



PUNE BRANCH OF WICASA OF ICAI

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

NEWSLETTER

Issue No. 4- April 2022

(Subscribers copy not for sale)

My Dear Students,

Warm Greetings,

Gudi padwa is a new beginning of dreams, hopes and happiness. May this wonderful year bring success and happiness to you. May the new year promise you bigger accomplishments and bless you with good health.

I take this opportunity to apprise you about a few events and activities held during the month of March. The month began with the spectacular Cricket match. Webinars on "Art of Articleship-(Including How to Decide Best Firm for Articleship)" and "Effective Routine during Exam Preparatory Leave" to Help Students were conducted.

A Webinar series which went on for 6 days on "In-depth GST Compliance training for Staff in CA offices" jointly with Ahmednagar, Akola, Amravati, Aurangabad, Bhavnagar, Dhule, Jalgaon, Latur, Nanded, Nasik, Pimpri-Chinchwad, Ratnagiri, Sangli, Satara, Solapur Branches of WICASA of ICAI Branches of WICASA of ICAI was conducted. Industrial visit to Anuraj Sugar Ltd., Yavat to understand the Sugar manufacturing process and Accounting, Taxation related to it and discuss Audit procedures applicable to the Industry followed by Agricultural Visit to Meher Retreat, Yavat. To rejuvenate students A movie show of RRR was conducted.

Our objective behind all the Visit, webinars and Knowledge series is to expand the horizons of CA Students and provide excellent opportunities for learning and networking. I urge students to participate more in such events.

In the upcoming month, Mock Test Papers Series-II for students appearing CA Intermediate & Final in May 2022 examination will be conducted at the branch. Marathon lectures are also scheduled.

I take this opportunity to convey my best wishes to those preparing for the May 2022 Exams and appeal all to gear up and stay focused and motivated. Remember, you can achieve all your dreams through dedication, commitment, passion, discipline, perseverance and believing yourself.

You must have prepared well to deliver; you must now deliver well what you have prepared.

Yours sincerely,

CA. Moushmi Shaha

Chairperson, Pune Branch of WICASA



Saurabh Hanumant Jadhav WRO0712162

Reliance Retail's mindboggling takeover of Future Retail!

Reliance and Amazon have officially entered into one of the biggest business wars in Indian history. We are looking at two of the most powerful companies locking horns to capture the 200-billion-dollar Indian e-commerce and retail market. While on one side, we've got Amazon, a trillion-dollar company with a stellar record of destroying its competition in every sector and every country. While on the other side, we have the mighty Reliance, which is by far the most powerful company in India with a reputation for disruption.

So, let's look back to when and how the battle really began. We rewind all the way back to 2019, when Bezos backed Amazon picked up an indirect stake in Kishore Biyani backed Future Retail via 49% stake in Future Coupons which gave the e-commerce player a 3.5% stake in Future Retail. Now the battle begins exactly a year later in August 2020, when Reliance industries announced it would buy Biyani's debt-ridden Future Retail in a 24,713-crore rupee deal.

The American e-commerce giant objects and seeks to block the deal between Reliance and Future Retail claiming that Biyani violated terms of their deal by selling stake to a third party when Amazon was willing to help as well. The Singapore International Arbitration Center put a stay on the mega deal and a painstaking legal battle began spanning Delhi High Court, Supreme Court and NCLT as well. Future Retail strikes back in the Indian courts saying the Singapore order does not hold and that they are not party in the Amazon-Future Coupon deal and moved against Amazon successfully with a claim of torturous interference.

However, Future Retail's losses continue to mount in April, 2020 and its board approved a resolution plan to restructure secured financial debt under RBI's August 2020 circular. Then in August 2021, in a blow to the Future Group, the Supreme Court ruled that the Singapore arbitrator's order could be enforced in India. Future Retail challenged this decision and the battle continued in 2022 but it's not just Amazon that has drawn blood, now the Competition Commission levied a fine of 200 crore rupees on the American e-retailer and put the 2019 deal in abeyance. It has held that Amazon made false and incorrect statements and suppressed the actual purpose of its deal with Future Coupons which was acquiring indirect control in Future Retail. Entering into 2022, Future Retail missed payments of 3,949 crores

to two lender banks putting the threat for it to be declared an NPA. To avoid this, it moved Supreme Court to stop the lenders from declaring it a default.

Meanwhile, Amazon which had moved NCLAT challenging the CCI order then offered a deal of 7,000 crore rupees which the independent directors of Future Retail declined. Hearings continued through February, 2021 across three courts but Future Retail continued to accumulate losses in operating stores and so towards the end of the year 2021, Future Retail began scaling down operations and to reduce losses, Reliance started taking over operations of stores where future was not able to pay the rent and also offering jobs to Future Retail employees and offering the company working capital support.

