

NAGPUR BRANCH OF WICASA OF ICAI

SPEAK-UP!



JUNE 2020



The Institute of Chartered Accountants of India
(Set up by the act of Parliament)



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CA. KIRIT KALYANI

CHAIRMAN

NAGPUR BRANCH OF WIRC OF ICAI

Dear Student Friends',

“Successful people recognize crisis as a time for change - from lesser to greater, smaller to bigger.” Edwin Louis Cole

Friends, it is rightly said that “We learn more in crisis than in comfort”. Even though, academic, social and professional routines, have taken a forced pause because of unfortunate pandemic, we all are utilizing the time available at our disposal, in the best manner possible.

It gives me immense pleasure to communicate with future Chartered Accountants, through this platform of WICASA Nagpur Branch, in the form of E-Newsletter SPEAK UP ! Chartered Accountancy profession, promises a challenging and highly rewarding professional life. It requires constant learning and practice to effectively evolve and excel in professional arena.

Further, my sincere belief about the effectiveness of WICASA Nagpur Branch forum for ensuring overall grooming of students, is backed by glorious past and the way in which, the present Team WICASA, is ensuring to take all efforts, to serve in the best manner possible. It is very satisfying to note that, back to back valuable events and ventures in the form of Webinars , Youtube live sessions , are being organized. Further, it gives satisfaction to the Organising Team, when active involvement of students, is witnessed for the saem. These sessions are not only keeping the future of profession duly updated but also give an opportunity to get their knowledge banks updated for all times.

I believe that every student should grab this golden opportunity to invest precious time by attending and participating in the ventures, in the best manner possible.

Before signing off, it is to take opportunity to convey that lock down even though is released and the things are going to be revived in phased manner, it is to understand that, Government has taken all efforts to educate in the matter. It is now our responsibility to take all caution and ensure due hygiene to keep ourselves away from the invisible but strong CORONA. Acting responsibly, is the best service possible towards ourselves, family, society and nation, at present.

Best Wishes

CA. Kirit N. Kalyani
Chairman.



CA. AKSHAY GULHANE

WICASA CHAIRMAN

NAGPUR BRANCH OF WIRC OF ICAI

"Perfection is not attainable, but if we chase perfection we can catch excellence." -- Vince Lombardi.

Dear Friends,

Greetings for the Day!

CAs are backbone of the economy and utilizing the financial expertise, the nation gets right direction in various financial and economy related measures to maintain the balance in Indian economy along with industrial growth. To cope up with the same our Institute and WICASA team is organising various seminars, webinars on different topics related to professional as well as academic interest.

Further I would like to add that this magazine is a platform for the students to express their creative pursuit which develops in them originality of thought and perception. The Contents of the magazine reflect the wonderful creativity of thoughts and imagination of our 'To be Chartered Accountants'

It is a delight to be able to communicate with you through this prestigious forum. This edition for June 2020 covers insightful and alarming topics of 'Positive Impact on MSME due to steps taken by Finance Minister' and 'Tax Laws – Start-up Facilitator'. This enthusiasm displayed by students in contributing for the magazine in different capacities is a genuine motivation for us to take up more activities that provide us all, a platform to explore and improve. We as WICASA Team are always available for your constant support. Kindly update your email ID and whatsapp contact with WICASA team.

Further I invite all my dear students to take active participation in future events throughout the year.

Stay Home & Stay Safe



Mukul Soni

TREASURER

NAGPUR BRANCH OF WICASA

“Tough times don’t last, tough people do”

Dear Friends,
Greetings for the day!

This year has been a punch in the mouth which left all plans upended, the pandemic that damaged our economy, the rising tensions with our neighbouring countries and an unending list of events. But in spite of all the damage it has caused, it has given us time to be with our families, rediscover passions, connect with nature, value coexistence and most importantly it has given us time to abreast our knowledge. Rarely do we get a chance to keep ourselves in solitude and this is the best time to reflect in a positive way.

