

CICASA INDORE- NEWSLETTER



The Echo

▶ Year 2020 ▶ VOLUME-10

OCTOBER - Hustle in silence and let your success make the noise





CHAIRMAN'S MESSAGE

Dear Readers,

Power of learning helps to absorb knowledge that improves our ability to think, explore and discover ourselves. It is indeed a delightful experience as the chairman of CICASA Indore to address the young and innovative brains who are set to achieve their dreams. In the tough times, relentless efforts, dedication and discipline will ultimately lead you to realise your goals, teaching you to control your thoughts, being happy in every situation and thereby visualising positive emotions that trigger an optimistic mood. In an endeavour to ensure that the students are getting benefited, CICASA Indore aims at providing a system where students can become a part of integral learning. With our continuous efforts, we try to come up with pleasing activities that acts as an opportunity for the students to grasp knowledge bundled with little fun. I am proud to announce that CICASA Indore had successfully organised a complete series of revision lectures with very renowned speakers from all over India, covering each and every subject in CA examination for November 2020.

Even in the times of hardship the series was a complete hit. Students from all over India appreciated the initiative and had a chance to revise every subject along with little tips and tricks. All India debate competition was great success as the student from Telagana took part having different version of Hindi and their dedication being appreciated by Judges. I would take an opportunity to thank CICASA Chairmen of Bilaspur, Bhilai, Agra, Jabalpur and Raipur, WICASA Chairman of Baroda and SICASA Chairman of Hyderabad who helped us to conduct successful All India debate competition. CICASA Indore is all backed up to come up with great webinars and also competitions on the occasion of Navratri, Dussehra and Deepawali.

CICASA Indore's motive is to guide educational thinking in conjunction with other holistic objectives. At CICASA Indore we exemplify the fact that sky is not the limit in the process of Excellence. I hope that all my students will be successful by putting their dedication and hardwork while fighting against all the odds.

Regards,

CA. Samkit Bhandari

Chairman, CICASA Indore.





SECRETARY'S MESSAGE



Dear Readers,

In the words of Nelson Mandela, “There can be no greater gift than that of giving one's time and energy for the betterment of public at large”

I second this saying as I feel that the entire CICASA team is grateful to be elected as the committee members working for the betterment of students.

As Secretary of CICASA Indore, I am overwhelmed to address my first message to you. With great authority comes equally great responsibilities and we, the CICASA committee members, have taken this responsibility to meet the expectations of CA Students, be it academic support, solving grievances of students or providing opportunities for all round development of future CAs.

Being one of you until few months back I can completely understand the importance of co-curricular activities in this journey and it is hence on top of our priority list to continuously enrich your daily happiness index by frequently conducting various fun filled activities. However it is nothing but your participation that motivates us to continue doing such events in future.

I am also happy to apprise you about the success of our first ever web series, “Just CA Things“, which takes you down the journey of a CA Student in a very humorous way.

Well, I know by this time you would be neck deep into studies but remember fellas no matter how much efforts you put in during this time, everything will sum up to those 3 hours of your exam day. Hence it is equally important for you to give your examination with a cool and stable mental state rather than rushing up through the syllabus in the last moment and losing your mental stability and confidence.

So finally to conclude I would like to thank you for bearing with me patiently until now. Leaving you with this thought which has been my source of inspiration in this journey called “LIFE”:

“All our anxiety and stress before any occasion in our life will subside if our emotions are detached from the outcome of event.”

Wishing you and your family a very happy and safe Diwali.

All the best for your exams.

Prakhar Porwal

Secretary, CICASA Indore.



Editorial Board's Message

Dear Readers,

As Nelson Mandela says, "Education is the most powerful weapon which you can use to change the world".

Therefore, we believe that education is the most empowering force in the world. It creates knowledge, builds confidence, and breaks down barriers to opportunities. This time the newsletter "The Echo" is dedicated to Power - Power of education, Power of knowledge and Power of Creative thinking. Thus to enhance knowledge and add more to your learning, reading plays an important role. In addition, reading can be a fun and imaginative time for everyone, which leads to a fantasy world for them. We proudly say that this Newsletter can definitely help you increase your knowledge & Provide opportunity to show your creative thinking in the form of articles.

The Newsletter for this month comprises of sections such as knowledge corner, motivational section and exciting events conducted by CICASA Indore in the past month which is followed by forthcoming activities.

