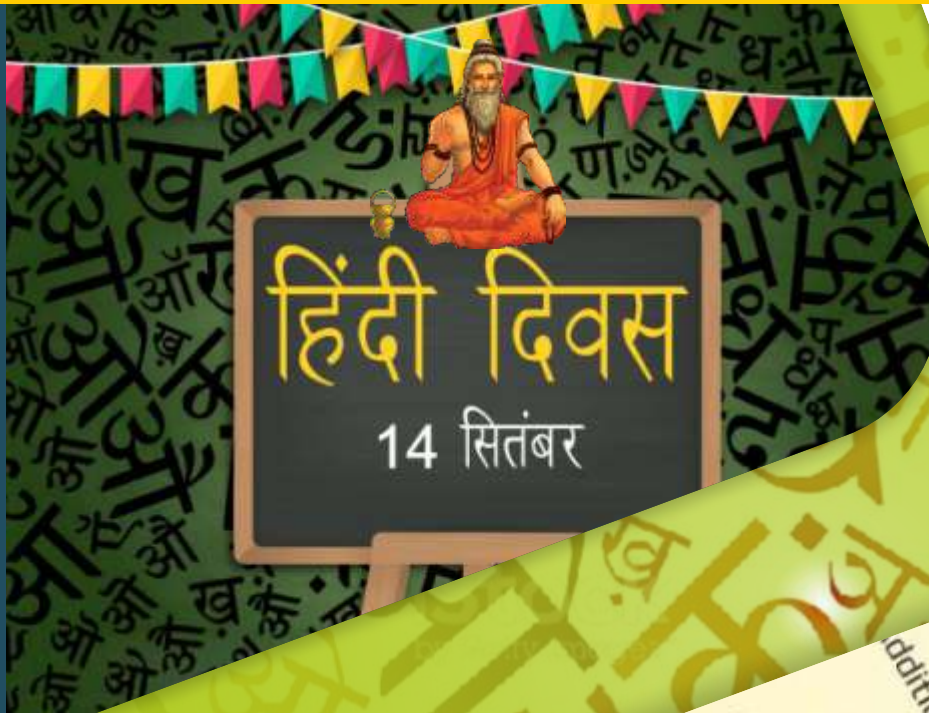




The Echo

► Year 2020 ► VOLUME - 9

SEPTEMBER - If we have the attitude that it's going to be a great day it usually is.





CHAIRMAN'S MESSAGE

Dear Readers,

The month began with the beginning of teacher's day emphasizing the role of a teacher, who not only guide the students but also give young people the power of education. As I Pen down my thoughts, I feel overwhelmed as the chairman of CICASA, Indore to address the young folks who are filled with zeal and vigor. Teachers are the backbone of any society which makes their contribution unparalleled even in current position which is being impacted by an unprecedented situation in the wake of COVID-19. Though, the rampant spread of corona virus has created an alarming situation, the spirit of CICASA Indore remains resolute and strong.

Be it Teacher's Day celebration, Hindi Diwas or a series of GST audit session by prominent speakers, CICASA Indore has been on its toes to present such fun learn activities that helped students to enhance their competence.

CICASA Indore keeping its resilience has always looked forward to bring such great activities through its continuous and persisted efforts. In the next month students will also get to witness some of the most experienced speakers through various webinars on technical topics. With the coming festive month CICASA Indore is all set to unveil an exciting web series, 'Just CA Things' a power packed performance that will surely teach you a lot, followed by a thrilling All India debate competition and quiz on the occasion of Birth Anniversary of Gandhi Ji and Shashtri Ji, celebrations for Navratri and Dusshera. I hope students will participate and get a chance to enjoy and also learn with us.

Seeing students getting benefited across India makes are efforts count.

I hope and pray that all of you stay safe in such challenging time and act with vigilance. At last remember my students that life has many unpredictable moments, many paths and memorable time, so enjoy and make the best out of it.