What exactly happened is that Reliance Retail had taken over store spaces for which the Future Group which has more than 1,700 outlets, including popular Big Bazaar stores couldn't pay lease rent. These were then sub-let to the Future Group for operation. Facing closure, Reliance transferred the leases of some stores to its step-down subsidiary, RRVL and sublet them to Future to operate the stores. However, Future Retail failed to pay lease rent to Reliance as well. In the fight to gain supremacy in the Indian retail market, Reliance Retail slapped notices on Future Retail for terminating sub-leases of 950 stores it had taken over previously and started replacing Big Bazaar's signages and branding from these stores with its own brand. In addition, a majority of inventory at these stores was being supplied by Reliance Jiomart as a cash-strapped Future Retail could not clear dues to existing suppliers.

Arm companies of the Kishore Biyani-led Future group recently informed exchanges about meetings of their respective shareholders and creditors being convened on 20 and 21 April 2022 to get their approval for the Rs 24,713-crore deal with Reliance Retail and completion of all the legal formalities.

Activities of Pune Branch of WICASA of ICAI held in the month of March, 2022

1. Physical cum Virtual Program on "Art of Articleship (Including How to Decide Best Firm for Articleship)" held on 5th March, 2022

Organized by :- Pune Branch of WICASA of ICAI

Jointly with Ichalkaranji, Nagpur, Nanded, Sangli and Satara Branches of WICASA of ICAI



Photo (L to R):- CA. Amruta Kulkarni, MCM, Pune Branch of WIRC of ICAI, CA. Moushmi Shaha, Chairperson, Pune Branch of WICASA of ICAI and CA. Pritam Mahure, Speaker

2. Webinar on "In-depth GST Compliance Training for Articles in CA Offices"

Organized by :- Pune Branch of WICASA of ICAI

Jointly with Ahmednagar, Akola, Amravati, Aurangabad, Bhavnagar, Dhule, Latur, Nanded, Nasik, Pimpri-Chinchwad, Ratnagiri, Sangli, Satara, Solapur Branches of WICASA of ICAI

DAY 1:

Topic - Recent issues faced by the taxpayers under GST - Role of Chartered Accountants, Students & Accounting Personnel on 21st March, 2022



Photo (L to R):- CA. Moushmi Shaha, Chairperson, Pune Branch of WICASA of ICAI and CA. Pritam Mahure, Speaker

DAY 2:

Topic - Study of financial statements from GST point of view - Balance-sheet, TB, Notes to Accounts etc. on 22nd March, 2022



Photo (L to R):- CA. Ravi Somani, Speaker and CA. Dnyaneshwar Kale, Chairman, Ahmednagar Branch of WICASA of ICAI

DAY 3:

Topic - Key checkpoints of verification while filing GSTR 1 & GSTR 3B including ITC matching on 23rd March, 2022

