

CICASA INDORE- NEWSLETTER



The Echo

► Year 2020 ► VOLUME - 6

JUNE ~ The month of EverGreen





Chairman's Message



Dear Readers,

Knowledge, understanding and ability to apply it properly are life's faithful companion which will never prove untrue. When knowledge is your crown, you can possess no greater treasure.

It's an overwhelming experience in releasing this month's newsletter as the CICASA Chairman of Indore Branch.

Education is an enlightening experience that makes us strong and not only sharpens our skills but also helps in discovering new capabilities.

I believe that this newsletter will serve as a window and impart the best of the knowledge to our students. We at CICASA are committed to create an ambiance of nurturing with value laden learning, creativity and excellence in our students. This gives vision and helps to set goals for the students.

CICASA's this month's includes various activities such as quiz competition, celebrating world environment's day and also finding positive from negative activity. This helped the students to have a fun learn experience in such a stressful time along with this we are planning some activities for the coming month. and also I hope that our nation builders will inculcate good values and always be on the right path. With this philosophy in mind, I am pleased to put forth this month's newsletter hoping that you will appreciate the student's effort.

Regards,

CA. Samkit Bhandari

Chairman, CICASA Indore.



**YOUR KEY OF
SUCCESS IS IN
YOUR OWN HAND**

Editorial Board's Message



Dear Readers,

As the month of June witnessed for world environments day & International day of yoga .

we believe that Reading is also a type of yoga and is good for your brain, increases blood flow & helps improving connectivity in the brain. It enhances your ability to focus and deepens your concentration. Reading introduces you to new ideas, different perspectives and other beliefs. It broadens your cultural knowledge & helps exploring history. Reading inspires and gives wings to your imagination. Reading also reduces stress and emerging yourself in a good content is an excellent way to relax.

Keeping all this in mind we tried to provide as much as knowledgefull & helpful content to our readers with the help of this Newsletter. We are grateful to our content providers for the wonderful contents.

Stay safe!! Enjoy Reading!!

Regards,

Editorial Board CICASA,

Indore



WAKING UP IS HARD



ANJALI PADIYAR



HIMANI AGRAWAL



SNEHAL AGRAWAL



SRUSHTI GUPTA
CRO0627945

MSMEs- Further revision in the definition of MSMEs in accordance with *“AtmaNirbhar Bharat Package”*

Micro, small and Medium Enterprises (MSMEs) popularly called as MSMEs are the backbone of Indian economy. Silently operating in different areas across the country, more than 6 crore MSMEs have a crucial role to play in building a stronger and self-reliant India. These small economic engines have a huge impact on the country's GDP-making a contribution of 29 percent. They contribute to almost half of exports from the country. Additionally, more than 11 crore people are employed in the MSME sector.

Cabinet approves Upward revision of MSME definition and modalities/ road map for implementing remaining two Packages for MSMEs:

- a) Rs 20000 crore package for Distressed MSMEs and
- b) Rs 50,000 crore equity infusion through Fund of Funds

Government has fully paved the way for energising the MSME Sector through entire gamut of 'Atmanirbhar Bharat Package'.

In line with Government of India's top focus on energising MSMEs in the country, a special meeting of Cabinet Committee on Economic Affairs (CCEA) was convened under the Chairmanship of Prime Minister Shri Narendra Modi, which approved the upward revision of MSME definition and modalities/ road map for laying down effective implementation mechanism for the remaining two announcements under the Atmanirbhar Bharat Package. These include:

In the package announcement, the definition of micro manufacturing and services unit was increased to Rs. 1 crore of investment and Rs. 5

crore of turnover. The limit of small unit was increased to Rs. 10 crore of investment and Rs 50 crore of turnover. Similarly, the limit of a medium unit was increased to Rs 20 crore of investment and Rs. 100 crore of turnover. It may be noted that this revision was done after 14 years since the MSME Development Act came into existence in 2006. After the package announcement on 13th May, 2020, there were several representations that the announced revision is still not in tune with market and pricing conditions and it should be further revised upwards. Keeping in mind these representations, it was decided to further increase the limit for medium manufacturing and service units. Now it will be Rs. 50 crore of investment and Rs. 250 crore of turnover. It has also been decided that the turnover with respect to exports will not be counted in the limits of turnover for any category of MSME units whether micro, small or



medium. This is yet another step towards ease of doing business. This will help in attracting investments and creating more jobs in the MSME sector. The following table provides the details of revised limits:

