Jnana Sangama

TWO DAY'S
THE 18TH KARNATAKA STATE LEVEL CONFERENCE

19TH & 20TH AUGUST 2022

Venue:
Anantya Palace Grounds, Gate Number 9, Princess Academy, Palace Ground, Jayamahal, Bengaluru 560006

Hosted by Bengaluru Branch of SIRC of ICAI jointly with **Belagavi, Ballari, Hubballi, Kalaburgi, Mangaluru, Mysuru and Udupi Branches of SIRC of ICAI.**

Happy Independence Day

JNANA VIKASA
■ ENDEAVOR TO EVOLVE ■ ENGAGE TO EXCEL

CPE MEETINGS

Study Circle Meeting
Section 194R of Income Tax Act & GST Complications
3rd August, 2022

Azadi Ka Amrit Mahotsav
75th Independence Day Celebrations
15th August, 2022

Jnana Sangama
18th Karnataka State Level CAs' Conference
19th to 20th August, 2022

Study Circle Meeting
Future of Audit
24th August, 2022

Women CA's Conference
3rd September, 2022

Study Circle Meeting
Guidance Note on Accounting for Share based Payments (Revised 2020)
7th September, 2022

Dear Professional Colleagues

I wish you happy Independence Day - *Azadi Ka Amrit Mahaotsav*

This month is also very special because, August 15th entire nation is celebrating its 75th year of Independence. It was a great journey and we should remember the sacrifice made by our elders to get us the independence. At this juncture we should salute our leaders of past and present for leading India to reach a remarkable milestone and putting India in a global map as an emerging Global country. At the same time, we should also appreciate our Predecessors of ICAI for setting up a strong foundation and partnering in the nation's growth for last 73 years.

We should stand united and steadfast in our commitment to national growth in all possible ways. Our members should have diverse thoughts and actions to cover all fields where our services are required to build a strong nation to make use our strong educational and training skills. We need to upgrade and abreast with the changes happening around us globally and our epitomize service should speak rather our words, shed off the fallacies surrounding our profession and support the actions taken by our torch bearers until it reaches to the last member of our profession.

It is the era of youth, you have the power to change your surrounding with your commitment and dedication, you have to be a pillar to a strong society, economy and our country.

Through my message I Invite you all for the State Level Conference is to be held at Ananthya, Palace Grounds, Bangalore on August 19th and 20th hosted by Bangalore Branch along with Bellary, Belagum, Hubballi, Mysore, Mangalore, Udupi, & Gulbarga Branches. We are organizing this physical version of conference after a gap of 2 years, reasons as you all know due to pandemic. Another interesting thing is we are conducting state level conference first time in palace grounds. We have not met in this larger way for last two years, so we wish to see you all in the conference. President ICAI has agreed to grace the occasion and address our members, eminent and legendary speakers across the country travelling down to Bangalore to share their knowledge.

The memorable events of July month :

On our historic day 74th year of ICAI – CA Day on 1st July 2022, The Bengaluru Branch of SIRC of ICAI organized Walkathon from Freedom Park via Vidhana Soudha more than 400 Members and Students were part of the Walkathon.

I thank CA. Cotha S Srinivas, Central Council Member – ICAI, CA. Geetha A.B, Regional Council Member – ICAI, Managing Committee Members, Past Chairmen of Bengaluru Branch and all the Members and Students who participated in this event.

Apart from the above, Blood Donation Camp, Distribution of Education Material to the under

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privileged students, Planting Saplings and Honouring Senior Members of the profession was organized.

The following Study Circle Meetings were organized:

1. Discussion on drafting on Accounting Policy Notes to accounts & other matters – Financial Statements by CA. Praveen C.G on 6th July.

2. Works contract under GST by CA. Venugopal Gon 13th July.

3. Recent Changes in GST -47th Council meeting by CA. Gella Praveen Kumar on 20th July.

To know the amendments in the Income Tax Act, 1961 related to the taxation of Charitable trusts / Institutions, One Day Seminar on Practical Issues and Key Audit aspects of Charitable or Religious Trusts of Institutions organized by the Bengaluru Branch of SIRC of ICAI on 19th July 2022 in Physical mode. I thank CA. P.V. Srinivasan, Dr. CA. Phalguna Kumar E, Past Chairman, SIRC of ICAI, Dr. CA. N. Suresh & CA. Rani N R an expert and eminent Speakers for sharing their expertise in this Workshop. 101 Members got benefitted through the same.

A Management Development Programme: XXIInd Batch Weekend Course on Finance for Non-Finance has been commenced from 30th July 2022.

Upcoming Programs for the month of August & September :

On 3rd August : Section 194R of Income Tax Act & GST Complications is being organized at Vasanthnagar Branch in Physical mode.

India is celebrating its 75th Independence to pay tribute and remember all the freedom fighters who led to the Independence of India. To celebrate and commemorate its glorious history **Azadi Ka Amrit Mahotsav the 75th year of independence**, as an annual observance, we are celebrating the Independence Day on **15th August.**

Jnana Sangama – The 18th Karnataka State Level Conference is being organized on **Friday & Saturday, 19th & 20th August 2022** Jointly with Belagavi, Ballari, Hubballi, Kalaburgi, Mangaluru, Mysuru and Udupi Branches of SIRC of ICAI at Anantya Palace Grounds, Gate No. 9, Princess Academy, Jayamahal, Bengaluru is fast approaching. We request members to register at www.bangalore@icai.org.

On 24th August : Future of Audit by CA Padmanabha Acharya, Abu Dhabi, in Physical mode is being organized at Vasanthnagar Branch.

On 7th September : Guidance Note on Accounting for Share based Payments (Revised 2020) is being organized at Vasanthnagar Branch.

The details of the programs are mentioned in our Calendar of events in this newsletter for your reference.

