



The Institute of Chartered Accountants of India

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WICASA NAGPUR



E-NEWSLETTER
MINDSCAPE
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WICASA UPDATES 11.0



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Dear Students,

I hope this message finds you well, both in terms of your physical and mental health. As you are aware, the CA exams are fast approaching and I know many of you are feeling anxious and stressed about the upcoming tests.

Firstly, I urge you to stay motivated and focused on your studies. Remember that hard work and perseverance will always pay off in the end. As CA aspirants, you have chosen a challenging but rewarding career path. You have the potential to become leaders in the financial world and make a real difference in the lives of people.

With the upcoming exams, I want to remind you to stay calm and focused. Ensure that you have covered all the topics and revise your notes regularly. Don't forget to take breaks and relax your mind as well. It is essential to maintain a healthy work-life balance to avoid burnout.

To put to your notice, CA Foundation Mock test round 2 is going to be held from 22nd May, 2023 To 25th May, 2023. For the students who are planning to appear, kindly register soon.

Lastly, I want to emphasize the importance of staying positive and believing in yourself. You have come this far, and you are capable of achieving great things. Keep your eyes on the prize, and don't give up. Remember, the road to success is never easy, but with hard work and dedication, anything is possible.

Wishing you all the best for your exams.

Best Regards
CA. Sanjay C. Agrawal
Chairperson
WICASA, Nagpur



Dear Students,

"The secret of getting ahead is getting started."

The meaning of the quote is that taking the first step towards a goal or a task is crucial for progress and success. This quote encourages individuals to overcome their hesitation, seize opportunities, and actively engage in the pursuit of their goals.

I congratulate CA. Sanjay Agrawal, Chairman of WICASA Nagpur Branch, and all the members who sacrificed large portions of their time to make the Nagpur Branch of WICASA one of the most successful student associations of India and also a Best WICASA at Regional Level. It is a remarkable achievement and a testament to the dedication and hard work put in by the team.

I believe at WICASA our primary aim is to ensure scholarly excellence and student success. We should be committed to enhancing the opportunities available to our students, enabling them to create new knowledge, prepare for careers both nationally and internationally, and cater to the evolving needs of the profession. To achieve these goals, we should adopt the ethos of P.R.I.D.E. - Perform, Relearn, Innovate, Distinguish, and Enrich. This mindset will guide us in planning, initiating, and implementing ideas for the betterment of all students in the region and the country.

WICASA's mission is to provide our students with business competencies through innovative and experiential learning-based programs. We strive to offer a transformative education to a diverse group of students in collaboration with members, businesses, and other stakeholders. Our ultimate goal is to produce graduates who are not only successful professionals but also ethical, socially responsible entrepreneurs, and leaders.

In the upcoming year, we will place a strong emphasis on 100% experiential learning. In addition to regular studies, students will be encouraged to participate, organize, and host extracurricular activities such as debates, conferences, talent shows, and more. These activities will significantly enhance their soft skills and tap into their innate talents.

I firmly believe that your efforts will lead to success, and every small achievement will pave the way for greater accomplishments in the future. I am excited to interact with the students of the Nagpur Branch throughout the year and witness their growth and achievements.

Once again, I extend my congratulations to CA. Sanjay Agrawal, Chairman of WICASA Nagpur Branch, Sanjay M. Agrawal, Chairman - Nagpur Branch of WIRC and all the members who have contributed their valuable time and efforts to strengthen the branch. This initiative marks a significant step forward in building a more integrated Branch and Region, and I commend you for your dedication and hard work.

CA. Arpit Kabra
Chairman – WIRC of ICAI



Left to Right: Front Row - CA. Sanjay M. Agrawal (Branch Chairperson), CA. Sanjay C. Agrawal (WICASA Chairperson)
Back Row - Shruti Sharma, Muskan Godhe, Sahil Sheikh, Manak Laturiya, Altamash Khan, Ojas Kene, Mansi Dorlikar, Mansi Agrawal

Hello, fellow members of WICASA!

On behalf of the Nagpur Branch of WICASA and the entire team, we extend our warm wishes to all of you as you prepare for your exams. We hope that you remain calm and motivated throughout the course of your exams. We understand that during this time, all your energy is focused on studying, and once it's over, you'll be seeking something to relieve the burden and take a much-needed break.

We have an exciting event planned just for that. Get ready for the highly anticipated sports meet- "SPORTSMANIA"! Whether you have a passion for cricket, or enjoy playing other sports, this event has something for everyone. The Nagpur Branch of WICASA, is organizing SPORTSMANIA on the 27th and 28th of May, 2023, from 2:00 PM to 11:00 PM.

