



NAGPUR BRANCH OF WIRC OF ICAI



NEWSLETTER

DECEMBER

2021

The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

Email : nagpur@icai.org | Website : www.nagpuricai.org

Chairman's Message



CA. Saket Bagdia
Chairman,
Nagpur Branch of ICAI

Dear Professional Colleagues,

"Life isn't about finding yourself. Life is about creating yourself"

- **George Bernard Shaw**

At the outset, let me wish all of you a very Happy and a prosperous New Year'2022. Year 2021 has left us a lot of memories and experiences. The new year comes with new promises and new hopes. On behalf of Team Nagpur Branch of ICAI we wish good health, fortune and happiness in all your endeavours.

Small things make big difference. The amount of effort one puts in determines the level of his success. Life is not always complicated; the real adventure lies in how you deal with the situation. A Chartered Accountant is always considered to be a special person; one who knows each and everything; figure of trust, responsibility and integrity. "Proud to be CA" an icon which is installed at Nagpur Branch of ICAI premises truly depicts the pride of every Chartered Accountant and every CA Student's target. The expectation coupled with great responsibility makes the dynamic Professional Chartered Accountant a respectable figure in the Society.

The Covid pandemic though reduced has not ended. Precaution while ensuring safety of self and family is of utmost importance. I continue my appeal on behalf of Nagpur Branch of ICAI in these testing times to everyone-

Let's follow the rules, Be Responsible!!

During the month of December'21, Nagpur Branch continued with its various initiatives for benefit of members. We started the month with a VCM organized by Women Empowerment Committee under Young Member Mentorship event with renowned speakers in the august presence of Chairman WIRC CA Manish Gadia on Entrepreneurship & about taking initiatives exclusively for Lady Members. The event was organized jointly with Satara Branch. My sincere thanks to Team Satara led by CA Jivan Jagtap, Chairman and CA Rushikesh Wangde, Vice Chairman and WICASA Chairman for their support all throughout the year in various events organized.

An amazing RRC for the first time on Cruise jointly with WIRC and Ahmednagar Branch was a superb event and first of its own kind. It was the first RRC on Cruise and a total of 160 people attended from all parts of the Region. I convey my sincere compliments to WIRC Chairman CA Manish Gadia for taking efforts and making this RRC a wonderful memory to cherish.

Organizing lot of Investor awareness sessions and career counselling sessions was the zeal for the month. We continued our endeavour to promote investor awareness as well as try to create and popularize CA curriculum for the benefit of aspirants. I convey my sincere thanks to SEBI Smart Trainer Vice Chairman and WICASA Chairman CA Jiten Saglani for putting a lot of efforts for making these initiatives really meaningful and wonderful.

The intricacies in Tally as well as the new options available in Tally prime was explained properly to participants in a Tally Workshop by CA Pankaj Deshpande, CA Nivedita Dighe & CA Dhiraj Talmale. A giant effort in the form of all WIRC Branches coming together for a Mega Career Counselling Fair led by Hon. President CA Nihar Jambusaria from the front and guided by Hon. Chairman WIRC CA Manish Gadia and other expert speakers made the Career Counselling Fair a big success with participation crossing 9000 students.

We took an excellent session jointly with WIRC for educating members about provisions of MDP by Central Council Member CA G. Sekar. The provisions for Networking guidelines issued by ICAI for members to follow in practice was explained in Seminar on Professional & Networking Guidelines by young and talented Speakers.

A unique event of CA Couple Carnival organized after a long time was a highly successful fellowship event organized by Nagpur Branch of ICAI. I convey my sincere thanks to CA Swapnil Agrawal, CA Kavita Loya and CA Jethalal Rukhiyana for their support in making this event a big hit.

The very important provisions as regards Audit Quality Maturity Model which is a self evaluation tool was explained effectively by renowned speakers from Mumbai and Pune. The compulsory session on Auditing of Non corporate entities in view of applicability of accounting standards to non corporate entities was very much appreciated by participants.

An excellent session on Code of Ethics under Ethical Standards Board graced by Chairman CA Prafulla Chhajed, Hon. Past



Chairman's Message

President ICAI was well taken by all and attended gracefully by more than 2000 participants from all over the country. A VCM on RERA provisions by young Speakers on the last day of financial year was conducted for creating professional opportunities for young members coming into practice.

We took the privilege of Inauguration of Swatchh Bharat Abhiyan jointly with CGST Department. Inauguration of TAX Facilitation Centre for the tax assesses at CGST was a welcome step. We felicitated Hon. Shri M. P Shah, Regional Director, Government of India, Ministry of Corporate Affairs, Western Region, Mumbai and discussed the issues arising out of corporate rules and compliances.

During this month a lot of programs were organized under Finance & Tax Literacy Drive – a dream project of Hon. President ICAI CA Nihar Jambusaria. We did joint programs with Vidarbha Industries Association, Symbiosis College of Business and Management, Marwadi Yuva Manch and many more such organizations for spreading the initiatives of ICAI for education of house wives, students, senior citizens, retired persons etc and making them aware of essential financial things.

A friendly cricket match with Income Tax Department after a long gap was very refreshing and appreciated by Hon. Principal CCIT Mrs. Ruby Srivastava.

The highlight for the month was conducting a program jointly with Satara Branch titled “Ek Shaam Shahido ke Naam” in august presence of CCM CA Jay Chhaira and CCM CA Charanjot Singh Nanda. It was a musical cum Dance tribute jointly organized with WICASA teams of both Nagpur as well as Satara Branch.

A brilliant initiative of TEL – Train Earn & Learn course for students of Raisoni College under the support of WIRC was a welcome initiative. A 36 hours training program specifically designed by WIRC to train young students, give them a chance to get placed in CA Firms and learn the things in a methodological way is the objective. A satisfying feeling for us to train students and get them placed in CA Firms in these times when firms are looking for articles for their office works.

The CA Students Conference at Nagpur originally scheduled on 24th & 25th December was rescheduled to 4th & 5th January'22 owing to Covid Scare.

Let me congratulate and thank the learned contributors of this Newsletter – CA Bharat Jeswani, CA Naresh Jakhotia and CA Kapil Hirani for their knowledge enriched articles and CA Amrita Bagdia & CA Uma Bagdia for contribution under “CA's Got Talent”. An article on Omicron is an eye opener and a must read under Health & Wellness Series.

Nothing was possible without active support of the Joint Editor of our Nagpur Branch Newsletter CA Ashok Dalmia for his constant support in making this newsletter more meaningful.

I thank SIDBI and its management for getting associated with Nagpur Branch for promoting wonderful schemes for the benefit of all.

We are looking forward to getting a positive response from your side to ensure we stay connected through this newsletter and in all our events to come. Please do share your articles and talents to Nagpur Branch on nagpur@icai.org

Karma-

पसीने की स्याही से लिखे पन्ने कभी कोरे नहीं होते..

जो करते है मेहनत उनके सपने कभी अधूरे नहीं होते..

Stay Safe and Stay Blessed.

Professionally Yours

CA Saket Bagdia

Chairman

Joint Editor's Message



CA. Ashok Dalmia
Joint Editor

Dear Professional Colleagues,

NAMASKAAR !!!

At the outset, I should wholeheartedly appreciate and thank our members for participating in the Council Elections in large numbers. The **"once in three years"** right was franchised positively as the votes polled by members this time was simply very very encouraging despite the COVID 19 breakout with new variant.

The New Year awaits all of us for a healthier, brighter and happier time. I seriously can't imagine the pace at which yet another calendar year concluded.

Specialisation is the way forward

Specialisation marks a new era in our profession. For decades we've established ourselves to be entities fixated on offering our clients a range of essential services, tending to their fundamental requirements as a business or as a corporate. However, with increasing competition within the market, the need to distinguish ourselves has become more relevant now than ever.

Specialisation will help us to achieve that ability to stand out. General practice service firms, while surviving in the market, will only continue to face severe competition from **FINTECH FIRMS**, which will result in our CA firms attracting lower-quality clients.

If we don't opt for specialization and super specialisation, in the near future, our firms will be nothing more than replaceable Vendors in the eyes of our clients. Let us be more proactive in our services and be value added partners to our Clients. Let us build around us a brand image of specialization, so that the client thinks of associating with us rather than the other way round.

Specialization will assist us and our firm in creating and providing tailor-made solutions, making our expertise worth paying for. Discerning clients will appreciate knowing that their Chartered Accountant possesses an intricate understanding of their particular business and the market.

It is pertinent that we professionals move beyond our comfort zones offering our clients mere compliance-driven solutions. Rather, it is high time for all of us to be more motivated and offer our clients knowledge-driven solutions that will assist them in taking their business to the next level and in return we get true value for our services rendered and also satisfaction. With present Govt planning to allow foreign competition in consultancy, it's a do or die situation for our body of professionals and consultants. It was rightly said long back by Charles Darwin **SURVIVAL OF THE FITTEST**.

