



PUNE BRANCH OF WICASA OF ICAI

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

NEWSLETTER

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Vice Chairman, Pune Branch of WIRC of ICAI (2020-21)
Chairman, Pune Branch of WICASA of ICAI (2020-21)**

A warm wish to all dear students in last month's newsletter I have written about my personal slogan of life that for getting success in life is "Fight every battle in life until you win"

Now in this month you will find that how true it is .All the world together is fighting the battle against the corona. Especially in India, all the Indians are showing the world that we as an Indian are always together to fight against any known or unknown enemy against our country.

It takes immense pleasure in informing you that, all the members Pune branch of ICAI and Pune Branch of WICASA of ICAI have come together and giving contribution to nation to fight against this covid 19. ***The Pune branch of ICAI has appealed to all members to come forward in order to help needy students and members who are facing problems of food or medicine or stay in this period almost 100 members came forward for this Nobel cause and now we have solved the different problems of 40 students. Even almost all members are contributing to Covid -19 PM Fund or CM fund. I as a chairman of WICASA and Vice-chairman of Pune Branch salute those 100 members.***

Dear friends though there is period of lock down in the whole state the branch has not stopped its duty to arrange seminars in order to update the knowledge to the members as well as students. Our chairman, treasurer and whole of the managing committee are working 24*7 for arranging all these webinars and e-meetings etc. Students are also taking keen interest for learning from home and utilizing the time in best possible manner. ***For example we have declared tally basic and advanced live course batch which is already over packed and there is still demand for registrations. I am sure we will have to take at least 3-4 more batches of the same.***

Dear students we shall always convert any problem into opportunity. The exams have been postponed already. Those who have this may attempt have got extra time to do study more and more. So utilize this time in best possible manner. ***Dear students since most of the offices are closed due to lockdown; your principles are really working hard from homes in order to make compliance of professional duties to clients. I appeal all of you please contribute sincerely in your office work from home in order to help your principle.***

Please also help in house hold work to your parents. Please educate your family members, relatives and neighbors in order to stay safe from this Covid-19. Students please follow the orders given by the Government. **STAY AT HOME STAY SAFE**. In whatever way you want to contribute to the nation in this battle please contribute it from home only.

Jay hind.

Regards,

CA Sameer Ladda



Mr. Hrishikesh Dhagekar
Treasurer
Pune Branch of WICASA of ICAI

Dear Pals,

Wishing you a very happy and healthy new financial year 2020-2021. This year has begun in an unusual situation cause the pandemic COVID-19 which has enforced on us a 21-Days nationwide lockdown. Looking up with the global situation which are occurred due to this disease it was essential for a country of 1.35 billion to take proactive measures to tackle the situation. The outbreak has impacted every inch of society and has presented fresh challenges for the Indian economy now, causing severe impact on both demand and supply side elements which has the potential to derail India's growth story. Social distancing seems to be the best measure to tackle this chain caused by the disease. I request you to take care of yourself and your family in this crisis.

ICAI has been tracing the situation and taking various measures in the view of the ongoing spurt of the COVID-19 pandemic and have also postponed the Chartered Accountant Examinations and in the interest of the well-being of students and various relaxation have been given to the students amid this situation. Digital Learning Hub and e-Pathshala has been helping have to cope up their study through accessing over online content. As a measure of social responsibility **COVID-19 Relief Fund** has been set up to provide much-needed relief for the people affected by the viral disease and those who are in distress, the collected amount will be donated to Prime Minister Relief Fund. The progress of the nation lies in the hands of the youth, be a part of this noble initiative toward society and it's well being.

I appeal you all to generously contribute to this fund.

Pune Branch of ICAI has been organizing and hosting webinars on various topics right from GST, Impact on audit audit processes, courses on Tally etc, for Member and students in order to ensure the learning process doesn't get affected in this crisis. Rather than looking this isolation as an forced constraint been placed on us lets us look his as an opportunity to learn new thing to improve our skills, enrich yourself which we were always wanting to do. Pune ICAI, partner to Nation building, voluntary want to help needy student & member for distribution of food/ medicine/ temporary shelter to support, who are facing the problems during lockdown. So friends we request you to contact us. We will try to help at our maximum capacity.

It was an indeed honour for me to communicate with you for the April Month.
Thank you. Wish for your success.

Your's Treasurer
Hrishikesh Dhagekar.