We have arranged both indoor and outdoor sports activities for you to participate in. Cricket enthusiasts will be delighted to know that we are organising cricket and the teams will be selected based on the first 16 team registrations. We have other sports such as badminton, basketball, chess, carrom, and more lined up for you. The event will take place at Dhanwate National College, Dhantoli.

But wait, there's more! Following SPORTSMANIA, we have the biggest event of the year coming up—Nagpur Mega CA Students' Conference 2023. Mark your calendars for the 16th and 17th of June as we bring you a conference like never before.

We look forward to seeing all of you at these exciting events. Let's come together, have fun, and create lasting memories. Good luck with your exams, and we hope to celebrate your success soon!

Best regards,
Team Nagpur WICASA

We're thrilled to share with you the details of our Study Circle Meet -

"मंथन" - एक कदम चर्चा से समाधान की ओर

Organized by WICASA Nagpur. This is a platform with an incredible opportunity for you to enhance your public speaking skills, present on trending topics, and also participate in engaging games. Engage with the fellow mates and have an active interaction on your topic. We encourage you to choose topics that interest you and embrace yourself to share your research and prepare for your presentations.

In addition, to provide you with further insights, we'll host sessions by young, newly qualified Chartered Accountants on current topics.

The Study Circle Meet will be held every Wednesday and Saturday. Furthermore, the presenter and game winner will receive exciting gifts.

We invite you to join us and take full advantage of this opportunity

The first session took place on April 12th, 2023.



**Presenter
Khushi Agrawal**



Game Winners

WICASA STUDENTS MEET WITH SECRETARY OF WIRC

An interactive meeting was held on 22nd April 2023 with **CA. Sourabh Ajmera**, Secretary of the WIRC of ICAI extended his best wishes to the students for their upcoming examinations.



WICASA STUDENTS MEET WITH REGIONAL COUNCIL MEMBERS

CA. Ankit Rathi, RCM and **CA. Gautam Lath**, RCM extended their best wishes to the students for their upcoming examinations. They also provided guidance and support to WICASA committee members for planning future events. tended his best wishes to the students for their upcoming examinations.



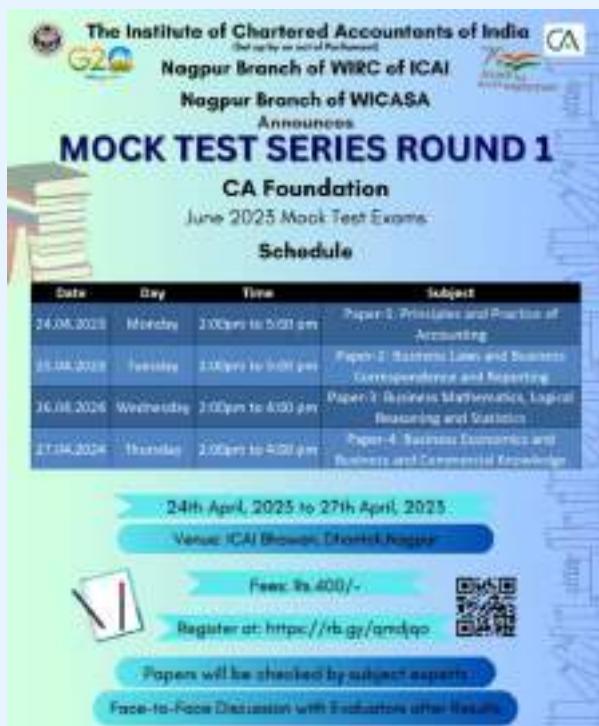


CA. Pawan Sarda
Taxation

MOCK TEST SERIES ROUND 2 - CA INTERMEDIATE & CA FINAL



MOCK TEST SERIES ROUND 2 - CA INTERMEDIATE & CA FINAL



Face to Face Discussion with Paper Evaluators





Statutory Audit Done Under The Companies Act 2013: The Due Date

Mansi Rajeev Kesharwani
WRO0693236

Wise Readers,

As we all are aware that Statutory Audit under the Companies Act 2013 is mandatory for all the companies irrespective of their turnovers or profits. Currently most of us might be busy in closing the audit for the quarter 4. But had the thought ever crossed our mind that what would be its due date just like the Tax Audit has a due date?