"An investment in reading pays the best interest".

Hope you all enjoy the reading.

Happy Reading!!

**Editorial Board CICASA,
Indore**



ANJALI PADIYAR



SNEHAL AGRAWAL



FINANCIAL REPORTING ISSUES TO CONSIDER AS A CONSEQUENCE OF COVID-19



The pandemic, Covid-19, has proved to be testing for humanity. Death tolls and confirmed cases have been increasing alarmingly across countries. The business fraternity are sat crossing their fingers as the disastrous consequences of Covid-19 on economy and business rise beyond their imagination. Stock markets have hit bottom in several countries, and many governments are still contemplating the mechanisms needed to pull back the economy from the imminent slowdown.

The uncertainty mounting over India's economy has severed the hopes of many stakeholders.

ACCOUNTING PROVISIONS

As the Covid-19 outbreak is rapidly spreading in India, how it is going to impact the accounting and audit practices is a serious concern for many. Business entities would be indulging in efforts to mitigate the impact of this catastrophe on their operations. Financial statements would also need to account for such eventualities while reporting. As accounting involves the use of judgment on the expected cash flow stream and expense of a company, uncertainty in the business environment would require revision of estimates on revenues and expenses. For instance, companies would have accounted for some percentage of their accounts receivables as bad debts.

Given the current scenario, there is a possibility of delay or failure to repay from creditors. Companies need to figure out an additional provision for bad debts. For banks, loan-loss provisioning is going to be affected more, since their clients may not be able to pay back the loan in due time. Due to the plant lockdown and lack of maintenance and servicing of equipment, the estimated life of a physical asset needs to be reassessed. Eventually, this would affect the depreciation charged on such assets.

With the prevalence of many holding companies and their listed subsidiaries in India, the volatile stock market would severely hit the balance sheet of holding companies. Since the stock price of many firms is at their record low, holding companies need to adjust or record an impairment of their investment in subsidiaries in their balance sheet.

Moreover, most of the accounting treatments rely on the assumption of “going concern”, which says that the company is going to exist forever, and accountants make estimates based on this assumption. As the Covid catastrophe is spreading across the globe, there needs to be much caution and care while making judgments on estimates based on the “going concern” principle.

ICAI ADVISORY

Against this backdrop, the accounting regulator of the country, the Institute of

Chartered Accountants of India (ICAI) has issued an advisory on the “Impact of Coronavirus on Financial Reporting and the Auditors Consideration”. This advisory attempts to familiarise the preparers and auditors with some critical areas that require special attention amid this pandemic.

Firms may consider writing down inventories to net realisable value due to the ongoing disruption in the supply chain, reduction in sales price or obsolescence of inventory, says the ICAI's advisory. Assets might have to test for impairment as there may be a situation where it is difficult to account for the ability of an asset to generate cash flows in the future due to events such as temporary ceasing of operations and an immediate decline in demand or prices.

Another critical area of attention required is concerning fair value measurement. Fair value accounting is the practice of measuring assets and liabilities at their current market value. As available market price is a crucial element in fair value measurements, the current volatility in the prices of financial instruments poses significant challenges for the firm to arrive at the fair value for financial assets. Further, it also requires that transactions in an orderly market base the quoted prices. There should not be any unnecessary pressure to sell or distressed selling in the market as they do not resemble orderly transactions.

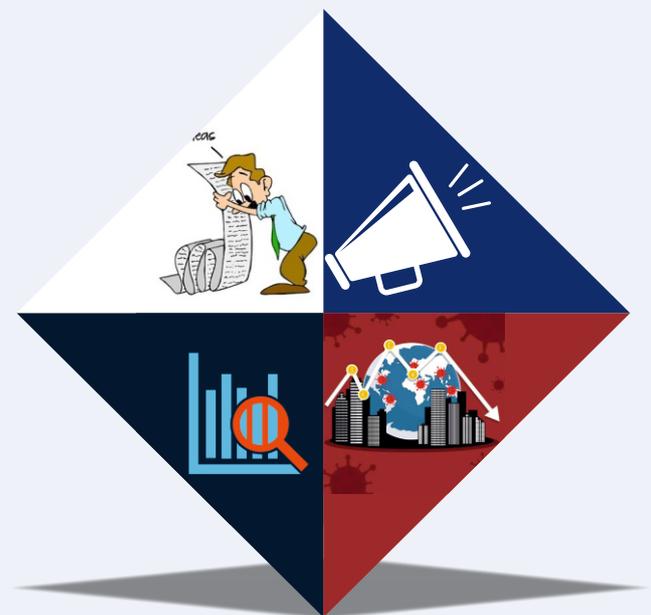
The ICAI guidelines also warn that, due to Covid-19, there could be a possibility of an increase in sales returns, decrease in volume discounts, higher price discounts etc. Therefore, the amount of revenue to be recognised needs scrutiny given the scope of the relevant AS and Ind AS.

