

*The Institute of Chartered Accountants of India
Raipur Branch of CICASA*



"NEEV - PAHEL UNCHAIYO KI"

March 2017

Monthly Newsletter

ICAI RAIPUR BRANCH MANAGING COMMITTEE



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CICASA MANAGING COMMITTEE

2017-18



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JEET MASHRANI
Vice Chairman



MEET THAKKER
Secretary



HARSHIKA TALREJA
Treasurer



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2017-18



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Member



ADITYA AGRAWAL
Member



Chairman Message

CA Amit Chimnani
Chairman



Dear Students,

Let me begin my communication by wishing you all a very Happy Financial Year 2017-18. I'm delighted to write to you all as Chairman of Raipur Branch of CIRC, ICAI. The Financial year beginning on 1st April has its own importance for Chartered Accountants & CA Students. Generally the financial year is adopted for maintaining the books of accounts by the entities and our audit report also covers the Financial year.

This New year is a year of opportunities with GST Bill, Insolvency Bankruptcy code and Real Estate Bills. We can expect the year 2017 to be the year of changes, ICAI is soon going to launch the new scheme of Education and Training, GST on the anvil, broadening horizons under the Companies Act and other statues and compliances. The profession of Chartered Accountancy plays a very important role in the overall dynamics of the nation's economy, financial and commercial affairs. In the current economic scenario, when the business environment has undergone a complete transformation, it is imperative that this profession strives hard to provide systems, standards and procedures to bring about financial discipline, control and accountability at all stages of institutional expenditure and resource mobilization endeavours.

Dear Students, CA is one of the most respectable profession all around the globe. It is platform where you delve in ample opportunities to explore your full potentials and enhance your personality. This Course is known for his innovative and comprehensive education of global standards that Helps to brighten and develop our inborn talents. It offers a very lambent future which builds high sense of discipline within us.

In this modern day scenario, the students encounter a cut-throat competition to deal with dynamic challenges. It is the need of the hour to develop not only IQ (Intelligence Quotient) but also EQ (Emotional Quotient) to be enthusiastic enough and to face the global confrontations. This profession aim at providing you the quality of education that will assure you to emerge a paramount citizen for societal prosperity.

I rest my writing here. Wishing you all a Happy Financial year.

With warm regards,

CA Amit Chimnani

Chairman,

Raipur Branch of CIRC,

ICAI,

CICASA Chairman Message

CA Jitendra Singh Khanuja
CICASA Chairman



My Dear Students,

It gives me immense pleasure to write to you as the new Chairman of Raipur Branch of CICASA through this newsletter. Though I have earlier interacted with you at several occasions in the past but now the present role is much wider and bigger in terms of responsibilities. I am thankful to Raipur Branch Managing Committee and above all the Almighty for the great responsibility that has been bestowed upon me.

With the beginning of April, the mercury also starts soaring especially at places like Raipur and people start looking at cooler options. But our students thirst and appetite for knowledge does not see any change and their spirited involvement in branch activities keeps soaring. In the last month we had successfully organised various programmes for students for which we had got good support from all the students. I thank you all for your support and expect the same in future events also. Last month we had organised

And this month also, we have planned various activities for you all the students. We hope to get same or preferably even better support from all the students in the upcoming month.

In this era of cut throat competition it is very important for the students of Chartered Accountancy to equip themselves not only with the professional skill but also with the soft and technical skills.

The articleship training programme or the CA course is the backbone in framing a strong base for the application of theory into practice. I would therefore advise you to develop a high level of concentration while pursuing articleship. I firmly believe that an honest and sincere approach towards articleship will definitely yield rich dividends in all your professional endeavours.

We are very few amongst the others professionals who have the robust practical training mechanism. A time gone will never come back and same is with their articleship. Give full justice to your articles training and it is the most profitable investment of time in your successful Chartered Accountancy career. Only the combination of theory with practical hands on experience will take you ahead as a true professional.

May'2017 examinations are approaching; I am sure most of you have started preparing for the same. My sincere advice to you all is that focus on your studies in spite of the momentary attraction and distractions around you. Social media is inseparable part of your life but it is not beyond your CA career, your lifetime milestone. The devotion & dedication demonstrated by you during this period will reap sweet fruits of success for you.

I conclude my writing with my best wishes to all the students who are appearing in May'2017 examination.

