

**THE INSTITUTE OF
COST ACCOUNTANTS
OF INDIA**

(Statutory body under an Act of Parliament)



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"Professional Challenges Amid COVID - 19"

MARCH - APRIL

2020

THE NEWSLETTER OF NORTHERN INDIA REGIONAL COUNCIL



The Institute of Cost Accountants of India

(Statutory body under an Act of Parliament)

Northern India Regional Council

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Glimpses of NIRC Activities March-April 2020



About Us



THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

The Institute of Cost Accountants of India

The Institute of Cost Accountants of India (erstwhile The Institute of Cost and Works Accountants of India) was first established in 1944 as a registered company under the Companies Act with the objects of promoting, regulating and developing the profession of Cost Accountancy.

On 28th May 1959, the Institute was established by a special Act of Parliament, namely the Cost and Works Accountants Act 1959 as a statutory professional body for the regulation of the profession of cost and management country. It has since been continuously contributing to the growth of the industrial and economic climate of the country.

The Institute of Cost Accountants of India is the only recognized statutory professional organization and licensing body in India specializing exclusively in Cost and Management Accountancy

IDEALS THE INSTITUTE STANDS FOR

- To develop the Cost and Management Accountancy profession
- To develop the body of members and properly equip them for functions
- To ensure sound professionals ethics
- To keep abreast of new developments

About Northern Region

The Northern India Regional Council is located at New Delhi has jurisdiction over 9 States and UTs the states of National Capital Territory of Delhi, Uttar Pradesh, Uttarakhand, Rajasthan, Haryana, Punjab, Himachal Pradesh and Jammu & Kashmir.

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Message Chairman's Communique

Dear Professional Colleagues
East or West home is the best.....

Because of COVID-19, we all are confined to our sweet home. It's always a pleasant but if it happens forcefully it pains because we are not use to such situations in our routine life. Modern facilities, technology and techniques have made us a king or live like a king. We have taken everything guaranteed. COVID-19, though a menace for human being but it has given us many instance to think that we are on wrong path. In a month long lock down, apparently we have noticed that:

- Rivers' water get cleaned without spending a single penny,
- Air quality index of all cities, especially metros has come under 100 points,
- Environmental conditions has improved a lot,
- Fuel deficit has improved,
- Self reliance is more important,
- In spite of epidemic, we don't have food problem,
- Economic developments must happen but not at the cost of human assets,
- Workers working in urban areas not feel secure and reverse migration took place,
- Countries with a tag of 'developed countries' are not actually developed,
- Countries like India are having their own wisdom of life,
- Most important is daily routine items, not luxury ones ,
- Self discipline is only way of life,

Amid CORONA-19, various online commercial activities has taken front line and telecommunication, online shopping, education have increased its revenue. All other sectors of economy are facing tough time. All such activities are now looking towards the government for stimulus package. But we must understand that government also has limited resources. In crises management, resources must be used judiciously. By having proper analysis of actual losses suffered, stimulus package should be given to effected sectors or industries. Notional loss of income or profits or business should not be the criteria. Government has asked industry to give wages to the workers including domestic servants. Idea is that all are part of the system and economic cycle must run. CMAs can play vital role in deciding the stimulus package by identifying the actual losses suffered by determining the fixed cost or committed costs and variable cost incurred by each unit.

CORONA-19 has made it clear that country like India must have its own resources to cater demand. So 'make in India' must happen but not at the cost of environment and human assets. Basic research work must take off. CORONA-19 has opened so many opportunity to our cottage, small and ancillary industry. Rural development will definitely give money in the hands of our work force, which constitute major component and economy will grow. In lock down, only rural India agriculture or related activities could have undertaken and Rabi crop procurement get started. It will further help Kharif crop to get start well in time as monsoon is in time and we expect normal monsoon this year.

CORONA-19 has put so many challenges to human kind but at the same time has also indicated to change way of thinking not only socially but economically also. So, let us pray ALL MIGHTY for good time to come and we could achieve better "happiness index".

With warm regards

CMA Anil Sharma
Chairman



Message Secretary's Communique

STAY SAFE STAY AT HOME

Let us all start thinking about the better New Economic Era that can come after the completion of this lockdown period.

As we all know that we have already seen various business era's in the past, Firstly the Agrarian economy and after that Industrialization phase and then Globalization. The Indian economy grew at about 1% per year from 1890 to 1910, matching population growth. The result was no change in income levels. Agriculture was still dominant, with most peasants at the subsistence level.

The 20-year economic boom cycle ended with the Great Depression of 1929 that had a direct impact on India, with relatively little impact on the modern secondary sector. The colonial administration did little to mitigate debt stress. The worst consequences involved deflation, which increased the burden of the debt on villagers.

The Republic of India, founded in 1947, adopted central planning for most of its independent history, with extensive public ownership, regulation, red tape, and trade barriers.

After the 1991 Economic crisis, the central government launched economic liberalization, allowing it to emerge as one of the world's fastest-growing large economies. Economic Liberalization in India in the 1990s and the first decade of the 21st century led to large economic changes.

Luckily for us, our agricultural backbone that accounts for almost 14% of our GDP can recover quickly and in fact, grow next year. But they must be supported by logistics and storage. The expected normal monsoon this year will help the sector maintain its momentum. Therefore, most industries can quickly become operational if they have the labour force back and the working capital to restart their business.

The Micro, Small and Medium Enterprises (MSMEs) sector, which contributes to 30% of India's GDP, is one of the key drivers of the Indian economy. The government is contemplating a Rs. 20,000 crore relief package for this sector. The other sectors that need help urgently are tourism, aviation, automobile, and real estate.

These sectors will put people back to work and build some traction in the recovery of our economy.

With warm regards

CMA Rajendra Singh Bhati
Secretary

NIRC ACTIVITIES

Seminar On interaction with MSMEs "Challenges and Opportunities in GST & IB Code-2016 on 29.2.2020

Northern India Regional Council Organised a Seminar for MSMEs "Challenges and Opportunities in GST & IB Code-2016 in Association with MSME Development Forum on 29.2.2020 at Constitutional Club. The Seminar was inaugurated by Chief Guest Shri Ram Mohan Misra, Spl. Secretary, Ministry of Micro Small & Medium Enterprises, Govt. of India. by lighting of lamp. CMA Anil Sharma Chairman NIRC of ICAI-CMA, Mr. Rajnish Goneka, Chairman of MSME Development Forum, along with CMA Harkesh Tara, Vice Chairman, CMA Rajender Singh Bhati, Secretary, CMA Shailender Paliwal, Treasurer, CMA Sandeep Goel, CMA Santosh Panth, & CMA Manish Khandpal, RCMs, NIRC of ICAI-CMA were also present on the occasion



CMA Manish Khandpal RCM, NIRC Co-ordinate the whole programme.

CMA Anil Sharma, Chairman NIRC of ICAI, Welcome to Chief Guest and also welcome to all participants and share views on GST and discussed various issues and challenges being faced by MSMEs under GST compliance.

CMA Deepika, practicing Cost Accountant and IB-professional deliberated on different provisions of IB Code-2016 and make the participants aware about.

Shri Rajnish Goenka, Chairman, MSME Development Forum also welcome to whole team of NIRC and extended special thanks to Chairman NIRC for organizing such kind of this programme.



Chief Guest Shri Ram Mohan Misra, Spl. Secretary, Ministry of Micro Small & Medium Enterprises, Govt. of India talked about government initiatives and view point and mention about role of Cost Accounting in this competitive world. He assured all possible help to accounting body from his ministry.

As many as more than seventy MSME's representatives attended the seminar and appreciated the initiative of NIRC of ICAI.

CMA Rajendra S Bahti presented formal vote of thanks.

Pre-placement Orientation Program



Northern India Regional Council of the Institute of Cost Accountants of India organised Pre-placement Programme on behalf of the Placement Directorate of the Institute.

This programme was organised for recently Final passed (in December,2019 term) students The Inauguration of program was done on 12.3.2020 at (CMA Bhawan, C-42, Sector-62 Noida, Uttar Pradesh - 201301)by CMA Harkesh Tara, Vice Chairman & CMA Santosh Pant RCM of NIRC along with CMA Pawan Dixit, Secretary of the Noida Chapter. The programme was attended by approximate 142 budding CMA. The Motive of this programme for sharing practical experience to fresh CMAs before appearing the Interview .

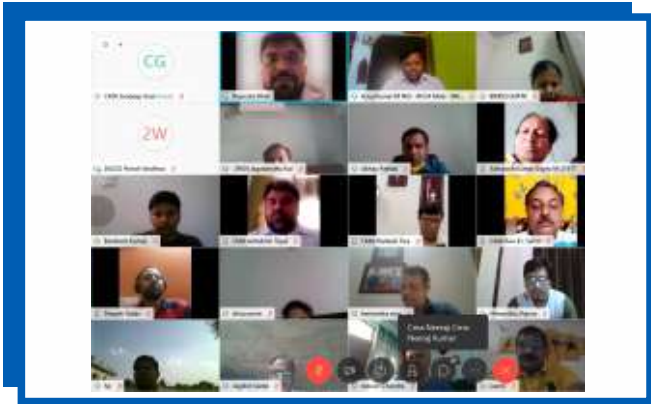
CMA Harkesh Tara & CMA Santosh Pant shared their views and experience from Industries to the newly qualified CMAs.

This Programme original schedule for 12 days but due to corona virus in country the programme was stopped in between for further orders.

