

CICASA INDORE- NEWSLETTER



# The Echo

▶ Year 2020 ▶ VOLUME - 4

April ~ The month testing our patience to fight against COVID-19

**TOGETHER WE WILL WIN**





## Chairman's Message

*Dear Readers,*

*It gives me immense pleasure as chairman of cicasa indore branch to address the young folks, as youth with a good mission can create Whirlpool in the society. As the world grows smaller and smarter with technology and communication explosion the need to think global becomes of Paramount importance. Our vision is based on hard work, open communication, strong emphasis on teamwork and a high level of responsibility . This visionary culture allows and emphasize our wards not only to adapt the present day challenges but also individual responsibilities toward the society and the nation at large. It fills me with joy in releasing the second edition of the yearly newsletter which exhibits CICASA's commitment to broaden the students horizon and enable them to carve a better world.*

*Our aim at CICASA is to provide the best for the students for which several online competitions were held, webinars were organised followed by many other activities in the month of April. I hope that students across India will be benefited by our efforts. I am highly delighted and filled with great pride by seeing the students not only utilising their capabilities but also improving them.*

*At last i invite you all to read and immerse yourself in the unfolding art and learn as much as you can .*

*Regards,  
CA. Samkit Bhandari  
Chairman, CICASA Indore.*





# Editorial Board's Message

Dear Readers,

" There are many little ways to enlarge your world. Love of reading is the best of all".

We the members of editorial board are thankful to Chairman of CICASA Indore for giving us the opportunity to work on this Newsletter "The Echo". We assure you that we'll try hard to provide the best & knowledgefull content to our readers and keep them updated with the activities of CICASA Indore. We believe that a reader has to learn only as much technology as its needed to fully enjoy the magic of reading. And we'll try to make this monthly Journal more connected with your daily routine.

"Keep reading. It's one of the most marvelous adventures that anyone can have".

Best wishes..

Happy reading!

Regards,

Editorial Board

CICASA Indore



Anjali Padiyar



Snehal Agrawal



Himani Agrawal

# Impact of Adoption of IFRS/Ind AS



Most of the CA students shall become finance professionals in future. As finance professionals they might have experienced or will experience these questions from the business community that “Why IFRS has been adopted or How IFRS is helping Indian Companies or some questions like that.”

The points which will follow will make you realize that you already knew these things but these were scattered in your mind.

Brief Introduction:

**IFRS:** International Financial Reporting Standards

Just like Accounting Standards (AS), IFRS is a set of globally recognized standards that are applied in the preparation and presentation of Financial Statements. These standards are issued by International Accounting Standard Board (IASB). There are 25 IAS and 16 IFRS till date. Here it needs to be clarified that IAS and IFRS are same. IFRS is a new term whereas IAS is old but both are in existence together. For example: “IAS 1: Presentation of Financial Statements”, it is existing as it is but “IAS 11: Construction Contracts” is superseded by IFRS 15.

**Ind AS:** Indian Accounting Standards

Ind AS is nothing new in terms of basic understanding but yes there is a difference in the applicability of Ind AS as compared to AS. Ind AS is a converged form of IFRS which has been issued specifically in the context of Indian Companies. Converged form means that IFRS has not been adopted on line by line basis, It has been modified to some context so that it becomes easier for the Indian companies to apply the same. There are 41 Ind AS till date.

**Applicability:** It's been almost 5 years since Ind AS was made applicable. 2015-16 was the year when these standards had been applied voluntarily by few companies and since 2016-17, these standards were made mandatory. The applicability has been done in phases.

Impact of Adoption:

Let's see the Advantages first:

## 1. Serving International Clients:

A right professional with the right knowledge is like an army officer with weapons serving the

nation. Though there are lots of practicing finance professionals in India, only those professionals who are equipped with the knowledge of IFRS/Ind AS can serve the International clients better in terms of Consultancy, Book Keeping Outsourcing services, etc.

## 2. Comparability:

Undoubtedly, IFRS can be termed as universal standards as a maximum of developing and developed nations have adopted IFRS which enhances the comparability of Financial Statements at the global level. It helps the competitors across nations to judge the financial positions of each other.