With Warm Regards,

Secretary's Message

(Meet Thakker)
CICASA Secretary



Dear Friends,

I feel exhilarated communicating with you all through the first newsletter of the New CICASA Team. First and foremost I would take this opportunity to thank all of you for providing me the chance to serve you all as the Secretary of the newly appointed CICASA team. The former CICASA has performed extraordinarily and has set high standards and expectations for us which we will try our level best to accomplish with the help of your constant and unconditional support.

We as a CA fraternity are the strongest professional body. This year we will work towards strengthening this bond of brotherhood, we shall be fully dedicated towards organizing innovative and mind blowing programs which will enhance your technical as well as inter personal/soft skills. We with your undying encouragement and participation together embark the journey towards discovering and exhibiting the latent talents of all its members. To transform this vision into reality we shall rely immensely on communication. We this year want to make sure that there is an organized, continuous and two way communication taking place among all the students and the CICASA members; which I think will be the key to our success. Details regarding the participation of CICASA on various platforms is provided at the end of this magazine.

Looking forward to be onboard with this journey which shall be full of wonderful experiences and memories with all of you.

Regards

Meet Thakker

Secretary (Raipur CICASA)

Editor Message

Himanshi Mishra
CICASA Editor



"Dear Readers",

It has been said by " Henry David Thorea " If you have built castles in the AIR, Your work need not be lost, that is where they should be, now put the FOUNDATIONS under them.

I am immensely happy and joyous to launch the first newsletter of the session 2017-2018, "NEEV - PAHEL UNCHAIYO KI" aims at bringing out the creative and meticulous ideas of the students.

In agreement with the above quote, I find that everything needs a solid foundation. NEEV to reach its ultimate epitome, so is CICASA, with its first newsletter of this session it tries to embark a new beginning with its members.

To me, the greatest pleasure of writing is not what it's about, but the inner music the words make. I find writing as the most valuable literary expression .The inculcation of passion for creative thinking and writing amongst students is one of the major objectives of this newsletter.

The student authors have put across some amazing pieces of technical as well opinionated articles displaying their creative writing skill. The works included herein are extremely important in this phase of so many amendments coming across every day. The publication of this newsletter included a lot of planning compounded with team work. I am thankful to all the blooming writers who have responded to my call and penned their ideas for this newsletter.

Finally from the entire team of Raipur branch of CICASA I wish all the readers of NEEV "HAPPY READING"

With Warm Regards

Himanshi Mishra

Editor

TIPS FROM ICAI: Presentation of Answers

It is not enough that you prepare well, it is equally essential that you present your answers well.

Following points deserve special mention:

Following points deserve special mention:

- Avoid coming late for the examination.
- Relax before the examination; mind works well when it is in a relaxed state.
- Attempt those questions first which you are confident about.
- get your time wisely; Utilize the 15 minutes reading time to the fullest advantage to prepare mentally as to the strategy to be followed in attempting the paper reserve at least last 15 minutes for revision purposes.
- Give working notes to each practical question properly.
- Give your assumptions wherever necessary. Be precise and to the point and do not indulge in unnecessary details.
- While answering questions involving application of law/standards etc, briefly state the facts, the legal position, your analysis backed up with case laws, if any and your conclusion.
- Write Legibly; avoid spelling mistakes and grammatical errors.
- The tendency of giving long answers to short answered questions and vice-versa should be avoided.
- Make sure, as far as possible, that your answers are reasonably complete and comprehensive, that you have met all the requirements and tied up all loose ends and there are no irrelevant discussions and details.
- Adopt a blend of conceptual, professional and practical approach to attempt the questions and problems.

- Examiners should get the impression that you have prepared well for the examination and tried to reach the standard of knowledge expected of you,
- Be brisk in writing the running matter portions of the answers, in making the computations, in doing the figure work and in presenting the Accounts in prescribed formats.
- Leave margin for the examiner to enter the marks.
- In computational questions on Accounting, Management Accounting, Costing, Taxation Laws etc., give detailed working notes as part of your answers.
- Also, wherever relevant, spell out the assumptions on which you have based your answers.
- In case of essay type answers, it is desirable to give a brief introduction and quickly proceed to discuss the main theme and at the end, present a short summary or conclusion.
- Wherever a question gives scope for alternate answers and you are aware of the possibility, you must do and justify that
- Don't ever resort to unfair and objectionable means during the examination time like consulting reading material or other students, trying to peep into other's answer books etc., which may land you into trouble.
- A decent and dignified behavior by each one of you will enhance the esteem and image of the entire CA student community.
- Carefully read the Institute's rules and instructions on examination and comply with them,
- Do not make any distinguishing mark/appeal in the paper. Do not panic. Coolly attempt all questions and under no circumstance leave the hall in between.
- between.