Regards,

CA. Samkit Bhandari

Chairman, CICASA Indore.

VICE CHAIRPERSON'S MESSAGE



Dear Readers,

With the great responsibility of taking CICASA Indore to new heights and continuing the legacy which past committee members have gifted to me and to my team members, as I pen down to begin my first message as Vice Chairperson of CICASA Indore I am filled with emotions of gratitude and delight. This time our team constantly focuses on kaizen and innovation so that we leave no place where there is a gap between expectations of students and reality.

I am really very excited to communicate with you all. When it comes to you, the students, we put all our efforts and dedication to come upto your aspirations and try to make you feel as if we CICASA members are not less than a family to you.

Your queries and grievances are always our first priority and I want to inform you that me and my entire team continuously work in this direction so that none of your problems remains unresolved. Moreover, we plan and conduct diverse activities so that the students can feel a bit relaxed and have some amusing time in their monotonous and busy schedule.

Your participation and support are the constant source of motivation that inspires me and my team, to continuously work for your satisfaction and happiness. If you face any kind of problems or difficulties, always feel free to contact us.

Being able to serve the students, is what brings true happiness to us.

With this I would like to conclude this message and wish all the best to the students who are going to have their attempt in November, 2020. Prepare well and do your best!

Regards,

Srushti Gupta

Vice Chairperson, CICASA Indore.





Editorial Board's Message

Dear Readers,

"A good teacher makes a good pupil". The saying is relevant and to emphasize this "Valuable quote", we celebrate teacher's day every year as a mark of respect to our guiding lights, our teachers. Teachers are the one who teaches the meaning of life. Likewise teachers, books also teach us a lot. Books and a perfect reading material are a uniquely portable magic.

We do believe that something very magical can happen when you read something with good content.

We always try to come up with good quality content for our beloved readers so that they can enjoy reading. This month's Newsletter comprises of three sections - Knowledge corner, motivational section and glimpses of events along with names of the winners from various contests that is followed by forthcoming activities. We Congratulate to all the winners and a special thanks to all the content providers of this Newsletter.

If you get
tired,
learn to **rest,**
not to **quit.**

Stay safe!! Enjoy Reading!!

Regards,

**Editorial Board CICASA,
Indore**



ANJALI PADIYAR



HIMANI AGRAWAL



SNEHAL AGRAWAL



COMPOSITION SCHEME UNDER **GST**

Every taxation system has some prescribed rules or regulations which must be followed by individuals, taxpayer or business owners.

Composition scheme under the GST law is for small businesses. The very purpose of composition scheme is to bring relief to small businesses so that they need not be burdened with the additional compliance as in case of normal taxpayers.

Composition scheme has been given under section 10 of CGST Act.

ELIGIBILITY CRITERIA FOR COMPOSITION SCHEME (SECTION 10)

Notwithstanding to the contrary in this act, but subject to provisions of sub section (3) & (4) of section 9, A registered person whose aggregate turnover in the preceding financial year does not exceed Rs 1.5Cr (Rs. 75 lakhs for special category states except state of Assam, Himachal Pradesh and Jammu & Kashmir) may opt to pay tax under composition levy.

Sr. No.	Category of Person	CGST	SGST	Basis of Calculation
1.	Manufactures (other than manufacturers of such goods as may be prescribed by government)	0.5%	0.5%	Turnover in state
2.	Suppliers making supplies referred to in Clause b of schedule II	2.5%	2.5%	Turnover in state
3.	Other supplies (Normally Traders who are not involved in manufacturing)	0.5%	0.5%	Turnover of taxable supplies of goods and services in State.

As per newly inserted Sec 10(2A) by Finance Act 2019, a registered person engaged in predominant supply of services or manufacturers/traders/restaurants providing services in excess of limit mentioned in proviso 2* (discussed in detail in conditions) whose aggregate turnover in preceding financial year does not exceed Rs 50 lakhs may opt to pay tax as may be prescribed but not exceeding 3% (CGST-3% , SGST-3%) of the turnover in state.

