



ERNAKULAM BRANCH OF **SICASA**

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

MEERAKI

MOTHER'S DAY

ITR-UPDATED

AMIT KEDIA

**AUDIT OF BUSINESS
CONTINUITY & DISASTER
RECOVERY**

VARUN SREEDHAR



E - NEWSLETTER

MAY 2022



Word of the Month

BEGUILE

To influence someone in a deceptive way

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CHAIRMAN'S MESSAGE

Dear Students,

I am sure you all are much relieved after a long spell of preparing for the examinations and its culmination. Hope all have written exams exceptionally well and that the result would turn out to be a game changer for many students. CA profession is a course designed for continuous learning, whereby each member will have to keep abreast of changes in a time bound manner to maintain his/her relevance in society, so be prepared for a continuous learning process.

World Environment Day

We are celebrating another world environment day with much poise and pomp. We, as professionals and students, need to introspect how batter and intense, we can celebrate rather observe environment day. We must take a strong pledge to observe environment day in a befitting manner to make our world liveable for future generations as well. Actions we take today will have ramifications for future generations. All resources we use belong to future generations as well, as such it is our moral responsibility to keep the world a safe and secure place for generations to come. Judicious use of all natural resources and consideration of the well being of flora and fauna will add to this objective. CA profession comprises students and members who are in constant touch with business people of the world, who are major polluters of the environment. In turn, we can aid and assist such business people to put in practice industry best practices and processes to control and reduce pollution.

Stakeholder Expectations

Every stakeholder in our society reposes much faith in our profession. Our opinion helps them to make informed decisions in a time bound manner. However somehow the faith is losing its sheen on each passing day due to some or other reasons. You being promising CA, it's your collective responsibility to keep the spirit of our profession intact as has been envisaged by our forefathers



CA SURESH G

when they created our institute that too even before India adopted her constitution.

Revamping Curriculum

Our institute is taking all our efforts to make the syllabus more robust and contemporary. The committee of education and Training (CERT) of the Institute of Chartered Accountants of India, has put up a draft curriculum before the Ministry of Corporate Affairs, which is the governing ministry of our institute and got in principal approval of the same. Now the draft is put before the profession at large for wider consultation and opinion, the curriculum if approved by all stakeholders shall be a path breaking reform in education and training as far as our profession is concerned.

Revised Schedule III and CARO 2020

New audit season comes with a lot of challenges. We need to learn and practice robust disclosure requirements in the new Schedule-III and reporting requirements of revised CARO. Institute has come out with a comprehensive guidance note on revised schedule-III and CARO. I suggest all students to read them carefully before venturing to finalise the audit of the fiscal ending March, 2022.

A new month with new opportunities for learning has come knocking at our door, I end with a quote,

“Learning is not attained by chance, it must be sought for with ardor and attended to with diligence.”

Happy reading !

SECRETARY'S REPORT

The month of May was a month completely dedicated towards the academics section. We started our events out with the Rapid Revision Series where we got the best of faculties to take sessions on the portions requested by the students. Keeping the examinations in mind, we kept all our Co-curricular activities at bay. Motivational sessions were also conducted to boost the confidence of students before the exams. We hope to come back stronger in the upcoming months to establish a platform for all the students to be able to showcase their talents of various nature.



POORNENDU M NAIR
SRO 0599836



BINJOEL P JOHN
SRO 0680795

VICE CHAIRMAN'S REPORT

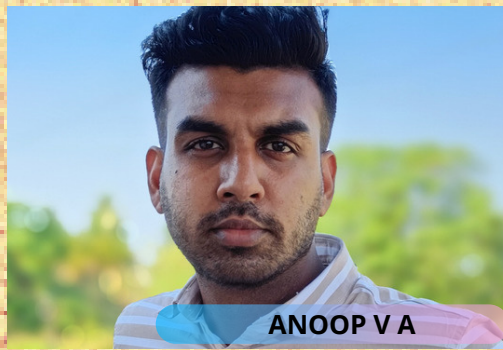
The May 2022 exams are finally over and I believe that all of you guys have given your best. Our monthly activities began with Rapid Revision sessions for the exams and we firmly believe that a lot of students benefited from the same. We had the best faculty team for these sessions and the feedback received was overwhelming.