We begin our life with lots of ambitions and passions. But over a period of time, the routine takes over and we tend to forget things that were once dear to us. And to help the students get in touch with their passion, we at The Nagpur Branch of WICASA had organised “Shades of You 2.0” an open mic event with the vision to give a platform to the hidden talents of our fraternity. We have also been focusing on organising various informative webinars on how to face CA exams, Prevention of Money

- Laundering, TDS and much more for the benefit of the students by giving them a greater insight of the topics and helping them learn the practical aspects of it. We strongly believe in our motto of the year “Explore-Excel-Evolve” and we will do our best in delivering the students with all that is needed to whet their mind and help them explore the unexplored self, excel in their strengths and evolve for the better.

- I am honoured to be able to serve you all by becoming a part of the WICASA committee 2020-2021. Humbled by the responsibility bestowed upon me, I take this forum as an opportunity to thank each one of you for all the love and support that you have been showering upon us by participating in great numbers in all our events and webinars.

- Lastly, I would like to request you all to please take a moment to thank all the unsung warriors who have been relentlessly fighting this battle against COVID-19 and have been the backbone of the country in these onerous times, who without seeing their families for months have served to save lives of others. I on behalf of the entire WICASA committee salute them all.

- Thank you! I look forward to your zealous participation in all of our future events!

- Regards,

- **Mukul Soni**
- **Treasurer, Nagpur Branch of WICASA.**





Samyak Modi

JOINT EDITOR

NAGPUR BRANCH OF WICASA

“No one can ever take your memories from you – each day is a new beginning, make good memories every day.”

"Dear Friends,
Cheerful Greetings!

You can if you think you can.

I hope you all are safe and productive this lockdown . So, we 'Nagpur Branch of WICASA' are here with our next edition of E-Newsletter "SPEAK UP!" - an initiative to connect CA Students to practical world. This platform strives to explore the inventive ideas of students to expose their talents and pen transcribe their views and opinions to the affairs pretraining to the profession and thereby keep the fellow members and students updated.

This month was packed with multiple online activities and webinars that majorly included live sessions on “Impact of Covid 19 on Accounting & Auditing Services” , “Prevention of Money Laundering Act.” , “TDS is not that Tedious.” , “Export of Services- Connect Beyond Borders” , “Shades of You 2.0” , “Explore the hidden self” etc . I hope you all are taking the maximum benefits from the sessions and activities conducted by actively participating in it.

We at WICASA seek your participation at all levels in future too as your input has given us an equivalent chance to learn and grow as it has, to you all. So please feel free to interact with us about any grievance or suggestion, your feedback is always a guiding energy for us.

Regards,

Samyak Modi,

Joint Editor,

Nagpur Branch of WICASA





Miss. Bhuvana Thakar

WRO0563190

IMPACT ON MSME DUE TO STEPS TAKEN BY FINANCE MINISTER.

Micro, Small and Medium Enterprises (MSMEs) sector has emerged as a highly vibrant and dynamic sector of the Indian economy and is widely acclaimed as engine of economic growth in India.

In the current scenario of promoting MSMEs, government is providing various facilities and credits to MSME to ensure smooth working and eventual growth of MSMEs in this pandemic. Further, to ease the regulatory burden on the industry and assist MSME in complying with the legal requirements, a government has taken few, but huge steps in the recent announcements initiated by FM.



WHAT'S FOR THE MSMEs

STEPS TAKEN BY FM NIRMALA SITHARAM TOWARDS THE GROWTH OF MSMEs-

Credit and Finance for MSMEs

Out of 15 relief measures announced by Finance Minister under the Mega Rs.20 lakh crore stimulus package for the ongoing Covid-battered economy, 6 measures were aimed at bringing India's vast sector back to the life.

FM shared the details of the financial package, roughly 10% of the Indian GDP, announced the measures to boost liquidity in MSMEs.