COVID-19

With the new variant of COVID having been recently discovered and the potential challenges that it may present, it is my humble request to members to continue wearing their masks and make it a mandate within their offices to contain the spread of the virus. Let us take all possible precautions within our power to ensure that us and our families stay safe against the virus.

As the famous Chinese businessman Jack Ma said, in these testing times, being alive and able to survive is "Profit"

Before I conclude, let us be reminded of the good times that we had in 2021 be it in personal, family or official times and at the same time let us also pay our PRANAAMS to the DEAR GOOD SOULS we lost in the year due to this PANDEMIC and otherwise including our fraternity members.

Let's stay positive, focused and pray for a fantastic 2022.

Wholehearted wishes for a Merry Christmas and a very very Happy 2022.

Thank you, Stay Blessed, Stay Safe, Stay Happy and Healthy always.

Yours in Profession

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ARBITRATION IN INDIA AND ROLE OF CHARTERED ACCOUNTANTS IN ARBITRATION

Adv. Kapil Hirani
B.Com., LL.B, FCA

Arbitration in India

The word arbitration is derived from the word arbitrary. The dictionary meaning of 'arbitration' is the process of solving an argument between people by helping them to agree to an acceptable solution.

In simpler words, arbitration is the act of dispute settlement through an arbitrator, i.e. a third party, who is not involved in the dispute.

Late Shri Nani Palkhivala remarked succinctly, *"If I were appointed a dictator of this country, in short span of my appointment and assassination, I would promulgate a law making all commercial disputes compulsorily referable to arbitration."*

In earlier days, even before the establishment of courts, people used to resolve their issues with the help of a third party when a dispute used to arise between them. Later, courts were established, and a proper procedure was followed for resolving the disputes. Eventually, as the population increased and a lot of cases were pending before the court, cases piled up and the justice was delayed. There was a large cost associated with hiring lawyers and being in a litigious state. People wanted to reduce this cost to a greater extent, by using methods that don't provide the same burdens. Mahatma Gandhi was also a staunch believer of arbitral process for resolving disputes at affordable costs via Panchayat Raj.

Due to rise in the population, industries also developed significantly and as a result, commercial disputes also increased. To balance this, different techniques were developed to solve the disputes outside the courts. This method of resolving the disputes outside the court or without the court's involvement is called as Alternate Dispute Resolution ("ADR").

Chief Justice of India, Justice N V Ramana recently advocated that going to courts after a dispute should be the last resort and suggested exploring alternatives like arbitration, mediation etc.

Delivering a keynote address at the inaugural session of the International Arbitration and Mediation Centre at Hyderabad the Hon'ble CJI said: "My advice after putting in 40 years in the legal profession in various capacities is go to courts only as a last resort."

The ADR procedure consists of four basic methods of dealing with disputes, which are as under:

1. **Negotiation:** In negotiation, the disputant parties resolve their differences out of the court by way of negotiation. No lawyers or outsiders are generally involved. There are no specific rules, no technicalities and complicated procedure.
2. **Mediation:** In mediation, generally a third party is involved who acts as a facilitator. In a typical mediation, there is always a win-win situation. However, the settlement reached through mediation is non-binding.
3. **Conciliation:** Conciliation is recognised by the Arbitration and Conciliation Act, 1996. In Conciliation, the disputant parties resolve their disputes with the help of one or more conciliators. According to Section 74 of the Act, the settlement agreement shall have the same status and effect as an arbitral award on agreed terms under Section 30. This means that it shall be treated as a decree of the court and shall be enforceable.
4. **Arbitration:** Arbitration is a quasi-judicial method for resolving disputes outside the court. Arbitration is a preferred mode of dispute resolution in domestic as well as international trade.

Conciliation vis-à-vis Arbitration

- a. Conciliation is **more private** than arbitration.
- b. As litigation and arbitration are both means of adjudication, the judge and the **arbitrator render their verdicts and impose them on the parties.** In

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contrast, parties to a conciliation proceeding have the privilege to **negotiate and arrive** at an amicable settlement with the assistance of a conciliator in a less formal setting.

- c. While **section 7(2)** requires that an arbitration **agreement be in writing**, there is no such express provision regarding conciliation in the Act.
- d. **Section 30** of the Act permits the parties to engage in conciliation process even during the course of arbitral proceedings. In case the conciliation concludes successfully, the arbitrator is to record the settlement in the form of an arbitral award. However, section 77 of the Act bars any arbitral or court proceedings in respect of a dispute which is the subject matter of conciliation proceedings. **Sections 30 and 77 - encourage parties to resort to non-formal conciliation proceedings**

The Indian law with respect to the arbitration is largely based on the English Common Law. The Indian arbitration law is governed and regulated by the Arbitration and Conciliation Act, 1996 ("Act") which came into force on 25.1.1996 and which derives its basis from The United Nations Commission on International Trade Law ("UNCITRAL") Model on International Commercial Arbitration and the UNCITRAL Arbitration Rules of 1976. The Act came into force on 25th January 1996.

Part I of the Act deals with Domestic Arbitration, Part II deals with International Commercial Arbitration, Part III deals with Conciliation and Part IV deals with supplementary provisions.

Evolution of Arbitration in India

Frances Kellor, the only female founder of the American Arbitration Association, in her book, "American Arbitration: Its History, Functions, and Achievements" has put it briefly about arbitration and she said *"Of all mankind's adventures in search of peace and justice, arbitration is amongst the earliest. Long before laws were established, or courts were organized, or judges formulated principles of law, men had resorted to arbitration for the resolving of discord, the adjustment of differences, and the settlement of disputes."*

According to the biblical theory, King Solomon was the first arbitrator who settled the issue between two women who were claiming to be the mother of a baby boy. The assertions made by a few are also that the procedure used by King Solomon was similar to that used in arbitrations today.

In later times, arbitration owed its beginnings to commercial disputes as it started with trade disputes being resolved by peers as early as the Babylonian days.

In India, arbitration was known even before the British rule but in the form of 'Panch' and 'Panchayat' which are now known as 'Arbitration' and 'Arbitrators' respectively.

The first Arbitration law in India was the Arbitration Act, 1899 which was based on the English Arbitration Act, 1899. Thereafter, the Arbitration Act, 1940 was enacted in India to consolidate and amend the law relating to arbitration effective from 1 July, 1940. The Arbitration and Conciliation Act, was remodified in 1996 with the aim and the objective to give effect to the UNCITRAL Model Laws.

The object of the Act is to amend and to unite the domestic arbitration, international commercial arbitration and also to enforce the foreign arbitral awards.

Section 89 of the Code of Civil Procedure, 1908 also gives importance to arbitration. It states that the parties can opt for the arbitration proceedings to settle a dispute, provided that both the parties must agree to it. The award given by the arbitrator must be considered as a decree given by the court and the parties must abide by the award given by the arbitrator.

Types of Arbitration proceedings

1. Domestic arbitration:

The Act does not specifically define the term 'Domestic Arbitration'. Though, section 2(7) of the Act says that a 'domestic award' is an award that is made in Part I. Further, Section 2(2) states that Part I shall be applicable when the place of arbitration is within India. Thus, it can be said that when the arbitration proceedings takes place within India, under the purview of Indian laws, and when the cause of the dispute occurred India, such an arbitration may be called domestic arbitration.

2. International arbitration:

The international arbitration may result in the application of different set of rules. In this type of arbitration, the law governed for the resolution of disputes can either be Indian law or a foreign law. The arbitration proceedings can take place in India or outside India.



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Clause (f) of sub-section (1) of section 2 of the Act defines the International Commercial Arbitration. According to that section, the arbitration is considered to be an international commercial arbitration where:

- At least one of the parties is an individual who is a resident from another country other than India.
- A corporate body which is not incorporated in India.
- The government should be of a foreign country.

3. Institutional Arbitration:

In institutional arbitration, parties take the help of an institute for deciding the procedures of arbitration. Such institution takes care of all the procedures like appointing an arbitrator, timetable for filing the documents etc. Institutional arbitration lessens the burden of the parties by giving administrative assistance. This timely assistance helps move the arbitration process smoothly. The institutions will charge the parties a certain amount of money as fee for assisting them through the arbitration process.

Some examples of the prominent institutions in India are:

- Indian Council of Arbitration, New Delhi
- International Arbitration and Mediation Centre, Hyderabad
- Indian Institute of Arbitration and Mediation, Delhi
- Indian Institute of Technical Arbitrators, Chennai
- Mumbai Centre for International Arbitration, Mumbai
- Bangalore International Mediation, Arbitration and Conciliation Centre etc.

4. Ad hoc arbitration:

Unlike in institutional arbitration, ad hoc arbitration is not administered by any institute. In this type of arbitration, the parties are at liberty to decide the procedure that has to be followed

during the resolution of a dispute. The parties are free to decide an arbitrator and other procedures like timetable for filing the documents, applicable rules etc. If the parties are not able to decide, then the arbitral tribunal will decide the procedure and other rules in a way it thinks fit.