Category	Micro	Small	Medium
Old Capital	25 lakh	5 crore	10 crore
Old Turnover	10 lakh	2 crore	5 Crore
New Capital	1 crore	10 crore	50 Crore
New Turnover	5 crore	50 crore	250 Crore

Approval for provisioning of Rs 20,000 crore as subordinate debt to provide equity support to the stressed MSMEs. This will benefit 2 lakh stressed MSMEs.

Approval for equity infusion of Rs. 50,000 crore for MSMEs through Fund of Funds (FoF). This will establish a framework to help MSMEs in capacity augmentation. This will also provide an opportunity to get listed in stock exchanges.

In the aftermath of COVID-19 pandemic, Prime Minister Shri Modi was quick to recognise the role of MSMEs in building the Nation. As such, MSMEs formed a very prominent part of the announcements made under the **Atmanirbhar Bharat Abhiyaan**. Under this package, the MSME sector has not only been given substantial allocation but has also been accorded priority in implementation of the measures to revive the economy. To provide immediate relief to MSME sector, various announcements have been made under the Package. The most important ones also included:

Rupees Three lakh crore collateral-free automatic loans for MSMEs to meet operational liabilities, buy raw material and restart businesses.

Revision of MSME definition to render maximum benefits to the sector

Disallowing global tenders in procurements upto Rs. 200 crores- to create more opportunities for domestic players

And clearing of MSME dues by the Government and Public Sector Units within 45 days.

Government of India has been taking all necessary steps to ensure that the benefit of these

landmark decisions reaches to the MSMEs at the earliest. In this regard, following necessary policy decisions have been already taken and the implementation strategy has been put in place.

The scheme for Rs. Three lakh crore collateral-free automatic loans was earlier approved by CCEA and has been formally launched.

Similarly, amendments in General Financial Rules mandating no global tenders for procurement upto 200 crore have been carried out. The new rules have already been issued and effected. This will open up new business avenues for Indian MSMEs.

To ensure that MSME payments are released within the time frame of 45 days, directions have been issued at the level of Cabinet Secretary, Expenditure Secretary and Secretary, MSME.

To further ease the burden on MSMEs, RBI has extended moratorium on repayment of loans for another three months.

To manage all this, a robust ICT based system called CHAMPIONS has also been launched by the Ministry of MSME. The portal is not only helping and hand holding MSMEs in the present situation, but is also providing guidance to grab the new business opportunities and in the long run, become national and international Champions.



3 TAX BENEFITS OF COMMON LOANS IN INDIA



Loans not only serve as an ideal option to arrange for funds in times of financial need, but may also have some tax benefits associated with

A home loan is usually the longest term borrowing that an individual avails during his/her lifetime. Considering the 15-25 year tenure associated with this loan, it is only natural that this loan provides the widest range of tax benefits among different types of loans. The following are the highlights of these benefits:

Under Section 80C - Tax deduction of up to Rs. 1.5
|

Rs. 2 lakh annually u/s 24(b), but only if the loan has been taken for the sole purpose of home renovation. Under this section, tax deduction of upto Rs. 2 lakh can be claimed on the interest component of such a personal loan. Usually, this type of personal loan is available at a lower interest rate as compared to many other types of personal loans.

However, to claim this deduction, you must provide a certificate from the lender specifying the amount of interest payable on the personal loan and confirming that it was used only for the purpose of home renovation. The interest component (i.e. income tax deduction benefit) of such a personal loan can be easily estimated using a personal loan EMI calculator while the exact annual payout can be obtained from the lender after the loan has been sanctioned.

Tax Benefit of Education Loan

Education loan not only allows an individual to pursue higher education, but can also help them to save on the total tax outgo under Section 80E of the Income Tax Act, 1961.

Under existing income tax rules, this deduction is valid on the interest component of the loan only and not the principal.