Sr. No.	Category of Person	CGST	SGST	Basis of Calculation
4.	Predominant Service providers	3%	3%	Turnover in state

CONDITIONS FOR COMPOSITION SCHEME

Any registered person opting for composition scheme has to comply with the following conditions:

- 1) He shall NOT be engaged in supply of services.
Comment- A person opting composition scheme u/s 10(1) i.e. (any Manufacturer, Trader, Restaurant) cannot supply any services except as allowed in proviso 2 of sec 10(1)

As per proviso 2 of sec 10(1) any Manufacturer, Trader, Restaurant who opt for composition scheme may supply services (other than those referred in clause b of paragraph 6 of schedule II) of value not exceeding 10% of turnover in state in preceeding financial year or Rs. 5 lakhs, whichever is higher.

Note : for this purpose the value of exempt supply of services provided by way of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount shall NOT be taken in account for determining the value of turnover in State.

As per newly inserted Sec 10(2A) by Finance Act 2019, a registered person engaged in predominant supply of services can opt for composition scheme subject to turnover limit as mentioned before.

- 2) He shall not be engaged in making supply of goods which are not leviable to tax under this act. (for e.g. supply of alcoholic liquor for human consumption, 5 petroleum products mentioned in section 9)
- 3) He is not engaged in making any inter state outward supplies. (there is no restriction on inward supplies)
- 4) He shall NOT be engaged in making any supply of goods through an electronic commerce operator who is required to collect tax at source under section 52.
- 5) He shall NOT be a manufacturer of following goods:
 - ▶ Ice cream and other edible ice, whether or not containing cocoa

- ▶ Pan masala
- ▶ Aerated water
- ▶ Tobacco and manufactured tobacco substitutes.

(restriction is only for manufactures, therefore traders of above goods can still opt for composition scheme)

- 6) He shall NEITHER a casual taxable person NOR a non resident taxable person
- 7) He shall pay tax on reverse charge at normal rate on inward supplies of notified goods or services on which reverse charge is applicable.
- 8) He shall NOT collect any tax from recipient on supplies made by him.
- 9) He shall NOT claim any Input Tax credit.
- 10) If a taxable person has different segments of businesses (such as textile, electronic accessories, groceries, etc.) under the same PAN, they must register all such businesses under the scheme collectively or opt out of the scheme.
- 11) The taxpayer has to mention the words 'composition taxable person' on every notice or signboard displayed prominently at their place of business.
- 12) The taxpayer has to mention the words 'composition taxable person' on every bill of supply issued by him.

RETURNS TO BE FILED BY A COMPOSITION DEALER

- ▶ A dealer is required to pay tax in a quarterly statement CMP-08 by 18th of the month after the end of the quarter.
- ▶ Also, a return in form GSTR-4 has to be filed annually by 30th April of next financial year from FY 2019-20 onwards.
- ▶ GSTR-9A is an annual return to be filed by 31st December of the next financial year. It was waived off for FY 2017-18 and FY 2019-20.

ANUKUL MISHRA
CRO 0609133



IMPORTANCE OF FINANCIAL REPORTING

Financial statements provide various important financial information that helps investors, creditors and analysts evaluate a company's financial performance. A lot of the financial information in financial reported in required by law or by accounting standard practices. Financial reporting helps management communicate the past successes and future expectations of the business.

Here are a few reasons why financial reporting is important to your business:

TAX PURPOSES

The most important reason to use financial reports is that you have to and required by law to do so. The Internal Revenue Agency uses these reports to make sure you're paying your fair share of taxes. Businesses that make a lot of profit have to pay quite a lot of taxes. Accurate financial reporting helps reduce their tax burden and helps them ensure that all their resources are not depleted in a short amount of time.