Major Measures and their impacts

1. Rs.3 lakh crore collateral-free loans:



Banks and NBFCs will offer up to 20% of entire outstanding credit as on February 29, 2020, to MSMEs. Units with up to Rs.25 crore outstanding credit and Rs. 100 crore turnover are eligible for taking these loans that will have 4 year tenure with moratorium of 12 months on principal payment. The government will provide complete credit guarantee cover to lenders on principal and interest amount.

The collateral-free loans will help MSME to expand and address the upcoming needs of the country.

2. Rs.20K crore subordinate debt:



SUBORDINATE DEBT

Rs 20,000 cr to be infused as subordinate debt for stressed MSMEs

NPAs declared by MSME or those stressed, will be eligible for equity support as the government will facilitate the provision of Rs. 20,000 crore as subordinate debt. The government will also provide Rs.40,000 crore to CGTMSE, that will offer partial credit guarantee support to banks for lending to MSME.



3. Rs.50k crore equity infusion:

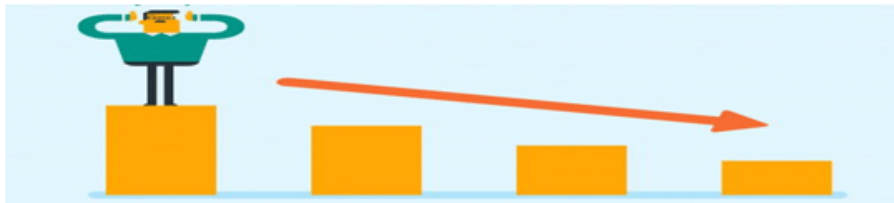


EQUITY INFUSION

Rs 50,000 cr to be infused through Fund of Funds to standard MSMEs. Will help them to expand their capacities.

The government will infuse Rs.50,000 in equity in MSMEs through a Fund of Funds. The Fund of Funds will be set-up with corpus of Rs.10,000 crore to give equity-based funding to MSMEs having growth potential and viability. It also urges MSMEs to list on stock exchanges. As per the chief Economist at Dun and Bradstreet India, the amount allocated for collateral-free loans, subordinate debt for MSMEs and equity infusion through MSME Fund of funds amounts to around 76% of the credit disbursed to MSMEs during FY20. Therefore, units who are likely to face increased risk of aversion, would be largely benefited with this scheme.

4. Minimum threshold limit for insolvency:



- The government has raised the minimum threshold to initiate insolvency proceedings to Rs. 1 crore from Rs. 1 lakh, which largely insulates MSMEs. The Finance Minister added that the insolvency proceedings will not be initiated up to 1 year, recollecting that currently the MCA has extended it to six month.

- This scheme is beneficial for the medium and larger units but it does not majorly covers micro or the smaller firms which are huge in numbers. Also, it is aimed at enhancing business continuity and not on helping the sector remain afloat.

5. Global Tenders disallowed:

- Due to the issue faced by MSME on the grounds of unfair competition from foreign companies in government procurement tenders, because of the difference in size and strength, the government will not allow global tenders in such schemes up to Rs.200 crore.
- Through this, the government has developed a lot of faith in the MSME ecosystem. This is a major step through which the businesses has wider scope towards the government procuring tenders to innovate and further grow.



6. Clearing MSME dues:



The government and central public sector enterprises will release all pending MSME payments in 45 days. Also, Fintech enterprises will be used to boost transaction-based lending using the data by the e-marketplace.

The MSME will be benefited with the inflow of the funds and also the usage of E-market for developing linkages for MSMEs will be promoted to replace trade fairs and exhibitions.

Under the new definition of MSME, manufacturing and service MSMEs will be defined under a common metric that will be mix of investment in plants and machinery or equipment and turnover. Also around 50% of the Indian exports come via MSME units. There fore, the growth in MSME will likewise increase their contribution to India's export.

Manufacturing enterprises investing less than Rs 25 lakh, less than Rs 5 crore, and less than Rs 10 crore in plant and machinery or equipment were till now defined as micro, small and medium enterprises respectively. For services businesses, the investment threshold limit stood at less than Rs 10 lakh, less than Rs 2 crore and less than Rs 5 crore as micro, small and medium enterprises respectively.