Manmath Shewalkar
WRO0587175

Impact of COVID-19 on Indian Economy

The Indian economy has been experiencing significant slowdown over the past few quarters. In the third quarter of the current fiscal, the economy grew at a six-year low rate of 4.7%. Investment and consumption demand had been languishing and a number of stimulus measures have been taken to bring back the economy on a growth path. There was a strong hope of recovery in the last quarter of the current fiscal. However, the new corona virus epidemic has made the recovery extremely difficult in the near to medium term. The outbreak has presented fresh challenges for the Indian economy now, causing severe disruptive impact on both demand and supply side elements which has the potential to derail India's growth story.

Demand Side Impact - Tourism, Hospitality and Aviation are among the worst affected sectors that are facing the maximum brunt of the present crisis. Closing of cinema theatres and declining footfall in shopping complexes has affected the retail sector by impacting consumption of both essential and discretionary items. Consumption is also getting impacted due to job losses and decline in income levels of people particularly the daily wage earners due to slowing activity in several sectors including retail, construction, entertainment, etc. With widespread fear and panic now increasing among people, overall confidence level of consumers has dropped significantly, leading to postponement of their purchasing decisions. Travel restrictions have severely impacted the transport sector. Hotels are seeing large scale cancellations not only from leisure travellers but even business travellers as conferences, seminars and workshops are getting cancelled on a large scale.

Impact on Financial Market - Greater uncertainty about the future course and repercussion of Covid-19 has also made the financial market extremely volatile, leading to huge crashes and wealth erosion, which in turn is impacting consumption levels. One of the major slides in the domestic equity markets was seen on March 12, when following the trend of the global equity markets, both the BSE Sensex and NSE Nifty crashed by more than 8% in a single day. The BSE Sensex dropped over 2,919 points – its biggest one-day fall in absolute terms while the NSE Nifty dropped by 868 points. An estimated Rs 10 lakh crore of market cap was reportedly wiped off due to this single day fall. The fall has continued till date as investors resorted to relentless selling amid rising cases of corona virus. On March 19, Indian equity markets again plunged to new low. Sensex closed 581 points lower at 28,288 and Nifty fell 205 points to end at 8,263. With equity markets likely to remain volatile in future as well, further wealth erosion of investors is expected.

Supply Side Impact - On the supply side, shutdown of factories and the resulting delay in supply of goods from China has affected many Indian manufacturing sectors which source their intermediate and final product requirements from China. Some sectors like automobiles, pharmaceuticals, electronics, chemical products etc. are facing an imminent raw material and component shortage. This is hampering business sentiment and affecting investment and production schedules of companies. Besides having a negative impact on imports of important raw materials, the slowdown in manufacturing activity in China and other markets of Asia, Europe and the US is impacting India's exports to these countries as well.

Impact on International Trade - China has been a major market for many Indian products like sea food, petrochemicals, gems and jewellery etc. The outbreak of corona virus has adversely impacted exports of these items to China. For instance, the fisheries sector is anticipated to incur a loss of more than Rs 1,300 crore due to fall in exports. Similarly, India exports 36% of its diamonds to China. The cancellation of four major trade events between February and April is likely to cause an estimated loss of Rs 8,000-10,000 crore in terms of business opportunity for Jaipur alone.¹ India also exports 34% of its petrochemicals to China. Due to exports restrictions to China, petrochemical products are expected to see a price reduction.



Avinash Kadam
WRO0323438

YOGA FOR LIFE

Yoga is the way to realize the ultimate truth referred to in Vedanta and universal energy field in Quantum physics. The sublime and imperceptible truth of Vedanta is made more concrete through Yoga. It is the launching pad for one's journey into inner space.

Yoga is the key that opens the floodgates of happiness -- for an individual as well as the community. It annihilates the personal and collective misery that comes through individualistic and egoistic tendencies.

Yoga not only brings mundane benefits such as health and vibrance, but also uplifts the spirit and enhances intuitive ability which is much needed for governance. It brings skill in action, helping one manage challenging situations without getting stressed.

Every child is a born yogi. Till the age of three children all over the world naturally perform many yoga postures and mudras. The baby's state of mind and breathing patterns are very similar to that of a yogi. Yoga brings up that child-like beauty and innocence in us.

It is a very well known fact that yoga has helped countless people recover from many illnesses. In an instant, it can bring about complete balance in one's personality; it corrects extreme complexes and tendencies. In fact, yoga holds out the promise of many solutions that today's behavior sciences are looking for.