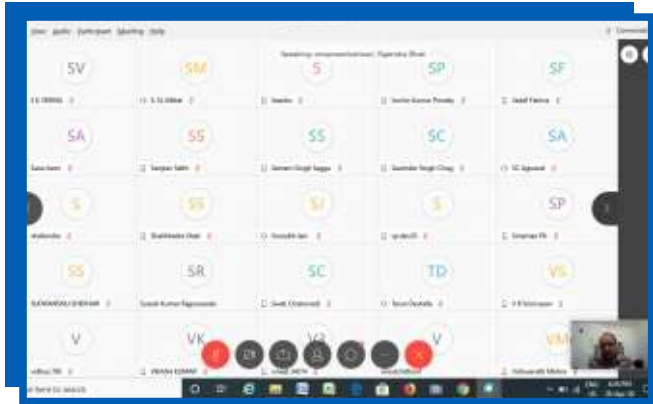
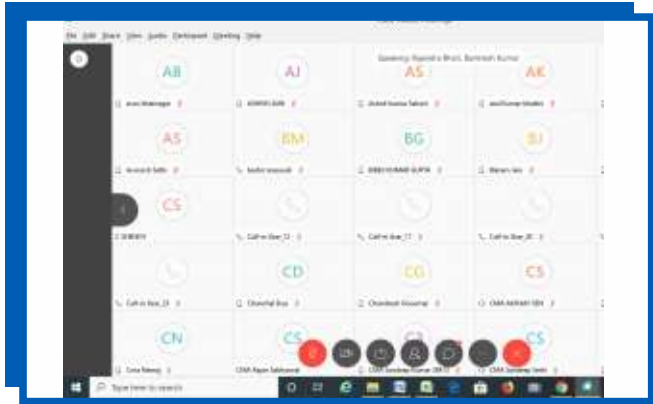
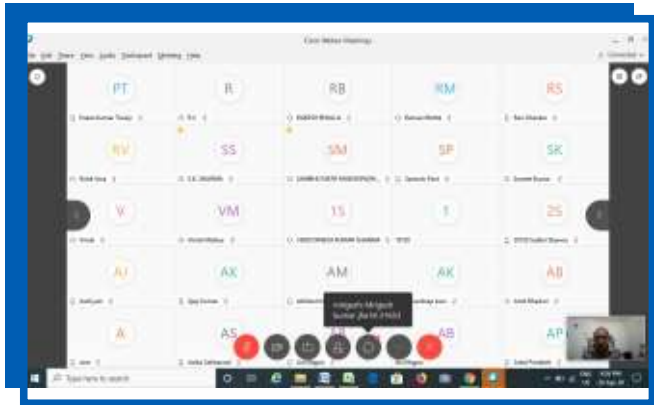
This is for your information.



Members meet to discuss key challenges & Opportunity in a current pandemic



NIRC of ICAI conducted Webinar held on 28.04.2020 from 4 pm to 6 pm under the theme - “**Members meet to discuss key challenges & Opportunity in a current pandemic**” more than 160 people participated The motive of the webinar was to address the issues faced by the students and members during the conditions prevailing world-wide and taking their valuable suggestions to come up with great solutions that could be turned into opportunities and success of cost accountants.



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Ref. No. G/128/1/4/2020

1st April, 2020

NOTIFICATION

Sub: Exemption of All Types of Training Requirements for June 2020 Examinations

Due to outbreak of Novel Corona Virus (COVID-19) and subsequent lockdown thereof, it is hereby notified for information of all concerned that all types of training requirements (Computer Training, CSS, IOTP and Practical Training) required to be completed before appearing in CMA Intermediate / Final Examinations of the Institute are hereby exempted for June, 2020 Examinations only.

**CMA Kaushik Banerjee
Secretary**

Distribution:

- 1) Secretary, T & EF and Placement Committee
- 2) All HODs in Headquarters including Delhi Office, Hyderabad Centre of Excellence
- 3) All Regional Councils of the Institute
- 4) All Chapters of the Institute
- 5) All CMA Support Centers, ROCCs and Extension Centers of the Institute
- 6) IT Dept - for uploading on the website of the Institute
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- 8) Notice Board

Copy to:

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- 4) President's Office

CHAPTER ACTIVITIES

JAIPUR CHAPTER

“Seminar on “insolvency & bankruptcy code” and “ease of doing business”

Jaipur Chapter organised Seminar on “Insolvency & Bankruptcy Code” and “Ease of Doing Business” at Chapter premises. This Seminar was organised in association with Insolvency and Bankruptcy Board of India (IBBI) & Insolvency Professional Agency of the Institute of Cost Accountants of India (IPA ICAI). The Seminar was inaugurated by Dr. B.L. Gupta, Retd. Professor, University of Rajasthan. In the beginning of the Seminar Chairman of Jaipur Chapter CMA S.L. Swami welcomed Key Speakers and all the participants.



In first technical session Key Speaker was Advocate Satyendra Khorania. He explained in detail about various amendments in the Insolvency & Bankruptcy Code during the year 2019.

In the second technical session Key Speaker was CMA Vishnu Upadhyay who explained in detail on the topic “Ease of Doing Business” Both the sessions were very interactive.

Program was conducted by Vice-Chairman of Jaipur Chapter CMA Sudarshan Nahar.

At the end of the program, Secretary of Jaipur Chapter CMA Swapnil Bhandari thanked Key Speakers and all the participants.



In order to train the Accounts & Finance Professionals, Jaipur Chapter started the 100 Hours SAP-FICO Course at Chapter premises in which 36 candidates have been registered. This was inaugurated by Vice-Chairman of Jaipur Chapter CMA Sudarshan Nahar. In his inaugural address CMA Sudarshan Nahar welcomed all the participants & explained usefulness of the course. On this occasion Treasurer of the Chapter CMA Rakesh Kumar Sharma also explained practical aspects of this course.



The classes for this course are being held every Saturday and Sunday in the Chapter premises under the guidance of expert Faculties.



Pre-Placement Training program

Jaipur Chapter organised 12 Days Pre-placement training programs for recently qualified Final students in order to train them for ensuing Campus Placement. The program was inaugurated on 12th March 2020 by CMA A.K. Shah, Managing Director, Fingrowth Co-operative Bank Ltd. At the beginning of the program, Chairman of the Chapter CMA S.L. Swami welcomed the Chief Guest and the participating budding CMAs. He also motivated them to take full advantage of the opportunity provided to them.



In his inaugural address CMA A.K. Shah told from his long experience that sincerity, discipline, hard work and dedication is the Key to success in life. He also shared his practical experiences in life and motivated the students.

Immediately after inaugural session, CMA Suresh Agrawal, former General Manager (Commercial & Legal), National Bearings Ltd. Shared his experiences and gave important tips for success in interviews.



At the end of the program, Vice-Chairman of the Chapter CMA Sudarshan Nahar thanked the Chief Guest and other speakers and all the participants.

Distribution of ration/food packets to needy people

Our Country is fighting against COVID-19 pandemic and under the Lockdown situation, some segments of Society including daily wage earners are facing much hardship. As social responsibility, Jaipur Chapter has decided to contribute in reducing hardship of such segments of the society through distribution of Ration/Food packets. For this purpose, Management Committee of Jaipur Chapter has decided to contribute certain amount.



Some of respected Members of the Chapter have also declared voluntarily to contribute for the noble cause. Accordingly Ration/Food Packets are being distributed daily from 1st April onwards. In this activity CMA Rakesh Yadav, Past Chairman and some other Members are taking keen interest.



ARTICLE



PERSONAL INCOME TAX (OLD REGIME VS NEW REGIME)

CMA JEEVAN KUMAR (M.Com, ACMA)
9897685997

Brief about new Personal Income Tax Regime & Key Highlights

New section 115BAC is inserted in Income Tax Act by the Finance Act 2020 and it is applicable w.e.f 1st April 2020 and will be applicable on Individuals and HUFs for assessment year 2021-22 and subsequent assessment years

Under this section taxpayers i.e Individuals and HUFs has an option to pay the tax on the basis of concessional slab rates subject to some conditions.

The new income tax slab rates as per section 115BAC are as follows:

Total Income	New RegimeTax Rate (%)
Up to Rs. 2,50,000	Nil
From Rs. 2,50,001 to Rs. 5,00,000	5
From Rs. 5,00,001 to Rs. 7,50,000	10
From Rs. 7,50,001 to Rs. 10,00,000	15
From Rs. 10,00,001 to Rs. 12,50,000	20
From Rs. 12,00,001 to Rs. 15,00,000	25
Above Rs. 15,00,000	30

Surcharge and cess shall be continued to be levied at the existing rates.

Contents

1. Brief about new Personal Income Tax Regime & Key Highlights
2. Comparatives analysis of Old Vs New Tax Regime
3. How to deal with new Tax Regime as DDO i.e TDS deductor
4. Reference to this article

Conditions to opt new tax scheme

In order to avail the benefit of section 115BAC, an individual/HUF assessee has to forgo the 'specified Exemptions and Deductions' under various chapters and sections of the Income Tax Act which are as follows:

- ✓ Leave travel concession as contained in clause (5) of section 10;
- ✓ House rent allowance as contained in clause (13A) of section 10;
- ✓ Some of the allowance as contained in clause (14) of section 10;
- ✓ Allowances to MPs/MLAs as contained in clause (17) of section 10;
- ✓ Allowance for income of minor as contained in clause (32) of section 10;
- ✓ Exemption for SEZ unit contained in section 10AA;
- ✓ Standard deduction, deduction for entertainment allowance and employment/professional tax as contained in section 16;
- ✓ Interest under section 24 in respect of self-occupied or vacant property referred to in sub-section (2) of section 23. (Loss under the head income from house property for rented house shall not be allowed to be set off under any other head and would be allowed to be carried forward as per extant law);
- ✓ Additional depreciation under clause (iia) of sub-section (1) of section 32;
- ✓ Deductions under section 32AD, 33AB, 33ABA;
- ✓ Various deduction for donation for or expenditure on scientific research contained in sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) of section 35;
- ✓ Deduction under section 35AD or section 35CCC;
- ✓ Deduction from family pension under clause (iia) of section 57;
- ✓ Any deduction under chapter VIA (like section 80C, 80CCC, 80CCD, 80D, 80DD, 80DDB, 80E, 80EE, 80EEA, 80EEB, 80G, 80GG, 80GGA, 80GGC, 80IA, 80-IAB, 80-IAC, 80-IB, 80-IBA, etc).

However, deduction under sub-section (2) of section 80CCD (employer contribution on account of employee in notified pension scheme) and section 80JJAA (for new employment) can be claimed.