AUDITING CHANGES

Auditing would also face serious issues as it would be difficult for auditors to access the client location to conduct the stock audit and cash audit amid this situation. However, the quality of auditing cannot be compromised, says the ICAI's guidance. Auditors have to come up with alternate arrangements to conduct auditing effectively.

Meanwhile, the applicability Companies (Auditor's Report) Order (CARO) 2020, which mandates newer and more stringent audit rules, has been postponed to the next financial year.

Since the economic impact of Covid-19 continues to evolve rapidly, firms should monitor this situation carefully and liaison closely with their board of directors, external auditors and other stakeholders, including the regulators, as the situation progresses.



GEETIKA BHATIA
CRO 0625918

AN OVERVIEW OF NON-BANKING FINANCIAL COMPANY (NBFC)



DEFINITION

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act 1956/2013, engaged in the business of loans and advances, acquisition of shares, debentures and other securities, leasing, hire-purchase, insurance business and chit business. The term NBFC does not include any institution whose principal business is that of agricultural activity, industrial activity or sale of any good (other than securities) or providing any services and sale/ purchase/ construction of any immovable property.

Section 45 I(f) of Reserve Bank of India (Amendment) Act, 1997 defines a NBFC as:

- i. A Financial Institution which is a Company;
- ii. A Non-Banking Institution which is a Company with principal business of receiving deposits, under any scheme or arrangement or in any other manner, or lending in any manner;
- iii. Such other Non-Banking Institution or Class of such Institutions, as the Reserve Bank with the

previous approval of the Central Government may specify by notification in the Official Gazette.

For the purposes of RBI (Reserve Bank of India) Directions relating to Acceptances of Public Deposits, Non-Banking Financial Company means only the Non-Banking Institution which is a – Loan Company, Investment Company, Hire Purchase Finance Company, Equipment Leasing Company and Mutual Benefit Financial Company.

REGISTRATION OF EVERY NBFC WITH RBI

In terms of Section 45-IA of the RBI Act, 1934, no Non-Banking Financial Company can commence business of a Non-Banking Financial Institution without obtaining a certificate of registration from the Bank and without having a Net Owned Funds of Rs. 25 Lakhs. However, in terms of the powers given to the bank, to obviate dual regulation, certain categories of NBFCs which are regulated by other regulators are exempted from the requirement of registration with RBI.

DISTINCTION BETWEEN AN NBFC AND A BANK

S.No.	NBFC	BANK
01.	An NBFC cannot accept Demand Deposits.	A Bank can accept Demand Deposits.
02.	An NBFC is not a part of the payment and settlements systems.	A Bank is a part of the payment and settlement system.
03.	An NBFC cannot issue cheques drawn on itself.	A Bank can issue cheques drawn on itself.
04.	Deposit Insurance Facility of the Deposit Insurance and Credit Guarantee Corporation (DICGC) is not available for NBFC Depositors.	Deposit Insurance Facility of the Deposit Insurance and Credit Guarantee Corporation (DICGC) is available for Banks.

CLASSIFICATIONS OF NBFCs

A. Companies exempted from Registration under RBI

Companies that do financial business but are regulated by other regulators are given specific exemptions by the Reserve Bank of India from its regulatory requirements for avoiding duality of regulation. Following NBFCs have been exempted from the requirement of registration under Section 45-IA of the RBI Act, 1934 subject to certain conditions.

- ▶ Housing Finance Companies (regulated by National Housing Bank);
- ▶ Merchant Banking Companies (regulated by SEBI);
- ▶ Stock Exchanges (regulated by SEBI);
- ▶ Companies engaged in the business of stock/Sub Broking (regulated by SEBI);
- ▶ Venture Capital Fund Companies (regulated by SEBI);
- ▶ Nidhi Companies (regulated by Ministry of Corporate Affairs, Govt. of India);
- ▶ Insurance Companies (regulated by IRDA); and
- ▶ Chit Fund Companies (regulated by respective State Governments).