When people have a glimpse of the meditative experience their life gets totally transformed. We have seen this in prisons also- when the inmates start with basic pranayama, they move into meditation easily and their character starts reflecting the yamas and niyamas (the social and personal codes of conduct as enunciated by Maharishi Patanjali). From militants and prisoners to monks and poets, yoga can radically transform the lives of people in ways inconceivable. It softens the heart, sharpens the intellect and clears confusion.

In this century, when depression is one of the biggest challenges the world faces, yoga is undoubtedly the best app that everyone must download in their life.

Like science, sports and culture, the philosophy & discipline of yoga also need state patronage to flourish. After so many years of being denied its true place in the guise of secularism, it is highly refreshing to see yoga receiving strong thrust from our Hon. Prime Minister Sri Narendra Modi.

When people at the helm of affairs practise yoga, it brings greater harmony and less of one-upmanship and rhetoric. If heads of all nations start adhering to the wisdom of yoga, true world peace would soon be attainable.



Dasharath Dhage
WRO0517366

World of Opportunities

Quote: A Stock market is a device for transforming money from the impatient to the patient - Warren Buffett.

1) The Basics Are Not Enough:

One can debate whether this early exposure was, in fact, beneficial. Over the years, I have come to realize that it is easier to learn a successful trading style if you approach the subject with little to no understanding of other strategies. It is always my mentor CA Shiwaji Zaware Sir's preference to guide someone through the world of successful trading who does/does not possess any financial background and therefore no preconceived notions or investment bias.

2) It's All Opportunity:

Every trader must overcome a certain psychological roadblock before ever making any true progress. That is, every trader who wants to achieve success must accept and embrace this simple yet profound truth: There is no good or bad in the market, simply opportunity. If deep inside you desire the market to move in a certain direction, you will never truly unlock your ultimate potential, and you will therefore limit your trading performance for as long as you hold this mindset. Most investors would agree that a market has three states of being: advancing higher, declining lower, or moving sideways. Should you approach the market conditioned only to think that making money is possible when a market advances, you are taking advantage of just one-third, or 33%, of the general market opportunities, and are thus subjecting yourself to an immediate disadvantage. On the other hand, if you are open-minded to profiting from price action alone, regardless of whether it is up or down, you place yourself in a much better position to profit because you open yourself up to the entire market on any given day. The trick, of course, is to remove any and all bias from your inner being. The market does not care what you think, nor does it care where you believe it should go. To truly take advantage of the opportunity that is price action, you must not overlay any bias whatsoever; otherwise, you will immediately be viewing the market one way and allowing the good versus bad mentality to creep back in. When approaching the market, you must ask yourself a few questions. Do you have a bias toward market direction? That is, before even approaching the buying or selling of stock, do you believe the market will advance or decline? Perhaps you are reading a tremendous amount of negativity in the press and, therefore, believe the stock market should be declining. Or maybe you have just heard about great advancements in the health-care industry and so conclude that those stocks will be benefiting greatly. Or maybe you have just enjoyed a lovely dinner engagement where intelligent people working in the financial industry laid out their case for a particular stock, industry, or a market move in general. This is actually the way most people approach the market, and sadly, it is the way most will lose all their investment dollars. Internal feelings, general consensus, and other people's opinions should never serve as the foundation for your investment strategy. These are all qualitative variables that can be manipulated or skewed to actually fit your own bias. Conversely, a true quantitative system cannot be argued with, and therefore seeks only to capitalize on the opportunities at hand, not on something that might transpire. Although in the future these stocks might, in fact, reverse and plummet, there is great money to be made playing the opportunity rather than standing firm in an opinion or investing bias. Throughout my career, I have learned that most investors cannot disassociate themselves from the actual underlying company, nor from their internal bias about where they believe the price should go. Those who can are already in a much different league than those who cannot. Traders, who can think like this, simply looking at a pattern as an opportunity regardless of any other investing bias, will immediately and dramatically improve their results.

Before you can truly venture into the world of successful stock trading, you must accept this fact: The market is neither good nor bad; it is just a wonderful world of opportunity. Furthermore, it is not your job to determine where it should go. Instead, you want to humbly seek to profit from whatever direction it moves. That is, you want to embrace whatever may come your way and open your-self up completely to the true opportunities presented day in and day out.

3) The Other Traders:

Basic technical analysis led to the direct opposite outcome from what most were hoping for. Time and again, these strategies failed in 2009. You would be wise to remember that when so many are utilizing the same strategy, it will rarely work. In 2009, basic technical analysis was thrown out the window, and simply doing the opposite would have netted the investor a hefty profit. Can you then conclude that traditional technical analysis is dead, never to be successful again? I believe that conclusion is foolish.