With this revised definition, combining manufacturing and service MSMEs will enjoy same benefits , i.e. investments less than Rs.1Crore and turnover under Rs.5 crore will be defined as micro-units, while small businesses will be categorized based on investment less than Rs. 10 crore and turnover under Rs. 50crore. Medium enterprise will be defined on the basis of investment under Rs. 20 crore and turnover less than Rs.100 crore.





Existing and Revised Definition of MSMEs



Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.

Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs. 20 cr. and Turnover < Rs.100 cr.

Aptly said by the chairman, SBI, the proposed change in the definition for MSME sector, based on the turnover is progressive and is perfectly synchronized with the GSTN framework. It is time that we now implement this legislation.

The transition from micro to small and medium enterprise is a continuous process in entrepreneurial domain. This is possible by harnessing the resources and support that is prevalent and created by the Government of India through various schemes.

Everyone should take full advantage of these steps taken towards the success and prosperity.

Miss. Bhuvana Thakar
WRO0563190





Miss. Ashi Jain

CRO0627466

TAX LAWS- START-UP FACILITATOR

An entity shall be considered as a Start-up:

- ☐ If it is incorporated as a private limited company or registered as a partnership firm or a limited liability partnership.
- ☐ Up to ten years from the date of its incorporation/ registration.
- ☐ If its turnover for any of the financial years since incorporation/registration has not exceeded 100 Crores.
- ☐ If the entity is working towards innovation, development or improvement of products or processes or services, or is a scalable business model with a potential to generate employment or wealth creation.

A Start-up can undertake following Tax Benefits

1. Income Tax Exemption on profits u/s 80-IAC of IT Act :

A start-up is eligible to apply to the Interministerial Board for full deduction on the profits and gains from business provided following conditions are fulfilled.

- It is a private Limited Company or LLP or
- Incorporated on or after 1st April 2016 but before 1st April 2021
- Products or services or processes are undifferentiated, have potential for commercialization and have significant incremental value for customers or workflow

2. Exemption from tax on Long-term capital gains:

New section 54 EE has been inserted in the IT Act for the eligible start-ups to exempt their tax on LTCG if such a LTCG or a part thereof is invested (amount not exceeding 50 lakh) in a fund notified by CG within a period of six months from the date of transfer of the asset. Such amount shall remain invested in the specified fund for a period of 3 years. If the amount is withdrawn before 3 years, then exemption will be revoked in the year in which money is withdrawn.



3. Exemption from tax u/s 56(2)(vii)(b) of the IT Act

DPIIT Recognised Start-ups are exempt from tax u/s 56(2)(vii)(b) of the IT Act i.e. when such a start-up receives any consideration for issue of shares which exceeds the Fair market value of such shares

4. Tax exemption to Individual/HUF on investment of long-term capital gain in equity shares of Eligible Start-ups u/s 54GB.

Thus, if an individual or HUF sells a residential property and invests the capital gains to subscribe the 50% or more equity shares of the eligible start-up, then tax on long term capital will be exempt provided that such shares are not sold or transferred within 5 years from the date of its acquisition. The start-up shall also use the amount invested to purchase assets and should not transfer asset purchased within 5 years from the date of its purchase.

5. Set off of carry forward losses

The carry forward of losses in respect of eligible start-up is allowed if all the shareholders of such company who held shares carrying voting power on the last day of the year in which the loss was incurred continue to hold shares on the last day of previous year in which such loss is to be carry forward.

The restriction of holding of 51 per cent of voting rights to be remaining unchanged u/s 79 has been relaxed in case of eligible start-ups.

6. Tax holiday for 3 Year

Start-ups will be exempted from income tax for 3 years. This exemption can be availed only if they get a certification from Inter-Ministerial Board (IMB).