Comparative analysis of Old Vs New Tax regime:

We have an example of Mr. A with his Taxable Income with two different scenarios under new and old Tax Regime:

Scenario 1

Taxable Income of Mr. A (Scenario 1)			Taxable Income as per old tax regime	Taxable Income as per new tax regime
Particulars	Amount in (INR)	Amount in (INR)	Amount in (INR)	Amount in (INR)
Salary (Including all allowances)(A)		1525000	INR 9,87,600/ (Considering All the Exemptions & deductions)	INR 14,75,000/ (Without considering all exemptions and deduction except 80CCD (2))
Less Exemptions:				
(i) House Rent Allowance	85000			
(ii) Children education Allowance	2400			
Total Exemptions (B)		87400		
Taxable Salary (A)-(B) = (C)		1437600		
Less: Deductions				
(i) Standard Deduction	50000			
(ii) Deduction i.r.o Housing loan Interest U/S 24(b)	200000			
(iii) Deduction U/S 80 (C)	150000			
(iv) Deduction U/S 80 CCD (2)	50000			
Total Deductions (D)		450000		
Net Taxable Income		987600		

Tax calculation of Mr. A (Scenario1)						
As per old tax regime					As per new tax regime	
Income range From	Income range To	Tax Rate	Tax Amount		Tax rate	Amount
250000		Nil	0		Nil	
250001	500000	5%	12500		5%	12500
500001	750000	20%	50000		10%	25000
750001	1000000	20%	47520		15%	37500
1000001	1250000	30%	0		20%	50000
1250001	1500000	30%	0		25%	56250
Above 1500000		30%			30%	
Total Tax			110020			181250
Add: Education Cess @4%			4401			7250
Total Tax Liability			114421			188500

As per scenario-1 Mr. A Should Opt his taxation as per Old tax Regime.


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ax Calculator for Resident Individuals FY 2020-21

Age	<input type="text" value="Below 60 years (Normal Citizen)"/>
Estimated Annual Income #	<input type="text" value="1475000"/>
Less: Exemptions / Deductions*	<input type="text" value="487400"/>
Compare Tax under Existing & New Regime	
Tax Payable as per Old Regime	<input type="text" value="114421"/>
Tax Payable as per New Regime	<input type="text" value="188502"/>
Tax Benefit as per Old Regime is	Rs.74079

Scenario 2

Taxable Income of Mr. A (Scenario -2)			Taxable Income as per old tax regime	Taxable Income as per new tax regime
Particulars	Amount in (INR)	Amount in (INR)	Amount in (INR)	Amount in (INR)
Salary (Including all allowances) (A)		1525000	INR 13,22,600/- (Considering All the Exemptions & deductions)	INR 15,25,000/- (Without considering all exemptions and deductions)
Less Exemptions:				
(i) House Rent Allowance				
(ii) Children education Allowance	2400			
Total Exemptions (B)		2400		
Taxable Salary (A) -(B) = (C)		1522600		
Less: Deductions				
(i) Standard Deduction	50000			
(ii) Deduction i.r.o Housing loan Interest U/S 24(b)				
(iii) Deduction U/S 80 (C)	150000			
(iv) Deduction U/S 80 CCD (2)				
Total Deductions (D)		200000		
Net Taxable Income		1322600		

Tax calculation of Mr. A						
As per old tax regime					As per new tax regime	
Income range From	Income range To	Tax Rate	Tax Amount		Tax rate	Amount
250000		Nil	0		Nil	
250001	500000	5%	12500		5%	12500
500001	750000	20%	50000		10%	25000
750001	1000000	20%	50000		15%	37500
1000001	1250000	30%	75000		20%	50000
1250001	1500000	30%	21780		25%	62500
Above 1500000		30%			30%	7500
Total Tax			209280			195000
Add: Education Cess @4%			8371			7800
Total Tax Liability			217651			202800

As per scenario-2 Mr. A Should Opt his taxation as per New tax Regime.

[taxandiefiling.gov.in/tax_Calculator/index.html?lang=eng](#)
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Tax Calculator for Resident Individuals FY 2020-21

Age	Below 60 years (Normal Citizen)
Estimated Annual Income #	1525000
Less: Exemptions / Deductions*	202400
<input type="button" value="Compare Tax under Existing & New Regime"/>	
Tax Payable as per Old Regime	217651
Tax Payable as per New Regime	202800
Tax Benefit as per New Regime is <u>Rs.14851</u>	

Selection of New or Old Tax Regime depends upon some factors which are explained as follows:

- **Nature of Income :-** Whether assessee's of Income is only from the "Salary" or it will include income from other heads later in the current financial year i.e between 01.04.2020 to 31.03.2021. If assessee is expecting his income from other heads for which amount can't be determined in the beginning of financial year or any time before the end of relevant financial year then assessee should not make hurry to opting the tax regime old or new.

For example generally a salaried employee receive some incomes from his employer in the mid or by the end of financial year like Bonus, Performance related pay etc. for which employee don't know the exact amount which is expected to be received in the mid or by the end of relevant financial year.

So income is a variable factor while opting old or new Tax Regime and must be considered & properly analyzed by the assessee.

- **Exemptions/Deductions to be availed:-** Before opting the old or new Tax Regime assessee must review all the exemptions/deductions which are to be availed by him like number of exemptions/deductions, quantum/amount of exemptions/deductions and their impact on taxable income i.e whether is there any change in slab of his income such due to exemptions/deductions.

For example sometimes assessee has less number of exemptions/deductions with very low impact on taxable income like an assessee may or may not have interest on housing loan which is available for deduction U/S 24(b) of Income Tax Act 1961 or if assessee has the same but amount is not as much as it will change the slab of Income after considering the same.

Hence it is personal advice of author of this article to all the taxpayers covers u/s 115BAC that make proper analysis of your Tax liability before opting old or new Tax Regime, even this section also provided that assessee can opt old or new Tax Regime before filing his return of income.

So it is advised to all taxpayers that they should opt the old or new Tax Regime only while file your income tax return.

Note:

- To calculate/access your tax liability under both old and new Tax Regime you may refer income tax calculator FY 2020-21 which is available at **www.incometaxindiaefiling.gov.in**
- If you want MS Excel based utility/Income tax Calculator for FY 2020-21 under both old and new Tax Regime you can mail at **cmajeewan2014@gmail.com** or **WhatsaApp on 9897685997** I will share the same.

How to deal with New Tax Regime as DDO i.e TDS Deductor

CBDT has issued a circular C1 of 2020 dated 13th April on clarification of TDS under section 115BAC .
Main points which are clarified by CBDT through this circular are as follows:

- If an employee having Income from other than Income under the head " Profits & Gains of Business or Profession" and willing to opt new Tax Regime U/S 115BAC may intimate the duductor being his employer of such intention on each financial year and upon such intimation the deductor shall compute his total income and deduct TDS accordingly.
If such intimation is not made by employee the employer shall make TDS without considering the provisions of section 115BAC.
- It is also clarified that if intimation made by employee to opt new Tax Regime U/S 115 BAC and willing to deduct TDS accordingly during the financial year **in such case the employee can't modify his option during financial year to opt old Tax Regime.**

However at the time of filing of return of income the option could be different from the intimation that made by such employee to the employer for that financial year.

Thank You

- *References to this article:*
- *Finance Act 2020, Income Tax Act 1961*
- *CBDT Circular C1 of 2020 dated 13th April 2020*
- *Different websites like Taxmann.com, Taxguru.in and incometaxindiaefiling.gov.in*



PROFESSIONAL WAY OF WORKING AMID COVID-19

CMA Harkesh Tara
Vice Chairman (NIRC)

The Novel Coronavirus (Covid-19) is a new strain, identified by world in the month of December 2019, in Wuhan City, China. It is most likely a mutation of virus that circulated through animals to humans. It is widely accepted that Covid-19, a respiratory virus, is transmitted through droplets created through coughs or sneezes or through surfaces that have been contaminated with the virus.

As a CMA Professional, our job is & will remain our primary source of income for the most part of our life. Covid-19 has appear to be a major threat in the short or medium term of life. The National shutdown may lead to frustration and anxiety among professionals. On positive note, this frustration may help you realise that you seek work not just for money, it fulfils an inner desire to contribute and make a difference.

Being working CMA Professional, it is the responsibility of everyone of us to take actions towards the prevention & containment strategies in the workplace. The precautions may include :

- Work from home, as far as possible
- Split the working staff, by calling them on alternate days in the office.
- Paying attention to health of staff by regular monitoring. Also providing them with more hand sanitizers and educating them on preventive and remedial measures.
- Reminding team members to keep their laptops, mobiles, and other equipments sanitized and secured.
- Unless & until a face to face meeting is critical, team members can discuss the matters through video conferencing.
- Extending the deadlines, wherever possible, to reduce work pressure. Seniors should support the junior team members.

Therefore an Employer who cares about employee's welfare will be always viewed as an employer that has its act together.



REGULATORY MEASURE OF INDIA TO ALLAY THE IMPACT OF COVID-19

CMA Kalyani Karna

Corona virus pandemic had led to international lockdown, scaling back of operations and catastrophic loss to the Indian economy. The COVID-19 epidemic has caused adverse impacts on the financial conditions of businesses. The loss to economy due to novel virus Corona is global as well as total in nature. It will have wide ranging impact on different sectors of Indian economy. The Union Finance & Corporate Affairs Minister Smt. Niramla Sitharaman 26

March 2020 announced Rs 1.70 Lakh Crore relief package under Pradhan Mantri Garib Kalyan Yojana for the poor to help them fight the battle against Corona Virus. The service sector will be most impacted due to lockdown as consumption of non-essentials will be a major hit. The treasury report of HDFC Bank has said that the 21-day country-wide lockdown will shave off 74 per cent of the real GDP (Gross Domestic Product) or Rs 10 lakh crore in the first half of 2020. The clouds of loss will be gathered thick on Indian agriculture. The prices of raw-materials and food stuffs are expected to rise. Government of India has decided that wages would be increased by Rs 20 with effect from 1 April, 2020 under PM Garib Kalyan Yojana, MNREGA. The increase in wage will provide an additional benefit of Rs. 2,000 annually to a worker. Approximately 13.62 crore families will be benefitted under this program. Manufacturing sector will face the challenge of shortage in labour supply due to unwillingness of labours to move to urban areas. The nationwide lockdown will cause severe crunch in labour, resulting supply-chain disruptions. It will lead to increase in labour cost and price of product might tend to rise.