Endeavour to Evolve
Engage to Excel

CA. Srinivasa. T
Chairman
Bengaluru Branch of SIRC of ICAI

CALENDAR OF EVENTS
CPE MEETINGS FOR THE MONTH OF AUGUST 2022

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE HOURS
03.08.2022 Wednesday	**Study Circle Meeting** **Section 194R of Income Tax Act & GST Complications** **CA. Narendra J Jain** & **CA. Hanish S** Delegate Fees : **Members – Rs.200/-** Plus GST	**Physical Vasanthnagar Branch Premises 5.00 pm to 8.00 pm**	**3 hrs**
10.08.2022 Wednesday	**NO Study Circle Meeting**	—	—
15.08.2022 Monday	**Azadi Ka Amrit Mahotsav** **75th Independence Day Celebrations** **Flag Hoist by the Chief Guest** **CA. K. Viswanath** *Past Chairman – SIRC of ICAI*	**Vasanthnagar Branch Premises Flag Hoist 9.00 am**	—
17.08.2022 Wednesday	**NO Study Circle Meeting**	—	—
19.08.2022 Friday & 20.08.2022 Saturday	**Jnana Sangama** **18th Karnataka State Level CAs' Conference** *Hosted by* Bengaluru Branch of SIRC of ICAI *Jointly Organized by* Belagavi, Ballari, Hubballi, Kalaburgi, Mangaluru, Mysuru & Udupi Branches of SIRC of ICAI *Details at Pg. No. 20*	**Anantya Palace Grounds, Gate No.9, Princess Academy, Jayamahal, Bengaluru – 560 006 10.00 am to 6.00 pm**	**12 hrs**
24.08.2022 Wednesday	**Study Circle Meeting** **Future of Audit** **CA. Padmanabha Acharya** *Past Chairman - Abu Dhabi Chapter of the Institute of Chartered Accountants of India* Delegate Fees : **Members – Rs.100/-** Plus GST	**Physical Vasanthnagar Branch Premises 6.00 pm to 8.00 pm**	**2 hrs**
31.08.2022 Wednesday	**HOLIDAY** **Ganesh Chaturthi**	—	—

Visit our website: **bangaloreicai.org** for Online Registration

CALENDAR OF EVENTS
CPE MEETINGS FOR THE MONTH OF SEPTEMBER 2022

DATE AND DAY	TOPIC / SPEAKER	TIME	STRUCTURED CPE HOURS
03.09.2022 Saturday	**Women CA's Conference** *Organized by* Bengaluru Branch of SIRC of ICAI Delegate Fees : **Members – Rs.300/-** Plus GST **Virtual – Rs.200/-** Plus GST	**Physical cum Virtual** **Vasanthnagar Branch Premises** **9.30 am to 6.00 pm**	**6 hrs**
07.09.2022 Wednesday	**Study Circle Meeting** **Guidance Note on Accounting for Share based Payments (Revised 2020)** **CA. Suraj Palled** Delegate Fees : **Members – Rs.100/-** Plus GST	**Physical** **Vasanthnagar Branch Premises** **6.00 pm to 8.00 pm**	**2 hrs**

Career Counselling Programme

Bengaluru Branch of SIRC of ICAI is inviting applications for
Career Counsellors to promote CA course in Schools and Colleges.
Honorarium of Rs. 2000/- will be paid to Counsellors
by Branch for per Career Counselling Session.
For Outstation Career Counselling Programme Conveyance
also will be arranged by the Branch.

Kindly send your details to blrstudentevents@icai.org

EXPOSITION INTO THE WORLD OF BLACK SCHOLES MODEL

CA. K.S. Ravi

Introduction:

The history of derivatives trade may be traced back to the clay tokens, used by the Sumerians, that were backed and used as a promise to deliver a certain quantity of goods by a certain date. It was more in the nature of a forward contract. Such contracts continued with regional variations, at different points of time in history until we come to the Dojima Rice Exchange around 1730. In the Choimai market of the exchange, rice was traded on books with futures, based on rice grades per season. In fact, a clearing house cleared the open positions by acting as an intermediary. This was considered to be the first centralized futures market.

Chicago Board of Trade was formed in the US in 1865, which started dealing in forward contracts, formally, with counter-party future agreements. The advent of formal future agreements, gave rise to a number of financial instruments available for derivative trading. With the intense activity on the derivative platform, attempts were made to value them correctly, earlier to which the derivative transactions were valued based on mutual trust, and instinct based on experience.

French mathematician Louis Bachilier is reported to be the first, to make an attempt, to value derivatives in his doctoral dissertation. The formula arrived by him was flawed. There were more attempts made by others, by looking into the movement in stock prices and interest rate movements, which were reasonably convincing but again had fundamental short-comings with respect to calculation of the risk-premia. This had a significant impact on the valuation of derivatives, requiring the methods to be fine-tuned to the nuances of the market conditions. In theory, and mathematically so, it is possible to assign a risk premium based on a given set of risk attitudes and risk appetite of the investor but in reality, because of the uncertain market variables, it is bound to take a different value than the one that is predicted. It was understood and believed that until the variables are harnessed, or are determined, the risk premium and therefore the derivative valuation would theoretically remain unrealistic. Therefore, the search for a more robust mathematical model was on the anvil.

Derivatives and Options:

As we all know, the term derivative refers to a type of financial contract whose value is dependent upon the underlying asset. The derivative prices are dependent upon price fluctuations of the underlying. Until these fluctuations are determined or are predictable, valuing the dependent derivative is a cumbersome task. From this, arises the subsets like options and futures that are the topics of our discussion on the Black-Scholes Model.

Options, like the futures, are a type of financial instruments in the derivative market. A futures contract, is an agreement between two parties for the purchase and delivery of an asset, at an agreed upon price at a future date. Unlike the forwards (customized contract and not dealt on the exchange), options are standardized contracts that trade on the exchanges. It can be used to hedge risk or speculate on the price of an underlying. The parties are obliged to fulfill their respective commitments as per the contract.

Whereas the option contract is also an agreement, that gives the option holder the right to buy or sell the underlying asset on a certain date, at an agreed price. However, the writer of the option has no choice but to fulfill the promised obligation either by buying/selling the underlying asset (or making good the difference between the market price and the agreed price) to the benefit of the option holder. If ever the price is detrimental to the option holder, on the date of expiration, he has no obligation to enforce the contract except that he would have parted with the premium. The loss is restricted to the premium paid and the gain is abundant based on the market behavior to the option

holder. But for the option writer the gain is the premium received, if the markets were to go down (as the option holder will not exercise his right), and he loses if the markets go up as he has to compensate the option holder to the extent of increase in the market price. It can be used by the option holder as a hedge or as part of a speculation practice. On account of vagaries in the market behavior, it becomes pertinent to mathematically predict the valuation of derivative instruments so that the benefit is not skewed in favor of one against the other, which may happen due to absence of adequate knowledge.

Attempts to Theoretically Price Options:

In order to overcome this asymmetry of knowledge, for the stocks in the financial market, attempts were being made to determine the theoretical pricing of options. In this scenario, where the risk premium had to be identified and options had to be properly priced, Fisher Black and Myron Scholes developed the thesis by publishing a paper *'The Pricing of Options and Corporate Liabilities'*. The vital contribution made by them was by including the risk-premium in the stock price itself. The term 'Black-Scholes Model was first proposed by Robert Merton in his article *'Theory of Rational Option Pricing'*, which was further expanded in its application and use. Thus, it is also referred to as Black-Scholes-Merton Model (BSM Model). Myron Scholes and Robert Merton shared the 1997, Nobel Memorial Prize in Economic Sciences. Fischer Black had died by then (1995) and was not part of the award, as Nobel Prize is not awarded posthumously.

It is based on the principle of hedging and focuses on eliminating risks associated with volatility of the underlying assets, stocks, options, etc.