Education loans up to a certain limit can be obtained as unsecured loan while collateral will be required in case higher amounts are borrowed. Any amount paid as interest on education loan can be claimed as a deduction at the time of calculating the total income for the assessment year (AY) in which the loan was taken. This tax benefit is applicable for upto 7 years or till the education loan is paid off in full - whichever is earlier.

Conclusion

While tax benefits can be an add-on benefit of these loans, it is necessary to point out that you should borrow only because of a specific need and not because there is a tax benefit associated with the loan. Additionally, even in view of the tax

benefit on the interest paid, it is usually better to pay off loans as soon as possible to reduce the overall interest outgo applicable to the borrowing. This is because, in the long term, the cost of paying interest usually outweighs the tax benefits associated with any loan.

Get a Personal Loan to Plan a Dream Wedding

Personal Loan for Vehicle Purchase or Expenses

Travel Loan

Deal with Unexpected Medical expenses

Business Loan

Business Loan

Car Loan

Education Loan



KARTIK MANDHANYA
CRO0629892

The APOLITICAL Agenda



FEMINA JAIN
CRO0643980

What does being apolitical mean? If you are neutral towards government action you will be classified as apolitical. It's the people we have heard saying that they cast their vote as NOTA.

But we live in a democracy where civic and social rights are ensured by an elected government, so how does having no political bias work? The answer is that it doesn't. Apolitical is equal to Class Privilege. Disengaging from politics and its impacts is a luxury that isn't afford to everyone. Those who choose to look away can afford to do so and while privilege isn't a bad thing, if we don't consider the impact of existing class structure on that's called apathy.

Politics is everywhere. People believe politics about one firm ideology and the burden stops with casting your vote every 5 years, but it's so much more. If you want some fair trade coffee? If you've got easy access to it, that's political. Governments dictate how food is grown, stored, distributed, and accessed so with every sip, you are taking a stand on state policy.

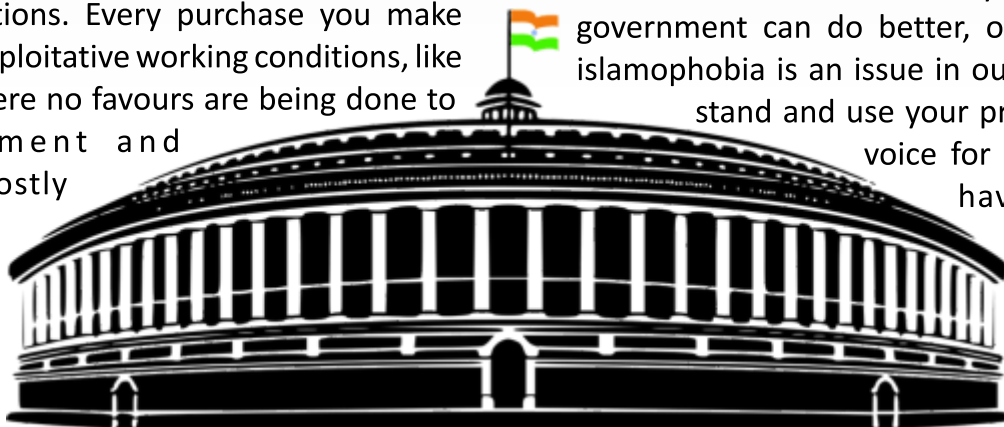
Are you bummed out about the number of potholes on your commute? Public transport, construction of roads, and airports are all government initiatives, those potholes and traffic are all political. If you don't feel safe or comfortable while travelling, the people responsible are your elected officials. Are you excited about the big stores mega sale? Reality check- most companies that provide 90% of what we buy have major political connections. Every purchase you make could endorse exploitative working conditions, like sweat shops where no favours are being done to the environment and employees, mostly women, are paid approximatel

y ₹10 per hour for work. From the kind of education you receive, to who you will marry and even what newspaper you read, every little decision adds up to one big political choice.

Being political is not easy. When our mornings begin with WhatsApp forwards of fake news and ends with 16 people shouting at each other on prime time, it can feel exhausted and easy to give up. Taking a stand can lead to being isolated or being attacked online and offline, but the good news every time you speak up against someone you are raising your voice for another for may not have the freedom to raise theirs.