SHOWING FINANCIAL CONDITION

Potential investors want to know how well the company is doing before they invest. Investors, creditors and other capital providers rely on a company's financial reporting to gauge the safety and profitability of their investments. Stakeholders want to know where their money went and where it is now. Financial statements like the balance sheet address provide detailed information about the company's asset investments and outstanding debt and equity components. Investors and creditors can use this information to better understand the company's position and capital mix.



EVALUATING OPERATIONS

The information on a balance sheet is a snapshot of a company's assets, liabilities and quite at the end of a financial period. However, a balance sheet doesn't show what operational changes might have occurred to cause changes in the financial condition of a company. Operating results during the period is also something investors need to consider. Financial reporting done on an income statement shares results about sales, expenses and profit or losses. Using the income statement, investors can both evaluate a company's past income performance and assesses future cash flow.

EXAMINING CASH FLOW

A company's profits are reported in the income statement but provide no direct information on the company's cash exchange. A company incurs cash inflows and outflows during a period from non-operating activities, namely investing and financing. Cash from all sources, not revenue from operations, is what pays investors back. That's why a cash flow statement is an important statement for an investor to review. The cash flow statement shows the exchange of cash between the company and the outside work during a period of time. By reviewing this statement, investors can know if a company has enough cash to pay for expenses and purchases.

SHARING SHAREHOLDER EQUITY

The statement of shareholders' equity is important to equity investors. It shows the changes to various equity components like retained earnings during a period. Shareholder equity is a company's total assets minus its total liabilities and represents a company's net worth. Steady growth in a business's shareholders' equity because of increasing retained earnings, as opposed to expanding shareholder base, means higher investment returns for current equity shareholders.

DECISION-MAKING, PLANNING AND FORECASTING

When a business needs to make a decision, analysing financial statements is crucial. Managers can look at the value of the assets that a business currently holds and decide if they can afford to purchase more. Conversely, when the value of assets is severely depreciated, managers can decide if they need to be sold off.

MITIGATE ERRORS

Accurate financial reporting can help business's catch costly mistakes and inter errors early on in the process. There is no better way to detect illegal financial activities than catch discrepancies in financial statements. Through a reconciliation process, errors that have been made can be found. Companies spend a lot of time reconciling their books of accounts and verifying each journal entry, so they can find if an accounting error has occurred or if anyone has tampered with any part of the business.

What Is the Purpose of Financial Reports?

Generally, financial reporting provides information about the results of the operation, financial position and cash flows of a business. Readers review the statement to decide the allocations of resources. Financial reporting is a way of following standard accounting practices to give an accurate depiction of a company's finances, including:

- ▶ Revenues
- ▶ Expenses
- ▶ Profits
- ▶ Capital
- ▶ Cash flow

What Is Included in Financial Reporting?

The process of producing statements that disclose a business's financial status to management, investor and the government is known as Financial Reporting.

Financial reporting includes:

- ▶ external financial statements (income statement, statement of comprehensive income, balance sheet, statement of cash flows, and statement of stockholders' equity)
 - ▶ notes to the financial statements
 - ▶ communication regarding quarterly earnings and related information through press releases and conference calls
 - ▶ quarterly and annual reports to stockholders
 - ▶ financial information posted on a business's website
 - ▶ financial reports to governmental agencies including quarterly and annual reports to the Securities and Exchange Commission (SEC)
- documentation pertaining to the issuance of common stock and other securities



ASHI AGRAWAL
CRO 0629868





Significant Beneficial Ownership



The concept of Significant Beneficial Ownership is brought by the Ministry of Corporate Affairs ("MCA") to identify those individuals who indirectly control or exercise significant shareholding in the Company through layers of artificial entities like Companies or LLPs.

For Example:

If Mr. X is holding shares of more than 50% in ABC Limited and ABC Limited is holding 11% shareholding in XYZ Limited then Mr. X is exercising Significant Beneficial Ownership in XYZ Limited.