Essential definitions of the terms used in the Model:

The basic model has undergone many changes, to overcome the limitations expressed in the mathematical formula that was originally derived and postulated. It was a revolution, and awe inspiring, to the financial world as the model helped traders to predict the value of options at expiration, for the first time. The BSM Model allowed traders to hedge their portfolios with a greater precision and the strategy is currently known as 'delta hedging'. It brings in the required neutrality without having to be worried about the variability or the fluctuations of the underlying, in the market.

Having understood the basics, let us now delve into the option pricing by the use of BSM Model. The model is a mathematical partial differential equation (having terminal and boundary conditions) for evaluating and pricing (arriving at the fair price) the options of the underlying stocks, bonds, etc., theoretically. The model requires certain inputs in order to get the required output (theoretical option pricing). They include-

- **Strike Price:** It is the price at which the holder of the option has the right to buy/sell an owned security, depending upon whether it is a call or put option. Generally denoted by **'K'**. A **call option** is a contract giving the owner the right, but not the obligation, to buy a specified amount of an underlying security at

a specified price, within a specified time. The specified price is the strike price. Premium is paid to purchase the call option. Going long on a call is a buying decision and going short implies selling the option. A **put option,** on the other hand, is a contract giving the option owner the right, but not the obligation, to sell or short-sell, a specified amount of an underlying at a predetermined price with a specified time-frame. This predetermined price is called the strike price. Implying thereby, strike price is applicable to both call and put options.

- **Spot Price/Stock Price:** The current market price of the underlying asset. If the underlying is not liquid then it is difficult to ascertain the current market price. The last closing market price that is ascertainable or price that is determined based on a reasonable and reliable method, is adopted. It is generally represented by **'S_t'**.

- **Time until expiration:** The time span until the available option expires and is denoted by **'t'**.

- **Risk-free interest rate:** it is the constant rate of return on an asset particularly, risk-less asset. Normally, it is the yield rates of treasury bills and bonds issued by the government. Often denoted by **'r'**.

- **Volatility:** It is an input that remains the fulcrum of the discussion under BSM Model. It is the degree of variation of the price over time. Standard deviation of the returns is considered for a given span of time. It can be measured in two ways. The

historical volatility and the implied volatility.

- **Historical Volatility:** The market price of the trade is considered for more than 5 years in the past and the variation is calculated. It may be flawed as the past may not be a representative of the future in a dynamic world.

- **Implied Volatility:** It is measured by using the volatility surface – a function of strike price and time to maturity. It is a curved surface (3 dimensional) rather than being linear or 2 dimensional. It is plotted on a graph with 'X' axis as time to maturity, 'Y' axis as the strike price of the stock and 'Z' axis as the resultant current market implied volatility. It is the market's forecast of a likely movement in the security's price.

BSM Model Formula:

The BSM Model being a second order partial differential equation, is depicted as hereunder and to go deep into the equation is beyond the scope of this article. This is the standard lognormal Black-Scholes formula -

$$\partial V/\partial t + \tfrac{1}{2}\,\sigma^2 S^2 \partial^2 V/\partial S^2 + rS\,\partial V/\partial t - rV = 0$$

V is the value of the derivative security, which is a function of S and t; S is the price of the underlying asset; ∂ is its volatility (standard deviation of a return on a stock); r is the continuously compounded risk-free rate; and t* being (T-t), where T is the time of option expiration and T-t is the time until maturity.

For the call option the equation derived from the above is as follows -

$$C(S_t,t) = N(d_1)S_t - N(d_2)\,Ke^{-r(T-t)}$$

Where $d_1 = 1/\,\sigma\,\sqrt{T-t}\,[\ln(S_t/K)+(r+\sigma^2/2)(T-t)]$

$$d_2 = d_1 - \sigma\sqrt{T-t}$$

For the put option the equation is represented as hereunder -

$$P(S_t,t) = Ke^{r(T-t)} - S_t + C(S_t,t)$$

$$= N(-d_2)\,Ke^{-r(T-t)} - N(-d_1)S_1$$

K is the strike price;

N = cumulative distribution function of the standard normal distribution. It represents a standard normal distribution with mean = 0 and standard deviation = 1;

∂ is its volatility (standard deviation of a return on a stock)

T-t time to maturity (in years) where T is the time of option expiration;

r is the continuously compounded risk-free rate;

S represents the current stock price or the underlying asset, it is a function of time t;

C (S_t, t) and P (St, t) represents the theoretical call and the put option prices, at any time t, before expiry;

e is the base of natural logarithm (natural exponential function).

Principles behind the Formula:

Without having to go into the intricacies of the model's mathematical formula, we shall make an attempt to understand the principles behind it. In fact, there are many tools working, using this equation and variations of it, depending on the inputs available, which are all available on the internet.

The model gives us a Geometric Brownian Motion with constant drift and volatility, and are often used to model population growth, price of a stock over time assuming that it is a random walk without noise. This therefore requires certain assumptions to be made, and the formula takes into consideration all such assumptions for the purpose of its effective use.

Riskless Rate: Risk free interest rate. As a corollary, when the return is constant it is free from risk (purchasing power parity is not factored, as the effective rate can be something different while the rate remains constant). Interest rates are risk-free in respect of government bonds and treasury bills, but is necessarily not true for other financial instruments.

Constant Volatility: It is the measure of the variance of stock over time. It is assumed that the variation of the option price is constant for the given time period, which is not necessarily so in the real world.

No Dividends: It is further assumed that there will be no dividends, in respect of the underlying stock, over the life span of the option. Again, not a real-world phenomenon.

Frictionless Market: Ideal/efficient transactions are supposed to take place, without any processing charges. It is expected to be a homogeneous market with knowledgeable and willing buyers and without the transactions being skewed. All parties have equal opportunities with no information asymmetry at any point in time.

Liquid Market: Stocks, options or assets can be bought and sold and converted into liquid cash without any limitations.

Random Walk: The logarithmic interest in the stock price is a minute random walk with drift (Geometric Brownian Motion). No bumps or surges are

expected in the market during the time options have not expired. It has to be a market in which the underlying stock or the option do deviate from the normal but with the same probability of occurrence. Can this situation exist in a real market?

Interest Rates: They are known and are constant.

Lognormal Distribution: A normal distribution is a probability distribution of outcomes that is symmetrical or are evenly placed. Graphically it forms a bell curve with 68% of the results fall within the standard deviation. If the standard deviation is computed for a second time, 95% of the results fall within the two standard deviations. A normal distribution may have to be converted into a log-normal distribution, by using logarithmic tables because of the noise and the bumps that occur beyond the minute random walk and the drift. Normal distributions are the result of taking natural log where the base e = 2.718. But the noise and the bumps change the base from the normal to log normal and the discovered price shall be close to reality. This change in base happens because of adjusting/assigning the value of the variables in constant proportion. This exercise, having factored all the known facts, creates a riskless hedge portfolio to counter the vagaries in the market at any or every point in time until expiration.