4) Finding your Edge:

The problem with most people, I believe, is that quite often the strategy selected does not mold well with their own unique personalities. Furthermore, traders often believe that a set strategy should work in all environments, when, in fact, the best traders alter their strategy to adjust to the environment they're in at the time. This continuous failure leads to the endless search for a new strategy, which ultimately creates more frustration and soon leads to yet another failure. The truth is that most people spend a lifetime searching out new trading strategies, on a cycle of continuous failure, whereas the successful trader spends a lifetime honing the strategy already consistent in bringing gains.

5) The Basics Are Not Enough:

A foundational trading strategy consists of both the understanding of pattern recognition and the ability to exploit these patterns for profit. Once a pattern developed that you recognized, you would move in accordingly seeking a desired result. Now, you find that rarely do the patterns you have learned work as expected. Rather than be one of the few, you are now one of the many, and thus significantly decreasing the probability the pattern works in your favour.

6) Developing Your Plan:

I'm going to assume we share the same understanding about the lucrative potential stock trading holds, and that you are seeking to implement a strategy that enables you to make consistent profits over time. It is true that the barriers to entry are extremely low, and almost anyone can open a trading account online and within minutes be in the game. However, to correlate the ease from which you can start trading stocks to the success you will have is a terrible mistake. You must know that the minute you sit in front of a computer screen studying the markets, you are facing not only the smartest people in the world, but the most competitive. You are facing ex-professional athletes who already know what it takes to succeed in the athletic arena. You are facing Ivy League scholars who calculate risk as if they were ordering a pizza. Finally, you are facing institutions that have an endless supply of capital from which to move markets, move stocks, and bounce you around like a Ping-Pong ball in the wind. After opening a trading account, like David facing Goliath, you are undermanned, underequipped, and the odds are significantly against your success. If you are not ready to commit the time and energy it takes to gain an edge against these challenging odds, do yourself a favour and find someone capable of managing your money with a proven track record of success in a variety of markets.

If you have the drive, determination, and humility to learn, however, let's press on.

Don't miss out on the investment opportunities that Covid19 has given.

MONEY comes and go but TIME Never.



Shравan Ladda
WRO0623207

New Tax Regime Vs Old Tax Regime: Union Budget 2020

When it comes to the budget every year, one announcement that citizens eagerly await is reforms in Income Tax Budget 2020 which was presented by FM Nirmala Sitharaman on 1st Feb, did exactly that, announcing some drastic tax changes.

In a bid to simplify taxes and ergo encouraging DIY investing, the FM has introduced a new tax regime. The new regime comes with reduces tax rates of various income slabs as well as removal of rebates and exemptions. Also, as of now individuals can choose the new regime where the rates are lower but there are no exemptions or deduction or choose to continue with the regular old regime, where exemptions and rebates can be claimed and applicable tax as per the income slab will be levied. Basically, taxpayer has to pay tax directly on his income without any deductions and exemptions.

Under this regime 6 tax slabs have been introduced with existing rates slashed on income upto Rs 15 Lakhs. The rates as per the “New Income Tax Regime’ are as follows:

- No income tax, for annual income up to Rs. 5 lakhs.
- 10% tax for annual incomes between Rs. 5 lakhs and Rs. 7.5 lakhs.
- 15% tax for annual income between Rs 7.5 Lakhs and 10 Lakhs
- 20% for Rs.10 lakhs to Rs.12.5 lakhs income per year
- 25% for Rs.12.5 lakhs to Rs.15 lakhs
- 30% for annual income above Rs.15 lakhs

➤ New vs. Old – Which is better?

- The New Tax Regime has proposed lower income-tax rates, for income segments up to Rs 15 lakh. But the proposed lower tax rates will be applicable only if you are willing to give up exemptions and deductions available under various provisions of the Income-tax Act, 1961.
- This means that when you choose the New Tax Regime, you will have to forgo some
 - exemptions [such as Leave Travel Allowance (LTA), House Rent Allowance (HRA), etc] and
 - deductions available under chapter VI A of the Act that grant deductions under Section 80 [such as 80C, 80CCC, 80CCD, 80D, 80DD, 80E, 80EE, 80G, 80GG, 80GGA, 80GGC, etc].
- Only the deduction under Section 80CCD(2) [i.e., employer’s contribution on account of an employee in a notified pension scheme] and Section 80JJAA [i.e. for new employment] can be claimed.
- Even the Standard Deduction under Section 16 [which is currently Rs 50,000] available to salaried individuals and the deduction on home loan interest, under Section 24(b) will be disallowed. Around 70 exemptions and deductions have been removed in the New Tax Regime.