Under the Start-up India initiative, eligible companies can get recognised as Start-ups by DPIIT (Department of promotion of industry and internal trade), in order to access a host of tax benefits, easier compliance, IPR fast-tracking & more

Benefits to Start-ups under Companies Act, 2013

- The Companies (Acceptance of Deposit) Rules, 2014 have been amended to provide that an amount of twenty five lakh rupees or more received by a start-up company, by way of a convertible note (convertible into equity shares or repayable within a period not exceeding five years from the date of issue) in a single tranche, from a person shall not be treated as a deposit.
- The provisions of clauses (a) to (e) of Section 73 of the Act shall not apply to a start-up company for five years from the date of its incorporation.
- The upper limit on the acceptance of deposits has been enhanced to 35% of net worth instead of earlier 25%;
- Start-ups are allowed to issue Employee Stock Options to promoters working as employees;
- The limits with regard to sweat equity that can be issued by a start-up company from 25% of paid up capital to 50% of paid up capital;
- A Start-up Company is exempt from preparing a Cash Flow Statement under the Companies Act 2013



☐ For start-ups, convening at least one meeting of the board of directors in each half of a calendar year with the gap between the two meetings of not less than Ninety (90) days is sufficient to meet the requirement of Section 173 (5) of the Act.

Miss. ASHI JAIN

CRO0627466



MR. SAQUIB PANJWANI

WRO0642214

DEAR DAD,

Your Life Is Tough ,
But You Never Complain.
You Give Us All The Happiness ,
But You Always Hide Your Pain .
In Your Life You Have Walked The Journey Of
Worthy Miles .
DAD You Are The Reason Behind My Thousand
Smiles .
Everyday You Push Yourself Hard And You
Strive.
Just To Give Us A Far Better Life .
I Troubled You A lot ,
But You still Never Left .
I Saw The Nights That You Never Slept .
GOD Has Given Me Such A Precious Gift In The
Form Of DAD .
We Have Done Mistakes And Fault ,
But You Never Gets MAD .
You Stay Empty Stomach And Make Sure We
Eat .
You Are The Man Whom Nobody Can Defeat.
I Asked GOD That He(GOD) Make Sure You
Forever Stay .
Cause You Are The Person Who Makes My Day .
Its All Your Hustle That Keeps You Alive .
DAD You Are The Real Avenger Of My Life .

-Saquib Panjwani© .





MR. PRAKASH ASATI

WRO0617998





Miss. DEVANSHI AGRAWAL

WRO0591783





MR. DIKSHIT BAFNA

WRO485456

“There is no exercise better for the heart than reaching down and lifting people up.”

**On hearing this word Corona, all of us have goosebumps
Three months ago we were all unaware of this epidemic**

Hello everyone my name is Dikshit Bafna and I am from Betiya Shakti Foundation, it's a pleasure for me that WICASA Nagpur gave me the opportunity to share some of my experiences in front of all of you. Our team started daily from the very first day of lockdown We have distributed 1500-2000 food packets and have distributed more than 75000 food packets with the help of Nagpur Police, in addition to this, our team has also distributed Biscuits, Masks, Sanitizers, Soaps, Toothpastes, Water Bottles, and Sanitary Napkins. We also distributed around 1000 bottles of pepper spray for women safety. By not accepting donations in the form of money, we took help from our donors in the form of raw grains. We also served food to Migrants walking on the highway towards their home . We are trying to make all the citizens home.



We with the help of administration ,In the last 50 days people who were stuck in Mumbai,Pune due to the lockdown were brought back to Nagpur . These people included people who went for higher studies or for job &, who were trapped in the second-degree civil lockdown in Pune, Mumbai. Due to legal process and many other problems, they were not able to come to Nagpur.



We compiled the entire information of how many people are trapped in outer cities and how many of them want to come to Nagpur, and under the guidance of the senior guides of the Foundation, they were brought Nagpur. Censored people got health test, police pass, health check and those who did not have a vehicle to stay, provided the bus to those who did not have a vehicle for stay



All the work that our team has done in the entire Lockdown and Economic Crisis, I thank the donors and volunteers wholeheartedly till this pandemic is completely exhausted from our country, the Betiya Shakti Foundation will continue to serve selflessly for all the needy.