If the intention is not to disturb the normal distribution, then interest returns have to remain normally distributed without spikes or busts, and should remain close to realistic situations.

European Style Option: The model was created taking examples of the stock and option market in the European economy. The call option works only on the expiration date and not before. However, in the US markets the call can be exercised at any time before the expiration date. Hence, the basic model is not suitable for American-style options.

Arbitrage: The model assumes that there are no arbitrage opportunities in the market, which literally means that in an arbitrage scenario, the market participant can make a riskless profit. It is like using a subsidized borrowing to make a deposit in high yielding riskless financial instrument (say fixed deposits).

Overcoming rigidities and assumptions of the formula:

The above assumptions put restrictions on the effective use of the BSM Model. Not really true, as market innovations have expanded, extended, dissected and exploited the model to factor all known circumstances by tweaking the model where required. How has the market made an effective use of the model to carry on the trade? Some of the innovations to the basic model can be analyzed as follows.

- It can be used to determine the volatility in the market by reversing the pricing model with the known price.

- While the original model assumes no distribution of dividend until the date of expiration of the option, the tweaked model factors it, by assuming it when required, and by adjusting the NPV of the dividend to the price of the underlying stock.

- Market participants or operators modify the equation to consider the effect of exercising the option before expiry (American Style Option).

- Alternatively for pricing the more commonly traded American Style Options, market makers use binomial/trinomial model or the Bjerksund- Stensland Model.

- By constant use of the model and looking at the patterns in the markets many simulated models have been developed to make extensive use of the basic BSM Model.

- If the option fair value is known at its expiry date, it is possible to work-back and determine whether the current market is over or under valued.

- Finding implied volatility for a stock from observable parameters one can determine the fair value of the option. This requires simulating assets volatility over time. It tells us about what the market expectations are regarding the future volatility of the stock.

A simple example to illustrate the use of option pricing:

Let us look at a simple example to see the benefits of using the model to hedge risks. If we believe that shares of Company A are valuable, we may intend to hold it for a longer time period. We know that the price of the share may either go up or may fall in the said time period, which is a market reality. If the risk is hedged and if we assume that the share has a Δ of 1, it implies that there is a 100% correlation between the hedging instrument and the underlying asset.

If we hold 1000 shares of Company A and the stock price moves up Re. 1, the portfolio will move up by Rs. 1,000. Conversely if the stock price goes down

by a similar extent, Rs. 1,000 is the loss. To neutralize this, we need the Δ to be 0 (neither loss nor gain). We counter the fall by buying put options.

To examine the above proposition, let's say the put options have a Δ (volatility) of 0.25. For every Re. 1 gain in the stock price the option value goes down by 0.25 and vice versa. In a situation like this, we buy 40 options of the underlying (each option representing 100 shares), the Δ of the option will be (40*100*0.25) 1000. We will exercise it if the price of the underlying goes down and desist from exercising it, if it goes up. If we gain from the underlying, we know the option value goes down and without exercising it we off-set the premium paid from the gain made. If the value of the underlying goes down, the option is exercised to off-set the loss arising from the underlying.

It is a bygone conclusion that the market is unpredictable. But a regular observation helps one to estimate the payout value of the option on a future date. This requires efforts in changing Δ of the portfolio as and how the variables or the parameters come to light in the market situation, affecting the price of the underlying. With a neutral Δ portfolio, as explained above, one sets to gain irrespective of the direction in which the underlying stock moves.

Conclusion:

BSM Model although elegant, has its limitations with several assumptions embedded to it. It cannot give the perfect option pricing as the market is bound by noises and bumps. Continuous movement with constant drift and predictable smooth volatility, as proposed by Geometric Brownian Motion on which the BSM Model is built,

is rare under market circumstances. The mathematics involved in the formula is complicated and can be fearsome to the users. Broadly, it is the difference between the 'product of net present value of the strike price and cumulative normal distribution' and the 'product of stock price and the cumulative standard normal probability distribution function'.

Great ingenuity can be seen in producing the model and is voraciously being used by tweaking it as required by obtaining market inputs. Going deeper into the subject and understanding the nuances, will help one in understanding the market and the market patterns. Sophisticated tools are available on the internet, that will aid us in combating the unknowns to make us the front runners and get the financial die cast in our favor.

THE COMPANIES (AUDITOR'S REPORT) ORDER CARO 2020 – AN OVERVIEW

CA. Shriniwas Y. Joshi

Introduction

Whenever something new is introduced under any act by the Government, the CA profession gets excited to meet the new challenge. Heated discussions and debates, in addition to seminars and conferences, are arranged to deliberate upon the practical difficulties in implementation of new provisions. In line with the same, for the Financial Year 2021-22 the Companies (Auditor's Report) Order, 2020 is now applicable.

In addition to CARO Order which was issued in March 2020, Schedule III has also been amended, which should have been done prior to amendment in CARO, as what is not reported by the Management cannot be commented by the Auditor effectively.

ICAI has revised the Guidance Notes on Division I, II and III of Schedule III and also amended Guidance Note issued in June 2020 on CARO recently.

The amendments in Schedule III and CARO 2020 together would benefit Investors and other stakeholders with improved transparency, accountability and better Corporate Governance. Similarly, auditors would also benefit by being more independent to pose critical questions while doing audit. The new reporting requirements cast heavy responsibility on the profession as the focus of audit is shifting from merely giving true and fair view to conducting propriety audit.

Applicability

It is pertinent to note that the any business activity carried out in India, by a company incorporated outside India, including by electronic mode or by way of project office or Liaison Office, is covered for reporting under CARO. In addition, in case a company is covered under any one exemption, such as Section 8, Small Company or one-person company, then it will remain exempted from applicability of the order even if it falls under any of the criteria specified for Private Company.

Approach

The revised Guidance Note on CARO 2020 states as under :-

"It is clarified that the auditor is under an obligation to report on the relevant clauses of CARO 2020 irrespective of the fact whatever disclosures are made or disclosures are improper or inadequate. However, for non-disclosure, improper/ inadequate disclosure, the auditor needs to consider its impact on his main audit report."

ICAI recommends that authenticity of transactions should be seen for the whole of the year. If the records are made proper after the balance sheet date, then auditor must consider the detrimental effects on the accounts. It is not necessary to mention the individual transactions in the report unless they are so significant to merit attention.

Compliance with Auditing Standards is required even for CARO reporting. Exercise of judgment and use of materiality are considered necessary. Reasons for unfavorable/qualified opinion or inability to express opinion be given. Any adverse comment in CARO need to be included in main report if it affects true and fair view of the Financial Statements. Any information or explanations not available need to be specified.