➤ Old regime option for high-income earners

Particulars	Old Tax Regime (Rs)	New Tax Regime (Rs)
Gross Income	1,000,000	1,000,000
Deductions:		
U/Sec: 80C	150,000	-
U/Sec: 80D	25,000	-
U/Sec: 24(b)	75,000	-
Taxable Income	750,000	1,000,000
Tax Slab (OLD)		
0 to 2.5 Lakh	-	-
2.5 to 5 Lakh @ 5%	12,500	-
5 Lakh to 10 Lakh @ 20%	50,000	-
> 10 Lakh @ 30%	-	-
Tax Slab (NEW)		
0 to 5 Lakh	-	-
2.5 to 5 Lakh @ 5%	-	12,500
5 to 7.5 Lakh @ 10%	-	25,000
7.5 Lakh to 10 Lakh @ 15%	-	37,500
10 Lakh to 12.5 Lakh @ 20%	-	-
12.5 Lakh to 15 Lakh @ 25%	-	-
> 15 Lakh @ 30%	-	-
Income Tax	52,500	75,000
Cess @ 4%	2,500	3,000
Total Tax Outgo	55,000	78,000

Going by the illustration above, if the gross income is Rs 10 lakh or above and you are utilizing deductions under Section 80C, 80D, and 24(b) of the Income Tax Act, 1961, then you are better off under the older regime; it works in your favor from a tax planning standpoint. While for individuals in the middle-income group, earning a gross income of say Rs 5 lakh; the new regime may prove advantageous.

That being said, if you are looking to fulfill your financial obligations, namely - wealth creation through investments in tax-saving instruments; paying premiums to address insurance needs (life and health); paying children's tuition fees; paying Equated Monthly Installments (EMIs) of an education loan; buying a house with a home loan; and so on, the older regime still works in the interest of your financial wellbeing.

Apart from changes in personal tax, the Budget also proposed some other changes that could impact you as an investor. Let us see what these are:

- Currently, companies have to pay Dividend Distribution Tax (DDT) of 15% plus surcharge and cess on dividend paid to investors. This means the dividend received by investors is after the deduction of taxes. In addition to this, if dividend income exceeds Rs 10 lakh in a year, investors have to pay an additional 10% tax. This leads to double taxation for investors. The Budget has proposed the abolishing of DDT and taxing the dividend payable to investors as per their applicable income-tax slab rates. This would benefit individual taxpayers, particularly those in the lower tax slabs.
- The deduction of up to Rs 1.50 lakh on interest paid on 'affordable housing' loan which was allowed for housing loans sanctioned on or before March 31, 2020 is proposed to be extended for one more year, i.e. till March 31, 2021, for 'first time home buyers'. This is a welcome step for new home buyers.
- As part of tax reforms, it is proposed to further ease the process of allotment of PAN (Permanent Account Number), by soon launching a system under which PAN shall be instantly allotted online based on Aadhar without filling up a detailed application form.
- Also, as a part of tax reforms, it is proposed to amend the Income Tax Act to enable 'faceless Appeal' on the lines of 'Faceless Assessment'.

IMPORTANT ANNOUNCEMENTS FOR STUDENTS

1) Postponement of CA Examination May, 2020

<https://resource.cdn.icai.org/58830icai-47942exam270320.pdf>

2) Postponement of ITT exam

https://www.icai.org/new_post.html?post_id=16370&c_id=410

3) Postponement of Practical Training exam

https://www.icai.org/new_post.html?post_id=16376&c_id=347

4) Exemption from Completion of MCS Course & Adv.ITT to appear in Final May 2020 Examination

https://www.icai.org/new_post.html?post_id=16390

5) Exemption from Completion of Orientation Course (OC) and Information Technology Training (ITT) before admission in Practical Training on or before 30th April, 2020. - (20-03-2020)

https://www.icai.org/new_post.html?post_id=16391

COVID 19 - ICAI Relief Fund

Dear Students/ Members,

To provide much-needed relief for the people affected by the viral disease (COVID 19) & those who distress; ICAI appeals to all its

Students to donate generously for this noble cause.

Being one of the important part of ICAI, it's our responsibility to contribute as much amount as possible.

The amount can be contributed by following ways-

***Google Pay/ Phone Pay/ Paytm- 8087699635**

Or

Click the Following link

<https://www.puneicai.org/register-for-event/?id=23625>