## 3. Transparency:

It is also related to comparability as the universal standards make the financial statements more transparent. More transparency means easy and reliable comparability.

## 4. Quality of Financial Statements:

The fulfillment of objectives such as transparency and comparability will automatically improve the quality of financial statements. This will help the investors, bankers and other stakeholders to put more reliance on the financial statements.

## 5. Funds Across the Globe:

Better access to and reduction in the cost of capital raised from global capital markets since IFRS are now accepted as a financial reporting framework for companies seeking to raise funds from most capital markets across the globe.

## 6. Similarity to AS:

Though the implementation of Ind AS was considered as toughest due to the requirement of updated knowledge and the knowledgeable professionals but the professionals who were having the strong knowledge and understanding of Accounting standards easily grasped the Ind AS due to the lot of similarities in the approaches and

the way became easy for them.

#### Problems Faced in Implementing Ind AS:

##### 1. Change in Law:

The implementation of Ind AS required change in the law to be in tune with these standards. The laws which were governing the financial accounting automatically became irrelevant immediately after the adoption of Ind AS.

##### 2. Qualification required :

When it comes to the qualification part, the first thing that strikes in the minds of large corporates are Chartered Accountants. The Indian Chartered Accountants are considered as one of the most experienced and updated professionals in the context of the financial reporting, taxation, and auditing. The implementation of Ind AS put a challenge amongst the Institute of Chartered Accountants of India to provide or you can say to produce the professionals having thorough knowledge on Ind AS. These things take time. So, it was a lengthy process. A massive change in the syllabus was introduced and the 1st ever exam relevant to Ind AS syllabus was conducted in May 2018 in which only 350 approx. students became the Chartered Accountants. So, one can see the delay in the supply of professionals to the market and too at the slow pace. It impacted the corporates as the biggest challenge in front of them was the lack of required professionals.

##### 3. Cost:

You might have heard "Beggars Have No Choices". Now, who were the beggars? Obviously the corporates because the implementation has led to the massive demand of the professionals having required knowledge of Ind AS but lack of supply of professionals hiked the professional's fee or the salaries to be paid to the fresher's too. The companies were more strict in hiring the professionals and were willing to pay more to the deserving candidates. So, in this way, the cost was increased. The other aspect related to the same is Training Cost. Every big corporate was required to conduct the training programs for the old employees to make them familiar with Ind AS and for the new employees (as usual) to make them familiar with the systems of the entity.

##### 4. Similarity:

We have discussed the same point in advantages. Now, see the other side of the coin too. This view of Similarity disregards significant differences between Indian GAAP and IFRS as well as differences in practical implementation and interpretation of similar standards. Further, certain Indian standards offer accounting

policy choices that are not available under IFRS, for example, use of pooling of interests method in accounting for business combinations.

##### 5. Change:

The implementation of Ind AS required the biggest change in the form of change in the format of accounts, accounting policies, and more extensive disclosure requirements. This change puts the financial and other challenges related to the knowledge in front of the corporates.

#### Conclusion:

India is a developing country that is headed towards achieving global recognition and the respect. Globalization is playing a major role in that and the financial statements or the financial aspects are the major areas concerning the MNC's. So, the implementation of Ind AS is helping these companies to become more competent and transparent and helping them to meet the global standards. Further, the advantages of implementation are more than the problems which are not so uncommon whenever any change is welcomed. So, this implementation was a welcoming step which should be appreciated.



**APOORVI KHANDELWAL**  
CRO 0629641





# Important Amendments in Finance Act, 2020

## corresponding to proposals in Finance Bill, 2020

Parliament enacts Finance Act 2020 which received presidential assent on 27<sup>th</sup> March, 2020 with certain amendments in Finance Bill 2020 proposals.

The provisions of the Finance Act 2020 (FA 2020) will now get incorporated in the Income tax Act, 1961 (Act) from 1 April 2020. Exceptionally, a large number of amendments, about 59, have been incorporated while passing FA 2020. This includes an entirely new form of Equalisation Levy on foreign e-commerce operators on their revenues earned from India.

Following are the key amendments to the Finance Bill, 2020 incorporated in Finance Act, 2020.