However, the parties are free to adopt certain rules of an institution without completely following the institutional arbitration. Sometimes, an ad hoc arbitration can be turned into an institutional arbitration at some point if the parties feel necessary and they may, by agreement make such an appointment.

5. Fast track arbitration:

Fast track arbitration is governed by the fast-track procedure defined under section 29B of the Act as a procedure established in a way that has abandoned all the methods, which consume time, and uphold the simplicity which is the originally the prime purpose of such arbitration. The award under this section shall be made within a period of six months from the date the arbitral tribunal enters upon the reference.

Stages of Arbitral Process

The need of arbitration arises due to a dispute between the two parties. So, to start an arbitration procedure, the contract or the agreement that is executed between the parties must have an arbitration clause. The arbitration procedure will be carried on in the following manner:

1. Arbitration clause:

A contract or agreement that was entered by the parties must contain an arbitration clause in order to resolve the disputes through arbitration. An arbitration clause can be a separate agreement or an agreement in an agreement. An arbitration clause says that when a dispute arises between the parties, it must be resolved through the process of arbitration. The parties shall also mention the seat and venue of the proceedings in the arbitration clause itself and also the language of Arbitration. It is further advisable to nominate the arbitrator in the contract itself to avoid any undue delays in appointment in future.

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2. Notice for commencement of arbitration:

The provision for notice for commencement of arbitration is mentioned under section 21 of the Act. When the dispute arises and the party has opted for arbitration, the aggrieved party will send a notice to the other party for invoking the arbitration proceedings. It contains the names of the parties and their representatives, a brief description of the dispute, a statement of relief sought etc.

3. Appointment of arbitrator:

After the respondent receives the notice from the applicant about commencement of arbitration, both the parties will appoint an arbitrator in a manner that is described in the arbitration clause. This provision is given under section 11 of the Act.

4. Interim Relief:

Any party which seeks interim measures has essentially two avenues open to it. It can approach the court or it can approach the arbitral tribunal. Section 9 enables a party to approach a competent court before or during the arbitral proceedings or even after the award is pronounced, but before it is enforced. Section 17 enables the arbitral tribunal to take interim measures in the subject matter of the dispute at the request of the parties.

5. Statement of claim and defence:

This provision is given under section 23 of the Act. After the commencement of arbitration and appointment of arbitrator by the parties, the claimant drafts a statement of claims which contains all the documents which they think are relevant to the case and also all the evidences proving their statements. The respondent may also submit a counter claim or a statement of defence in support of his case which shall be examined before the arbitral tribunal.

6. Hearings and written proceedings:

The arbitral tribunal will hear both the parties and examine the evidences. The Tribunal will decide whether the documents or the evidences

produced are valid or not and proceed the case further. This provision is given under section 24 of the Act.

7. Arbitral award:

After hearing the parties and examining all the issues a final award will be given by the arbitrator. This award shall be made in writing and shall be signed by all the members of the Tribunal. This award shall be final and binding on both the parties. However, an appeal cannot be filed before the Arbitral tribunal but an aggrieved party may take recourse to a law court for setting aside the arbitration award on certain grounds specified in Section 34 of the Act.

8. Challenge in Court

The party in whose favour award is given by the arbitrator an award holder will need to wait for a period of three months (further extended to 30 days if the Court is satisfied that the applicant was prevented by some sufficient cause from making the application) and during this intervening period, other parties have the right to challenge awards.

It is pertinent to note here that the Court may either dismiss the objections filed, and uphold the award, or set aside the award if the grounds are in accordance with sub-sections (2) and (2A) of Section 34 of the Act. The Court has no power to modify the award passed by the arbitrator.

In accordance with Section 34(2) of the Act that states that the Court can set aside the arbitral award only if:

- a) The party making the application establishes on the basis of the arbitral tribunal that:-
 - I. The party was under some type of incapacity.
 - II. The arbitration contract is not valid under the law to which parties have been subjected to.
 - III. The party making the application for invoking the arbitration has not given proper request to the other party for the appointment of the arbitrator.
 - IV. The award deals with the disputes not falling or comes under the submission of the



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arbitration or contains matter beyond the scope of arbitration.

- V. The composition of the arbitral tribunal or the arbitral proceedings were not as per the agreement of the parties
- b) Apart from these aforesaid grounds Section 34(2)(b) of the Act also enumerates two additional grounds upon which the Court itself can set aside the award. These grounds are:
- I. If the Subject-matter of dispute is not capable of settlement by arbitration under the law
 - II. If the arbitral Award is in conflict of Public Policy of India.

Further, in line with section 34(2A) of the Act, the award arising out of arbitrations other than international commercial arbitrations, may also be set aside by the Court, if the Court finds that the award is vitiated by patent illegality appearing on the face of the award.

9. Enforcement of arbitral award:

After the award is passed by the arbitral tribunal it has to be executed. The provision related to the finality and enforcement of arbitral award is given under sections 35 and 36 respectively.

10. According to the Arbitration and Conciliation (Amendment) Act, 2015 a new provision has been introduced wherein a stipulated time limit is prescribed for the completion of the arbitration proceedings. Section 29A of the Act provides that an arbitration award shall be passed within 12 months from the date when the proceedings are completed under section 23(4) which relate to submission of statement of claim and defence. This duration can be extended by a period not exceeding 6 months with the consent of both the parties.

Role of Chartered Accountants in Arbitration

Professionals like Chartered Accountants are well versed and experienced in taxation, accounting, projects, financial services, business planning, take - over etc. They are in an advantageous position of appreciating the business background of a dispute or difference. Chartered

Accountants are normally engaged in resolving disputes informally of his clients. They also have extensive experience of drafting commercial agreements, negotiating with government authorities and represents clients in several ways. Arbitration and other methods of ADR offer a promising opportunity to Chartered Accountants. In ADR methods, the counsel need not be a lawyer because the proceedings are dependent primarily on factual merits. CA's can be instrumental in resolving the complex disputes by utilising their wide range of experience. The following are few of the areas where Chartered Accountants can render their services:

1. **As an Arbitrator:** A Chartered Accountant is required to maintain a high degree of professional competence and technical standard. He is bound by the code of conduct framed by the Institute of Chartered Accountants of India. Section 2(2) of the Chartered Accountants' Act, 1949 read with Regulation 191 of the Chartered Accountants Regulations, 1988 specifically provides that a Chartered Accountant in his professional capacity is allowed to act as an arbitrator. Viewed in this perspective, the role of a Chartered Accountant as an Arbitrator has now gained vast coverage.
2. **As a Conciliator:** Conciliation is a process by which the conciliator endeavours to bring the disputant parties to an agreement. A Chartered Accountant in his day-to-day practice often helps his clients in settling their disputes through conciliation. With the acquisition of thorough knowledge on the process of mediation, negotiating skills and related techniques of conciliation a Chartered Accountant can act as a successful professional conciliator thereby adding to the array of services he provides.
3. **As an Expert:** Under Sec 26(1) of the Act, the Arbitral Tribunal may appoint expert/s to report on any specific issue to be determined by it. It may also require the parties to give the expert any relevant information, explanations, or to produce or provide access to any relevant documents, goods or other property for inspection. An expert may be examined and cross-examined by a party on request of a party and where an arbitral tribunal considers it necessary. A Chartered Accountant can help the arbitral tribunal in the



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capacity of an expert in matters relating to accounts, commercial transactions, lease transactions etc. where he has sufficient domain knowledge.

- 4. As a Counsel:** The objective of arbitration is to provide expedient, efficient and economical justice to the aggrieved parties as it is felt that too much lawyering defeats the very purpose of arbitration. A Chartered Accountant can equip themselves to enter the field with considerable advantage. A Chartered Accountant normally represents the cases of their clients before various authorities including the ITAT, Company Law Benches, SEBI, RBI, etc. They can specialise in arbitration matters particularly those connected with breach of contracts, insurance claims, loss of profit, securities fraud, Commercial disputes, rights of properties, Lease transactions, etc. and represent their clients in Arbitration Proceedings.

Conclusion

Abraham Lincoln, the 16th President of the United States of America has congruously stated in favour of Arbitration, "Discourage litigation. Persuade your neighbours to compromise whenever you can. Point out to them how the nominal winner is often a real loser—in fees, expenses, and waste of time."

It will not be out of place to mention that the field of ADR is bound to grow by leaps and bound in times to come and so could be the role of Chartered Accountants. The potential of India in the domain of arbitration is exceedingly big. The modifications of the arbitration act are also an important indicator of India's efforts. Arbitration mechanism will ensure that justice is attained by all at shortest time span possible.

REQUEST TO MEMBERS

It's a request to all respected members to contribute to Nagpur Branch Newsletter by way of sending articles, showcasing talent or any other matter related to professional enrichment on Nagpur Branch email address : nagpur@icai.org

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Auditor in the Pandemic

CA. Bharat Jeswani

With new mutants emerging every year the pandemic is far from over. Covid disruptions are real and even the Auditors need to take note. A major concern for us, the auditors is that now the world is ripe for fraud and we need to be prepared to deal with it. Auditors with their current training and skills are decently equipped to detect fraud and report it, specialization in the area would definitely help. However, with the urgency that is upon us a targeted approach would be much more relevant.