Keeping note of the exams, we focussed on academical activities. Meanwhile internal meetings and discussions were held preparing keynotes of our future events. The upcoming month will be eventful, kickstarting with 'The World Environment Day' activities from 5th June. We are planning a 'Mini Marathon Competition' for students as well as for members and also a free sapling distribution & awareness programme. In order to stress bust the students we will be launching our 'Mini Impetus' indoor games competition. We also plan to conduct webinars on the much-needed topics like 'Schedule III amendments' and 'CARO 2020' for the students. We had a great participation in all our previous events and nothing less is expected this time too.

SICASA Ernakulam always tries its best to educate, entertain and enlighten all the students and will definitely contribute our part in shaping the best out of you as an individual as well as a professional.



DEVIKA NISHU



ANOOP V A



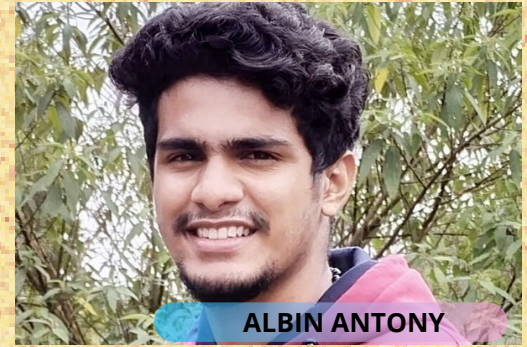
SUMI SUNNY



SHOAIB SHOUKATH



SRUTHI RAMANATHAN



ALBIN ANTONY

EDITORS' NOTE

"Life doesn't come with a manual. It comes with a mother."

May went by real quick and in the blink of an eye the much anticipated May 2022 examinations finally concluded. We hope that every student was able to put in his/her full effort and perform rather wonderfully.

The May edition of Meraki is themed in respect of Mother's Day, which we observed on May 8. A single day is not enough to appreciate the efforts and sacrifices a mother undertook for her child. And a single day is not necessarily needed to tell her how happy and blessed you are to have her. Lets make it a habit of thanking our parents and letting them know that we are grateful.

To our first teacher, constant supporter, best critic, firm believer- Mother. We dedicate the May edition of Meraki to all mothers out there.

ITR-U UPDATED INCOME TAX FORM

Amit Kedia - ERO 0218465

As per the norms of The Income Tax Act, 1961 every assessee of India need to file the Income Tax Return where the assessee need to furnish the income earned in the said Financial Year. Recently we have completed FY 2021-22, for which the assessment will be done in AY 2022-23. Let us have some basic idea upon the existing ITR, which are as follows:

- ITR 01 - For Salary, IFOS, 1 HP Income (All Income <50L)
- ITR 02 - Individual/HUF having all income of ITR 1 but >50L, more than 1 HP, Capital Gain, Foreign income but not having business profession income.
- ITR 03 - Individual/HUF Having Business/Profession Income.

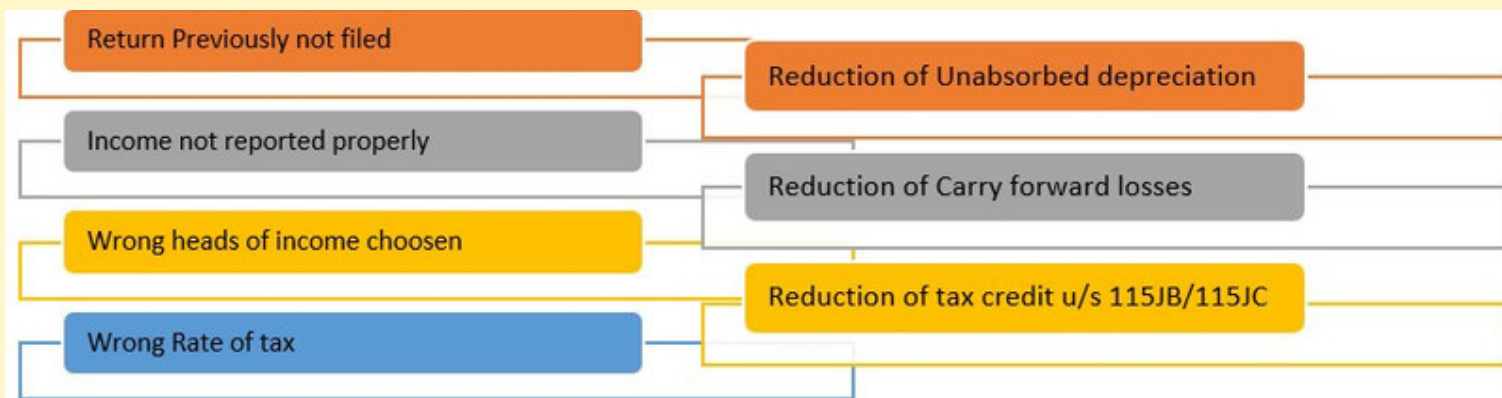
- ITR 06 - For Companies
- ITR 07- For Trust