### 1. Equalisation Levy-

In the Finance Bill 2020 there was no amendment proposed to the scheme of Equalization levy. But the Finance Act, 2020 expanded the scope of equalization levy on E-Commerce Operators. Equalisation Levy will now be extended to an e-commerce operator on 'e-commerce supply and services' undertaken on or after 1 April, 2020.

An "e-commerce operator" has been defined to mean a non-resident who owns, operates or manages digital or electronic facility or platform for online sale of goods or online provision of services or both. "E-commerce supply and services" has been defined to mean:

- i. online sale of goods owned by the e-commerce operator; or
- ii. online provision of services provided by the e-commerce operator; or
- iii. online sale of goods or provision of services or both, facilitated by the e-commerce

operator; or

- iv. any combination of the above activities

This Equalisation Levy will be at the rate of 2% on the amount of consideration received or receivable by an e-commerce operator from e-commerce supply of goods or services made or provided or facilitated by it to the following persons:

- i. A person who is resident in India;
- ii. A person who buys such goods or services or both using internet protocol address located in India;
- iii. A non-resident person in the following circumstances:
  - a) Sale of advertisement which targets a customer who is resident in India or a customer who accesses the advertisement through internet protocol address located in India; and
  - b) Sale of data collected from a person who is resident in India or from a person who uses internet protocol address located in India.

Examples on this which covers the potential Tech Giants such as-

- i. Online sale of goods owned by the e-commerce operator such as Amazon, Google, All Cloud Operator, Software Vendors
- ii. Online provision of services provided by the e-commerce operator such as Service providers through Website – Zoom Meeting, Netflix, Facebook, Whatsapp, Microsoft etc.

However, Equalization Levy will not be levied when:

- a) Online advertisement service covered under Section 165
- b) Sales, Turnover or Gross receipts of the e-commerce operator from the e-commerce supply and services is less than INR 2 crore during the previous year.
- c) E-Commerce operator has a PE in India

Note: Consequent to this new Equalisation Levy, section 10(50) of the Act has been amended. Now, Income arising from e-commerce supply or services which will be covered by the Equalisation Levy will now be exempt from tax under section 10(50).

## 2. Insertion of new Section 80M

Proposed Amendment – Finance Bill 2020-

- ▶ Deduction of dividend income received by a domestic company from another domestic company to the extent of dividend distributed to Shareholders on or before the one month from date of furnishing of return u/s 139(1)

Final Amendment – Finance Act 2020

- ▶ In addition to proposed amendment in Finance Bill, 2020. Dividend received by a domestic company from a foreign company or a business trust will also be eligible for deduction.

## 3. Dividend Distribution Tax

Proposed Amendment – Finance Bill 2020

- ▶ Dividend declared, distributed, or paid on or after 01.04.2020, will be taxable in the hands of the shareholders.
- ▶ However, the amendment did not provide for relief from taxation in the hands of the shareholder wherein dividend is declared in PY 2019-20 and paid in PY 2020-21, and has already been subjected to DDT.

Final Amendment – Finance Act 2020

- ▶ Now dividend received by shareholders on or after 1 April 2020 on which tax has been paid under section 115-O or section 115BBDA, shall be exempt in the hands of shareholder.

Dividend Declared

Dividend Paid

In the PY 2019-20

In the PY 2020-21

## 4. Section 194N - Withdrawals in cash

No proposal was made in Finance Bill, 2020 regarding amendment in 194N but amendments are made in provisions of 194N through FA, 2020

### Final Amendment – Finance Act 2020

Liability to deduct tax at source is on every person being:-

- ▶ Banking Company
- ▶ Co-operative Society doing business of banking
- ▶ Post office

Case: 1 If the return is filed by the recipient u/s 139(1)

Following conditions will apply:-

- ▶ Aggregate amount in cash paid > Rs. 1 Crore.
- ▶ The aggregate amount is from one or more account of recipient
- ▶ Rate of TDS @ 2% on such sum

Case 2: If the return is not filed by the recipient u/s 139(1) for last 3 AYS. For which time limit is expired u/s 139(1)

Provision of 194N will apply with modification-

- ▶ If Aggregate amount in cash withdraws > Rs. 20 lakhs.
- ▶ Rate of TDS @ 2%, if Rs. 20 lakhs < AA < Rs. 1 crore.
- ▶ Rate of TDS @ 5%, if AA > Rs. 1 crore.