-DIKSHIT BAFNA





SUDOKU

Here is the puzzle. Good luck!

		6	1			3	8	
8				3				
			8		9		2	
7	3					4		
	4			9			5	
		8					9	2
	6		4		5			
				2				6
	7	3			1	5		





GLIMPSE OF PAST EVENTS



Sr.No	Date	Event Type	Topics	Speakers/ Chief Guest
1	1/5/2020	Webinar	Impact of Covid 19 on Accounting & Auditing Services.	Speakers: CA. Amarjeet Chopra CA. Archana Bhutani, Delhi
2	3/5/2020	Webinar	Stride for CA Students [A matrix for strategies for CA exams]	Speaker: CA. Premlata Daga
3	5/5/2020	Webinar	Prevention of Money Laundering Act.	Speaker: CA. Pranav Ashtikar
4	43956	Webinar	Bank Audit-Mudde ki Baat	Speaker: CA. Abhijit Sanzgiri, Mumbai.
5	10/5/2020	Webinar	TDS not that Tedious	Speaker: CA. Himanshu Chordia
6	10/5/2020	Inspirational Series	Passion and Profession hand in hand	Speaker: CS. Neha Doshi
7	15/05/2020	Webinar	Remolding Self: Post Lockdown	Speaker: CA. Prajakta Chincholkar
8	16/05/2020	Webinar	Export of Services- Connect Beyond Borders.	Key note Speaker: CA. Prafulla Chhajed, Mumbai Speakers: CA. Anish Mehta CA. Ankit Varma, Canada CA. Sayali Kothekar, Pune
9	20/05/2020	Live Open Mic Event	Shades of You 2.0	Chief Guest: CA. Kirit Kalyani, CA. Akshay Gulhane
10	23/05/2020	Inspirational Series	Stress Management	Speaker: CA. Yagesh Mitra
11	24/05/2020	Inspirational Series	Intuition & Success	Speaker: CA. Ibrahim Shaikh
12	28/05/2020	Career Counselling Session	Explore the hidden self	Key Note Speakers: CA. Jay Chhaira, Chairman of BOS(SSEB) CA. Hitesh Pomal Speakers: CA. Dhruvi Desai, RCM Mumbai CA. Nupur Goenka, Nagpur
13	30/05/2020	Webinar	Immunity Boosting – Ensures happy and healthy living	Speaker: Dr. Suruchi Sachin Naik



UPCOMING EVENTS



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
WESTERN INDIA CA STUDENTS' ASSOCIATION
NAGPUR BRANCH OF WICASA

**TWO DAYS
WORKSHOP ON EXCEL**

Date: 5th June
Time: 4pm to 6pm
Topic: Special Functions of Excel

CA. Kedar Pande, Aurangabad

Date: 6th June
Time: 4pm to 6pm
Topic: Excel cloud and Audit tools in excel along with X Lookup

CA. Dhananjay Gokhale, Nagpur

NOTE: Students will be provided with case studies one day prior to the workshop on their registered email ids. Students are requested to be ready with laptop or PC with Excel 2007 onwards for hands on training.

Registration Fees : NIL

Yours In-Profession

CA. Kirit Kalyani 9823053751 Chairman	CA. Akshay Gulhane 9730508336 WICASA Chairman
Pradnya Raut Vice Chairperson 7038135719	Anmol Chandak Secretary 8055518541
Mukul Soni Treasurer 8411824999	Kritika Iyer Joint Secretary 7875715862
Samyak Modi Joint Editor 8888996971	Kajal Shahu Joint Editor 9657764530
Akanksha Shinde Co-Executive member 8408899929	

Two days workshop on excel

LEADERSHIP SUMMIT! - A Paper Presentation Web Series

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WESTERN INDIA REGIONAL COUNCIL

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