When I say the world is ripe for fraud I do not say it without reason. All the three legs of the infamous fraud triangle have shown signs of emergence and it is about time the whistle gets blown. For those who are not aware of the Fraud Triangle I will discuss how it is so relevant in the current times. As in theory Fraud is almost bound to happen if the following three elements are present.

1. **Pressure** : During the Pandemic governments had no choice but to impose lockdowns. This meant the business was not as usual. Though some businesses like pharma and technology thrived many were struggling for survival. Though one can see the numbers the ground reality is beyond comprehension of many. Companies were shut down, many lost their jobs and many more had to work on discounted pay. Tough times call for drastic measures and people with high morals can also shift because morals do not pay the bills. The pressures are there and they are intense.
2. **Opportunity**: The Pandemic taught the world how to work remotely and though many organizations were preparing for this many were forced to adapt. This change is not just a change of work desk but a complete game changer. The controls that one implements in an office setting can become irrelevant when Working from home. Organizations specially smaller ones got little time to evaluate this patiently and also few had the resources to. This has created new opportunities

for fraud.

3. **Rationalization**: This is going to be easy and very natural. Theories of the end of the world or atleast end of those who are weak or not resourceful are many. It is easy to imagine that what is being done is being done for survival.

Thus it is safe to assume that the risk of fraud is high and we need to be prepared.

What are the type of Frauds we are looking at?

Financial statement frauds, the one that involves fudging numbers to meet earning expectations. Most organizations are failing to meet earning expectations because of supply chain disruptions or sluggish demand, both due to covid. Frankly the market should expect lower earnings and growth from companies taking into account the slow global economy. But the same correction has not been seen in the Markets specially the Indian Markets. The promoters and management has no choice but to window dress their financials because not doing that has consequences they do not have the energy to handle at the moment.

Since Financial statement frauds are committed by the Management and prevention of such frauds is the responsibility of the management, prevention strategy becomes pointless. The only control that we have is that provided by the independent auditor.

SA 240 throws some light on the responsibility of Auditor in case of suspected or detected fraud.

As per the standard it is Auditors responsibility to assess the risk of material misstatement due to fraud. As discussed earlier the risk of misstatement is high in current times but a blanket assumption wont be appropriate. An auditor has to analyse the conditions and the situation of each client individually to assess if the supply chain disruptions and earnings expectations materially affect the client. After this preliminary assessment if so found the Auditor must



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incorporate additional procedures in the Audit plan to detect fraud.

A fraud specific approach will be very useful here since it is targeted and also there is sufficient research to prove that fraudsters use the same MO again and again ie they are repetitive. So since there is not much that is new under the sun our strategy to detect fraud can be same.

1. Fictitious Sales

This is done to overstate revenues as well as assets by showing fictitious sales. This can be done by showing sales to customers that don't exist or by overstating sales to already purchasing customers.

The credit always goes to the sales account but the debit can either go to Cash or Debtors. If cash is debited this scheme is very easy to detect by physical verification of cash balance. Actual cash will be lower than shown in books. If debtor is debited then it is comparatively less likely to be detected. This entry remains in the books but it needs to be reversed someday because the debtors are fake and they are not going to pay ever.

Procedures to be performed by Auditor/Investigator

- Check if high disproportionate sales have been recorded nearing the end of the reporting period.
- Check if the debtors are unusually higher ie they have not been paying
- Perform Due Diligence review on the debtors and check their existence and if they are reachable
- Do a competitor analysis if it seems like the competitors are reporting lower sales than your client consistently
- Review the quality of earnings
- Check if unexpected sales have been made to related parties
- Do surprise physical verification of cash
- Obtain debtor confirmation from all debtors or those that appear suspicious
- Verify the purchase orders to check if they appear genuine.
- Do surprise inventory count of physical goods.
- Perform Debtor Ageing analysis and get explanation from the management regarding very old debtors.

2. Timing Difference (Early recognition of revenue or late recognition of expenses)

Desired earnings can be achieved by manipulating the timing of recognition of income and expenses.

AS 9 covers the timing of revenue recognition for sale of goods and services.

The entity would prematurely recognize revenue of defer expenses to the next period to inflate the earnings.

Procedures to be performed by the Auditor

- Check for the existence of a contract of agreement to sell. If no written agreement exists for a high value sale there is a high probability that the sale is fictitious or is being recognized earlier.
- A verbal agreement exists when a written agreement is customary or required, flag this transaction
- The Agreement/contract contains too many conditions and the execution of the agreement/contract is dependent of these conditions, flag this transaction.
- The sales contract consists of a right to return, sales to be recognized only after this right expires. If recorded earlier flag this transaction.
- The sales contract exists but is not complete in itself and has a subcontract or and annexure which is to be added to this contract. Review the complete sales contract.
- AS-9 conditions have not been fulfilled
- Very small part of the sales contract has been fulfilled and there is uncertainty regarding the fulfillment of the remainder. Flag this transaction.
- As per procedure delivery is not complete legally unless the customer gives a written acceptance of goods and the said written acceptance has not been found in records. Flag the transaction.
- The service is to be provided over an extended period which extends even beyond the current financial year, only part should be recorded in the current financial year, remaining should be deferred.
- The price of the goods or services is not determinable at the moment or is contingent upon future events. The sale should be recorded when the price is determinable.



Professional Enrichment

- Collectability is not reasonably assured. Flag the transaction.

Deferring current period expenses

By recording lower expenses in the current period profits can be increased and the earning expectations can be met. Though this would lead to recording of current period expensed in the future period and thus deflating the profit in that period.

Procedures to be performed by Auditor

- Check if the profitability is unusually higher, ie the profits are maintained even though lower revenues compared to previous period.
- Compare the profits with the peers in the same industry. See if the profitability of your client is higher than theirs.
- Check for advances paid to vendors or expense creditors account. Check why advances have been paid or expenses have been deferred.

Inflating closing stock

Inflating or deflating the closing stock is the favorite adjustment I know for managing profits. Closing stock can be inflated by increasing the quantities or the valuation. Commonly used methods involve changing the valuations.

Procedures to be performed by Auditor

- Check for increase in profitability at same sales revenue.
- Check if the method of valuing closing stock has been changed
- Physically verify closing stock on the closing date.
- Perform quantitative analysis on stock movement for the period.

These are the most common fraud schemes that are used to inflate profits. By performing the above mentioned procedures these schemes can be easily detected.

Professional Enrichment



One day delay can cost 3% of Interest

CA. Naresh Jakhotia



"You must pay taxes. But there's no law that says you gotta leave a tip." - Morgan Stanley

Law and logic are often strangers. There are various provisions in the income tax law which defies logic, resulting in funny but painful consequences. Rather, income tax law is full of irrational & crazy contents. Let me discuss one such instance in this issue of The Tax Talk. Don't be amazed if I say that a delay of just one day in payment of TDS may make them pay interest of 3%. Unreasonable it may sound, but this is what the income tax law provides. Let us try to know about it:

1. Section 201 govern the levy of interest in case of default in payment of Tax at Source (TDS) amount and it provides for charging of interest @ 1.50% for "month" or "part of the month" in case the deductor, after deduction, fails to make the payment to the Government Treasury within the due date.

2. Due Date:

The Deductor is required to make the payment of TDS within 7 days from the end of the month in which TDS is done (Only exception is the TDS for the month of March). For example, if TDS is done on 28.09.2021 (in September 2021) then the TDS amount is required to

be paid by the deductor to the Government Treasury on or before 7th October 2021. If the TDS is deposited on or before 7th October 2021, no interest liability would be there. However, if there is a delay in payment, say the TDS is deposited by the deductor on 8th October, then interest u/s 201 would be applicable. In such a scenario, interest is payable @ 1.50% for a month or a part of the month.

3. In short, there is no concept of payment of interest on a day-wise basis for a day or two or so on. The prescribed interest percentage is applicable even to the "part of a month". In the above example, logically interest should have been levied for one day as the TDS amount was paid on 8th October instead of 7th October. However, since the interest rate of 1.50% is provided for "part of a month", single day delay would be reckoned as "part of a month" & would attract an interest rate of 1.50%.

At the cost of repetition, it must be noted that section 201 doesn't provide an interest rate of 1.50% per month but provides for interest of 1.50% for a "month" or a "part of a month". Every word counts in the law and it plays an important role in the interpretation of the provision.