APPLICABILITY:

The SBO Rules shall apply to every type of Company (Small/Private/Public/Listed) except those whose extent of the share of the reporting company is held by:-

- a) the authority constituted under sub-section (5) of section 125 of the Act (i.e. IEPF);
- b) its holding reporting company: Provided that the details of such holding reporting company shall be reported in Form No. BEN-2.
- c) the Central Government, State Government or any local authority;
- d) (i) a reporting company, or (ii) a body corporate, or (iii) an entity, controlled by the Central Government or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments;

- e) Securities and Exchange Board of India registered Investment Vehicles such as mutual funds, alternative investment funds (AIF), Real Estate Investment Trusts (REITs), Infrastructure Investment Trust (InVITs) regulated by the Securities and Exchange Board of India,
- f) Investment Vehicles regulated by the Reserve Bank of India, or Insurance Regulatory and Development Authority of India, or Pension Fund Regulatory and Development Authority.

Who is a Significant Beneficial Owner?

"Significant Beneficial Owner" in relation to a reporting company means an individual referred to in sub-section (1) of section 90, who acting alone or together, or through one or more persons (i.e. along with relatives) or trust, possesses one or more of the following rights or entitlements in such reporting company, namely: -

1. holds indirectly, or together with any direct holdings, not less than ten percent of the shares; Note: The Shares include Equity Shares, GDRs, CCPs, and CCDs but do not include Redeemable Preference Shares and Optionally Convertible Preference Shares. However, for the purpose of identification of Significant Beneficial Ownership, the convertible instruments are required to be converted into Equity Shares. The percentage holding of Equity Shares shall be calculated on the post-conversion.

2. holds indirectly, or together with any direct holdings, not less than ten percent of the voting rights in the shares;
3. has the right to receive or participate in not less than ten percent of the total distributable dividend or any other distribution, in a financial year through indirect holdings alone, or together with any direct holdings;
4. has the right to exercise, or actually exercises, significant influence or control, in any manner other than through direct-holdings alone:

Three mandatory conditions for Significant Beneficial Owner :

- (A) There should be a Natural Person (i.e. Individual).
- (B) Holding shall be indirectly alone or directly plus indirectly.
- (C) Holdings not less than 10% of shares/voting right/dividends/ significant influence or control in reporting Company

Here are some illustration to understand the concept 1. Mr. A is holding 51% shareholding in ABC Limited and ABC Limited is holding 51% shareholding in PQR Limited. Also, PQR Limited is holding 11% shareholding in XYZ Limited.