Being political is a choice. It does not mean showing up at every protest, or taking sides at every twitter war. It's just about educating yourself, showing up to cause you believe in, amplifying an important petition, calling out your problematic relatives. There is no list of rules to follow and you may not be able to do it everyday but by being aware of what happening and making decisions to the best of our abilities we can make a difference. Because when we choose to look away we are directly adding to the oppression of marginalised communities, especially women and children.

So embrace being political without fear and with your head held high. Post those stories on Instagram, talk your relatives' ears off, go off on twitter with people who you think are misinformed. Talk about how you think that the government can do better, or how you think islamophobia is an issue in our country. Take a stand and use your privilege. Use your voice for those who don't have one in this society.



MONETIZATION

Neither a game changer nor Catastrophe in Abnormal Times



COVID 19 has challenged the world economy very badly and its impact is going to last for a long time now. Every country is suffering from this pandemic and the future prospects of growth and things becoming normal are very bleak. All the governments are presently involved in starting the economic cycle again and fostering their economy through various relief packages.

The Indian Government also announced a relief package on 14th May of 20 lakh crore. But the question arises from where does a country like India which every year faces a fiscal deficit raise such a big sum of money?

The Indian Government has already raised a lot of money from financial institutions like IMF and World Bank and since India is a low middle income country, its tax revenues are not sufficient to fund such big amount of relief packages. Hence in such a situation it is the country's central bank which comes into the rescue of government.

Suppose the Indian government wants to spend 1 lakh crore in the country and it moves to RBI to borrow the same. Reserve Bank in such a situation will directly buy bonds of the Indian government and will transfer Rs. 1 lakh crore in its deposit account. This is called as monetization or in simple words money printing.

Monetization is sometimes referred to as the simplest and easiest way to raise funds for any government however this process is not as simple as it looks. Once government raises funds from RBI it actively starts spending the money in economy. Since private sector is facing acute shortage of cash hence this government spending plays a major role in increasing the economic activities and reviving demand. This additional money spent in economy by the government is not backed by equivalent increase in production, hence this 1 lakh crore will eventually fall back in bank accounts, which will then show up as

increased bank reserves at the central bank. Therefore even after printing new currency, the problem of decrease in level of economic activity is not solved.

In conditions like this banks are usually reluctant to offer loans to industries because of the additional risks involved. Hence if government spending is not streamlined it will just show up as increased bank reserves at the central bank. Such direct financing is not inflationary, so long as banks are reluctant to lend further to businesses and consumers. Since in conditions like this banks don't do aggressive lending hence inflation is not a major problem but once we move onto the pre COVID conditions excessive lending by banks and increase in money supply may be a reason for inflation.

Direct financing of the government obscures market signals for a while when the government spends beyond its means. The more the RBI prints money for government, the more bonds will government need to issue to the RBI, and the less creditworthy the Government Bonds become. Hence the government should be concerned about protecting the health of the economy and should spend only what is needed. Obviously, it should try and cut back unneeded spending, and prioritize.

Inability to finance or fear of monetization should not be a constraint for the government to go for the monetization option. However if monetization is not correctly scrutinized then once these tough times are over excessive money supply in economy may lead to inflation. Therefore we can say **"Monetization will neither be a game changer nor a catastrophe, if done in a measured way"**

PRAKHAR PORWAL
CRO0624770





ANJALI GUPTA

CRO 0641309

*" The principles of true art is not to portray,
but to evoke " – Jerzy Kosinski*



उनसे ना मिले..... तो क्या मिले

तुम बिछड कर मिले तो क्या मिले ।
मेरे यारों से ना मिले तो क्या मिले ॥
दुनिया का उसूल है सबको बिछडना है ।
तुम समय रहते ना मिले तो क्या मिल ॥

मैं बारिशों की सर्द हूँ इसीलिए तेरा दर्द हूँ ।
बारिशों में उनसे ना मिले तो क्या मिले ॥
वो भीड़ है वो छांव है मेरे जिस्म के दो पांव है ।
तुम उस भीड़ में भी ना मिले तो क्या मिले ॥