Professional Enrichment

4. Now, comes to the interesting part of section 201. It says that interest is leviable from the date on which TDS is done to the date on which TDS is deposited. Obviously, in the present case, the deductor has done the TDS on 28th September 2021 and so interest is leviable from 28th September. 3 days of September (28th, 29th & 30th September) will be treated as "part of a month" and so the interest would be applicable for the entire September month. Since the payment is done on 8th October, interest would be applicable for the entire month of October as interest rate of 1.50% is provided for "part of a month" here also.
5. Factually, there is a delay of just one day from the deductor's perspective. Interest should have been levied for one single day as 7 days time-frame is allowed by the Government for payment of TDS. If the deductor has failed to make the payment within the allotted time period of 7 days for any reason whatsoever and if the amount is deposited on 8th October, interest should have been collected for one day only.
6. In the above example, the deductor has done the TDS on 28th September and has deposited the amount on 8th October. Effectively, the TDS amount was retained by the deductor for 10 days only. But, strict interpretation of section 201 provides that the TDS will be applicable for two months i.e., month of September 2021 & October 2021 also. It means that total interest would be 3% of the TDS amount. Levy of interest of 3% for keeping the TDS amount for just 10 days may sound shocking & unreasonable. However, this is the way the law works.
7. The deductor has to be very careful and cautious as far as the deposit of the TDS amount is concerned and should pay the TDS amount well before the due date so as to avoid the application of interest at such a higher rate.
8. There are enough provisions in the Income Tax law to discourage the practice of non compliance with the TDS provision. Levy of interest is a mode to compensate the treasury for the loss of interest. But

interest provision must provide for the levy of interest for default/delay on actual basis and not the way it has been going on now. Further, TDS is an onerous duty casted on the deductor. It's a thankless job from the angel of the deductor. Levying interest at such a higher rate of 3% in such a situation where annual borrowing cost ranges in between 7% to 9% is too ridiculous.

9. The illogical law affects all. Drafting of law plays an important role in its implementation and even a slight error may carry hefty financial consequences for the taxpayers. One cannot rule out the error in the drafting of the law but correction and rectification has to be the part and parcel of the law implementation.

Conclusions:

1. We must pay the taxes but should not be asked to leave the tips.
2. Above provision is just one instance and there are various other instances where law is logically illogical. Some other time, some other column, we will revisit other few such provisions.
3. The proposal to implement the new direct tax code has been scrapped. However, there is an urgent need to revisit various provisions in the Income Tax Act- 1961 & remove all such anomalies & irrational parts.
4. With every passing year, new provisions are added in the Income Tax Act -1961, many of which reflect lack of vision and issues in its practical implementations. Result, existing anomalies are fueled by new one.
5. The only possible solution could be "No Taxation without Due Representation". Let every new law undergo the screening of the joint committee consisting of tax professionals, businessmen & tax collectors as grass root level. It will be a step in boosting the confidence of the taxpayers and creating an atmosphere of trust and confidence amongst the stakeholders.

Health & Wellness



New COVID Scare - Omicron

What Are the Symptoms of the COVID-19 Omicron Variant? Here's What We Know So Far

A new CDC analysis of the US's first cases of the Omicron variant lists the four most commonly reported symptoms.

On December 1, 2021—just a few days after the World Health Organization (WHO) declared it a variant of concern—the first case of the Omicron variant was confirmed in the US. Now, current data are suggesting that the Omicron variant may soon overtake Delta as the country's dominant COVID strain.

According to the Centers for Disease Control and Prevention (CDC), the new variant has 30 mutations in the spike gene—the part of the virus that allows it to penetrate your cells and infect you—and it is likely more transmissible than the original SARS-CoV-2.

With the introduction of any new variant comes a lot of big questions about how it may be different from the previous variants, including what symptoms it causes and whether it is more or less likely to cause severe illness. Here's what we know so far about the symptoms of the Omicron variant, according to research and infectious disease experts.

What are the symptoms of the Omicron variant?

As Health previously reported, the symptoms of the dominant Delta variant are often like those of a very bad cold. Based on an analysis of COVID-19 symptoms among infected people in London, the symptoms of the Omicron variant might not be too different. That study compared the COVID symptoms that people recorded during a week in October—before the Omicron variant was known to be in London—and a week in December—after the variant was confirmed to be in London. During both weeks, the top five symptoms people reported were runny nose, headache, fatigue, sneezing, and sore throat.

"Hopefully people now recognize the cold-like symptoms which appear to be the predominant feature of Omicron," Omicron symptoms are predominantly cold symptoms, runny nose, headache, sore throat, and sneezing, so people should stay at home as it might well be COVID."

Research from a large study out of South Africa also showed that the Omicron variant is less likely to cause severe illness than earlier variants, the Washington Post reports. Led by Discovery Health, South Africa's largest health insurer, the study found that most infections are described as mild, with the most common early symptom being a scratchy throat. Other common symptoms include nasal congestion, a dry cough, and aches (particularly lower back pain).

So does the Omicron variant only cause mild symptoms?

While anecdotal evidence and early data appear to suggest that mild symptoms might be common with the variant. Being fully vaccinated, and especially boosted, reduces the chances a person will experience any COVID-19 symptoms at all—but as we've learned by now, it's possible to get a breakthrough infection, aka an infection when you're fully vaccinated or even boosted. When fully vaccinated and boosted people experience COVID-19 symptoms, they may be milder and shorter in duration. "We know that even with breakthrough infections, vaccinated people are less likely to get sick, and if they do get sick, they have a far lower chance of hospitalization and death..

Also, early outbreaks of Omicron have been among young adults who tend to have milder infections anyway, as well as among those who are more likely to have antibody protection through vaccination or previous infection. Truly, more data are needed before more definitive answers about Omicron symptoms and their severity can be given.



How can I protect myself against Omicron?

Experts will know more about the Omicron variant and the specific risks it poses (including any new symptoms, especially in unvaccinated people, and how much protection the vaccines provide) as time goes on and they conduct more research. For now, it's important to be aware of existing COVID-19 symptoms and to stay home if you feel ill (even if it just seems like you have a cold). If you need a refresher, the CDC lists the following as possible COVID-19 symptoms:

- Fever or chills
- Cough
- Shortness of breath
- or difficulty breathing
- Fatigue
- Muscle or body aches

- Headache
- New loss of taste or smell
- Sore throat
- Congestion or runny nose
- Nausea or vomiting
- Diarrhea

To protect yourself and others from severe sickness from any COVID-19 strain, Dr. Liu says the best thing to do is get fully vaccinated. And if you're already fully vaccinated, get your booster. If you have children who are eligible, prioritize getting them vaccinated, too.

Even if you're fully vaccinated, continue to wear your mask indoors when gathering with members outside your household or when you're in crowded outdoor settings. If you're getting together with people you don't live with, then Dr. Liu suggests everyone take a rapid COVID-19 test at home to prevent asymptomatic spread.

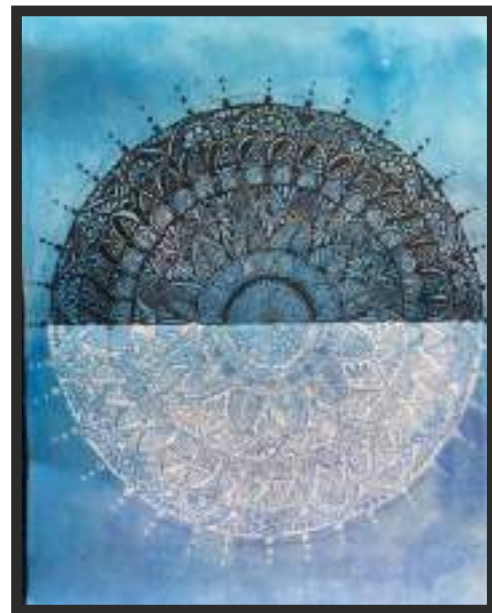


CA's GOT ★ TALENT



Mandla Art

CA Uma Bagdia





CA's GOT ★ TALENT



Hand Made Painting

CA Amrita Bagdia





Gist of Past Events of Nagpur Branch of ICAI (December 2021)

Sr. No.	Date	Programme Type	Topics	Speakers	Venue	No. of Participants	CPE Hrs
1	05/12/2021	VCM	<u>Young Member Mentorship Event</u> (Organised by Women Empowerment Committee of ICAI Hosted by Satara Branch & WICASA jointly with Nagpur Branch of WIRC & WICASA Nagpur) 1. <u>Take the Leap Take Charge & Change Your Life</u> 2. <u>Entrepreneurship is the Dish best served cold</u>	Chief Guest: CA Manish Gadia Chairman WIRC Speaker : CA Dhara Gada Shah CA. Monal Shah, Dubai	On Line Mode	139	3 Hrs
2	06/12/2021 To 08/12/2021	Refresher Course	Residential Refresher Course on Cruise (Jointly with WIRC ,Ahmednagar and Nagpur Branch of WIRC) 1. Networking Guidelines 2. Opportunities on CAs in Cooperative 3. As for Non Corporate Entities 4. GST on hospitality industry	Speakers: CA. Virag Shah CA. Prashant Agrawal CA. Sandeep Desarda CA. Saket Bagdia	Highseas - Mumbai	160	8 Hrs
3	13/12/2021	WICASA	Walkathon for CA Students		Seminary Hills Nagpur	60	--
4	15/12/2021	Investor Awareness Program	Investor Awareness Program for College Teaching and admin Staff on Financial Planning through Mutual Funds. (Jointly with SEBI)	Speakers: CA Jitendra Saglani Vice Chairman Expert SEBI Resource Person	Symbiosis College, Wathoda, Nagpur	80	--
5	15/12/2021	Career Counselling	Career Counselling Program for Motivating Budding CAs	Speakers: CA. Saket Bagdia Chairman CA. Jiten Saglani Vice Chairman Mr. Ameya Soman, Vice Chairman WICASA	Ramkrishna Mishra Sharda School Kamptee	150	--
7	16/12/2021	Workshop	VCM Workshop on Tally Exploring Tally / Prime for Audit Part-I & II	Speakers: CA. Pankaj Deshpande CA. Nivedita Dighe	On Line Mode	64	2 Hrs