Well, there's no due date provided specifically under the Companies Act 2013 for completing a Statutory audit. But there are certain events which requires audited financial accounts under the Companies Act 2013 before a specific time:

1. **Act:** As per section 129(2) of Companies Act 2013, at every Annual General Meeting (AGM) of the company, the board of directors shall lay before such meeting the audited financial statements for the financial year.

As per section 137 read with Rule 12 of the Companies (Account Rules) 2014, a copy of financial statement along with all the documents which are required to be attached to such financial statements (AOC-4) duly adopted at the AGM of the company, shall be filed with the registrar within 30 days of the date of AGM.

Implication: An unaudited financial statement can't be laid at the AGM and therefore can't be filed with the registrar. It implies that the financial

statements of the company need to be audited before presenting it to the AGM, i.e. **before 30th September**.

2. **Act:** As per section 136 of Companies Act 2013, a copy of **financial statement along with the Auditor's report** and such other documents required by the law to be annexed to the financial statement, shall be sent to the shareholders, trustees & Debenture holders of the company, and to all persons other than such member or trustee, being the person so entitled, not less than 21 days before the date of meeting.

Implication: A company needs to hold its AGM within 6 months from the end of financial year i.e. 30th September and therefore needs to send notice with the audited financial statement, to the stakeholders **on or before 21 clear days of the date of AGM**.

3. **Act:** According to the proviso to section 44AB of the Income Tax Act 1961, if a person is required by or under any other law to get his accounts audited, it shall be sufficient compliance with the provisions of this section if such person gets the accounts of such business or profession audited under such law before the specified date and furnishes by that date the report of the audit as required under such other law and a further report by an accountant in the form prescribed under this section.

Implication: Companies which are required to get its books audited under the Companies Act 2013, should get it done before the due date of filing Tax Audit Report i.e., on or before 30th September.

4. **Act:** As per the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), the listed entity shall submit the quarterly (Half yearly in case of SME) and year-to-date standalone financial results to the stock exchange within 45 days of end of each quarter and within 60 days from the end of the financial year.

The quarterly and year-to-date financial results may be either audited or unaudited subject to the following:

- (i) In case the listed company opts to submit unaudited financial results, they shall be subject to limited review by the statutory auditors of the listed entity and shall be accompanied by the Limited Review Report.
- (ii) In case the listed entity opts to submit audited financial results, the shall be accompanied by the audit report.

Implication: Since a listed company has to send its financial result quarterly

and at the year end, it should get its accounts audited before submitting it to the SEBI, i.e., **on or before 14th August 2022, 14th November 2022, 14th February 2023 and 30th May 2023**, respectively.

5. **General Practice:** While filing the Income Tax Return, it is preferred that input in the return are from an audited financial accounts. So the companies to whom tax audit is not applicable, should complete its statutory audit before the date of filing return, i.e., 31st October.

Conclusion

As per the above discussions, and after applying the Rule of Harmonious Construction, we conclude that the latest the statutory audit held under the Companies Act 2013 should be completed:

- (a) Listed Companies: Within 45 days of end of each quarter and within 60 days from the end of the financial year.
- (b) Listed Companies(SMEs): Within 45 days of half year and within 60 days from the end of the financial year.
- (c) Unlisted Companies: It should 21 days before holding the AGM.

Therefore, we have seen that there is no time limit as such put forth by the Companies Act 2013, but we need to infer the same from other provisions of Companies Act 2013, Income Tax Act 1961, and LODR Regulations.



How Tax Haven Countries Are Used For Tax Evasion

Pushp Kumar Sahu
CRO0553317

There was a great need and importance to stop malicious practices of tax evasion. To combat the same, government of various countries have come forward to act accordingly and has formed and amended their treaties and agreements with other countries in order to protect the economy and revenue interest of their country.

In the year 2015 OECD (Organization for economic co-operation and development) has published the report with introduction of BEPS (Base erosion and profit shifting). These are commonly known as Action plans which were issued with an intention to curb the tax evasion practices, improving transparency and tax certainty.

Till date 15 Action plan has been introduced so far,

As the name i.e. BEPS itself defines that refers to tax planning strategies that exploits gaps and mismatches in tax rules to make profits disappear for tax purposes or to shift profits to locations where there is little or no real activity but the taxes are low which results in little or no tax, in other words tax evasion through proper tax planning by using the tax haven countries.

Now coming on to main topic i.e. how tax havens have been used as a device for tax evasion,

Most of the companies majorly MNCs set up their subsidiary companies in the tax haven

countries so that they can shift out their profits in such countries so as to avoid paying tax or pay tax at lower rates as compared to other countries where tax rates are high. They carry maximum of their sales transaction through tax havens and try to incur huge expenditure in the country where tax rates are high so that they can lower their profits and can avoid to pay tax.