Relaxation in direct tax and indirect tax regime will help the small and medium size enterprises to scale up their businesses. RBI and the government have taken slew of measures helping businesses to tide over the crisis following covid-19 Lockdown.

Direct tax relief measures for covid-19:

	Extended due date after COVID-19
Filing of belated and revised returns for FY 2018-19	30 June 2020
Linking of Aadhaar-PAN	30 June 2020
Extension of due date for Vivad se Vishwas (Direct Tax Amnesty Scheme) without 10% additional amount	30 June 2020
Extension of due dates for making investments under Chapter VI-A-B under Income Tax Act, 1961	30 June 2020
Extension of due dates for making investments with respect to capital gains under section 54 to 54GB of Income Tax Act, 1961	30 June 2020
Extension of due date for commencement of operation of SEZ units claiming deduction under Section 10AA of Income Tax Act, 1961	30 June 2020
Extension of due date for commencement of operation of SEZ units claiming deduction under Section 10AA of Income Tax Act, 1961	30 June 2020
Extension for submission of form 15G and 15H to deductors for FY 2019-20	9% per annum from 12%/18% per annum (late fee, penalty, prosecution waived off in relation to delay period)

Indirect tax relief measures for covid-19:

Extended due date for filing form GSTR-3B and interest waive off for filing Form GSTR-3B from the period of February 2020 to April 2020:

Interest levied on delayed payment of tax under section 50(1) of CGST Act and late fee for delayed filing of GSTR-3B under section 47 of CGST Act has been waived off under the relief measures. Extended due dates for filing GSTR-3B and interest can be seen as follows:

Aggregate turnover in preceding FY	Rate of interest	Tax periods covered	Extended due date to file Form GSTR -3B
Less than INR 1.5 Crore	Nil	February 2020	30 June 2020
		March 2020	03 July 2020
		April 2020	06 July 2020
INR 1.5 crore to 5 Crore	Nil	February 2020 to March 2020	29 June 2020
		April 2020	30 June 2020
More than INR 5 crore	Nil for first 15 days from the due date and 9% p.a. thereafter	February 2020 to April 2020	24 June 2020

Late fee on delayed filing of GSTR-3B has been waived off in all cases irrespective of aggregate turnover from the period of February 2020 to April 2020.

Extension of due date for filing GSTR-3B for the month of May 2020:

Turnover in preceding FY	States having principal place of business	Due date
Up to INR 5 crore	Madhya Pradesh, Chhattisgarh, Gujarat, Maharashtra, Karnataka, Goa, Kerela, Tamil Nadu, Telangana, Andhra Pradesh, Union territory of Daman and Diu, and Dadar and Nagar Haveli, Puducherry, Andaman and Nicobar Islands or LakshawEEP.	12 July 2020

	Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Union territories of Jammu and Kashmir, Ladakh, Chandigarh, Delhi.	14 July 2020
More than INR 5 crore	All States	27 June 2020

Late fee waive off for filing Form GSTR-1 for period March 2020 to May 2020:

Late fee for delayed filing of GSTR-1 for the month March 2020 to May 2020 and for the quarter January to March 2020 levied under Section 47 of CGST Act has been waived off if the said form is filed till June 30, 2020.

Cumulative applicability of Rule 36(4) of CGST Rules:

Input tax credit with respect to the invoices or debit notes not uploaded by supplier in Form GSTR-1 is restricted to 10% of matched credit under rule 36(4) of CGST Rules. This restriction shall not apply to ITC availed in Form GSTR-3B for the months February to August 2020. This condition shall apply cumulatively for the said period and Form GSTR-3B for September 2020 shall be furnished with cumulative adjustment of ITC for February to August 2020 in accordance with the condition under Rule 36 (4).

Relaxation for composition Scheme holders:

The due date for filing Form GST CMP-08 for the quarter January 2020 to March 2020 has been extended till 7 July 2020. The due date for filing Form GSTR-4 for FY 2019-20 has been extended till 15 July 2020. A person opting to pay tax under composition scheme is required to file Form GST CMP-02 prior to the commencement of financial year for which the option is exercised under Rule 3(3) of CGST Rule. The said form for the FY2020-21 can be filed up to 30 June 2020. The due date for filing ITC-03 for the said person has been extended up to 31 July 2020.

Extension of time limit for completion or compliance:

The time limit for completion or compliance of any action under the GST law by any authority or person falling between 20 March 2020 and 29 June 2020 has been extended up to 30 June 2020. It includes the purposes of completion of any proceeding or passing of any order or issuance of notice, intimation, notification, sanction, approval, filing of appeal, reply, furnishing of report, documents, return, statements and any other records. The extension is not applicable for compliance for Section 12 to 15, section 25, 27, 10(3), 31, 37, 47, 50, 69, 90, 122, 129, and 39 except subsections 3, 4, 5 of section 39.

Extension for validity of E-way bill:

The validity of E-way bill expiring during the period of 20 March 2020 to 15 April 2020 will be extended till 30 April 2020.

Extension of due date for payment under Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019:

The amount of tax finalised under SVLDRS are required to be paid within 30 days from the issue of Form SVLDRS-3. The last date of payment under SVLDRS has been extended till 30 June 2020 without any interest payment.

REGULATORY MEASURES BY RESERVE BANK OF INDIA:

Reserve Bank of India stepped with several measures to arrest the economic meltdown. It will help to keep the smooth functioning of financial systems. The measures can help to enhance liquidity, improve credit supply and can help small businesses and farmers. RBI has taken certain measures to mitigate the daunting challenges posed by the economy. The regulatory package announced by RBI to address the financial stress due to COVID-19 can be summarised as follows:

Increase in moratorium period: The lending institutions were permitted to grant a moratorium of three months on payment of all term loan instalments falling due between March 1, 2020 and May 31, 2020 ('moratorium period'). Interest on CC and OD shall continue to accrue and deferred by 3 months. It can be recovered after May 31, 2020.

Increase in WMA: RBI has increased the WMA (ways and means advances to avail short term funds) limit of states by 60 per cent over and above the level as on March 31, 2020 to provide greater comfort to the states.

Decline in Repo rate: The RBI lowered the reverse repo rate by 25 basis points to 3.75 per cent. It will help to discourage banks from keeping their surplus funds with it and to lend it. The policy repo rate remains unchanged at 4.40 per cent, and the marginal standing facility rate and the Bank Rate remain unchanged at 4.65 per cent.

Fund under TLTRO: The RBI introduced an additional Rs 50,000 crore under its targeted long-term repo operations (TLTRO). It announced to open refinancing window of Rs 50,000-crore for the National Housing Bank (NHB), National Bank for Agricultural and Rural Development (NABARD), and Small Industries Development Board of India (SIDBI). This will comprise 25,000 crore to NABARD for refinancing regional rural banks (RRBs), cooperative banks and micro finance institutions (MFIs); 15,000 crore to SIDBI for on-lending/refinancing; and 10,000 crore to NHB for supporting housing finance companies (HFCs).

As announced on March 27, the RBI undertook three auctions of targeted long term repo operations (TLTRO), injecting cumulatively 75,041 crore to ease liquidity constraints in the banking system and de-stress financial markets. Another TLTRO auction of 25,000 crore will be conducted today (April 17). RBI decided to conduct targeted long-term repo operations (TLTRO 2.0) for an aggregate amount of 50,000 crore, to begin with, in tranches of appropriate sizes. The funds availed by banks under TLTRO 2.0 should be invested in investment grade bonds, commercial paper, and non-convertible debentures of NBFCs, with at least 50 per cent of the total amount availed going to small and mid-sized NBFCs and MFIs. Banks should not pay dividend till at least September 2020. RBI also allowed one year extension of NBFC loans to commercial real estate. The corona pandemic will affect the volume, value, composition and direction of India's foreign trade. The unemployment will spike after lockdown. Various countries are in a recession, and eventually, the whole world will surge into a deep recession. The plunge from prosperity to peril will be as a swift due to worldwide lockdown protocols.

References: Reserve Bank of India press releases
Notifications of CBDT and CBIC
Economic Times



PREVENTION IS BETTER THAN CURE #STAY AT HOME

CMA Aseem Jain

Prevention is better than cure – The significance of this everlasting quote cannot be questioned. Especially, at a time when the whole world is fighting against the deadly corona virus.

Nowadays, the message is very clear: **#STAYHOME!** Many countries are in Coronavirus Lockdown and we must stay home, as that is the only "vaccine" we have for now.

It is an unprecedented experience for all Indians during this lockdown period. Almost everyone is going through a rough phase and finding it challenging to deal with the abrupt change in lifestyle. If you are finding this lockdown not comfortable, then you need to engage in something to make this time more productive rather than boring or frustrating.

There are many things You can do to utilize your time. at this time one should be very conscious about his health. It is probably the best time you can indulge in exercising and ensuring that you remain healthy and fit. in daily routine you find it difficult to spend quality time with your family. But now you have opportunity to stay at home 24/7, you can make it enjoyable with your family. You can involve in family discussions, try to involve in cooking. its a great way to get entertained by playing various indoor games with your family.

This is good time to learn the program to grow your skills and implement them in your work.

Reading books is a habit of the highest standard. It expands your intellectual ability and multiplies your wisdom. The more you read, the more your perception gets clearer, and the more you gain knowledge. You can select storytelling books, novels, science-fictional novels, or any other genres of your choice. Reading books for some hour every day is an ideal mental exercise.

It may be a testing time for you, both personally and professionally. But, think from a positive point of view and write a letter to your future self. Years from now when you will read the letter, you will feel happy that you survived a tough time without giving up.

Stay @ Home. Stay Safe.