Articles

Valuation of Security Deposits under IndAS Regime

Vrishabh Nagrani
(WRO 0534895)



"Dear Readers",

The existing accounting practices do not prescribe for any specific treatment for security deposits accepted and advanced in normal course of business. However, with the requirement of IndAS adoption, the concept of security deposit valuation is supposed to be revamped by the treatment prescribed for the aforesaid as under.

According to Para 5.1.1 of IndAS 109 'Financial Instruments',

"Except for trade receivables within the scope of paragraph 5.1.3, at initial recognition, an entity shall measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability".

Interpretation of the para and Accounting Treatment:

"Security Deposits for the purpose of accounting treatment under the said IndAS are primarily required to be determined whether they constitute a financial asset/liability or not (para 11 of IndAS 32). Subsequent classification of security deposits into deposits qualifying as financial assets/liability, following accounting treatment has to be followed:"

Case 1: Security Deposit does not qualify as Financial Asset/Liability:

Certain Security Deposits are kept with government authorities (eg. VAT Deposit, CST Deposit, Electricity Deposit) which do not constitute a financial asset/liability due to no underlying contractual right with government authorities on the said count.

Such Deposits are to be valued at their original transaction price (par value) only.

Case 2: Security Deposits qualify as a Financial Asset/Liability:

Deposits which are accepted/advanced as a pre-condition towards a contractual right and where the refund period is certain, constitute a financial asset/liability as defined in para 11 of IndAS 32 'Financial Instruments'.

Such Deposits will have to be discounted using entity's own borrowing rate (incremental rate) or FD Rate prevalent to arrive at the present values of such security deposits.

The present value so calculated will be the value at which security deposits are to be recognized as financial assets/liability in the financials.

The difference between carrying amount of such deposits and present value will be treated as 'Prepaid Expense' for Deposits advanced (financial asset) and 'Deferred Income' for deposits received (financial liability).

Deposits will then be charged to finance expense/income subsequent to which the prepaid expenses/deferred income will be transferred to Profit & Loss Account.

Composition Scheme in GST

Prakhar Jain
(CRO 0496076)



Every Dealer who comes under the GST net, and has crossed the basic exemption limit of Rs. 20 lakhs, must register under the GST Act.

It is imperative for small traders and manufacturers to understand the composition scheme that is available to them as an option, instead of going to the regular GST system, where the compliance may be too cumbersome and costly.

Eligibility

Are you eligible for composition scheme? [Section 9]

Just Check this-

- You supply **ONLY goods** (not services) (but restaurants eligible)
- Do not supply any good which is exempt under GST
- **Not involved in Inter-state** supplies
- Do not supply goods through any E-Commerce Operator like Amazon, Flipkart, Snapdeal etc. (who is liable to deduct TCS)
- Total **Turnover is up to Rs. 50 lakhs** in a year (in previous financial year)
- (If Manufacturer), then manufacture only the goods in this list (Click here to see the list)

❖ **If all of these conditions are met by you, then you are eligible**

Tax Rate

[Section 9] If you are eligible & opt for composition scheme, then tax rate will be-

- ✚ Traders – 2% of sales [1% (CGST) + 1% (SGST)]
- ✚ Manufacturers – 5% of sales [2.5% (CGST) + 2.5% (SGST)]
- ✚ Restaurants – 5% of sales [2.5% (CGST) + 2.5% (SGST)]

Conditions

[Section 9] Must follow these conditions to avail composition scheme-

- Cannot charge GST from customer
- Cannot take credit of GST paid on purchases (input GST becomes cost)
- If you have more than 1 branches, then composition scheme will apply on all branches (under single PAN)

Compliance

- For every Sale, issue 'Bill of Supply' (except if sales < Rs. 100 and customer not demands) [Section 28]
- [Section 34(2)] For each quarter or part thereof, File GSTR-4 within 18th of next month.
- "First Return Concept"
- [Section 39] Annual return in Form GSTR-9A

❖ **Moving Out (turnover exceeds 50 lakhs/ voluntarily)**

Mandatory --- On the DAY on which your turnover exceeds Rs. 50 lakhs, you will not be covered in composition scheme, and you will have to transfer to NORMAL system, from the next day.