Above stated forms have separate deadlines to it, which an assessee need to keep in mind to avoid late fees u/s 234F. All the forms are submitted u/s 139(1) which we can say original form as well.

Income Tax Department has notified Form ITR - U for filing the 'Updated' Income Tax Return in the Union Budget 2022. The new provision allows the taxpayers to update their ITRs within two years of filing, on payment of additional taxes, in case of errors or omissions.

Who Can File An Updated ITR?

Ø If the assessee falls under any of the following cases than he is required the Updated ITR.



Who cannot file an Updated ITR?

Ø If any assessee falls under any of the following condition than that assessee cannot file the updated ITR i.e. ITR – U

- Loss Return
- NIL Return
- Increase in refund / Claiming of Refund
- If the total Tax liability is to be reduced
- Losses to be adjusted against the income
- Search / Survey / Prosecution proceedings are initiated for that AY
- Assessment / reassessment / revision is pending or completed for that AY.

What details are required to be mentioned in ITR-U?

In ITR-U, the taxpayer needs to specify only the amount of additional income, under the prescribed income heads, on which tax is required to be paid. No details are required to be filed while filing up ITR-U. Exact reason of filing up the ITR-U need to be submitted as well.

How to verify the Updated ITR?

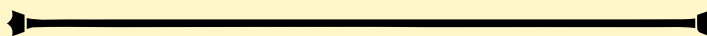
The same can be done in following ways:

- Digital Signature Certificate (DSC): In case of Tax Audit, return of political Party.
- Electronic Verification Code (EVC): In case of Non-tax Audit.
- Verification by posting the acknowledgement to Bangalore has not been specified yet.

Additional tax payment

The Act requires that the taxpayer has to pay an additional tax payment which is as follows:

<u>Particulars</u>	<u>Rate of Interest</u>
• If updated ITR is filed within 12 months from end of relevant AY (for FY 2020-21)	• 25% on tax due amount
• If updated ITR is filed After 12 months but before 24 months from end of relevant AY (for FY 2019-20)	• 50% on tax due amount



Audit of Business Continuity and Disaster Recovery

Varun Sreedhar SRO0633386

Introduction

When I think about the future, a quote by John F Kennedy comes to my mind "Change is the law of life. And those who look only to the past or present are certain to miss the future." I believe that all of us with a stake in the future of accounting services, understand the importance of how traditional accounting services are being transformed by technology. Nowadays every organization from the smallest to the largest one is increasingly dependent on digital technology.

Although technology is undoubtedly one of the core aspects of an organization, there are some disruptions that can break the entire organization in seconds, even though many professionals operate under the assumption that their workplace will remain largely unchanged from one day to the next.

Background of the problem

We rarely get an advance notice that a disaster is about to strike. Even with high-end technology a disaster can never be expected or predicted. Even though a disaster cannot be prepared its impact can be reduced. Hence when a disaster strikes, recovering the disrupted systems and networks to rescue normal operation by minimizing any negative impacts on the organization should be our main objective. But before that what do we mean by a disaster.

In simple terms, a disaster is any incident that can take a significant amount of time to recover. Some examples are Natural Disasters, Wilful or accidental damage caused by humans, Cyber-attack, Terrorism, Virus outbreak etc.