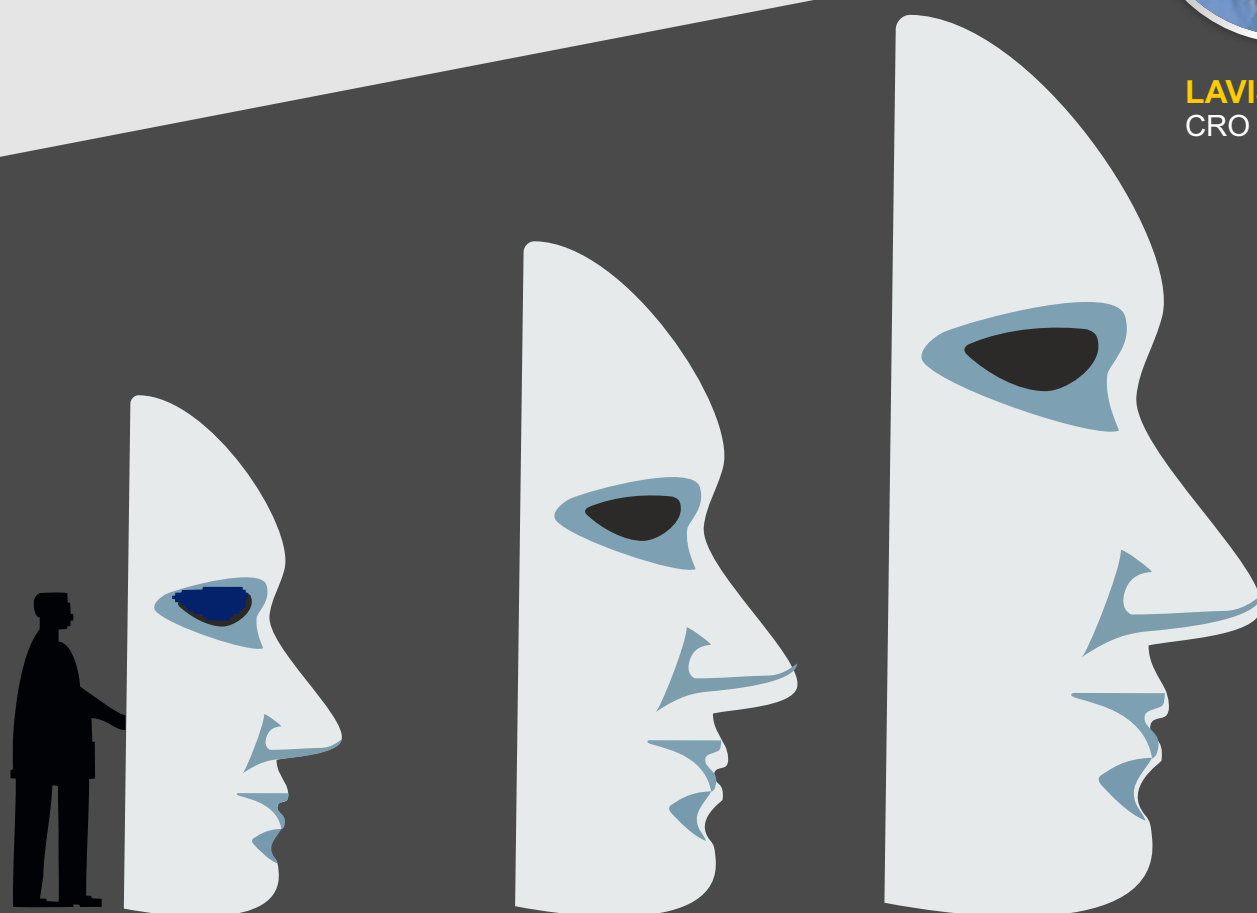
Whether Mr. A SBO or not in XYZ Limited? Mr. A is holding a majority stake in ultimate holding Company (i.e. PQR Limited) of body corporate member (i.e. ABC Limited) of reporting Company (i.e. XYZ Limited) and ABC Limited is holding more than 10% stake in XYZ Limited. In this case, Mr. A is SBO in XYZ Limited and has to give declaration in Form BEN-1 to XYZ Limited.

Duty of Significant Beneficial Owner

1. On the date of commencement of the Companies (Significant Beneficial Owners) Amendment Rules, 2019, every individual who is a significant beneficial owner in a reporting company, shall file a declaration in Form No. BEN-1 to the reporting company within ninety days from such commencement.
2. Every individual, who subsequently becomes a significant beneficial owner, or where his significant beneficial ownership undergoes any change shall file a declaration in Form No. BEN-1 to the reporting company, within thirty days of acquiring such significant beneficial ownership or any change therein.



LAVISH TANTED
CRO 0612474



COVID-19 & IMPLICATIONS

May it be newspapers, news channels, advertisements or even social media, corona virus is at the top of the hot talk list in today's world. This virus has singlehandedly brought the whole world to a standstill. It has undoubtedly proved to be a pandemic and has become a reason of widespread deaths, depression and terror. After a chain of lockdowns and long period of being quarantined we have learned the ways of keeping ourselves safe from the disease. The matter of fact is that no doubt the disease has proved to be a threat to mankind but has also served a beautiful purpose of bringing families together. In this world of practicality people had started keeping their emotional side in a corner. The disease forced people to be at home and ultimately helped in experiencing the joy of togetherness. According to the present day updates the number of people recovering from the disease is increasing day by day. The fight against the virus is worldwide but the doctors say that for an infected person the fight starts and will end from within. A person's good immunity power can work wonders. The better the immunity power the better are the chances of recovery. Alongwith this the mindset and willpower can play a significant role. Let us today fill ourselves with positivity. Not fear but surely courage and a cautious approach can help us win against the disease.