It may also be mentioned that Mortgage Guarantee Companies have been notified as NBFC under Section 45 I(f)(iii) of the RBI Act, 1934.

Core Investment Companies with asset size of less than Rs. 100 Crore, and those with asset size of Rs. 100 Crore and above but not accessing public funds are exempted from registration with the RBI.

B. NBFCs mandated to register under RBI

NBFCs registered with RBI are categorized as follows:

- a) In terms of the type of liabilities into Deposit and Non-Deposit accepting NBFCs;
- b) Non Deposit taking NBFCs by their size into systematically important and other Non-Deposit Holding Companies (NBFC-NDSI and NBFC-ND); and
- c) By the kind of activity they conduct.

Within the Categorization mentioned in (c) above, (i.e. by the kind of activity they conduct) the different types of NBFCs are as follows:

1. Asset Finance Company (AFC)
2. Investment Company (IC)
3. Loan Company (LC)
4. Infrastructure Finance Company (IFC)
5. Systematically Important Core Investments Companies (CICs-ND-SI)
6. Infrastructure Debt Fund – Non-Banking Financial Company (IDF-NBFC)
7. Non-Banking Financial Company – Micro Finance Institution (NBFC-MFI)
8. Non-Banking Financial Company – Factors (NBFC-Factors)
9. Mortgage Guarantee Companies (MGC)
10. NBFC – Non-Operative Financial Holding Companies (NOFHC)



YASH PAKALE
CRO 0629643



PRIYANKA JAIN
CRO 0476458

एक नमन उन वीरों को

आजादी की हवा में सांस लेते हुए ।
पूर्वजों को अपने आज याद कर ले ।
गाँधीजी के आदर्शों का वन्दन कर ले।
बलिदान याद कर आँखें नम कर ले ।
लक्ष्मीबाई की क्रान्ति अग्नि प्रज्वलित कर ले ।
मंगल पाण्डे वाली आग फिर उज्ज्वलित कर ले ।
इंकलाब वाले स्वर फिर बुलन्द कर ले ।
आओ आज ऐसे भी भजन कर ले ।

जिन्दा हैं सावरकर अण्डमान में ।
लाल-बाल-पाल के सम्मान में ।
चन्द्रशेखर, नेताजी के स्वाभिमान में ।
अशफाक, बिस्मिल्लाह के गुमान में ।
राष्ट्रभक्ति में साँसे हवन कर ले ।
झण्डा ये तिरंगा अमर कर ले।
जय हिन्द वाले स्वर फिर बुलंद कर ले।
आओ आज ऐसे भी भजन कर ले ।

आजादी थी जिसकी दुल्हन उस भगत को नमन ।
संग झुले फाँसी पे सुखदेव, राजगुरु को नमन ।
उजडने दिया नही हरा-भरा चमन।
एकता की तान सरदार पटेल को नमन ।
लेकर आये देश में जो शान्ति और अमन ।
ऐसे देश भक्त श्री लाल बहादुर को नमन।
जलियाँवाला बाग से जब पूरा देश था जूझा ।
उधमसिंह ने डायर को लंदन जाकर भूना।
गुलामी की आग में जवानों के खून खौलते ।
वंदे मातरम फिर रविन्द्रनाथ बोलते ।
वंदे मातरम वाले स्वर आज फिर बुलंद कर ले ।
आओ आज फिर ऐसे ही भजन कर ले ।





अकसर लोगों की चक चोढ़ देखकर क्यों घबराता हूँ
ना जाने मैं लोगों से क्यों कतराता हूँ ।

लगता है नही लड पाऊंगा मैं इनसे,
पर बिन प्रयास मान जाऊं मैं कैसे ।

कई बार गिरकर फिर उठ जाता है मेरे जूनून,
फिर जीत के बाद ही मिलता है शूकून ।

जीत के बाद वो शिकवे वो मेहनत याद आएंगे,
वो बिन नींदों की राते मुझे राहत की नींद सुलायेंगे ।



**MESSAGES BY THE WINNERS
OF THE PARYUSHAN PARV
MESSAGE COMPETITION**

क्षमा जैसे सम्पूर्ण शब्द को कुछ शब्दों में बताना काफी नहीं पर एक प्रयास है क्षमा का सीमित शब्दों में अर्थ बताने का।