CMA Aseem Jain

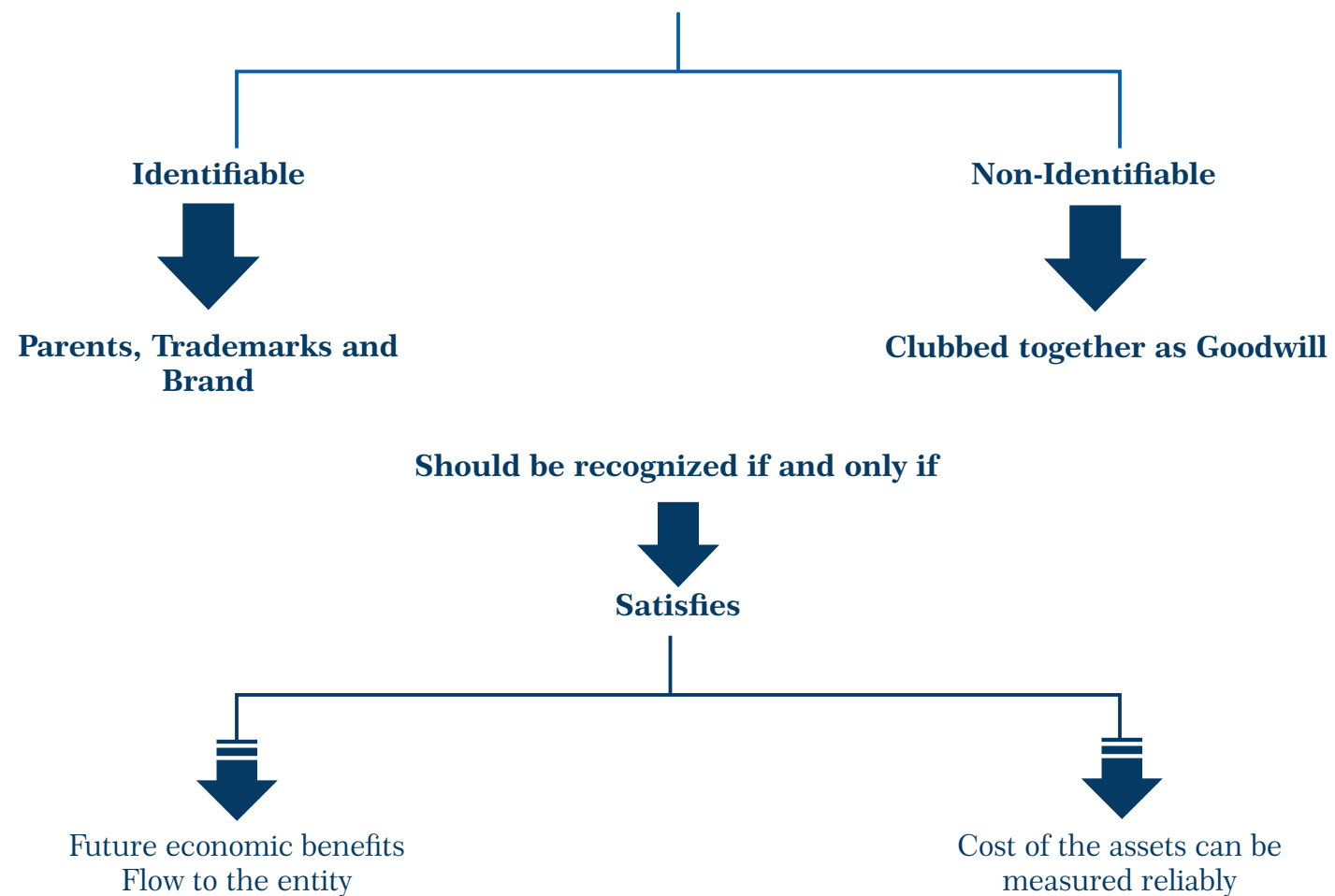


CMA Abhishek Gupta

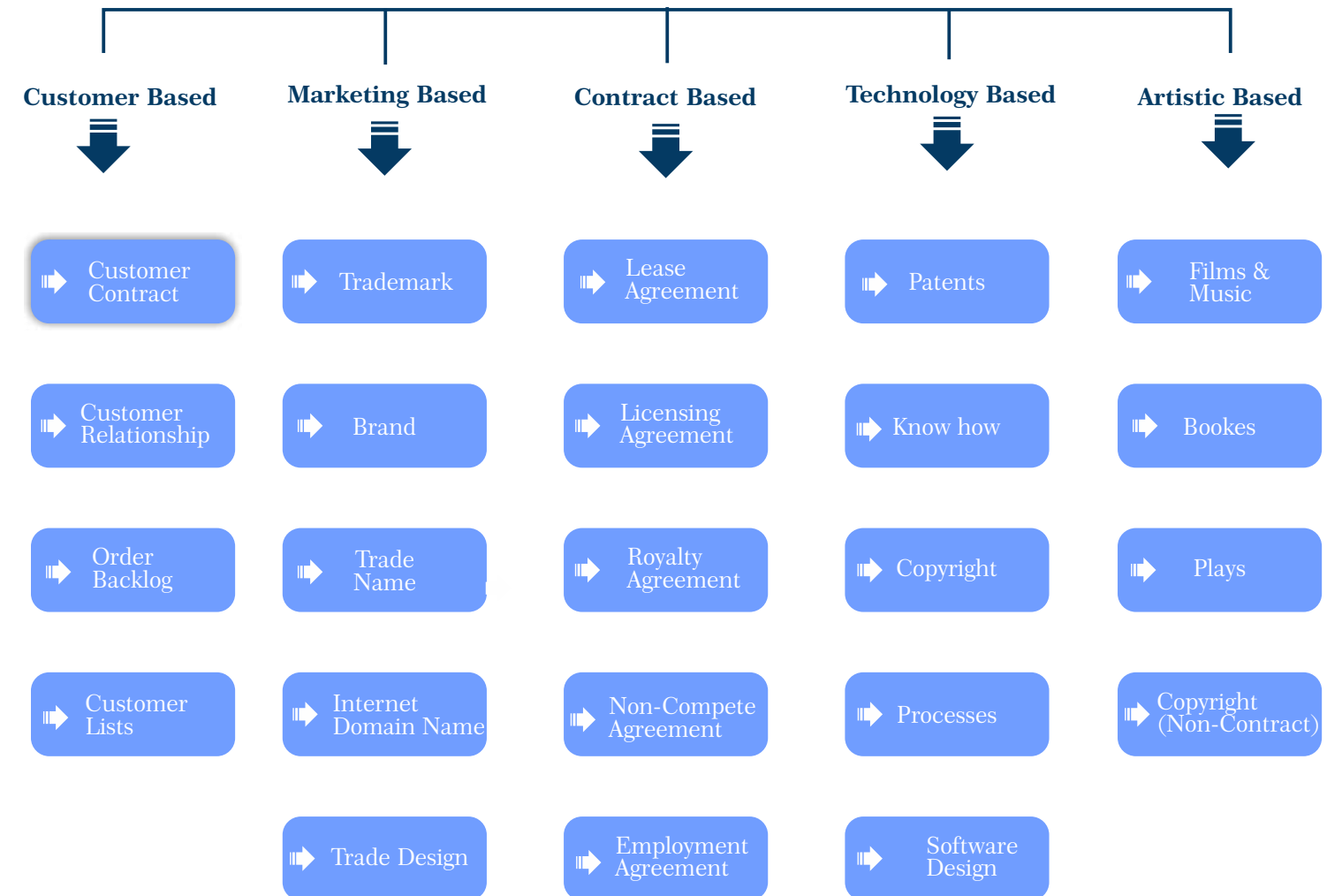
VALUATION OF INTANGIBLES

While we are doing business valuation having one important Group Assets, Which need special understanding of each Asset, technology and methodology for valuation. Let under stand

Intangible Assets is an identifiable Non-Monetary Assets, without physical substance, held for use in the production of goods and services, for rental to others for administrative purposes.



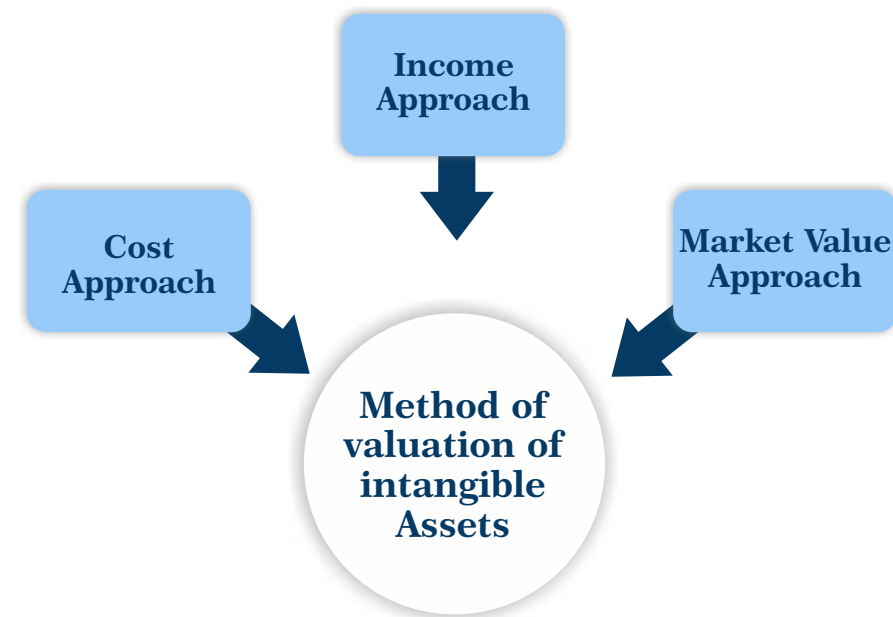
We can Categories the Intangible Assets on the basis of their nature and uses Like



May have following purpose of valuation of Intangible Assets

Financial Reporting Purpose	Tax Reporting Purpose	Litigation Purpose	Statutory or Legal Events	General Consulting
<ul style="list-style-type: none">Accounting for business combinationAssets acquisition & salesImpairment Analysis	<ul style="list-style-type: none">Transfer Pricing AnalysisEstate & Gift tax PlanningAd valorem taxation Analysis	<ul style="list-style-type: none">Shareholder DisputesDamage CalculationsMarital Dissolutions	<ul style="list-style-type: none">Directions of AuthoritiesBankruptcyIntellectual Property DisputesDivorce CasesContractual Disputes	<ul style="list-style-type: none">Estate PlanningM&AStrategic ConsultPersonal Finance Planning

Having three approach for valuation of Intangible Assets



A- Cost approach

The objective of this method is to study and assess values to the company's assets and liabilities to generate the value of business and in this approach (Assets – Liabilities) must be positive. We can say`s

- Assets Based Approach
- Asset Accumulation Approach
- Net Asset Value Approach
- Adjusted Book Value Method
- Asset Build up Method

Replacement Cost Method

This method also known as “**Depreciated Replacement Cost Method**” involves valuing an asset based on the cost that the market participant shall have to incur to recreate an asset with same utility as that of asset to be valued, adjusted for obsolescence. (Cost to obtain by purchasing a substitute asset)

Reproduction Cost Method

This method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the assets to be valued, adjusted for obsolescence. (Cost required for making a similar asset can be computed)

Summation Method

This also referred as Underlying Asset Method, which is used for Investment Companies.