Inclusion of Management explanations be avoided unless the circumstances warrants so, such as, to make the comment itself meaningful and complete or explain why, in spite of unfavorable comment, true and fair view is not vitiated.

Deliberation On Important Clauses

* Records of Property, Plant and Equipment need to be seen for completeness and accuracy. The security of the register maintained in Excel need to be ensured by way of passwords to make it tamper proof.

* Adequate evidence of physical verification of PPE and inventory is required by way of assessment

- of instructions, team capabilities, independence, quality of report and action taken by management.

- Discrepancies only if material be considered in respect of assets, inventories or quarterly reports to bank.

- Legal determination of validity of Title Deeds is the responsibility of the Management.

- Title Deeds of assets held as investment property and assets held for disposal also to be seen.

- Benami property may not be reflected in the books. Auditor has to enquire why they were not accounted.

- Consider both fund based and non-fund based limits for reporting on working capital limits clause of sanctioned limit beyond Rs.5 crores. Credit monitoring reports to be covered.

- Loans, investments, Guarantees and Securities – include advances in the nature of loan to be considered by comparing amount advanced v/s ordered value and period of advance v/s Industry Practice.

- Loan given whether prejudicial or not to be decided by considering rate of Interest, Security, Terms and period of repayment, ability to lend, borrower's Financial Standing, Credit Rating, Non-availability of alternate sources of finance, urgency of borrowings, etc. Loan given to loss making subsidiary is not considered prejudicial.

- Reasonable steps to recover would require considering facts and circumstances of each case, amount involved, degree of delay in recovery, correspondence and reminders, legal notice, obtaining enhanced security etc. and not necessary a legal case.

- Loans renewed, extended or settled applies to loan given during the year also.

- Other statutory dues include amounts recoverable as arrears of land revenue.

- For disputed dues sustainability or otherwise of the claim by department is not to be judged.

- Undisputed and disputed dues should include penalty and interest due till balance sheet date

- Treatment of disputed dues in accounts is irrelevant.

- Company not disputing or not filing appeal is no presumption that income is surrendered.

- Implication of surrender of income on report on Internal Financial Control and nature, timing and extent of audit procedure to be considered.

- For willful default, Declaration up to the date of finalization of report to be considered.

- In case of diversion of term loan, one to one relationship of funds received and expended not required. Upgraded PPE purchase is not a diversion.

- Comment on short term funds used for long term assets only if the difference is significant

- Consider principles of materiality while reporting on whistle blower complaints. Action taken by the Management on complaints relating to lack of controls, deficiencies in systems/procedures/approvals, related party transactions, diversion of funds, frauds etc. need to be closely looked at.

- Limitation of scope of Internal Auditor and impact of control deficiencies pointed out in such audit be appropriately considered.

- Adjustment for effect of qualification be made before reporting of cash losses.

- Ratios need to be calculated at the balance sheet date and also nearer to the report before commenting on material uncertainty in meeting liabilities.

- Auditor to give negative assurance in his report stating that he neither gives any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.

- In CFS, do not evaluate materiality of comments in CARO report of subsidiaries and joint ventures. Only paragraph numbers and name of company be given and not full text of comment.

Advice

ICAI Guidance Note on CARO 2020 provides several suggested paragraphs for reporting under various clauses which may be used beneficially by the profession.

INTERNATIONAL TRADE SETTLEMENT IN INDIAN RUPEES

CA. Vivek Mallya

Quick Overview:

The Reserve Bank of India (RBI), this July has revisited matters relating to settlement of International Trade – i.e. Import Payments and Export receipts, in Indian Rupees. Settlement in INR has not been a new experience for India and the RBI – Rupee-Rouble Indo-Soviet arrangement, India-Iran INR trade settlement mechanism have all been circumstance-based preludes to this all-encompassing Circular governing INR based trade.

The basic principle of this mechanism is that Indian Importers would be permitted to settle / pay for imports made, in INR and correspondingly, the foreign exporter would receive sales / export consideration in INR. To enable the foreign exporter to receive INR or to enable its utilization, the RBI has now permitted correspondent banks of exporter's country to open Special Vostro Accounts, with Indian Banks (AD s).

Similarly, Indian Exporters are permitted to denominate export receipts in INR and receive INR, into their Bank Accounts, as settlement for export. Foreign Customers / Importers would be able to utilize and access the Special Vostro Accounts maintained with Indian Banks by the Foreign Customer's Correspondent Bank. Conversion back into home country currency and rates thereto would be market determined and subject to any conditions which the foreign correspondent banks may introduce.

This settlement mechanism would enable the Indian Party to hedge both exports and imports from foreign exchange risk and also reduce costs. However, the challenge would be to find exporters into India, willing to receive INR and Indian importers being able to maintain accounts with Banks which maintain these Special Vostro INR accounts. The Indian Regulators expect that the first port of call for such trade settlement mechanism would be imports from / exports to Sanction-hit Russia. Beneficial impact could be also felt on trade with Bangladesh and Sri Lanka as well. Recent press reports indicate that Russian Banks have already made plans to apply to the RBI for permission to open Special Vostro INR Accounts through Indian Partner Banks.

The marked difference between this Circular and the earlier INR Trade Mechanism which India had with Iran, is that there is no one Special Bank (UCO Bank in that case) which is permitted to do these INR trades – all Banks with RBI permission can open Special Vostro INR Accounts.

Role of Banks:

The RBI and the Government expects such settlement mechanism would enable the RBI to conserve convertible foreign exchange, especially the US Dollars in the near and medium term. Indian Banks would have a significant role to pay in the implementation of the settlement mechanism, via:

- Obtaining prior approval from Foreign Exchange Department of the RBI to put the INR settlement mechanism in place.

- Enable their client to implement INR settlements by issuing internal circulars clarifying new / changed reporting mechanism for INR trades, updating export / import documentation, clarifying impact on existing export designated loans, etc.

- Identify foreign Partner correspondent banks overseas willing to participate in INR trade settlement process and also enable them to create Special Vostro Accounts.

- Mutually decode documentation required to enable international trade – such as Letters of Credit, subject to the UCPDC mechanism.

Impact on Indian Industry:

Indian Industry engaged in international trade would have to ensure:

a) Invoicing: All exports and imports under this arrangement may be denominated and invoiced in INR.

b) Exchange Rate: Exchange rate between the currencies of the two trading partner countries may be market determined. Indian and Overseas Banks may have to engage, to ensure that their Indian Clients are not unduly impacted by exertions of the foreign correspondent banks, passing on conversion costs onto Indian Exporters, in the event foreign banks are unable to utilize effectively, the balances they maintain in their Special Vostro Accounts.

c) Settlement: The settlement of trade transactions under this arrangement shall take place in INR in accordance with the procedure laid down in the circular.