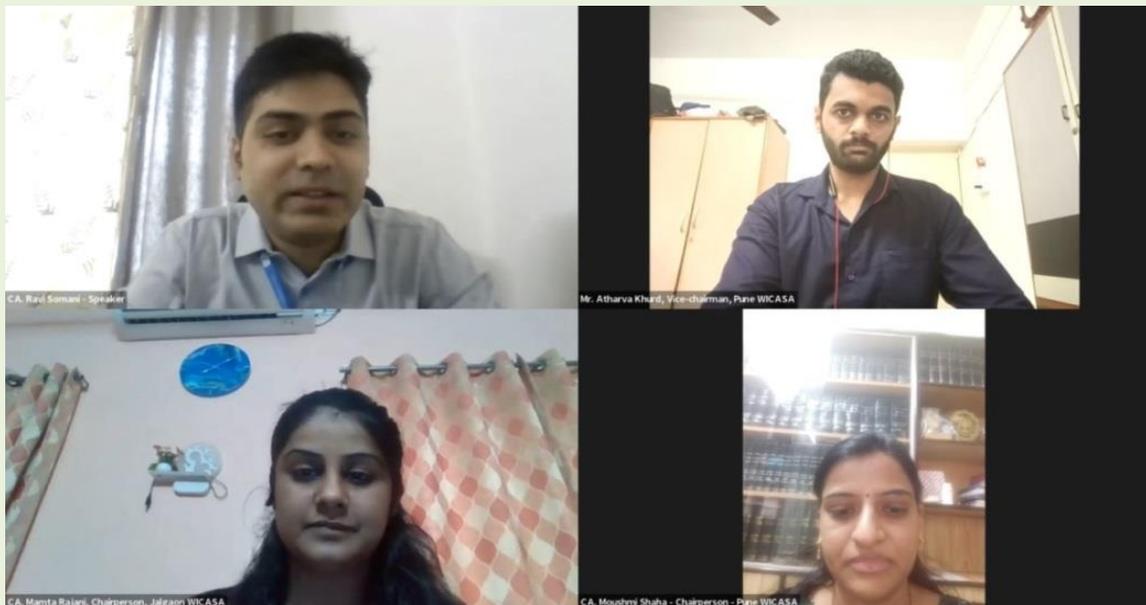


Photo (L to R):- 1st row CA. Ravi Somani, Speaker and Mr. Atharva Khurd, Vice-chairman, Pune Branch of WICASA of ICAI

2nd Row CA. Mamta Rajani, Chairman, Jalgaon Branch of WICASA of ICAI and CA. Moushmi Shaha, Chairperson, Pune Branch of WICASA of ICAI

DAY 4:

Topic - How to draft Reply to the GST Return Scrutiny Notices and Show Cause Notices on 24th March, 2022

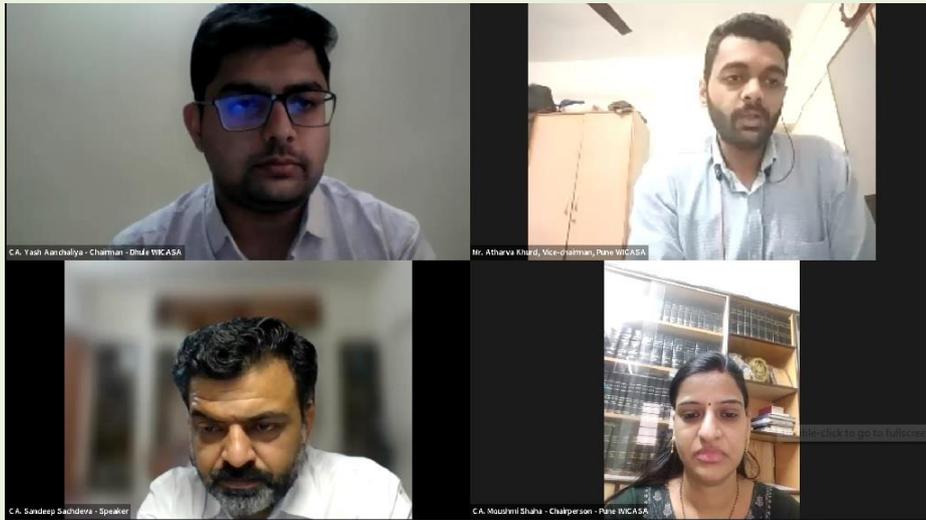


Photo (L to R):- 1st row CA. Yash Aanchaliya, Chairman, Dhule Branch of WICASA of ICAI and Mr. Atharva Khurd, Vice-chairman, Pune Branch of WICASA of ICAI

2nd Row CA. Sandeep Sachdeva, Speaker and CA. Moushmi Shaha, Chairperson, Pune Branch of WICASA of ICAI

DAY : 5

Topic - Key checkpoints of verification while filing Annual Returns & Reconciliation Statements in GSTR 9 & 9C on 25th March, 2022



Photo (L to R):- 1st row CA. Swapnil Munot and Ms. Rinky Khithani, Secretary, Pune Branch of WICASA of ICAI

2nd Row CA. Rushikesh Wangade, Chairman, Satara Branch of WICASA of ICAI

DAY : 6

Topic - Key checkpoints of verification in E-way bill, E-invoicing, Job work, Exports & Refunds on 26th March, 2022



Photo (L to R):- 1st row CA. Swapnil Munot, Speaker and Ms. Rinky Khithani, Secretary, Pune Branch of WICASA of ICAI

2nd Row CA. Mahesh Indani, Chairman, Aurangabad Branch of WICASA of ICAI

DAY : 7

Topic - Accounts, Records & Documents to be maintained under GST & various reconciliations to be periodically performed on 26th March, 2022



Photo (L to R):- CA. Yogesh Ingale, Speaker and Mr. Rajat Rathi, Treasurer, Pune Branch of WICASA of ICAI

3. Industrial Visit at Anuraj Sugar Ltd., Yavat on 26th March, 2022

Summary: Learn Sugar manufacturing process like Extraction of the juice, Clarification of juice, Concentration and crystallization, Separation of crystals, Refining of sugar, Recovery of sugar molasses and accountancy procedure.