Note: The aggregate amount (AA) may be from one or more account of recipient

Exception: This section will not be applicable to if cash is withdrawn by the following-

- ▶ Recipient, CG may specify in consultation with RBI.
- ▶ Government Company
- ▶ Banking co., Co-operative society carry business of banking, post office.
- ▶ ATM operator of any as specified above.



**HUSSAIN SHAKRUWALA**  
CRO 0618527

# LOST S U L



*To that another side,  
There was a path,  
A route for me,  
The road I left,  
The path I thought would not be fruitful,  
And I rest here,  
I chose this,  
A totally opposite journey,  
Revealing myself only the pros not cons,  
Hunted for joy in the numbers and the logics.  
But I feel there's a corner of my heart,  
That weeps for the side I left,  
For the art left incomplete,  
For the facts unturned,  
For the fearless me,  
For the unserved humanity,  
I wonder what brought me to this.!  
How I chose silence over roar,  
Crowd over lone,  
Others over me,  
Money over happiness.  
And I promise to what's tearing me apart,  
Lemme finish this journey,  
I'll come back to u,  
It's never too late,  
I will find myself,  
Would listen to my heart,  
Would accomplish what's left apart.  
Would accomplish what's left apart.*



**JAYA PADIYAR**  
CRO 0594701



## EVENTS CONDUCTED IN APRIL

With the tag line “Kuch Positive Karona” Cicasa Indore even in this tough times conducted various academical as well as non- academical activities in the month of April.

BEING UNITED WE ALL INDIANS CAN FIGHT AGAINST THIS GOBAL  
PENDAMIC OF COVID-19. STAY HOME, STAY SAFE !!



We started the activities by ourselves participating in them and thus we floated this photograph which consisted Indore Branch Chairman CA. Harsh Firoda and CICASA Indore Chairman CA. Samkit Bhandari Sir giving message to fight against CORONA pandemic in a positive manner.

# ARTICLE WRITING COMPETITION

CICASA Indore conducted Article Writing Competition in the first week of April on the topic "Socio Economic Impact Of Corona Pandemic in India and Globally" so as to motivate students to do some brain storming in this lockdown period.

The winners of ARTICLE WRITING COMPETITION are as follows:

1.



SHRISHTI SINGH TOMAR  
CRO 0638196

As a token of appreciation we would like to share her article here in the newsletter.

Taking the world by storm, the novel corona virus renamed as *COVID-19* has entangled not only lives but the fate of the countries in a similar fashion of hairdos. Then ewssur facing has deliberately or significantly impaired mental & monetary stability of people altogether, no wonders why pan demichas unusual meanings too.

*The Daily Telegraph* of Australia lately released an article rending China's standing on the coronavirus. Why would it not? Australia had to enter lockdown for at least 3months and is one of the 3 most-affected countries including China & Hongkong. Their GDP is foreseen to contract by 0.2%-0.5% and more than 20000 people losing jobs. Notthatthe world has profited outofit, the global economy is believed to shrink almost by 1% walking out of a 2.5% growth. The stock markets crashed worst since 1987. The developed countries such as the United States estimate their GDP to halve in the second quarter. China, on the other hand, awaited a 5.6% to 5.9% growth for 2020, but the travelling restrictions have hit the country hard, consequently expect a slowdown of 1.1% in 2020. In our country, India on March 2nd the BSE Sensex witnessed a flash crash, later dropping by 8.18%, Nifty by 9% and by march 12 Indian stock markets saw the worst crash since June 2017. The supply-side shortages leave no way further, not only these various sectors including film, travel, science, and technology etc, have to halt every operation, can't deny the fact that the world is in halt instead with unemployment and panic buying situations.