B-Market Based Approach

This approach determines enterprise value by comparing one or more aspects of the subject enterprise to the similar aspects of other entities which have established market value.

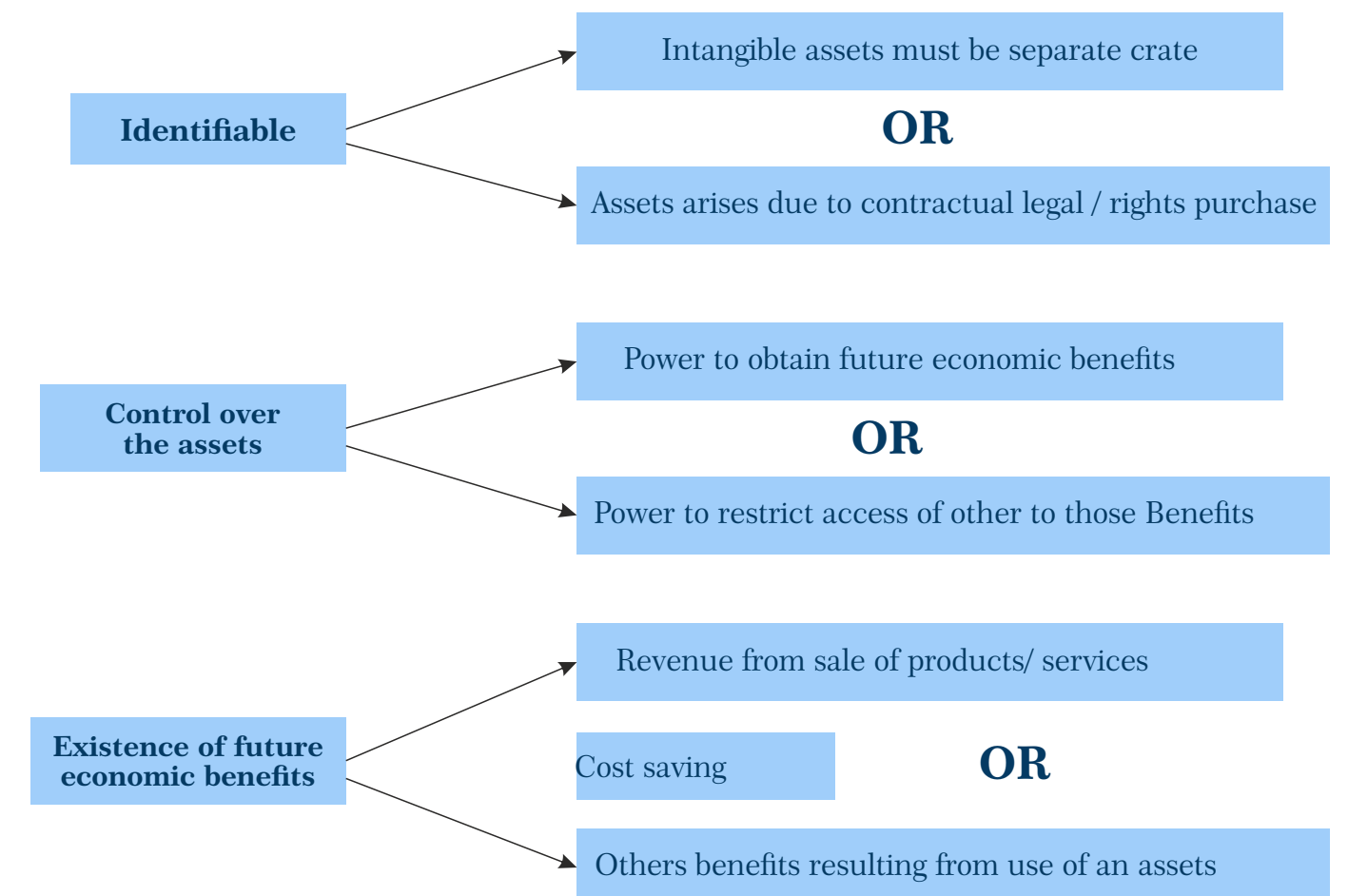
- Comparable Companies Multiple Method (CCM)
- Comparable Transactions Multiple Method (CTM)
- Guideline Publicly Traded Comparable Method

C-Income Approach/Economic Value Approach

This approach is based on cash flows or earnings attributable to those assets and capitalization thereof at an appropriate discount rate.

- Relief from Royalty Method (RFR)
- Multi Period Excess Earning Method (MEEM)
- With and Without Method (WWM) / Profit Premium Method
- Green Field Method
- Distribution Method

Having one dedicated Ind AS for Valuation of Intangible Assets **Ind AS-38** Conditions to be satisfied by an item to be called Intangible Assets

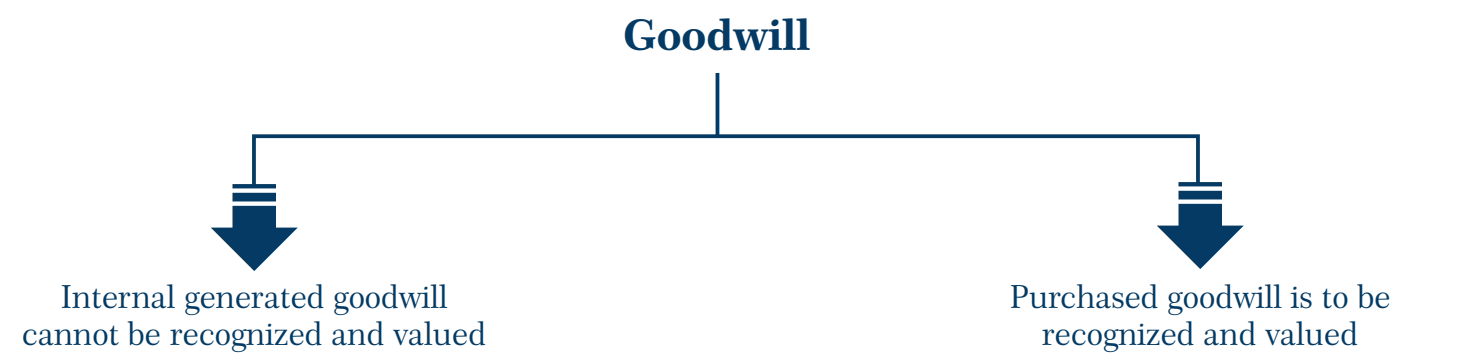


Examples of expenditure that are not a part of Intangible Assets

- Costs of introducing a new product or service (including cost of advertising and promotional activities)
- Costs of conducting business in a new location or with a new class of customer (including cost of staff training)
- Administration and other general overhead costs.

For Valuation of Goodwill need to deals in different way

Goodwill is an asset representing future economic benefits arising from other assets acquired in a business combination are not individually identified and separately recognised.

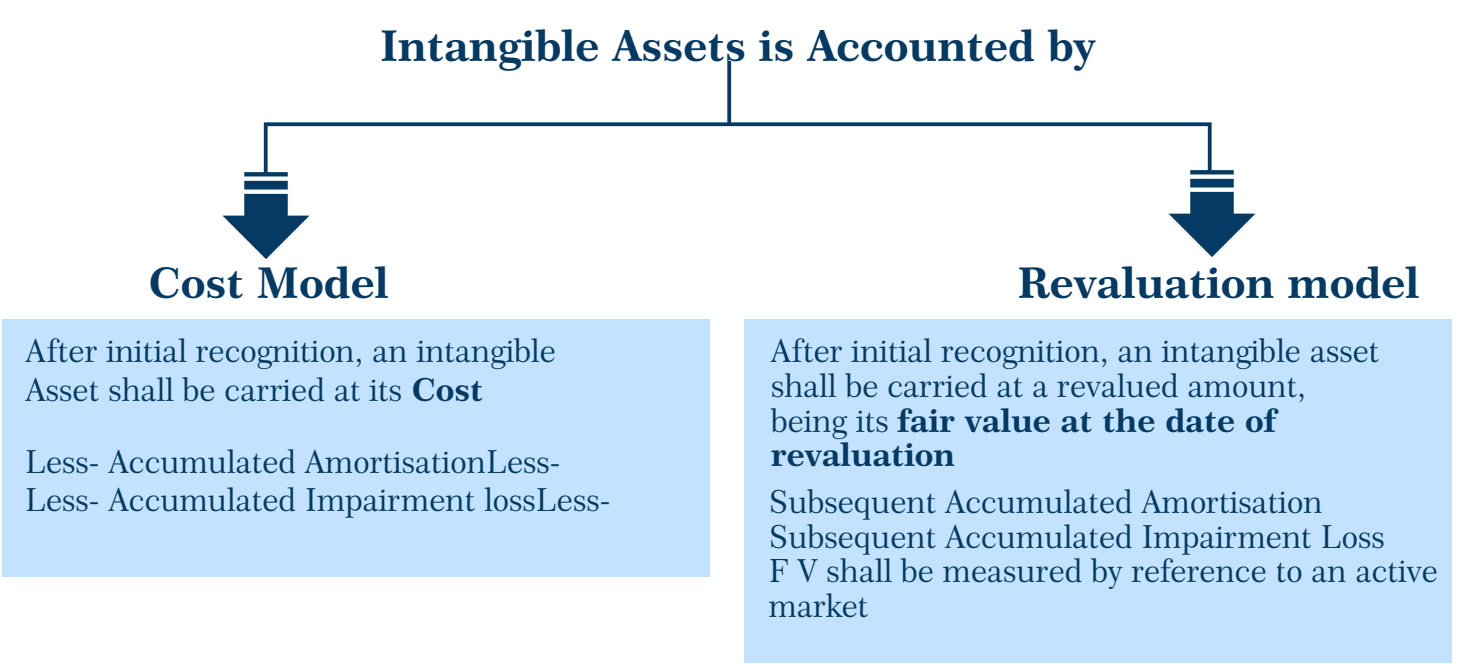


Having some guidelines for subsequent valuation of Intangible Assets

Subsequent expenditure on an intangible asset after its purchase or its completion should be recognized as an expense when it is incurred unless

- a) It is probable that expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance.
- b) Expenditure can be measured and attributed to the asset reliably.