4. Agriculture Visit at Meher Retreat, Yavat on 26th March, 2022

Summary: Meher retreat is recognized Agri-tourism centre that will unveil a rural lifestyle of and various unknown elements to the younger generation. Saw various agricultural systems like water irrigation through sprinklers, drip irrigation – open/surface and subsurface methods, farm equipments, vermiculture, fruit vegetable and crop plantations and from all these got great learning experience. Visited a jaggery making unit and a dairy farm to have a firsthand dairy experience of milking a cow.



5. Full Day Seminar on "Statutory Audit of Bank Branches" held on 26th & 27th March, 2022

Organised by :- Pune Branch of WIRC of ICAI

Jointly with :- Pune Branch of WICASA of ICAI



(Day 1) Topic- Planning of Bank Branch Audit and Recent Circulars by CA. Shashank Patki



(Day 1) Topic - Compliance and Substantive tests in CBS Environment by CA. Kiran Kunte



(Day 1) Topic - Verification of Advances by CA. Prakash Kulkarni



(Day 1) Topic - LFAR & Documentation by CA. Abhay Kamat



(Day 2) Topic - Income Recognition & Asset Classification-IRAC Norms- NPA by CA. Dhananjay Gokhale



(Day 2) Topic - Red Flags and Frauds - Case Studies by CA. Shrinivas Joshi



(Day 2) Topic - Case studies to discuss OTS, ARC and Restructuring by CA. Parag Hangekar



(Day 2) Panel discussion "Issues in Bank Branch Audits"

6. Webinar on Effective Routine during Exam Preparatory Leave

held on 29th March, 2022

Organised by :- Pune Branch of WICASA of ICAI

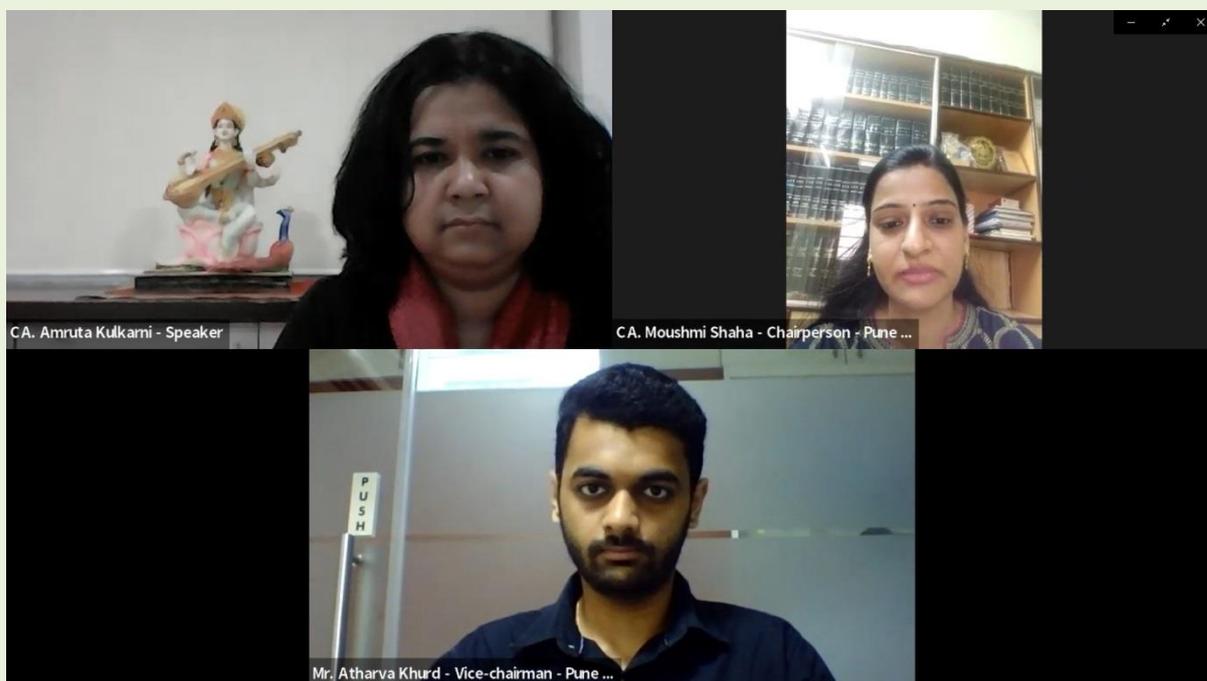


Photo (L to R):- 1st row CA. Amruta Kulkarni, Speaker and CA. Moushmi Shaha, Chairperson, Pune Branch of WICASA of ICAI

2nd Row Mr. Atharva Khurd, Vice-chairman, Pune Branch of WICASA of ICAI

7. Movie Show of RRR for CA Students

held on 31st March, 2022