Advance against exports:

Indian exporters are permitted to receive Indian Rupee advance payments towards exports. Certain compliance obligations are also prescribed for such advances:

- All advances received shall be first used towards payment obligations (export-backed loans etc) arising out of already executed export orders / export payments in the pipeline. The Indian Banks have been cast an obligation to ensure such allocation.

- To ensure that the advance is released only as per the instructions of the overseas importer, the Indian bank maintaining the Special Vostro account of its correspondent bank shall, apart from usual due diligence measures, verify the claim of the exporter with the advice received from the correspondent bank before releasing the advance.

Setting-off of export receivables:

'Set-off' of export receivables against import payables in respect of the same overseas buyer and supplier would be permitted, under this Rupee Payment mechanism. The Indian Party would only need to receive / make payments of the net balance of export receivables/ import payables, if any.

Conditions, as applicable for set-off under the Master Direction on Export of Goods and Services, 2016 (Para C 26), have been made applicable for rupee-based set-off as well. These include, settlement of both legs only through same AD bank; set-off of balances in trade of goods shall not be allowed against trade in services; etc.

Bank Guarantee:

Issue of Bank Guarantee for trade transactions, undertaken through this arrangement, is permitted subject to adherence to provisions of FEMA Notification No. 8 – FEMA (Guarantees) Regulations, 2000, as amended from time to time and the provisions of Master Direction on Guarantees & Co-acceptances.

Use of Surplus Balance:

The Rupee surplus balance held may be used for permissible capital and current account transactions in accordance with mutual agreement. The balance in Special Vostro Accounts can be used for: (a) Payments for projects and investments. (b) Export/Import advance flow management (c) Investment in Government Treasury Bills, Government securities, etc. in terms of extant guidelines and prescribed limits, subject to FEMA Regulations.

Reporting Requirements:

Reporting of cross-border transactions need to be done in terms of the extant guidelines under FEMA 1999. The Circular would not exempt any export / import reporting requirements, irrespective of the fact that the trade is denominated in INR.

Approval Process:

The bank of a partner country may approach an AD bank in India for opening of Special INR VOSTRO account. The AD bank (in India) would have to seek approval from the RBI with details of the arrangement.

AD bank maintaining the special Vostro Account shall ensure that the correspondent bank is not from a country or jurisdiction in the updated FATF Public Statement on High Risk & Non-Co-operative Jurisdictions on which FATF has called for counter measures.

Invitation for Participation
August–September 2022

56TH CAMPUS PLACEMENT PROGRAMME
For Newly Qualified Chartered Accountants

Organised By

Committee for Members in Industry & Business (CMI&B)

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

About ICAI

The Institute of Chartered Accountants of India (ICAI), established 73 years ago, by an Act of the Indian Parliament, continues its operation as the single largest statutory accounting body of the world. ICAI stands on four pillars – Regulator, Standard Setter, Educator and Partner in Nation Building and has been functioning under the administrative control of the Ministry of Corporate Affairs (MCA) of the Government of India, as its extended arm. In short, Independence, Integrity and Excellence remain the core values of ICAI. ICAI enjoys the privilege of being the founder member of the International Federation of Accountants (IFAC), International Accounting Standard Board (IASB), South Asian Federation of Accountants (SAFA) and Confederation of Asia & Pacific Accountants (CAPA). Again, ICAI is the first Professional body in the country which has been nominated by the Hon'ble Prime Minister of India to take the Swachh Bharat Abhiyaan forward.

Objectives of CMI&B

Maintaining strong and spontaneous relationship with the industry and other business houses remains the main focus of the Committee for Members in Industry & Business (CMI&B) of the Institute of Chartered Accountants of India (ICAI). An initiative to that effect remains the Campus Placement Programme (held twice a year) that provides a platform to both the Newly Qualified Chartered Accountants (NQCAs) and the organizations looking to hire the best available talent to fulfil their Human Resource requirement. ICAI simply acts as a facilitator to bring the recruiter and NQCAs together.

What ICAI can do for you?

◆ ICAI simply acts as a facilitator to bring the recruiter and NQCAs together.

◆ Facilitate your search for complete business solution provider.

◆ Online web portal for registration and shortlisting of candidates.

◆ Online Psychometric test and written test, if required.

◆ Facilitate interviews.

Why Newly Qualified CAs preferred over other freshers

◆ As a matter of fact, the Chartered Accountants, because of their sound technical knowledge and on-the-job training, are looked upon as complete business solution providers and are preferred over other freshers. This campus placement programme, being a one stop solution, offers a unique opportunity to the employers to interact with the NQCAs, peruse the particulars of a huge pool of promising professionals and recruit the suitable one(s) who is found to be better than the best.

Who can take part in ICAI Campus Placement Programme

Any organisation, irrespective of its size, standing in the market and boundary of its business, can take part in this placement programme being held at several centers across the country during August-September, 2022.

Interview Schedule:

No.	Major Centres	Dates
1.	Mumbai	22nd, 24th, 26th, 29th August, 1st & 3rd September, 2022
2.	Delhi	23rd, 25th, 27th, 30th August, 2nd & 5th September, 2022
3.	Bengaluru	24th, 26th, 29th August, 1st, 3rd & 5th September, 2022
4.	Chennai	25th, 27th, 29th August, 2nd, 5th & 7th September, 2022
5.	Kolkata	26th, 29th August, 1st, 3rd, 5th & 7th September, 2022
6.	Ahmedabad, Hyderabad, Jaipur & Pune	29th August, 1st, 3rd, 5th, 7th & 9th September, 2022
No.	**Smaller Centres**	**Dates**
7.	Bhopal (New), Durgapur, Ernakulam, Lucknow (New), Nagpur, Patna (New), Raipur (New), Rajkot, Ranchi (New), Vadodara (New) & Visakhapatnam	26th September, 2022
8.	Kanpur	27th & 29th September, 2022
9.	Noida & Thane	28th & 30th September, 2022
10.	Bhubaneswar, Chandigarh, Coimbatore & Indore	29th September & 1st October, 2022

Tariff for the Recruiting Entities*

No.	Location	Fee per centre per day (INR)					
		Day Premier	Day 1	Day 2	Day 3	Day 4	Day 5
a.	Mumbai & New Delhi	6,00,000	4,20,000	3,50,000	2,45,000	1,40,000	75,000 10,000 (for CA firms up to 10 partners)
b.	Bengaluru, Chennai & Kolkata	4,00,000	2,80,000	2,00,000	1,25,000	75,000	75,000 10,000 (for CA firms up to 10 partners)
c.	Ahmedabad, Hyderabad, Jaipur & Pune	2,00,000	1,25,000	75,000	75,000	75,000	75,000 10,000 (for CA firms up to 10 partners)
d.	Thane & Noida	NA	1,00,000	50,000 10,000 (for CA firms up to 10 partners)	NA	NA	NA
e.	Bhubaneswar, Chandigarh, Coimbatore & Indore	NA	50,000	25,000 10,000 (for CA firms up to 10 partners)	NA	NA	NA
f.	Kanpur	NA	25,000	20,000 10,000 (for CA firms up to 10 partners)	NA	NA	NA
g.	Bhopal, Durgapur, Ernakulam, Lucknow, Nagpur, Patna, Raipur, Rajkot, Ranchi, Vadodara & Visakhapatnam	NA	20,000 10,000 (for CA firms up to 10 partners)	NA	NA	NA	NA
h.	Fee payable for conducting online psychometric test	10,000 per centre					