GAGAN NAGAR
CRO 0556069

क्षमा,
पृथ्वी का आधार है,
रघुशी की फुहार है।
शांति पुकार है,
धरम ग्रंथों का सार है ॥

क्षमा,
श्रेष्ठ व्यक्तित्व की पहचान यही है,
ज्ञानियों का ज्ञान यही है,
दानियों का दान यही है,
योगियों का ध्यान यही है ॥

क्षमा,
मनुष्य का चरित्र है,
यह आचरण विचित्र है।
हर कोई न वश में,
यह गंगा सा पवित्र है ॥

क्षमा,
रिश्तों की बुनियाद है,
सुख की शुरुआत है।
बदलाव की फरियाद है,
यह दृष्ट पर आघात है ॥

क्षमा,
सबसे बड़ा धरम है।
हर व्यक्ति का कर्म है,
ईश्वर का प्रतिरूप कोई है ॥
वो क्षमा ही एक दर्पण है ॥

**MESSAGES BY THE WINNERS
OF THE PARYUSHAN PARV
MESSAGE COMPETITION**

अपनों से माफी मांगने का,
खुद की गलती मानने का,
पर्व पर्युषण आया है ।
हर दिल को साफ करने का,
मौका ये अनोखा लाया है ।
उत्तम क्षमा औ मिच्छामि दुक्कडम
कह दिल को हलका कर लोजी,
चंद शब्दों में गलती सुधारने का
सुनहरा अवसर आया है।
ना गिला रखो दिल में कोई,
ना बैर किसी से कभी करो,
जो हो ाये गल गलती कोई,
क्षमा शीघ्र मांगते चलो ॥



MAHIMA RALLY
CRO 0558460



APURVI PAGARIA
CRO 0639160

संवत्सरी है त्यौहार,
क्षमा याचना है इसका सार ।
भाव मात्र से खपते हैं करम,
बारंबार मिच्छामि दुक्कडम ॥

ACTIVITIES CONDUCTED IN OCTOBER



आत्मनिर्भर भारत - गाँधीजी का स्वदेशी आंदोलन का : पुर्नजन्म ?? वैश्वीकरण युग में कितना सार्थक ?

On the occasion of Gandhi Jayanti, 2nd October, CICASA Indore conducted an inter-branch debate competition on the above mentioned topic. Students from across the country expressed their opinion on for and against the topic. Branches that participated in the same were Bhilai, Bilaspur, Agra, Jabalpur and Raipur from Central region, Baroda from Western region and Hyderabad from Southern region. For the first time in the history of any CICASA branch such national level event was organized.

THINK BOTS : THE QUIZ



CICASA Indore organized an innovative quiz "Think Bots", to celebrate various occasions that fall in the month of October like Birth anniversary of Mahatama Gandhiji and Lal Bahadur Shastriji, World Smile Day, World Farm Day as well as World Pet Day. Here the participating contestants were required to collect answers of the questions in form of pictures and then those pictures when assembled together would form a collage. The contestant who made the correct collage at the earliest was the winner and was awarded with a cash prize.

TIPS AND TRICKS FOR CA INTERMEDIATE



This was an eleven days revision series organized for CA Intermediate students who were going to have their attempt in November 2020. Various renowned faculties from across the region were called to guide the students for the examination. This series began from 11th October, 2020 and continued till 20th October, 2020. This was also featured live on CICASA Indore's YouTube channel simultaneously so that the queries of students, if any could be resolved simultaneously.

REVISION-CUM PROBLEM SOLVING SERIES FOR CA FINAL



CICASA Indore organized this Revision-Cum Problem Solving session for CA Final students in collaboration with Ahmedabad, Surat, Vadodara, Rajkot, Bhuj, Bharuch and Bhavnagar Branches of WICASA. Nation-wide faculties were called so as to empower the students from all over the country with their knowledge and wisdom. Students from across the country participated and benefited from the above mentioned series.

JUST CA THINGS



In the month of October, CICASA Indore launched Season 1 of web series "Just CA Things", on CICASA Indore's YouTube channel wherein the committee members themselves acted upon and showed the real life of the CA students. The main motive to launch this series was to provide conceptual clarity on various technical topics of the CA education syllabus in a fun-filled manner. This dramatic series benefited not only those students who are going to face their attempt but also those students who are undergoing their articleship training.