Going back to history when any adverse event occurs, the business is either on halt or put to an end. However, now the technology has grown to an extent where data can be protected and maintained securely even in the event of an interruption or a disaster.

As the secret of survival is preparation, let me give you a few insights on Business Continuity Planning and Disaster Recovery which is commonly referred to as BCP and DR.

Understanding Business Continuity Planning and Disaster Recovery

Business Continuity Planning (BCP) refers to the ability of an enterprise to recover from an interrupted function and continue its operations with the least impact. In simple terms, BCP helps in continuing the operations even after a disaster occurs. An efficient BCP can be used to actively run and maintain business activities. The BCP is expected to provide :

- 1) Reasonable assurance to recover from any unexpected incident or disaster with the minimal impact
- 2) Anticipate various types of incidents and outline the action plan to minimize impact.

Planning is an activity that is performed before a disaster occurs otherwise it would be too late to plan an effective response. The BCP is a guiding document that allows the enterprise to continue its operation. The plan lays out steps to be initiated, combat and return to its normal operation.

There are 3 stages for creating a business continuity plan:

- Conduct a Risk assessment and analyse the impact on the business
- Develop and document the Business Continuity Plan
- Test and approve the BCP to meet the changing demands of the business.

Business Continuity Plan vs Disaster Recovery Plan

It is assumed that Business Continuity and Disaster Recovery Plan are one and the same. However, BC & DR is always performed synonymously and is not one and the same. The primary objectives of the Business Continuity Plan are to ensure that all the critical functions and operations are made to recover and function in the least possible time frame. Whereas the Disaster Recovery Plan outlines the specific steps to be taken immediately after a disaster strikes to recover from the event.

Having discussed about the main concepts let me give you a few insights on the Audit of Business Continuity Plan.

Audit of Business Continuity Plan

A BCP audit is a method for evaluating how a business continuity process is being managed. The BCP Audit should define the risks or threats of the plan and test the controls to ensure if the risks have reduced to an acceptably lower level. BCP audits are highly recommended to ensure that the current plan in place will prevent a disaster and also assures the management of the efforts taken in formalizing a method to evaluate any abnormal event. Similarly, an independent assessment by way of audit can provide feedback that helps and equip the organization in the event of a failure.

Types of BCP Audits

BCP Audits ranges from a straightforward health check to a relatively intense and thorough analysis of every aspect of the plan. The audit can be performed internally or with the assistance of a third-party audit firm.

In the simplest form, an auditor can conduct a quick BCP/DR check by reviewing the plans and the internal control placed in the organization. At the most complex level, an auditor can analyse every aspect of the program and evaluate its outcome. The type of audit depends on the nature of the organization and the extent of the assurance placed by the management. By doing such a process the auditors must give feedback if any updates or revision in the plan is required in responding to an abnormal event.

Now let's examine how to audit a business continuity plan in more detail.

Audit Scope & Objectives

As with any audit, defining the scope and objectives is an integral part of the process. The primary objective of a business continuity plan is to limit the time downtime faced during a disruptive event and to minimize the financial losses due to it. A BCP Audit should be conducted to identify residual risk which is not identified and provide recommendations to mitigate them. The plan of action of each type of expected contingency and adequacy should also be addressed.

The Audit scope refers to the boundary within which the auditor has to operate. And the scope of audit increases with the increase in complexities of business. Similarly, any duties which fall outside the scope is not expected to be performed by the auditor.

(Continue reading here..)