If conditions are met, subsequent expenditure should be added to the cost of Intangible Asset.



Useful life of Intangible Assets

An entity shall assess whether the useful life of an intangible asset is finite or indefinite.
Intangible assets with finite useful lives – Amortisation Method The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortisation shall be begin when the asset is available for use.
Intangible assets with indefinite useful lives – Impairment Method this shall not be amortised.

An entity is required to test an intangible asset with an indefinite useful life for impairment of comparing. Whenever there is an indication that intangible asset may be impaired.

Impairment Loss = Carrying Amount - Recoverable Amount

Value in use

OR

Net Selling Price

Retirements and Disposals of Intangible Assets

An intangible assets should be derecognized (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use.

An Intangible Asset (Gain or Losses arising from difference between net disposal proceeds and carrying amount of the asset and should be recognised as Income or Expense in the statement of Profit and Loss.



COVID 19-THE EVOLVING DYNAMICS

CMA Santosh Pant
Regional Council Member

The corona virus outbreak is proving to be the biggest challenge that this generation has seen, affecting hundreds and thousands of people. Not only Europe and US, Russia and Turkey are also witnessing a recent acceleration. India too has experienced a significant increase in the number of cases since the beginning of April but on the other side it has evolved its response strategy, including extending the nationwide lockdown and urgently building capacity in its health systems.

It is also having a growing impact on the global economy where almost 150 countries have reported cases but the burden is asymmetrically distributed. Though it is difficult to estimate the burden in monetary or non-monetary terms, yet a deep global monetary recession is expected this year and the outlook is unusually uncertain. As discussed in the IMF's April 2020 World Economic Outlook, global output is likely to shrink by 3.0 percent in 2020. With the fallout expected to be concentrated in the second quarter and a gradual recovery expected thereafter, growth in 2021 would be significantly stronger.

Conditions have tightened in key markets amidst the deteriorating outlook and reduced risk appetite, with the vast degree of uncertainty prompting significant volatility. Many equity markets around the world experienced their fastest price drop in history. Corporate bond spreads have increased markedly owing to heightened credit risk, especially for borrowers with lower creditworthiness. Financial markets have showed some fragile stabilization recently in US on policy support and signs of disease transmission slowing in some places at other part of the world. In India liquidity remains low and volatility high despite efforts by RBI on monetary policy and relief measures of Rs 1.7 Lkh Crore by the government, still we are behind the peer economies in terms of relief measures to Industry.

China, meanwhile continues on its path to recovery, achieving a near-complete economic restart by mid-Q2 (in spite of the current challenges of slow permissions and lack of migrant-worker capacity). As other geographies experience continued case growth, it is likely that movement restrictions will be imposed to attempt to stop or slow the progression of the disease but with restriction on industrial movement compromise also. This will almost certainly drive a sharp reduction in demand, which in turn lowers economic growth through Q2 and early Q3.

***Here we can understand the growth prospect with IMF estimation :
(*Source : IMF World Economic Outlook April 2020)***

Summary of World Output- Real GDP (Annual percent change)

			<i>Projection</i>	
			2020	2021
	2018	2019		
World	3.6	2.9	-3.0	5.8
Advanced Economics	2.2	1.7	-6.1	4.5
United States	2.9	2.3	-5.9	4.7
Euro Area	1.9	1.2	-7.5	4.7
Japan	0.3	0.7	-5.2	3
Other Advanced Economics	2.3	1.6	-5.2	4.4
Emerging Mkt and Developing economies	4.5	3.7	-1.0	6.6
Emerging and Developing Asia	6.3	5.5	1	8.5
Emerging and Developing Europe	3.2	2.1	-5.2	4.2
Middle East and Central Asia	1.8	1.2	-2.8	4
Sub-Saharan Africa	3.3	3.1	-1.6	4.1
Emerging Developing Asia	6.3	5.5	1	8.5
Bangladesh	8	7.9	2	9.5
Bhutan	3.7	5.3	2.7	2.9
China	6.7	6.1	1.2	9.2
India	6.1	4.2	1.9	7.4
Indonesia	5.2	5	0.5	8.2

Summary of Current Account Balances (Percent of GDP)

			<i>Projection</i>	
			2020	2021
	2018	2019		
Advanced Economics	0.7	0.7	0.1	0.1
United States	-2.4	-2.3	-2.6	-2.8
Euro Area	3.1	2.7	2.6	2.7
Germany	7.4	7.1	6.6	6.7
France	-0.6	-0.8	-0.7	-0.6
Italy	2.5	3	3.1	3
Japan	3.5	3.6	1.7	1.9
United Kingdom	-3.9	-3.8	-4.4	-4.5
Canada	-2.5	-2.0	-3.7	-2.3
Other Advanced Economics	4.6	5.4	4	4.3
Emerging Mkt and Developing economies	-0.1	0.1	-0.9	-0.6
Emerging and Developing Asia	-0.1	0.6	0.1	0.5
Bangladesh	-2.6	-2.7	-2.2	-0.8
Bhutan	-19.5	-23.1	-21.3	-20.2
China	0.4	1	0.5	1
India	-2.1	-1.1	-0.6	-1.4

In the given projection India still will be at comfortable position with GDP growth estimation of 1.9 and 7.4% for 2020 & 2021 respectively. Current Account balance situation will also be in control, even better than 2018 & 2019 due to the large portion of export knockoff with Oil prices. Lower commodity prices mean severe pressure on some exporters.

Oil prices have plummeted to below US\$20 per barrel (a roughly 70 percent drop from levels at the start of this year) given the decline in projected global demand and after the breakdown of supply-restricting agreements among large oil producers—and prices have remained low despite a recent agreement to temporarily cut oil production. In turn, while oil-importing economies have benefitted from the decline, near-term prospects for oil-exporting countries have deteriorated significantly, with the growth rate for the group projected to drop below -4 percent in 2020.

Above given statistical estimate does not include the emerging Geo-political situation after Pandemic, where voice is being raised at each corner of the world trade zone against the largest manufacturer and contributor of manufactured goods i.e. China may experience \$800 billion (S&P estimate) in new bad loans. If shift happened to the other location, out of that what we catered by assuring the liberal trade norms would be a game changer for 5\$ trillion aspirations in quite later with target period. Two major indicators are to judge the market dynamics:

Tight Financing: More than US\$ 95 billion of portfolio capital is estimated to have flowed out of emerging market economies since January 21st 2020 when the spread of COVID-19 intensified in China.

Extreme VIX: As described in the April 2020 Global Financial Stability Report (GFSR), conditions have tightened in key markets amidst the deteriorating outlook and reduced risk appetite, with the vast degree of uncertainty prompting significant volatility. "In this volatility where VIX is ranging up to 86 marks, opportunity emerged for picking good quality stock which has excellent financials, good management and good dividend payee companies".

Conclusive remark on Economy: With the good projection by IMF about India, we have largest workforce, good governance, political stability and sufficient natural resources. Though the short run might be volatile due to uncertainty on its lasting period but certainly will come to actual valuation which India has already proven among the emerging Asian Economies.

Other Considerable factors (apart from Economic)

Patriotism emerging in new Shape: We can't shoot a virus. Those on the frontlines against corona virus aren't conscripts, mercenaries or enlisted men; they are our doctors, nurses, pharmacists, caregivers, general store keepers, utility workers, police, army & Para military forces and officials on government duties and of course the obedient public who follows the government guidelines religiously. When all is said and done, perhaps we will recognize their sacrifice as true patriotism, saluting our doctors and nurses, respecting and saying, "Thank you for your service," as we now do for military veterans.

Regaining faith on serious experts: This is the luxury afforded us by peace, affluence and high levels of consumer technology till so far with commercial theme always in our mind. Terrorism has receded back to being a kind of notional threat for which we dispatch volunteers in our military to the far corners of the desert as the advance guard of the homeland. Increasing defence budget and acquire more powerful ammunition is the criteria of so called smart working but suddenly world is looking towards serious experts those can save human kind in the earth with their intelligence not with power game.

Personal Connect become adverse for a while: The comfort of being in the presence of others might be replaced by a greater comfort with absence, especially with those we don't know intimately. Instead of asking, "Is there a reason to do this online?" we'll be asking, "Is there any good reason to do this in person?"—and might need to be reminded and convinced that there is less need be in person. Unfortunately, if unintended, those without easy access to broadband will be further disadvantaged.

Meaningful reform of the society: Where one side a class was inching towards people with different orientation but the pandemic lockdown across the globe suddenly changed behavioural science with cultural values in the society and realisation of self-satisfaction with balanced life. People are keen to help others, want to make society a pleasant place to live in, donation culture is developing, and knowledge is being recognised.

In India if we would be able to count the Notional GDP with human values after pandemic gets over certainly we will be on top in terms of non-monetary values across the globe. Japan is the example of phenomenal growth after World War II due to their human values and unbeatable patriotism.

***Yes self-realisation, great human values, respect to knowledge and patriotism in India will play a prominent role in coming days.**



COVID 19 “Impact in Industries and Role of Management Accountants”

CMA Manish Kandpal
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India has set a target of \$ 5 trillion economy and vision for becoming super power in the future and Govt. must be appreciated for such daring vision where current size of economy is approx. \$ 2.94 trillion and setting this target means almost doubling the economy and needs almost 10 % sustained growth rate for next 5 to 6 years.