Thepandemichastriggerednotonlytheeconomytofallmiserablybutinducedamleupheavalsinsociety. With myriad countries going in lockdown the phenomenon of '*work from home*' was thrown, having no otherchoice. People in their lockdown are undergoing mental and physical malady, of course, asked to stay just in their homes form on thscan not leave men at decent health, it's identical to be ingcaged. Like all times this too has provoked religious feuds in our country and fueling it was Muslims throwing pebbles at the doctors or them gathering for *Jamaat*. Like wise, in the USA, news do in grounds of trump winning or losing elections due to this virus. Residents of Wuhan have been in lockdown since 23rd January, which canhave extremely enormous consequences on their lives. Overall, the poor are suffering the most, the extensively evident incident in our country is of labours gathering in '*Anand Vihar bus stop*' to move to their homes or them walking kilometers to down. Despite the measures taken by the government, the daily wage workers are not getting a meal for a day. Moreover, the lockdown could be for weeks or months which is unknown but with this comes apleth or a of thought san demotions attached, especially the rumour sadd to the anxiety. In my opinion, some might feel delighted being locked with their families while others who are still stuck somewhere struggle with a reallys cary situation though. What will certain lyberightat the junctureis being patient as we do not the how long this has to last buton lyco operating with the officials will prove marvels.

There was a notion earlier, that going in orbit around the earth was risky but who would have guessed that it will be safer than staying on earth. Though COVID-19 has not taken many lives and is not as dangerous as Ebola which 28600 affected taking 11325 lives, the highest percentages of deaths or Aids which took 35million lives since discovered. Amongst all, the relevance of social distancing needs to be given an ear, but few brains, however, need pondering, but '*This too shall pass*'.

2.



PRAKRITI KABRA  
CRO 0630961

3.



RADHIKA JOSHI  
CRO 0594940

# KNOCKDOWN THE LOCKDOWN SOCIAL MEDIA CONTEST

CICASA Indore also conducted a bunch of fun competitions. The variety of activities included therein along with its winners are as follows.



AKSHAT PUROHIT  
CRO 0589666

## QUARANTINE QUIZ COMPETITION

It consisted of 3 rounds wherein questions related to academics, current affairs and general knowledge were asked.



1.

AADISH GANGWAL  
CRO 0646665

## QUARANTINE RANGREZZ

Poster making competition was conducted on the topic "United we Stand, Divided we Fall amid COVID-19."



2.



CHIRAG VIJAYVARGIYA  
CRO 0568080



3.



MAHAK MANDWARIYA  
CRO 0557383





# Recycle the Trash Competition

WINNER  
**AAYUSH GUJRATI**  
CRO 0385400

Mr. Aayush made mask of waste fabrics at home and gave them to servants of few buildings along with milkman.



## SNAP AND WIN : THE PHOTOGRAPH COMPETITION

This competition was about creating awareness about fighting against COVID-19 through snaps and photographs in an innovative manner.

1. Team **ECSTASY** : which consisted of
- ▶ Divya Agrawal (CRO 0623368)
  - ▶ Drashi Jain (CRO 0625471)
  - ▶ Pragati Dhundhale (CRO 0630951)
  - ▶ Anisha Porwal (CRO 0629069)
  - ▶ Mudit Jajoo (CRO 0629899)
  - ▶ Srishti Gupta (CRO 0584612)
  - ▶ Sankalp Jain (CRO 0602597)



Learn a new skill !



Gain more knowledge.



Give yourself a treat.

Contribute to the fight against Corona by staying inside your home.  
*# Kuch Positive Karona*



Read something new !



Enjoy with your Family!

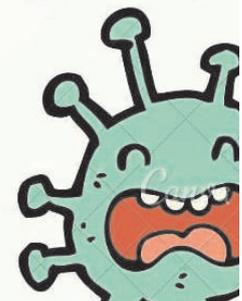


Yoga and Chill



Make your own music.

"NEGATIVITY OUTSIDE CAN ONLY BE DEFEATED BY CREATING A POSITIVE WITHIN"



2. Team **Bhandhari's Group** :  
Led by  
Shubham Bhandhari  
(CRO 0421632) who encouraged even  
his family members to participate.



