputation of organization.



## **SICASA of Chengalpattu District Branch of SIRC of ICAI**

### QUESTION:

1. What does audit ensure in organization?
  - (a) Audit in organizations ensure that the office coffee machine is always fully stocked.
  - (b) Audit in organizations ensure that all office plants receive daily motivational speeches.
  - (c) Audit in organization ensure that the office's supply of unicorn food is consistently replenished.
  - (d) Audit in organization ensure that integrity, transparency and financial Practices.
  
2. Name a key ethical principle in auditing.
  - (a) Independence.
  - (b) Fellow.
  - (c) Association.
  - (d) Dependence.
  
3. What does ethics involve in the context of business?
  - (a) Ethics in business involves ensuring that all meetings are conducted in private costumes on talk like a private day.
  - (b) Ethics in business involves mandatory interpretative dances-offs during board meetings.
  - (c) Ethics in business involves ensuring that a set of principles and moral guidelines.
  - (d) Ethics in business involves resolving conflicts through rock-paper-scissors tournaments.



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4. Who benefits from the assurance provided by auditors?
- (a) Stakeholders, such as investors and creditors.
  - (b) Lenders, prospective buyers and any stakeholders to your business.
  - (c) Audits provide assurance to stakeholders that the financial statements.
  - (d) Provides Assurance to Stakeholders.
5. Who benefits from the trust built through ethical audits?
- (a) Auditors.
  - (b) Stakeholder.
  - (c) Investors.
  - (d) Share Holders.



## SICASA of Chengalpattu District Branch of SIRC of ICAI

### **PREVIOUS MONTH ANSWER**

- 1) C
- 2) D
- 3) C
- 4) B



## SICASA of Chengalpattu District Branch of SIRC of ICAI

### Contribution From Our CA STUDENTS

Articles are invited from students for publishing in the e-newsletter. The articles shall be either on a specific subject or a general article.

For all the artistic minds, you may highlight your artistic skills by sending your art to us. It could be drawing, poem, photographs and all the artwork which is unusual in your way!

Students can mail their work with Name, SRD Number, Mobile Number, Residential Address, Office Address & Photo to our E-Mail mentioned below

[sicasa@chengai-icai.org](mailto:sicasa@chengai-icai.org)

We wholeheartedly thank all the students who have provided their valuable Inputs for this newsletter as well as for the upcoming newsletters.