On the one hand where the economy was already struggling with the financial crises, the corona has made lockdown the entire world and flatted even the most power economy of the world (USA). It is being realized that the impact of this pandemic in terms of human and economic loss is going to be far than the second world war and sometimes it is also named as third world war against one enemy COVID 19

It is expected that the coronavirus outbreak might cost the global economy \$1-2 trillion in 2020, according to the UN Conference on Trade and Development. Its potential impact on the Indian economy is not yet known, but several sectors are already feeling the pain.

Here's a look at the sectors most impacted by the outbreak.

Industry wise Description

Aviation: As part of its efforts to stop the spread of Covid-19, India on March 12 suspended almost all visas for a month, adding to the woes of airlines. As of March 6, Indian private carriers had cancelled 93 international flights and global airlines 492 flights, according to data shared by the government in the Lok Sabha. With the number of Covid-19 cases in India increasing two and a half times over the past week to 84, travellers might be hesitant to even fly within the country.

Aviation is among the worst-affected sectors amidst the Covid-19 crisis that has taken the scale of a pandemic. According to the International Air Transport Association, airlines globally can lose in passenger revenues of up to \$113 billion due to this crisis.

Hospitality: Governments across the world have sealed international and domestic flights; compounded by a nationwide lockdown, together this is bound to bring an unprecedented phase in the history of Hospitality industry. The industry has already faced mass-scale cancellations for travel bookings and hotel accommodations and will continue to do so in the months to come. Some hoteliers don't see this sector reviving any time before October'20. A report by the Confederation of Indian Industry states that the shut down is expected to last for a period stretching from February till October, 2020.

The cascading effect of the coronavirus (Covid 19) pandemic will cost the Indian hospitality industry losses to the tune of ₹620 crore and may be more. The hotel chain and standalone hotel segment is staring at losses over ₹130-155 crore, whereas the alternate accommodation segment is likely to make losses of over ₹420-470 crore.

Apparel: India exported over Rs 1 lakh crore of garments in 2018-19, according to the ministry of commerce. Exports bring in 60% of Indian apparel makers' revenues. Europe alone accounts for a third of India's garment exports. But with the region being declared the new epicentre for the disease by the World Health Organization, new orders are bound to be affected. "But it is hard to assess the outcome now.

It is also expected that there could be as many as one crore job cuts in the textiles sector, which has been severely hit by the ongoing lockdown, if there is no support and revival package from the government.

According to apparel industry body Clothing Manufacturers Association of India. With around 80 per cent of the garment industry mostly micro, small and medium enterprises, CMAI, which has around 3,700 members employing over 7 lakh people.

Consumer Durables and Electronics: India's consumer durables industry is heaving a sigh of relief as factories in China resume operations after Covid-19 cases taper off in the country. But as India grapples with a rising incidence of the disease, visits to stores might dwindle due to a fear of being exposed to the virus in public spaces. This would hurt demand and India's imports around 45% of its consumer durables from China. India also relies heavily on China for components like compressors for air conditioners and open cell TV panels.

Poultry and Seafoods: With the spread of the coronavirus, it was not surprising to see a spurt in unsubstantiated social media messages on the dos and don'ts. Among these was a warning to stay away from meat, which has driven down demand for chicken, the meat of choice for Indians, by around 30% in the past. To prevent stock pileup, poultry companies have been forced to sell birds at Rs 25 per kg, a third of the raising cost.

As far as seafood is concerned, India's worries are more on the export front. Seafood exports brought in Rs 46,600 crore in 2018-19, with the US, European Union and China being the top markets, according to the Marine Products Export Development Authority.

Role of Management Accountant

As the novel coronavirus impacts our lives, how we work and the global economy, the Management Accountants (MA) has to come forward to support Industry and Corporates during this time of uncertainty. In order to navigate this challenging environment, the Management Accountants can play a key role on subjects such as business planning and continuity, analysis and other industry-specific practical guidance that need today.

Some Important steps where a Management Accountant can help Industry to overcome from corona crises.

- **Conduct a Business Impact Analysis:** Business Impact Analysis can help organization to determine and evaluate the potential effects of the coronavirus on business operations. This process involves performing a gap analysis to assess your organization's readiness for continued operations. When conducting this analysis, consider the impact on the following stakeholder groups:
- **Build Modelling:** Create models for "worst" and "most-likely" case scenarios. This provides an adequate range of outcomes for the business to consider. For example, if you look at your key stakeholder groups and the risks you have identified for each, you should be able to identify possible strategic, operational and financial outcomes for the next three, six or 12 months.

- **Risk Analysis and Mapping:**
It becomes important for the organisation to understand the position of the concerned industry in the market with its SWOT analysis during the crises to evaluate the risk associated with various aspects like financial, strategic, operational and external — and the probability of occurrence.
 - **Ensure Organisational Alignment and Communication:**
The Management Accountant can help organisation to create proper alignment and communication with all of the key stakeholders/departments and this will also need of the time to create a cross functional pandemic response team.
- Such effective communication will help to make sure approvals are in place to execute the continuity plan that conforms with governance requirements.
- Communication with stakeholders/departments is also a vital. Identify the content and frequency with which you want to communicate with your stakeholder groups. It's extremely useful to create specific landing pages for employees, customers, investors, etc., with resources and guidance.
- **Action Plan with Continuous Monitoring:**
The organisation has to focuses on key performance indicators (KPIs) of priority processes. Increase the frequency of measuring and monitoring liquidity, sales, stock, etc. to daily and/or weekly. Leverage data feeds for rapid responses to changing risks. Attempt to enable continuous forecasting in key functions and keep adjusting. As already mentioned, liquidity is the key resource and important workforce, the ability to continue to serve the customer, as well as maintaining the production lines and the supply chain.



LOCKDOWN
CMA Satpal Singh Gandhi

A state of isolation or restricted access instituted as a security measure is coined as "Lockdown". We had studied this term when a particular industrial unit was shut down. Understood the correct meaning today at the time of COVID 19 outbreak.

The communication these days is so fast and instant that you come to know about people on your network who is doing what? Though you get to know about your friends and families what they are doing through the posts they are flooding on social media network, be it facebook, whatsapp, Instagram etc. etc. many are posting bull shit, some are posting how they are utilizing their time in persuing their hobbies.

I was asked by someone what are you doing in the lockdown? I just answered, I'm doing what I enjoy doing in my daily life except going to office. What do you love doing daily? was the next question. I said, Gardening, Stargazing, Photography, Bird watching, working in my small home workshop Upcycling things. The person questioning me said "Yaar main to bore ho gaya do din mein he" (I got bored in two days.) I was wandering, this man does not have any hobby to enjoy rather just fighting to kill the time.

Though the countrywide lockdown will certainly push back the economy, growth and industrialization but has taught us many lessons. People who say they are getting bored belong to the class who do not have any hobby. I have listed few of my hobbies.

When I deliver lecture on star gazing, bird watching or photography to the young people, I often quote them to have Noble hobbies. Mind it I am not just saying hobbies, but "Noble hobbies". Hobbies can be good and bad hobbies. Out of good hobbies they can be further classified to Noble hobbies and ordinary good hobbies. An anonymous quote says "Give your son a noble hobby, I bet he will never have enough money to go towards drugs."

In my opinion one should have at least one noble hobby so that he is never gets down in life. "When your life brings you down, your hobbies bring you up." During this lockdown period which is almost a month at least has given enough time to all of us to do what you always wanted to do in your leisure time. I am enjoying my hobbies during this lockdown. I also get enough time to follow some more things that I regret not being able to do due to lack of time because I spend more time in perusing my hobbies. Reading, Cycling, Yoga are a few to name which I always wanted to do but could not do, as there was not enough time left during a day of just 24 hours. Sometimes I use to think had there been a day of more than just 24 hours I would have been able to follow other passions too. This lockdown has literally given us the moment, to follow your passion which you never could do during a regular 24 hour day. I think this lockdown is a blessing in disguise. Dehradun.

During this lockdown, I start my day with early morning cup of tea, with a book in my hand to read. Sitting alone in my small courtyard garden I am reading the book and also listening to bird calls in my subconscious mind and making a checklist of birds I am listening. My courtyard garden is the most loveable place in my house. I sit here reading the book, waiting for my wife to join me. Usually in an hour or so she joins me with a second cup of tea that she makes for me, not to mention I make my first cup myself. I am a tea-tattler. After the second cup of tea I head towards my gardening tools in my hand doing gardening for at least 1-2 hours. I learnt someone saying "***The best place to seek the God is in a Garden, you can dig for him there.***" After the gardening I get freshen-up, do a little bit of Puja, usually a short one as I bilieve in work is worship. Have my breakfast. The day then takes me to my workshop, where I do Upcycling. To cut it short Upcycling is making useless things useable aesthetically. I must mention here that I am a junk collector. It is a hobby of collecting junk of any sort, auto parts, old machinery parts, liquor bottles, etc. etc. I collect anything that appeals me can be used in future to make something aesthetically useable, I just pick it up and keep in my store for future. I have made table lamps, with auto junk, and many such things. I believe in making something creative that is aesthetically beautiful and has some utility. I must say I am a proud collector of some finest Empty liquor bottles of the world. Working in my workshop makes me unaware of the time until I get a call from my wife for lunch. During and after the lunch I just binge over my flat smart TV that I bought last Diwali. Evenings are spent watering the plants, spending some time with family playing board games, online Lotto and the night falls for my star gazing. I enjoy this hobby and deliver lectures to the young students to take-up this hobby which again I consider as a noble hobby.

I forgot to mention that I love posting on my FB wall what I enjoy doing. One thing I learnt during a recent talk delivered by sister Shivani, a well known spiritual speaker, during the International Yoga Festival at Rishikesh. She said many things about living a quality life out of which I picked up one thing, not to get involved on your mobile one hour after you get up and one hour before you go to bed. I have been following her teaching not to touch my mobile phone at least one hour after I get up in the morning. I am trying not to touch and keep doing rubbish on my mobile one hour before I go to bed.

So this was my experience with the lockdown. I m not sure if am able to convince people to have a noble hobbies to persue so that you are not disturbed during the situations that we all are facing during the lockdown. "People with many hobbies live, not only the longest but happiest".

I have retirement plans too. "To beat the age keep hobbies alive"

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