CARTOON CORNER



Aiswarya B - SRO0611288



Saikripa- SRO0650107

ONLINE REVISION SERIES

**ERNAKULAM BRANCH OF SICASA OF
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**CA INTERMEDIATE
RAPID REVISION MAY 22**

**AUDITING AND ASSURANCE
INTEGRATED CASE STUDY
AND MCQs**

CA REVATHY RAJA
FACULTY

**SUNDAY
MAY 01**

**TIME
10.00 AM - 01.00 PM**

FOR MORE DETAILS CONTACT
SEBIN - 99610 33458
SAIKRIPA - 82899 05493

MODE: ZOOM MEETING

CA SURESH G (SICASA CHAIRMAN) BINJOEL P JOHN (VICE CHAIRMAN) POORNENDU M NAIR (SECRETARY)

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RAPID REVISION MAY 22**

**ADVANCED ACCOUNTING
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CA AMAL PAUL
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SICASA KOZHIKODE & SICASA ERNAKULAM

Jointly Presents

EXAM TIPS AND RTP DISCUSSION

Financial management

Date:- 8th May
Time:- 8:00 PM-10:00 PM
Platform:- Zoom

CA Pavan Kumar

Anandhu Ramesh
Vice chairperson
SICASA KOZHIKODE

Binjoel P John
Vice chairperson
SICASA ERNAKULAM

**LAW REVISION
CA INTER MAY 2022**

ON ZOOM

CA SHANIL USMAN

1) NEGOTIABLE INSTRUMENTS ACT 1881
2) COMPANIES ACT, 2013 -
MANAGEMENT & ADMINISTRATION

4TH & 5TH MAY, 2022
07 : 00 PM - 10 : 00 PM

PRESENTED BY
SICASA KOZHIKODE
IN COLLABORATION WITH

PALAKKAD SICASA KANNUR SICASA ERNAKULAM SICASA TRIVANDRUM THRISSUR KOLLAM SICASA SICASA SICASA

FLASHBACK- MAY 2022

EVENTS IN MAY 2022

DATE	ACTIVITY
May 1	Auditing and Assurance Integrated Case Study and MCQs by Revathy Raja
May 4 & 5	CA Inter Rapid Revision Law by CA Shanil Usman
May 6 & 7	CA Inter Rapid Revision Advanced Accounting by CA Amal Paul
May 8	Exam Tips and RTP Discuss- Financial Management by CA Pavan Kumar

GOOGLE CLASSROOM

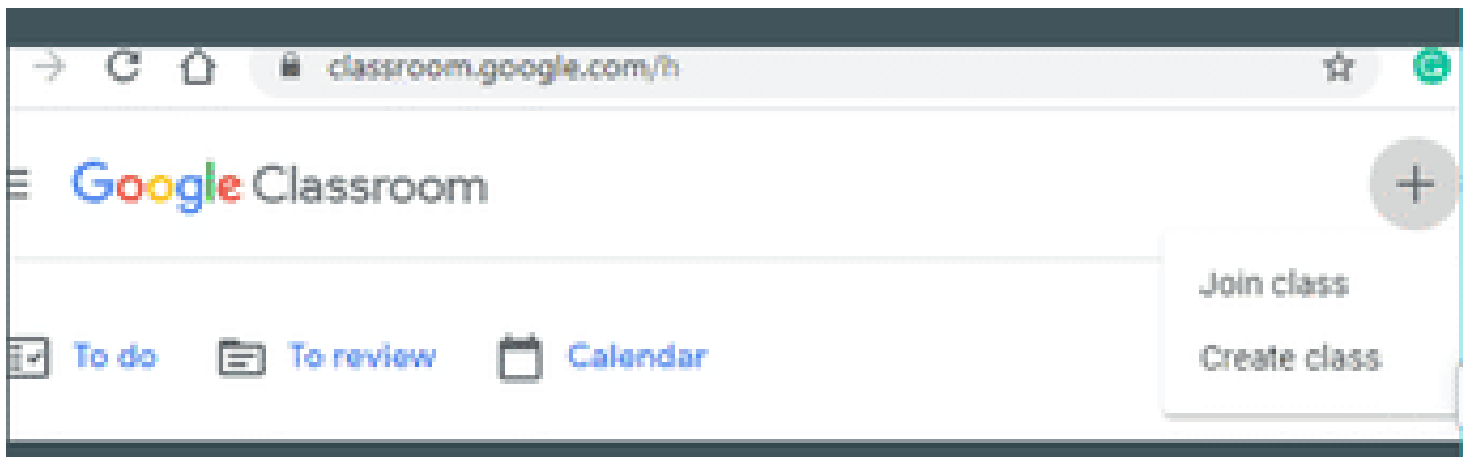
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