Gist of Past Events of Nagpur Branch of ICAI (December 2021)

7	16/12/2021	Workshop	VCM Workshop on Tally Exploring Tally / Prime for Audit Part-I & II	Speakers: CA. Pankaj Deshpnade CA. Nivedita Dighe	On Line Mode	64	2 Hrs
8	17/12/2021	Workshop	VCM Workshop on Tally Exploring Tally / Prime for Audit Part-III & IV	Speakers: CA. Pankaj Deshpnade CA. Dhiraj Talmale	On Line Mode	64	2 Hrs
9	18/12/2021	Fellowship Meet	Friendly cricket Match between NAGPUR ICAI –XI Vs INCOMETAX DEPARTMENT_XI	Chief Guest: Smt. Rubby Shrivastava Pr. Chief Commissioner of Income Tax, Nagpur	NADT Cricket Ground	300	
10	19/12/2021	Mega Career Counselling	Mega Career Counselling Programme: A Guidance to Explore yourself (Jointly with WIRC of ICAI)	Chief Guest: CA. Nihar Jambusaria, Hon. President, ICAI Guest of Hon.: CA Motilal Oswal MD of Motilal Oswal Financial Services Key Note Speaker : Prof. Dr. Nitin Karmalkar Vice Chancellor Savitribai Fule Pune University	On Line Mode	476	--
11	21/12/2021	VCM	VCM on Multi-Disciplinary Partnership (MDP) Guidelines (Nagpur Branch hosted & organized by WIRC jointly with Pimpri Chinchwad Branch)	Speaker : CA Sekar G, Central Council Member	On Line Mode		2 Hrs
12	21/12/2021	Investor Awareness Program	Investor Awareness Program on Nivesh ki Pathshala - a journey towards Financial Independence Nagpur Branch of WIRC of ICAI & Nagpur Branch of WICASA of ICAI jointly with Akola Branch of WIRC of ICAI & Akola Branch of WICASA of ICAI (Under the aegis of Committee on Capital Market & Investors Protection, ICAI & SEBI)	Chief Guest: CA Jai Chhaira, Surat Vice-Chairman, CCMIP, ICAI Guest of Honour: CA Manish Gadia, Mumbai Chairman, WIRC of ICAI Speaker : CA Jiten Saglani, Nagpur SEBI certified SMART Trainer	On Line Mode	40	--



Gist of Past Events of Nagpur Branch of ICAI (December 2021)

13	23/12/2021	Investor Awareness	Under our "Financial & Tax Literacy Drive of ICAI" Nagpur Branch of ICAI jointly with Vidarbha Industries Association has organized a unique event of "Chhoti Chhoti Batein" with Expert Speakers for the benefit of masses at large.	Speakers : CA. Rajesh Loya, Past Chairman CA. Shailendra Jain Nagpur	VIA Auditorium, Civil Lines, Nagpur	75	--
14	23/12/2021	Felicitation	Felicitation of Shri M.P. Shah, Mrs M.P. Shah	At the hands of CA Saket Bagdia Chairman CA. Jiten Sgalani Vice Chairman Shri K.S. Reddy CS. Khushboo Pasari, Chairperson CS Chapter	Official Liquidator office, Civil Lines Nagpur	06	--
15	24/12/2021	VCM	VCM on Audit Quality Maturity Model (AQMM) – Part - 1	Speaker : CA .Vijay Maniyar Mumbai	On Line Mode	47	3 Hrs
16	25/12/2021	VCM	VCM on Audit Quality Maturity Model (AQMM)- Part-2	Speaker: CA. Mohit Dhand, Pune	On Line Mode	22	3 Hrs
17	25/12/2021	Investor Awareness	Investor Awareness programme on Mind over Market - A live Demonstration of what goes wrong in Stock Market along with resolution of (Organised Satara Branch of WIRC & Satara Branch of WICASA jointly with Nagpur WIRC & WICASA under the aegis of CCMIP)	Key Note Address: CA. Jay Chhaira Vice Chairman CCMIP & BOS Chairman Moderator: CA. Rushikesh Wangde Chairman Satara WICASA Speakers: CA Jiten Saglani Vice Chairman Mr. Ajay Barik	On Line Mode	50	--
18	26/12/2021	Seminar	Seminar on Professional & Networking Guidelines " Young Member Mentorship Program"	Speakers : CA. Aayush Agrawal CA. Chitra Agrawal CA. Gaurav Saboo CA. Premlata Daga Saboo	ICAI Bhavan, Dhantoli, Nagpur	55	4 Hrs
19	26/12/2021	Couple Carnival	CA Couple Carnival-2021		ICAI Bhavan, Dhantoli, Nagpur	55	--
20	27/12/2021	WICASA	Educational cum Industrial Visit		Badjate Stock and Shares Pvt. Ltd	50	—



Gist of Past Events of Nagpur Branch of ICAI (December 2021)

21	27/12/2021	VCM	VCM on Auditing of Non Company Entities In View of Applicability of Accounting Standards to Non Company Entities	Speaker : CA. Padmashree Crasto, Mumbai	On Line Mode	67	2 Hrs
22	28/12/2021 To 12/01/2021	TEL Prog.	Skill development for Undergraduate Students of Commerce streams – Train Earn & Learn	Faculties: CA Sayali Chandaliya CA. Sangeeta Pandit CA. Jyoti Malkani CA.NISHIT M SHAH CA. Dipti Mody CA. Pankaj Deshpande CA. Rajpal Singhai	G.H. Raisoni College of Commerce, Science and Technology	118	--
23	30/12/2021	VCM	VCM on “Members in Practice and Taxation Services” and “NOCLAR” under the Code of Ethics (Organised by Ethical Standards Board, ICAI and hosted by Nagpur Branch of WIRC of ICAI)	CA. Prafulla Chhajed Chairman Ethical Standards Board & Former President, ICAI CA. Kemisha Soni Vice Chairperson Chairman Ethical Standards Board Speakers: CA. Sana Baqai VA. Aseem Trivedi	On Line Mode		3 Hrs
24	30/12/2021	VCM	Virtual Meeting on Financial & Tax Literacy Drive (Jointly with Marwadi Yuva Munch) 1.Retirement Planning & Succession 2.Income Tax & GST	Speakers: CA. Shikha Loya Nagpur CA. Hitesh Agrawal Nagpur	On Line Mode	39	—
25	30/12/2021	Tribute to Indian Armed Forces	Tribute to Indian Armed Forces Ek Shaam Shaido Ke Naam	Chief Guest : Speakers: CA. Jay Chhaira, CCM CA. Charanjit Singh Nanda-CCM CA. (Dr.) Mahesh Gaur	On Line Mode	85	—
26	30/12/2021	Felicitation	Felicitation of Shri Sanjay P Srivastava, Zonal Manager, Punjab & Sind Bank	At the hands of CA. Saket Bagdia, Chairman	Punjab & Sind Bank, Nagpur	06	--



Gist of Past Events of Nagpur Branch of ICAI (December 2021)

27	30/12/2021	Felicitation	Felicitation of Chief Commissioner of CGST Shri Ashok	At the hands of Chief Commissioner of CGST Shri Ashok	GST Bhavan Nagpur	08	--
28	30/12/2021	Inauguration	Inauguration of Tax Facilitation Centre at Central GST	At the hands of Chief Commissioner of CGST Shri Ashok	GST Bhavan Nagpur	08	--
29	31/12/2021	VCM	Virtual CPE Meeting on RERA Provisions 1. Registration & Certification in RERA 2. Latest Amendments & Notification in RERA	Speakers : CA. Utsav Jasapara Nagpur CA. Mayank Saraf	On Line Mode	50	3 Hrs



Glimpses of Past Events



Investor Awareness Program for
College Teaching and admin Staff on
Financial Planning through Mutual Funds.
15-12-2021



VCM Workshop on Tally
16th & 17th, December 2021



Friendly Cricket Match Beetween
Nagpur Branch OF ICAI -XI Vs Income Tax Department- XI
18-12-2021



Felicitation of Shri M.P. Shah,
Mrs M.P. Shah
23-12-2021



VCM on Audit Quality Maturity Part 1
24-12-2021



Vcm on Audit Quality Maturity Part 2
25-12-2021



Glimpses of Past Events

Residential Refresher Course on Cruise



VCM on Auditing of non company entities
in view of Applicability of Accounting Standards
to Non Company Entities
26-12-2021



Skill development for
Undergraduate Students of Commerce streams
Train Earn & Learn
28-12-2021



Tribute to Indian Armed Forces
30-12-2021



VCM on Rera Provisions
31-12-2021



Glimpses of Past Events

Residential Refresher Course on Cruise



Glimpses of Past Events

Residential Refresher Course on Cruise





Nagpur Branch of ICAI in News

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IT department receiving the winners' trophy from guests.