MANSI JOSHI
CRO 0640439



हिन्दी है गर्व हमारा

बिंदी बिना जैसे श्रृंगार अधूरा लगता है,
हिन्दी बिना मुझे हिन्दुस्तान अधूरा लगता है ।
हिन्दुस्तान की पहचान है हिन्दी,
जन्मात बयाँ करने के अल्फाज है हिन्दी ।
किसी भाषा से बैर नहीं मुझे,
हिन्दी से अलग ही लगाव है ।
शायद यही मेरी हिन्दुस्तानी होने की पहचान है ।
कई भाषाएं आती है मुझे,
कई अभी सीखना बाकी है ।
सबसे सर्वस्य हिन्दी ही रहेगी,
क्योंकि यही सुख-दुख की साथी है ॥



MAHIMA RALLY

CRO 0558460



Best Memory With My Teacher

"The best teacher don't give you the answer. They spark within you the desire to find the answer yourself."

On the occasion of Teacher's Day, I would like to share one of the best incident with Respected Vice Principal Sir.

In the Period of Teenage, we are all powered up for doing different things as we are living the best days of our lives. I was in Eleventh Grade, busy with School, Coaching and all. Our Vice Principal Teacher used to teach us Economics. And being in High School, getting marks in 90's seemed to be a challenge. He used to teach us in such a manner that we started liking the Subject. But along with it, we were also having Homeworks daily. Doing homework regularly seemed to be a bit annoying. So I used to skip my Homework and was always in punishment.

Sir always used to say that you all can do much better. Then the results for 11th grade were declared and I got decent marks but were not as good as we always want.

Then in Twelfth grade, I worked hard, followed my Sir's directions. Pre Boards results were out.

I secured 79/80. Sir was so proud of me, his smile made that moment so beautiful that even if I remember those moments, I feel Overwhelmed.

It is not about just the marks we score, but about the guidance which we have.

So, always believe in your teachers and move forward.

गुरु गोविन्द दोऊ खडे काके लागू पाय ।
बलिहारी गुरु आपकी गोविन्द दियो बताय ॥

Teachers are pillars who stand by us and for us in all odds of life. It is very difficult to have a favourite teacher, because I believe all teachers in my life had an impeccable impact on my career and personality. Some made me realize that maths is beyond learning formulas while others encouraged me to pursue music as a passion. Today, I owe a large part of my personality and knowledge to my teachers. As a child I thought school is all about imparting education in oneself. But growing up my teachers pushed me to participate in co-curricular activities especially in singing. Singing solo in front of hundreds of people would never have been possible without my teachers' motivation.

Not just in school but in every sphere of life teachers build us strong to face the world.

I would also like to mention my Sir under whom I am currently doing articleship. Articleship is a period where you get practical exposure. I am personally a little sensitive and shy person. But my sir always make sure that this shy and sensitive personality of mine gets converted to a dynamic and strong one during the course of my articleship.



JAYATI BAGRECHA
CRO 0640168



SALONI CHOUHAN
CRO 0627973

ACTIVITIES CONDUCTED IN SEPTEMBER



WHAT'S IN YOUR PLATE? HEALTHY NUTRITIOUS PROFESSIONAL LIFE

1st September, 2020 marks the beginning of National Nutritional Week. To spread awareness regarding importance of nutrition in our lives CICASA Indore conducted a talk show on "A Healthy Nutritious Professional Life". Here the chief speaker was very renowned Doctor, Dr. Nikhil Somani. He addressed to the various issues in relation to the nutritious lifestyle and weaknesses of being mal-nutrition. He also addressed to the various questions asked by the students themselves in the Talk Show.