BENGALURU BRANCH OF SIRC OF ICAI
IS ORGANISING COACHING CLASSES FOR
CA FOUNDATION STUDENTS FOR NOV. 2022 EXAMS
Schedule from: 07.07.2022 to 20.10.2022
Tentative scheduled faculty may change due to non availability at that point of time
Timings 04.30pm to 07.30pm (Monday to Saturday) 07.00am to 1.30pm (Sunday)

JNANA VIKASA
ENDEAVOR TO EVOLVE ENGAGE TO EXCEL

REGISTRATION OPEN FOR FOUNDATION COACHING CLASSES FOR NOV. 2022 EXAMS - PHYSICALLY

Online Registration Now open!

Subject and dates	Faculty name
PRINCIPLES AND PRACTICE OF ACCOUNTING Dates: 07.07.2022 to 06.08.2022	CA. BALAJI NATARAJAN
BUSINESS CORRESPONDENCE AND REPORTING Dates: 07.08.2022 to 15.08.2022	CA. ARUN M B
BUSINESS LAWS Dates:16.08.2022 to 29.08.2022	CA ANU SHREE AGRAWAL
BUSINESS MATHEMATICS	Mr. G. T. RAJASEKHARAIAH
LOGICAL REASONING & STATISTICS Dates: 30.08.2022 to 30.09.2022	CA. PUNITH KUMAR N
BUSINESS ECONOMICS Dates: 01.10.2022 to 10.10.2022	CA SOWMYA P All-India Rank Holder
BUSINESS & COMMERCIAL KNOWLEDGE Dates: 11.10.2022 to 20.10.2022	CA. NIDHI PARAKH

Fee Rs. 12,500/- for all Subjects

Registration Fees - Mode of payment: Cash / Online www.bangaloreicai.org
Email: blrstudentevents@icai.org
Note: Fees once paid will not be refunded.
For further details /Queries Pls call 080 - 4394 4868 /4876 Mob: 9880007904

CA. Srinivasa T.
Chairman

CA. Pramod R. Hegde
Secretary

BENGALURU BRANCH OF SIRC OF THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

JNANA VIKASA
■ ENDEAVOR TO EVOLVE ■ ENGAGE TO EXCEL

ANNOUNCEMENT
BENGALURU BRANCH ICAI IS ORGANISING COACHING CLASSES FOR
CA FOUNDATION & CA INTERMEDIATE STUDENTS FOR NOV. 2022 & MAY 2023 EXAMS

CA Coaching Classes for Nov. 2022 & May 2023 Exams

ADMISSIONS OPEN FOR SUBJECTWISE COACHING

In pursuance of our objective to provide fruitful and quality teaching to our students, we are pleased to inform you that coaching classes for **CA FOUNDATION & CA INTERMEDIATE** will commence as follows

Why you Should Choose ICAI – Bengaluru Branch
Salient features

➢ Experienced, Expert and Dedicated faculty members
➢ Methodology – Concept Oriented Teaching
➢ Affordable Coaching Fee, Library Facility, Reading Room Facility
➢ Mock Tests, Revision Classes, Crash Course, Quiz Programme & Classroom presentations.
➢ The journey of CA student with Bangalore Branch will be filled with Innumerable knowledge oriented activities coupled with motivational sessions & orientation classes, guided by our senior members, renowned faculty & resource persons to make student life productive and fruitful.
➢ It is a golden opportunity to be part of the Bengaluru branch by enrolling as a student to become a prestigious member of this glorious profession.

Online Registration Now open!

Course	Fees	Starting Dates	Timings
CA Foundation	Rs. 12500/- Rs. 4000/- for Single Subject	For Dec. 2022 Exams Starting From 7th July 2022. Onwards (Evening batch)	04.30pm to 07.30pm (Monday to Saturday) 07.00am to 01.30pm (Sunday)
CA Intermediate	Rs. 18,000/- for Both Groups Rs. 10,000/- for Single Group Rs. 4,500/- for Single Subject	For May 2023 Exams Starting From 8th Sep. 2022. Onwards (Morning Batch)	06.30 am to 09.30am (Morning) (Monday to Saturday) 07.00am to 01.30pm Sunday)

Venue & Schedule for all the subjects will be announced in due course.
Registration Fees - Mode of payment: Cash / Online www.bangaloreicai.org
Email: blrstudentevents@icai.org | Website: www.bangaloreicai.org
ICAI Bhawan", 16/O, Miller's Tank, Bed Area, Vasanthanagar, Bengaluru – 560052
Note: Fees once paid will not be refunded.

For further details /Queries
Pls call 080 - 4394 4868 /4876
Mob: 9880007904

CA. Srinivasa T
Chairman

CA. Pramod R. Hegde
Secretary

Jnana Sanghama

18th Karnataka State Level Two Day Chartered Accountant's Conference

Hosted by **Bengaluru Branch of SIRC of ICAI**

at **Anantya Palace Grounds, Gate No. 9,
Princess Academy, Jayamahal, Bengaluru**

12 hrs **CPE**

Jointly Organized by

Belagavi, Ballari, Hubballi, Kalaburgi, Mangaluru, Mysuru and Udupi Branches of SIRC of ICAI