Income Tax emerge champions

PTWCIMA, Chief Commissioner of Income Tax, Nagpur Region was the guest of honor at Nagpur Chapter of the ICAI's 10th National Chartered Accountants of India (NCAI) 2021-22 National Academy of Income Tax event.

During the first Income Tax round, 100 teams participated. Haryana's (10) team emerged as the winner with 57 runs in 30 balls. Ashu Chhila scored 38 runs from 15 balls. Chhila's partner Gupta scored 39 runs from 25 balls and took three wickets in giving 32 runs while Dhe Prakash Singh took two wickets. CA team made a valiant attempt to chase but could reach 118. Milan Rupchandani top scored with 38 runs from 34 balls. Ashu Chhila

Kishu (31) and Vikash Gupta (21) were the other main scorers. Karan Datta took two wickets giving 16 runs. Gupta and Milan Rupchandani were jointly adjudged man of the match.

Chief guest, Hakeem Arshad, PTWCIMA, Chief Commissioner of Income Tax and Mr. CA Jaydeep Shah addressed the gathering. Saker Bagdia, CA and President of ICAI, Nagpur and Jyoti, captain of PTWCIMA (NCAI) team introduced their teams to the guests. Saker and Shah introduced both teams and men of the match.

The match was presided by the officers and staff of Income Tax and members of ICAI, Nagpur Chapter.

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Lots of opportunities for CAs in campus interviews: Saket Bagdia

Business Bureau

AMTEU's campus interview for newly qualified Chartered Accountants (CA) from Nagpur Chapter was organized by Committee for Members in Industry & Business (CMIBI) at the ICAI Placement Portal, recently.

During the session, CA Saket Bagdia, Chairman, Nagpur Branch of ICAI said, "There is a demand of CAs in every organization. The CAs of today carry the tag of 'Value Professionals' because that is the need of the hour. With technological advancements and importance of data analysis and database management along with emphasis on data security, the new CA curriculum caters to all the requirements of innovative and dynamic business organizations."



Bagdia said that the newly qualified CAs have the skill and dynamism to cater to business needs at all levels. He explained that for newly qualified CAs every year campus interviews are being conducted in major cities by Committee for Members in Industry & Business (CMIBI) and Industry & Business (I&B) Division, Nagpur.

Bagdia expressed happiness that after a long period of time, Nagpur Branch of ICAI has been recognized as a campus centre for placements in 2021 and a good number of CAs got appointed in good corporates through this campus interview process. Overcoming COVID situation the campus interviews had been

conducted virtually. There had been a first 'Virtual Campus Placement Session' online (2 for CA placed in Dec 2020 and in 21) attempt.

The second Virtual Campus Placement Session was conducted in November 21 for CAs placed in 1,26,21 attempts, various corporate like Infosys, Cognizant, Capgemini, Deloitte, EY, KPMG, PwC, Grant Thornton, etc. The session was held at ICAI, Nagpur Chapter, 10th National Chartered Accountants of India (NCAI) 2021-22 National Academy of Income Tax event.

Bagdia further informed that newly qualified Chartered Accountants were employed at an average package of around Rs 10 lakh per annum.

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CA Kelkar retains post of Council Member of WIRC

Business Bureau

IN THE recently held election

post of Council Member of the Western India Regional Council (WIRC) of Institute of Chartered Accountants of India (ICAI), CA Ashish Kelkar from Nagpur has retained his

post by securing highest votes.

There were 25 candidates in fray for the coveted post of Council Member out of which 21 secured the necessary single

majority votes across the WIRC.

CA Kelkar made a significant win by getting the first and five to secure qualifying points from Maharashtra. The source of the source is far more years.

The WIRC of ICAI has always been in the forefront in organizing various seminars, workshops

and seminars which are important tools for the propagation of relevant information and dissemination of knowledge. WIRC of ICAI also makes representations on the practice of various laws through Council Committee or directly to the respective

Ministries of Maharashtra, Gujarat, Goa and the Union Territories.

It also organizes various programmes for the benefit of the public at large. There are 11 and platforms for the chartered accountants to participate and gain the benefit of the knowledge of the profession in industry, technology, financial services and various related to professional development and contemporary relevance, which is considered the need of the hour.



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आईसीआई में प्रशिक्षण कार्यक्रम आयोजित

पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण : वागड़िया

संवाद

नगपुर में आयोजित कार्यक्रम में भाग लेने वाले चार्टर्ड अकाउंटेंट्स (CA) को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई। कार्यक्रम में भाग लेने वाले CAओं को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई। कार्यक्रम में भाग लेने वाले CAओं को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई।



कार्यक्रम में भाग लेने वाले CAओं को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई। कार्यक्रम में भाग लेने वाले CAओं को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई। कार्यक्रम में भाग लेने वाले CAओं को पीयर रिव्यू गुणवत्ता नियंत्रण के लिए उपयोगी उपकरण के बारे में जानकारी दी गई।

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Nagpur Branch of ICAI in News

TheHitavada

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thitavada.com

'Things that give comfort, will never give growth'

By Business Bureau

A PHYSICAL, well-studied seminar titled 'Transform to Online - An Important step called anti-study' was organised for CA students by Nagpur Branch of WIRC of ICAI, in association with Akola, Amravati and Satara branches of WIRC of ICAI recently. The seminar was organised for students who have decided CA intermediate exams and would be joining online learning.

The guest speaker of the session, CA Vikas Ahir, Chairman Nagpur Branch CA, Saket Bagdia, WIRC of ICAI, Chairman Nagpur Branch CA, Akola, Amravati and Satara branches of WIRC of ICAI, said, "Things that give comfort, will never give growth." He expanded his concern with regards to online education and its impact on the students' learning process.

CA Ahir said, "If you want to excel in these times you need to think differently. If you think differently you will definitely be the best out of CA."



Parag Jain, CA Vikas Ahir, Chairman Nagpur Branch CA, Saket Bagdia, WIRC of ICAI, Chairman Nagpur Branch CA, Akola, Amravati and Satara branches of WIRC of ICAI, and other members of the programme.

He talked about the changing scenarios, creating opportunities in various emerging areas and the foundation stone of this phase i.e. anti-study. Various aspects of anti-study and its impact on the students' learning process, financial, emotional, business planning etc. The period of anti-study should be treated as a phase via, learning, application and leadership.

"One should strongly work on improving communication, drafting and presentation skills, vocabulary and building work profile," he added.

In his address to the students, CA Saket Bagdia, Chairman of Nagpur Branch of WIRC of ICAI said, "CA students cannot get exposure of a kind of soft skill and these aspects of anti-study. The only thing that matters is the level of commitment towards the work and towards the final one year."

He further said "It does not matter to which city the anti-study is done, with the correct work attitude one can reach a higher position. When one is

level of commitment, perspective, mind and thoughts, always try to give extra output because the one who gives extra is noticed."

CA Deep Singh, Chairman of Nagpur Branch of WIRC of ICAI, in his address expressed that the biggest asset when it comes to pursuing CA education for a student is getting a chance to learn from a professional and practicing CA for a span of three years.

CA Deep Singh, Chairman of Akola Branch of WIRC of ICAI, CA Pratik Jain, Chairman of Amravati Branch of WIRC of ICAI and CA. Pratik Jain, Chairman of Satara Branch of WIRC of ICAI were present.

A question answer session was conducted where students asked their questions related to the anti-study and the speaker guided them in all their queries. The session was conducted by Team WIRC of ICAI Nagpur.

Powered by Discussions

LokmatTimes

Trade, events to suffer jolt due to fresh curbs

By LokmatTimes
NAGPUR, 06/12/21

As the number of Omicron cases in Maharashtra and also in the city is increasing, the State government has issued its order and decided to impose strict curbs on the State from 9 pm to 6 am with an aim to control the transmission and prevent possibility of a third wave in the coming days.

As per this order all commercial establishments, marriage halls, offices, hotels would have to shut doors at 9 pm. In case of this fresh order, Lokmat Times talked to a few persons across trade and industry to know their views on the fresh curbs imposed by the government, hereafter.

"Big section of trade would be affected. President of NVC, Ashwin Mishra, said, a big section of the trade would be severely affected which includes hotel,

industry, marriage halls and hotels. As it is traders have been facing heavy economic loss in the past two years. If further restrictions are imposed on them, shop, small, daily economic activities get disturbed, particularly during wedding and festive season, he further said.