TEACHER'S DAY SPECIAL

Teacher's play a very important role in our life, To recognise the importance of Teachers and celebrate their day, CICASA Indore organized a Teacher's Day Special Activity wherein students were asked to send one of their best memories with their teachers. Students here participated in large numbers and shared their best memories.



GST AUDIT SERIES

Since the last date of filing GST returns as well as GST Audits is approaching CICASA Indore conducted a very unique "GST AUDIT SERIES". It was a three days Webinar wherein every aspect relating to GST was addressed and concepts for the same were made clear. The speaker for this 3-days series was CA Kirti Joshi who not only explained minute details of GST but also addressed various issues and queries of the students.



HINDI DIWAS COMPETITION

Hindi is our pride and it shows us the richness of our Indian culture and traditions. To showcase and recognize importance of our mother tongue, Hindi Diwas was celebrated on 14th September, 2020 in the form of a competition. Students were asked to submit poems and shayaris written in hindi by themselves on various aspects. Students here participated in large numbers.



VOCAL FOR LOCAL

27th September is celebrated as TOURISM DAY. While the pandemic has caged us inside our houses, most of us dream to explore the world. So to celebrate this Tourism Day CICASA Indore organized "Vocal for Local". While many people wish to travel foreign land, we often forget how spectacular our own country is. So under this event students were asked to create a bucket list of their dream/favourite destinations from India.



Matki Decoration Competition



1st **VINI GUPTA**
CRO0624567



2nd **DAZZLE JAIN**
CRO 0628061



3rd **PRIYANSHI GANGRADE**
CRO 0582442



Paryushan Parv



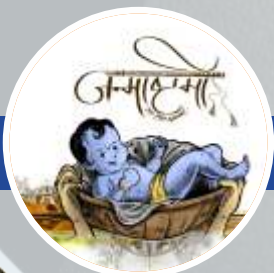
1st **GAGAN NAGAR**
CRO 0556069



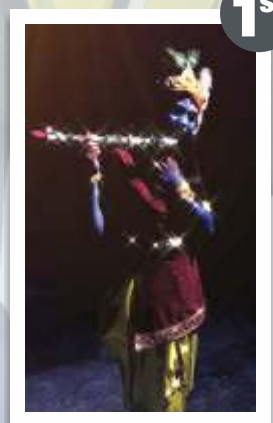
2nd **MAHIMA RALLY**
CRO 0558460



3rd **APURVI PAGARIA**
CRO 0639160



Janmashtmi Special Dress-up Competition



1st
ANISHA AGRAWAL
CRO 0758859



2nd
TULSI RATHI
CRO 0634424



3rd
HIMANI AGRAWAL | SNEHAL AGRAWAL
CRO 0640497 | CRO 0641110





Eco-Friendly Ganpati Competition



1st **SNEHAL AGRAWAL**
CRO 0641110



2nd **SAKSHI NARUKA**
CRO 0521738



3rd **PRIYAL CHOURE**
CRO 0625969



1st **MIRZA SHAHAD BAIG**
CRO 0602800

2nd **BHAVYA SOMANI**
CRO CR00623165

3rd **SIMANSH AGRAWAL**
CRO 0644438





UPCOMING EVENTS

CICASA Indore always tries to bring amazing and amusing activities for the students !

In the first week of October we are going to organize an Inter-Branch Debate Competition on the occasion of Gandhi Jayanti and an interesting quiz on the occasion of the birth anniversary of Mahatma Gandhiji and Lal Bahadur Shastriji, world smile day and world farm day. October being the month of festivities we are also going to organize a few great events on the occasion of Navratri and Dussehra. Also keeping in mind the upcoming attempt we are also going to organize a 10-days revision classes along with mock tests, one word a week and also a very interesting drama-series "**Just CA Things**".

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'.