But in today's scenario tax evasion practice has created challenges for the developing nations for example India.

Tax evaders setup their companies in tax haven countries like Singapore, Switzerland etc.

Let us better understand the mechanism by way of example;

Suppose there were two associated Companies namely Laxminarayan and sons Ltd (Holding co. registered in india) and the other one is Pushp kumar sahu and associates (Subsidiary Company) incorporated in Singapore. Both are associated enterprises within the meaning of section 92A of Income Tax Act, 1961

Holding company i.e. Laxminarayan and sons ltd shifts its major revenue or in other words place its international sale transactions through its subsidiary company so that profit can be shifted to other company which results in lower tax liability, as tax rates are higher in India as compared to Singapore.

Moreover, both the companies have planned to present maximum profits in Singapore and less profits in India by applying following tax planning like,

1). Pushp kumar sahu and associates will provide loan to Laxminarayan and sons ltd at high rates so that the said holding co. will have more debit expenses which will ultimately

result in decrease in profits and on the other hand subsidiary co. will enjoy more profits in the form of earned interest from it's holding co. thus resulting in low tax or zero tax.

This type of practice has been eradicated and countered by the government of India by introducing the section 94B in the Income tax Act, 1961 in lines of the Action plan 6 of BEPS Report given by OECD.



Fuelling the Global Economy: The Vital Role of Financial Markets

Rishi Goyal
WRO0731145

Introduction:

The global economy can't function without the financial industry. Governments and businesses are able to trade assets, manage risk, and gain access to capital thanks to them. Financial markets play a crucial role in driving economic growth and development by facilitating the efficient allocation of resources and allowing businesses to expand their operations. This article researches the occupation of financial business areas in cultivating the overall economy and the benefits they bring.

Access to Capital:

Financial markets provide capital to both businesses and governments. Businesses can get funds from investors for their development and growth ambitions by issuing stocks and bonds. States may also provide stocks to fund framework initiatives, training programmes, and healthcare service efforts. Because finance is readily available at competitive rates, both businesses and governments are able to invest in new projects and generate employment.

Risk Management:

Additionally, financial markets help businesses and governments manage risk.

Financial markets provide hedging products like futures, options, and swaps to assist firms manage their exposure to volatile commodity prices, interest rates, and foreign exchange rates. Businesses gain from the stability of their revenue and expenses since it gives them more assurance when making plans and investments.

Efficient Resource Allocation:

One of the primary functions of financial markets is the efficient distribution of resources. By allowing buyers and sellers to swap assets, financial markets provide a framework for the price discovery of goods and services. This, in turn, ensures that resources are utilized to their full potential. Organizations and industries that are more competitive and efficient therefore attract more investment than those that are less productive.

Economic Growth:

The role that financial markets play in promoting economic growth cannot be overstated. Financial markets facilitate efficient resource allocation, make funds available more easily, and assist manage risks, all of which aid in the growth and prosperity of businesses. This then encourages economic

growth by creating jobs, increasing productivity, and increasing salaries. Growing businesses and sectors attract foreign investment, supporting the development of the global economy.

Conclusion:

In conclusion, the foundation of the world economy is the financial sector. They are crucial for fostering economic expansion, generating employment, and guaranteeing effective resource management. Financial

markets play a critical role in the growth of the world economy by giving governments and companies a place to obtain cash, manage risks, and exchange assets. Financial markets have changed how firms and governments conduct their operations, presenting chances for expansion and advancement and fostering a more integrated global economy. To guarantee that financial markets continue to promote economic development and prosperity, officials and investors must acknowledge the significance of these markets and act to enhance and regulate them.



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Chalk Painting on Sand Paper





A danger to her,
even before she has come.

A blessing to many,
why still a burden to some?

Like a mother,
she'll take care of you.

Concern is okay,
why still those restrictions by you?

After her 25 years,
she's ready for a new acceptance.

Why do still many,
compromise with her existence?

A human full of life,
brings a new life to many lives.
Dedicates her complete life,
just to let that life, thrive..

Her abilities & safety,
are still a big question.
Reason being to it,
'she's a Woman!'

She can fight back anything,
let her fly.

She'll stay grounded,
let her touch the sky.

The world is changing,
& she's thankful to it.
A little belief is enough,
for her to make through all of it.

Bhakti Harwani
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Poetry



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