Time : 9.00 am to 6.15 pm

TIMINGS	TOPICS	SPEAKERS
DAY - 1 FRIDAY, 19TH AUGUST 2022		
9.00 am to 10.00 am	**REGISTRATION**	
10.00 am to 11.00am	**INAUGURATION by the Distinguished Personality**	
11.00 am to 11.30 am	**TEA BREAK**	
11.30 am to 1.00 pm	**I TECHNICAL SESSION** Panel Discussion on Vision for the Profession	*Moderator :* **CA. Cotha S Srinivas** *Central Council Member – ICAI* **Panelists :** **CA. (Dr.) Debashis Mitra** *President – ICAI* **CA. K. Raghu** *Past President - ICAI* **CA. Nilesh Vikamsey** *Past President - ICAI*
1.00 pm to 1.30 pm	**SPECIAL SESSION**	
1.30 pm to 2.30 pm	**LUNCH BREAK**	
2.30 pm to 4.00 pm	**II TECHNICAL SESSION** Issues in Section 45(4) and 9B of Income Tax Act	**CA. Girish Ahuja** *New Delhi*
4.00 pm to 4.30 pm	**TEA BREAK**	
4.30 pm to 6.00 pm	**III TECHNICAL SESSION** Charitable Trust – Recent Amendments & Issues	**CA. Gautham Nayak** *Mumbai*
DAY – 2 SATURDAY, 20TH AUGUST 2022		
8.30 am to 9.15 am	**BREAK FAST**	
9.15 am to 10.00 am	**SPIRITUAL SESSION**	
10.00 am to 11.00 am	**IV TECHNICAL SESSION** Changing dynamics in Global Finance and Opportunity for Chartered Accountants	**CA. (Dr.) R. Seetharaman** *Former Chief Executive Officer, Doha Bank, Qatar*
11.00 am to 11.30 am	**TEA BREAK**	

Visit our website: **bangaloreicai.org** for Online Registration

TIMINGS	TOPICS	SPEAKERS
11.30 am to 1.00 pm	**V TECHNICAL SESSION** Interplay of GST in Statutory Audit and Tax Audits	**CA. A. Jatin Christopher**
1.00 pm to 1.30 pm	**SPECIAL SESSION**	
1.30 pm to 2.30 pm	**LUNCH BREAK**	
2.30 pm to 4.00 pm	**VI TECHNICAL SESSION** How Data Analytics can be a new vertical in your firm?	**Mr. Vinay Mishra** *Mumbai*
4.00 pm to 4.30 pm	**TEA BREAK**	
4.30 pm to 6.15 pm	**VII TECHNICAL SESSION** Panel Discussion on New regime of Re-assessment	*Moderator :* **CA. Naveen Khariwal G** *Panelists :* **CA. H. Padamchand Khincha** **CA. K.K. Chythanya** **CA. K.R. Pradeep**
6.45 pm Onwards	**ENTERTAINMENT – CULTURAL PROGRAM** Janapada Kalavidaru Musical Instruments	

CA. Srinivasa T
CHAIRMAN
BENGALURU BRANCH OF SIRC OF ICAI

CA. Cotha S Srinivas
CENTRAL COUNCIL MEMBER – ICAI
CONFERENCE DIRECTOR

CA. Pramod R Hegde
SECRETARY
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CA. Raghuveera C.S	Mysuru	9902555110
CA. Lokesh Shetty	Udupi	6362930668 / 8553426563

Online Registration open

DELEGATE FEES :	For MEMBERS:	For NON MEMBERS:
	Rs. 2,300/- (Plus GST)	**Rs. 5,000/-** (Plus GST)

Mode of Payment: Online / Cash / Cheque in favour of
"**Bangalore Branch of SIRC of ICAI**", payable at Bengaluru

For Registration, please contact : **080 4394 4868 / 876 / 99802 30500 / 98800 07906**

Email: **blrregistrations@icai.org** / Website: **www.bangaloreicai.org**

Bengaluru Branch of SIRC of ICAI

Congratulations

Sl No.	Name	SRO NO	Roll No	Total Marks Obtained	CITY RANK
RANK HOLDERS - MAY 2022 EXAMS					
Final - New					
1	**YASH AGARWAL**	SRO0642526	412021	523	1
2	**KOMAL BOHRA S**	SRO0652750	409405	518	2
3	**NAVYA VARSHINI M**	SRO0649835	412027	508	3
4	**ROHIL TIBREWAL**	SRO0646738	411701	495	4
5	**ANSHUMAN KABRA**	SRO0642705	412059	490	5
Intermediate - New					
1	**ARJUN J BALIGA**	SRO0756289	614992	523	1
2	**VINDHYA S S**	SRO0759601	610930	510	3
3	**BHAVAK K S**	SRO0758070	614934	459	5

Info Corner

NeoBanks would not be getting banking license to go fully digital.

Let's first understand what is a NeoBank and why they do seek license. A Neobank is new generation data driven digital bank without any branches. Rather than being physically present at a specific location, Neobanking is entirely online backed by AI and ML. They are seeking license to digitise the entire banking process, as at present they are dependent on traditional banks and have to share revenue with them.

RBI refusal to license is due to the concern of credit worthiness & history of Individuals to whom Neobanks usually lend and impact of this on wider economy.

Media Coverage

Media Coverage

CA Foundation Coaching Classes Orientation Programme for Nov. 2022 Exams

Inauguration of CA Foundation Coaching classes by lighting the lamp

Welcome Address CA. Srinivasa T
Chairman, Bengaluru Branch of SIRC of ICAI

CA. Chinmaya Hegde

CA. Vikas Oswal

Participants

SICASA - Game of Medals 'Students' Sports Day at BEL Ground

CA. Srinivasa T
Chairman, Bengaluru Branch
of SIRC of ICAI

Chief Guest
Padmashree
Dr. Malathi Holla

Career Counselling Programmes

Seshadripuram Institute of Management Studies,
Yelahanka, Bengaluru

Government First Grade College, KGF

Government First Grade College Madhigiri

Government First Grade College
at Ajjampura

Gem International Residential School &
Gem Composite PU College, Gauribidanur

GNR Composite PU College,
Gauribidanur

Government First Grade College for Women
at K R Peth

East Point PU College at Bengaluru

One Day Seminar on Practical Issues and Key Audit Aspects of Charitable or Religious Trusts of Institutions

Inauguration of Seminar by lighting the lamp

Welcome Address by
CA. Srinivasa T, Chairman
Bengaluru Branch of SIRC of ICAI

Dr. CA. Phalguna Kumar E.
Past Chairman, SIRC of ICAI

Dr. CA. N. Suresh

CA. P.V. Srinivasan

CA. Rani N R

CA. Pramod R Hegde, Secretary
Bengaluru Branch of SIRC of ICAI

Participants

XXII Batch Course on Finance for Non-Finance Executives - Management Development Programme

Inauguration of the Course by Lighting the lamp by the Dignitaries and Participants

CA. Srinivasa T., Chairman
Bengaluru Branch of SIRC of ICAI

Chief Guest - CA. Geetha A B.
Regional Council Member SIRC of ICAI

CA. Pramod R Hegde, Secretary
Bengaluru Branch of SIRC of ICAI

Dr. V. Rajesh Kumar
Faculty

Participants

Study Circle Meetings

CA. Gella Praveen Kumar

CA. Praveen C G

CA. Venugopal Gella

60th Annual General Meeting held on 7th July 2022

Cricket Tournament for Chartered Accountants on 9th July 2022

CA. Srinivasa T, Chairman
Bengaluru Branch of SIRC of ICAI

Sri. Ashwin D Gowda, IRS
Managing Director, Karnataka
Skills Development Corporation