1. Team **NIRAMAYA** :  
Comprising

- ▶ Priyansh Jain (CRO 0625320)
- ▶ Naman Kabra (CRO 0623225)
- ▶ Bhavya Somani (CRO 0623165)
- ▶ Mansi Maheshwari (CRO 0623167)
- ▶ Ankur Gagrani (CRO 0640799)
- ▶ Divya Agrawal (CRO 0623368)
- ▶ Aashi Agrawal (CRO 0629868)
- ▶ Geetika Bhatia (CRO 0625918)
- ▶ Srushti Gupta (CRO 0627945)

### 7 Pointers

1. Social distancing and face mask
2. Boosting immunity
3. Take care of elderly people
4. Download Arogya Setu
5. Compassion towards workers
6. Help poor and needy
7. Respect Corona warriors- Doctors, nurses, policeman, cleaning staff etc



# India fights Corona #



# STAY@HOME STAY FIT Challenge

This competition was about how students are keep themselves fit and healthy amidst COVID-19 where many students participated by giving their exercising and workout videos.



## Winners

1.



AMAN JAIN  
CRO 0528322

2.



PALKESH GUPTA  
CRO 0561881

3.



ANUSHKA GOYAL  
CRO 0610287



WINNER OF MIMICRY –  
Abhinna Bafna  
CRO 0526714



## Bingo BUZZ

Apart from the above activities we also conducted the most trending activity on the social media – The Bingo Activity where students participated in large numbers by filling the following CA Students Bingo.

# CA STUDENTS BINGO

Claimed extra conveyance in office

Attended National conference organised by CICASA

After becoming CA . The first we do is adding CA in our Facebook , Insta Profile...!!

Had crush with office mate

Made Excuses to take leave from Office

Cleared with exact Passing marks/ Aggregate in any Exam

Cleared any level of CA Exam in 1st Attempt

Deleted files from office server

Explained someone from which college you are doing CA

Printout/ Scanned/ Notes in Office/ Client's place for personal use

Passed in Rechecking

Attended office in weird dressing

People asked you to save their taxes after you clear CA

Ate too much at a Client's Place

Balance Sheet tallied in 1st attempt

Attended DJ Night organized by CICASA

Spend a night at office



Made Best Friends during ITT/OT/GMCS Training



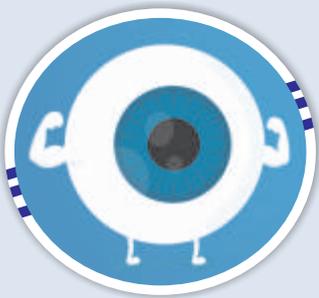
## SERIES OF ENLIGHTENING WEBINARS

After completion of these fun events CICASA Indore also conducted a series of enlightening webinars daily which streamed live on CICASA Indore's as well as ICAI Indore's Youtube channel. Through the mode of live chat, students also cleared many of their doubts during the webinars.

The following were the renowned speakers during this series of webinars who shared their words of wisdom with students as well as members :

- ▶ CA. Manoj Fadnis
- ▶ CA. Kirti Joshi
- ▶ CA. Pankaj Shah
- ▶ CA. Vikram Gupte
- ▶ CA. Nidhi Agarwal
- ▶ CA. Samkit Bhandhari
- ▶ CA. Shalini Mehta
- ▶ CA. Ayushmi Khasgiwala
- ▶ CA. Navin Khandelwal
- ▶ CA. Uppalapati Saran Kumar

## SPECIAL SESSION ON EYE CARE IN LOCKDOWN AND DISCUSSION ON COVID -19



Cicaca Indore also conducted a special talk session through the live streaming mode wherein the key note speakers were; by

- ▶ Dr. Vivek Bhandari
- ▶ Dr. Abhijeet Khandelwal

And they talked about eye care and self-health and made students as well as members aware about how to keep oneself healthy during Lockdown.

## FORTHCOMING ACTIVITIES

CICASA Indore is now planning to have another series of Webinars – “Webinars 2.0” where again renowned speakers from different fields will share their knowledge with everyone.

Moreover, we have planned to ask the students themselves regarding what kind of activities they want us to conduct during lockdown period so that we can execute upon those.