हर दरिया का वो किनारा था मेरा दोस्त मेरा सहारा था ।
उनके चार कंधे भी ना मिले तो क्या मिले ॥
तुम उजाले हो अंधेरे हो इसीलिए तुम मेरे हो ।
सूरज से तुम ना मिले तो चाँद से भी क्या मिले ॥

एक कमरे में ठिकाना था पुरा शहर मेरा दिवाना था ।
दीवानगी में ना मिले तो मुझसे बेहतर क्या मिले ॥
जिंदगी के दरिया में सब के सब तुम डूब गए ।
लहर बन के जाग उठे मेरे यारों से तुम जा मिले ॥

मेरी जिंदगी हैं बंदिशे लाख कर ली कोशिशे ।
मेरी रूह से तुम ना मिले तो जिस्म से भी क्या मिले ॥
मैं छांव देता छत हूँ इसीलिए वो खत हूँ ।
तुम पढकर भी ना मिले तो बिना पढे ही जा मिले ॥

मैं सर्दियों की हवा हूँ तेरे हर मर्ज की दवा हूँ ।
मेरे दर्द से भी ना मिले तो दर्द से ही जा मिले ॥
फूल हूँ मैं गुलाब का मंजर आंसूओं के सैलाब का ।
मेरी चाहतो से ना मिले तो नफरतों से जा मिले ॥

मैं खास हूँ एक रास्ता तेरा मेरा है कोई वास्ता ।
तुम रास्ते से भी ना मिले तो दरिया से तुम जा मिले ॥
गली गली तिरंगे का आसमान था मेरा देश मेरा हिन्दुस्तान था ।
मेरे देश से तुम ना मिले तो मुझसे बेहतर क्या मिले ॥



HARSH KUMAR GUPTA
CRO 0638982

WORLD ENVIRONMENT DAY



Mr./Ms. Environmentalist, *doesn't it sound good!!!!*

*Yes, if you give best Idea to save mother nature, this title would be conferred upon you and your Idea would also be implemented at **CICASA Indore**, So hurry up and come up with some Innovative idea.*

Last date of submission - Sunday, 7th June, 2020

5TH JUNE | **WORLD ENVIRONMENT DAY**

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Submit your Idea on [77488 88255](https://api.whatsapp.com/send?phone=7748888255)

Creation of nature by god for the existence of life itself is true and sole bliss for all living beings on this planet. Therefore it becomes a duty of every human to respect our nature and be sincere towards it. Keeping this in mind cicasa indore celebrated world environment day by accepting various ideas of students to keep our environment clean and green and also a chance to become Mr./Mrs environmentalist. The best ideas were also implemented at the CIRC.



"Alone we can do little ,together we can do so much " **HELEN KELLER**

Cicasa indore together with indore branch of CIRC celebrated yoga day programme

"Yoga is light, which once lit, will never dim. The better your practice, the brighter the flame" This motivated us to held a yoga session at the ICAI BHAVAN.

Be it suryanamaskar, ushtrasana, padahastasana or padmasana these are some of the yoga poses that energised each and everyone at the indore branch of CIRC.







CA WEEK CELEBRATION

We know for every ca student CA DAY is like a festival and In Indian culture, festivals are not just a single day celebration but last for many days thus taking inspiration from festivals like navratri which is celebrated for 9 days and rumjan being celebrated for a full month, CICASA INDORE decided to make this year's ca day a memorable day by celebrating it for a week. Which started from June itself and will be continued in July also.



As we all were tired from our boring and serious life CICASA indore organised an exciting competition where in students were invited to express the feelings of how it is to be a Ca student . They participated by sending funny mems that showcased challenging lives of all ca students in a comic way.



As CA works for public interest & social welfare. So Keeping this in mind CICASA Indore decides to celebrate CA week starting with Some social activities.

FORTHCOMING ACTIVITIES

Every thought we think is creating our future and we at CICASA not just believes in optimistic thinking but also believes in creating our future with sheer hard work and determination. This philosophy encourages us and help us in performing best possible activities for our students. This time we planned different activities like social service, motivational and informative session for class 11th and 12th, elocution activity, etc.

Our efforts are appreciated only by your fair participation.