Voluntary --- Compounding dealer may be allowed to switch over to Normal scheme even during the year if they so want, with a condition that they cannot switch over to Compounding scheme again during the same financial year.

Dealer would continue operating with the same registration number, without undertaking any fresh registration. There will not be any additional or new or a different Registration issued. Only amendment in certificate of registration will be required.

[Section 18(3)] Where any registered taxable person ceases to pay tax under section 9, he shall, subject to such conditions and restrictions as may be prescribed, be entitled to take credit of input tax in respect of inputs held in stock, inputs contained in semi-finished or finished goods held in stock and on capital goods on the day immediately preceding the date from which he becomes liable to pay tax under section 8

PROVIDED that the credit on capital goods shall be reduced by such percentage points as may be prescribed in this behalf.

Moving In (currently under normal system, turnover is less than 50 lakhs)

Any existing taxpayer not under Compounding scheme may opt for Compounding scheme, if eligible, only from the beginning of the next Financial Year. The application will have to be filed on or before 31st March of the previous year so that Returns can be filed accordingly.

[Section 18(7)] Where any registered taxable person who has availed of input tax credit switches over as a taxable person for paying tax under section 9 or, where the goods and / or services supplied by him become exempt absolutely under section 11, he shall pay an amount, by way of debit in the electronic credit or cash ledger, equivalent to the credit of input tax in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock and on capital goods, reduced by such percentage points as maybe prescribed, on the day immediately preceding the date of such switch over or, as thecae may be, the date of such exemption:

PROVIDED that after payment of such amount, the balance of input tax credit, if any, lying in his electronic credit ledger shall lapse.

Cancellation of registration

[Section 26(2)] The proper officer may, in the manner as may be prescribed, cancel the registration of taxable person from such date, including any anterior date, as he may deem fit, where -

- A person paying tax under section 9 has not furnished returns for three consecutive tax periods;

Migration of existing

[Section 166(7)] A person to whom a certificate of registration has been issued on a provisional basis and who is eligible to pay tax under section 9, may opt to do so within such time and in such manner as may be prescribed.

- PROVIDED that where the said person does not opt to pay tax under section 9 within the time prescribed in this behalf, he shall be liable to pay tax under section 8.

Alive

Mohammad Aaquib Khan
(CRO-0497789)



Is it a state? Or a feeling? A feeling of awareness, a single jolt of some fluid which suddenly makes you realize that you are just 'present'. Present at that particular moment to assimilate whatever that is thrown at you. A moment that you desperately need before processing everything around you, a moment of sensation.

When we are alive we are in the barest state that we can ever be, every emotion is felt by us in all its bareness. This sentiment is neither pain worthy or pleasure worthy it is just the way it should be, it has fullness to its maximum yet has all the elements of emptiness. It is the zone where whole and zero merges and gives you a sensation that is out of your reach to process. And maybe that's a good thing as we will definitely would have separated out these two sides of the same reality if given a chance.

But why do we don't feel alive often, why does it occur only when we experience something extreme in our life whether happy or sad or just shocking. It is because at that state our mind gets overloaded trying to assemble all the pieces so much that it just simply can't process all the information at once and allow us to feel all the sensation in their raw form, and bless us by connecting us with the true reality, the reality that is presented before us but with which don't interact with, at least not directly.

But as pure as this feeling is, it also very transient. Our brain recovers from its numbness after a while and resumes its work of acting as a filter, or maybe sometimes of a barrier.

Events



 **THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA** 

RAIPUR BRANCH OF CICASA

WISHES

INTERNATIONAL **w** **men's**
DAY 2017



ALL THE WOMEN CHARTERED ACCOUNTANTS AND STUDENTS

Women's Day Celebration



List Of Upcoming Event's In The Month Of April

S.no	Event	Date
1	GST fast track Revisionary session	2-4-17
2	Industrial visit to celesty Ice cream factory	16-4-17
3	Career Counseling	23-4-17
4	Seminar on How to face CA Exam	29-4-17



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