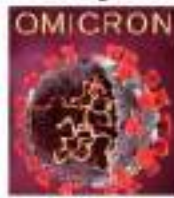
"Festivals should be allowed till 10 pm. Even, marriage. Saket Bagdia, WIRC of ICAI, Chairman Nagpur Branch CA, said, decision to not allow gathering from 9 pm to 6 am has affected the situation.

"They are confused at it. It is a matter of whether or not they should continue with their planning."

One of our clients had asked us to organise music and dance events on their weddings. But the newly imposed restrictions have disappointed them a lot. Some of the clients have stopped making plans for the upcoming month," he said.

Notably, programmes should be allowed till 10 pm, he added.

"200-300 guests should be allowed. Saket Bagdia, WIRC of ICAI, Chairman Nagpur Branch CA, said that decision to impose curfew from 9 pm to 6 am was an unusual decision.



Omicron

The decision along with curfew will affect the customers most. Saket Bagdia, WIRC of ICAI, Chairman Nagpur Branch CA, said, "A number of cases is increasing, government should impose curbs. But imposing curfew is not in the interest of customers and customers. Large gatherings should not be allowed. At the same time, around 200-300 guests should be allowed in events like wedding. He added.

"Industry would not be hit. President of MIBC (Maharashtra Industrialists' Association), Chandrashekhar Shengule said the effect of curfew and industry would be hit because per se government has not prohibited movement of the people. On the contrary, assembly of more than five people has been prohibited, some question of having the industries close."



Chandrashekhar Shengule

"Good presentation kept. The day-to-day business activities of people would not be affected as per, arrangement aims to restrict crowd of people in social gatherings like marriages, events halls and hotels that too from 9 pm to 6 am. As it is people who have been only vaccinated can visit malls and those in the day time."

Similarly, government has also not prohibited gathering in shops. Under such conditions, the economy would not suffer any substantial loss in the coming days. But it is a good step taken by the government before the situation spirals out of control as the Omicron virus is spreading and chairman of Nagpur branch of ICAI, Saket Bagdia.

Nagpur Times
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Nagpur Branch of ICAI in News



मित्रतापूर्ण मैच में आयकर विभाग ने दर्ज की जीत



महानर खेल। नागपुर मानकभूत स्थित एनएचटी के मैदान पर प्रधान मुख्य आयुक्त, आयकर और इंस्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया (आईसीआईआई) के नागपुर सेंटर के बीच खेले गए मित्रतापूर्ण क्रिकेट मैच को आयकर विभाग ने 20 रन से जीत लिया। मैच में पहले बल्लेबाजी करते हुए आयकर टीम ने 18 ओवर में विकेटलेट प्रदर्शन करते हुए 198 रन बनाए। डिमंडी जेवो ने 30 गेंद पर 57 रन, अमृतु हिरस्तर ने 15 गेंद पर 33 रन और धर्मोद ने 29 गेंद पर 29 रन बनाए। देवप्रकाश सिंह ने 10 रन देकर दो विकेट लिए। खेल के लिए 199 रन के विशाल लक्ष्य का पीछा करते हुए आईसीआईआई ने अच्छा प्रयास किया, लेकिन टीम 178 रन ही बन पाई। मितन कायचंद ने सहाय 34 गेंद पर साफ 78 रन बनाए। अर्धसंयुक्त बल्लट ने 31, उल्हास माधे ने 21 रन का योगदान दिया। धर्मोद गुप्ता और मितन कायचंद को संयुक्त रूप से मैन ऑफ दी मैच घोषित किया गया। प्रधान मुख्य आयुक्त आयकर कबी श्रीवास्तव और वरिष्ठ चार्टर्ड अकाउंटेंट जयदीप शहा ने दोनों का सल्लाम किया। इस अवसर पर आईसीआईआई नागपुर के अध्यक्ष सीए सखेत बाबडिया और वीसीआईआई के कचनर श्री धेंडकाव ने खिलाड़ियों का परित्या अभिनंदन से करवाया।

सफलता का कोई शॉर्टकट नहीं होता : विशाल अग्रवाल



नागपुर। आईसीआईआई की नागपुर शाखा ने इस क्षेत्र में आयोजित प्रथम स्थान पर आयोजित प्रथम आईसीआईआई टूर्नामेंट का आयोजन किया। इस आयोजन का उद्देश्य प्रतियोगिता और खेल के माध्यम से नागपुर के नागरिकों के बीच एकता और मित्रता को बढ़ावा देना है। इस टूर्नामेंट में आयकर विभाग और आईसीआईआई के नागपुर सेंटर के बीच खेले गए मैच में आयकर विभाग ने 20 रन से जीत लिया। मैच में पहले बल्लेबाजी करते हुए आयकर टीम ने 18 ओवर में विकेटलेट प्रदर्शन करते हुए 198 रन बनाए। डिमंडी जेवो ने 30 गेंद पर 57 रन, अमृतु हिरस्तर ने 15 गेंद पर 33 रन और धर्मोद ने 29 गेंद पर 29 रन बनाए। देवप्रकाश सिंह ने 10 रन देकर दो विकेट लिए। खेल के लिए 199 रन के विशाल लक्ष्य का पीछा करते हुए आईसीआईआई ने अच्छा प्रयास किया, लेकिन टीम 178 रन ही बन पाई। मितन कायचंद ने सहाय 34 गेंद पर साफ 78 रन बनाए। अर्धसंयुक्त बल्लट ने 31, उल्हास माधे ने 21 रन का योगदान दिया। धर्मोद गुप्ता और मितन कायचंद को संयुक्त रूप से मैन ऑफ दी मैच घोषित किया गया। प्रधान मुख्य आयुक्त आयकर कबी श्रीवास्तव और वरिष्ठ चार्टर्ड अकाउंटेंट जयदीप शहा ने दोनों का सल्लाम किया। इस अवसर पर आईसीआईआई नागपुर के अध्यक्ष सीए सखेत बाबडिया और वीसीआईआई के कचनर श्री धेंडकाव ने खिलाड़ियों का परित्या अभिनंदन से करवाया।

Nagpur Branch of ICAI in News

डब्लूआईआरसी के चुनाव में केलकर विजयी



नागपुर। वेस्टर्न इंडिया रीजनल काउंसिल ऑफ इन्स्टीट्यूट ऑफ चार्टर्ड अकाउंटेंट्स ऑफ इंडिया के चुनाव में नागपुर के सी.ए. अभिजीत केलकर सर्वाधिक मतों के साथ फिर एक बार आरसीएम चुने गए। आईसीएआई के डब्लूआईआरसी

के लिए तीन साल में एक बार चुनाव होते हैं। इस साल 45 उम्मीदवारों ने इस पद के लिए चुनाव लड़ा, जिनमें से 21 परिषद सदस्य चुने गए। चुनाव में 48% सदस्यों ने मतदान किया। सी.ए. अभिजीत केलकर सूची में प्रथम रहे।

मेरीमत मेरेमत नैक न

दैनिक भास्कर
BhaskarHindi.com

Sun, 26 December 2021

<https://epaper.bhaskarhind>



वार्ता

नागपुर प्रकाश

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7

आरामदायी कार्यो से नही हो सकता विकास

अर्थव्यवस्था के विकास के लिए आरामदायी कार्यो से नही हो सकता विकास

अर्थव्यवस्था के विकास के लिए आरामदायी कार्यो से नही हो सकता विकास

संरक्षित में संरक्षित अर्थव्यवस्था का परिचय

अर्थव्यवस्था के विकास के लिए आरामदायी कार्यो से नही हो सकता विकास

अर्थव्यवस्था के विकास के लिए आरामदायी कार्यो से नही हो सकता विकास

Celebrating 75 years of India's Independence

Credit Scheme for MSMEs

Assistance to Re-energize capital
Investments by SMEs

(ARISE)

5.50% to 6.80% p.a. for
first year with reset
applicable thereafter
(as per internal rating)

- MSMEs engaged in high growth sectors (including sunrise sectors)
- End-to-End digital journey
- Submission of minimal papers
- E-signing facility for document execution
- Quicker sanction

- TL up to ₹700 Lakh to existing / brownfield entities, subject to maximum of 80% of the project cost
- 100% financing for loans upto ₹3 crore, based on FD upto 25% (interest bearing)
- Facility of TL/FCTL available

Digital Technology
Enabled
Quick Sanction

Attractive
Interest Rate

Target Group /
Ease of Doing

Broad
Features

SIDBI Thematic Assistance for
Purchase of capital Assets in
New Enterprises

(STHAPAN)

6.00% to 7.30% p.a. for
first year with reset
applicable thereafter
(as per internal rating)

- MSMEs in identified sectors under Production Linked Incentive Scheme, other high growth sectors etc.
- Quicker sanction
- End-to-End digital journey
- E-signing facility for document execution

- TL upto ₹2000 Lakh, subject to maximum of 75% of the project cost
- New Entities or Greenfield units are eligible

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