ACTIVITIES CONDUCTED IN OCTOBER



THE VICTORY OF GOOD OVER EVIL

To mark the victory of good over evil, CICASA Indore in this tough time of COVID-19 celebrated this Dussehra in a very innovative and creative manner, by enlightening a ray of goodness in the society by empowering all the women, through taking a pledge that we won't tolerate anything wrong against women in this country. This festive season we stand for girl power. For the same we also called upon the views and suggestions from the students.



INTER-BRANCH DEBATE COMPETITION

FOR
THE MOTION

1st



VIDHI PATODI
INDORE

2nd



SHIVAN AGRAWAL
AGRA

3rd



MOHIT LEKHWANI
RAIPUR

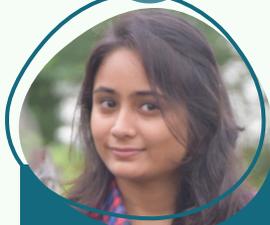
4th



ARIHA SHAH
HYDERABAD

AGAINST
THE MOTION

1st



SHREYA CHATWANI
BHILAI

2nd



VAISHNAVI AGRAWAL
AGRA

3rd



SWAPNIL BEOHAR
JABALPUR

4th



KOUSALYA BHALELA
HYDERABAD

HINDI DIWAS

POETRY
EVENT

1st



PRIYANKA JAIN
CRO 0476458

2nd



PRAGYA TAMRAKAR
CRO 0620194

3rd



KNOWLEDGE SAHU
CRO 0580194



HINDI DIWAS

SHAYARI EVENT

1st



CHIRAG VIJAYVARGIYA
CRO0568080

2nd



JAYA PADIYAR
CRO0594701

3rd



NITIN JAIN
CRO0648626



TEACHER'S DAY SPECIAL EVENT

1st



SALONI CHAUHAN
CRO0627973

2nd



EKTA SACHDEV
CRO0584205

3rd



SACHIN SINGH
CRO0570953



Fun-O-Fest

FOOTBALL JUGGLING



ARPAN MAHESHWARI
CRO 0591813

CRICKET JUGGLING

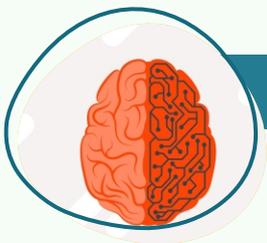


HITANSHU GANDHI
CRO 0593826

SKIPPING AND PUSH-UPS



PUNEET GOYAL
CRO 0592195



Think Bots THE QUIZ

1st



TEJAS VERMA
CRO 0634580

2nd



MAHAK JAIN
CRO 0650082



TOURISM DAY - BUCKETLIST COMPETITION

1st



PALAK NUWAL
CRO 0623103

2nd



SANSKRITI TARE
CRO 0634488

1st



RISHABH DUBEY
CRO 0630403

2nd



Surendra Vaishav
CRO 0629889



UPCOMING EVENTS

November being the month of festivities, shall be celebrated across the country with full joy and happiness. In order to contribute to the happiness of people CICASA Indore is going to organize many festival related events asking students how they celebrated them and what's their mythology for the same. Moreover we are also going to organize live screening of IPL Final 2020. With that we will also celebrate World Entrepreneurship Week and World Education Day.

DISCLAIMER

CICASA Indore while presenting '**The Echo**', without prejudice of the foregoing content does not represent, warrant undertakes or guarantee that the information in the newsletter is correct accurate and complete since it publishes the articles of students as they stand. CICASA Indore is neither bound nor necessary to agree with the content in the articles. CICASA Indore only gives a platform to the students to showcase their perspective and knowledge through this Newsletter along with sharpening their writing skills.

With this intent CICASA Indore presents to you the newsletter '**The Echo**'.



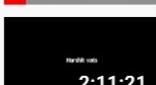
Glimpses

Remember life.....



SHOOT DAY!



-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
5:13:10
-  Virtual Revision Class - 19-10-2020
CICASA Indore
4:31:01
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
2:11:21
-  Tips and Tricks - Revision Class (Intermediate)
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3:39:26
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
4:06:51
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
5:58:16
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
5:23:49
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
3:55:51
-  Tips and Tricks - Revision Class (Intermediate)
CICASA Indore
4:11:40
-  Tips and Tricks - Revision Class (Intermediate)
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Glimpses

Remember life.....

