



ERNAKULAM BRANCH OF **SICASA**

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA



THE VIRTUAL UNIVERSE

HARIKRISHNAN R

**INDIAN RETAIL TRADERS
AND ALGO TRADING**

NIDHI S KAKKAT

SWASTHI

NOVEMBER 26

NATIONAL EDUCATION DAY



E - NEWSLETTER

NOVEMBER 2021

Word of the Month

UNIVOCAL

MEANING: UNAMBIGUOUS;
CLEAR; PRECISE

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CHAIRMAN'S MESSAGE

All of life is a constant education

- Eleanor Roosevelt

Dear students,

As we journey towards the end of the calendar year, my desire, to showcase my beloved students with sufficient opportunities to prosper and flourish, gets stronger than ever. In fact, the response that we receive post conducting each program is remarkable. Even though we have done with November, we had manifold take away, especially that life constantly teaches us something or the other. It is intelligent who realizes this fact and move forward with higher aspirations, intelligence and insights. Being the students, I advise you to recognize the mistakes that you had committed earlier and strive towards achieving a cheerful life via minimizing the same, as one could never happen to eliminate mistakes.

During the month of November, the students, with proper guidance from the mentors, had undertaken a plethora of events and activities, of which the Encore 2021 was found to be the most embracing moment in CA Students life. The participation, as well as the potential of the students in the co-curricular activities, was commendable. Around 200 students were present for the event, as we could create a deck where the students were free to express their calibre in front of the audience and they did a great job, indeed. We were successful in controlling the crowd as per the Covid protocols and guidelines as the registrations were limited to 200 students. In fact, the stage was utilized to the maximum. We could observe cent per cent involvement from the committee members' end as well. The platform was adorned by the ebullient vibes of the popular cricketer and actor, Shri Sreesanth, who had addressed the mob with great energy and zeal. Moreover, Srimathi Aishwarya IPS had added her insights of seeing life. The students were highly encouraged by the esteemed presence of the chief guests of the day. I, on behalf of, the SICASA, Ernakulam, am using this platform to greet every single candidate who took part in the event.



CA SALIM ABDUL RASHEED

The initiatives of the students especially the student's circle and revision series are reaping great appreciation from various directions of the society. The revision classes prior to examinations are essential, as we all know, such efforts put smartly will get the students to qualify the hurdles effectively. Moreover, the career counselling session was exceptionally done. The session was led by CA Razee Moideen, an eminent professional. The participants were curious enough to know more about the premiere profession of Chartered Accountancy and how to pursue the same. The SICASA, Ernakulam Branch is engaged with further groundwork to arrange such sessions on the days to come. In addition, the students were actively engaged in arranging for more academic sessions such as the special audit and economics session under the guidance of proficient speakers, collaborating with the various branches of SICASA. Moreover, in this hectic schedule of finalization, audit and Income tax return filings, the ambience by which they lead their career growth is spectacular and praiseworthy.

In the coming month of December, we have numerous plans in our minds, of which the student's conference will, sure enough, bring you days which are fully-fledged with high-value information and knowledge. I would like to delight the students with the news that the Ernakulam Branch of SIRC, has been awarded the best branch award in the Southern Region. The reward that the branch receive is the impact of the efforts put in for the enrichment of the member as well as the students.

At the outset, the days to come are extremely crucial, when viewed from the sphere of the exam, as exams bring the students closer to the institute as well as the fellow members of the profession.

After all, the essence of exams lies in what you learn and strive to become.

SECRETARY'S REPORT

Greetings from SICASA!

November has always been a busy month for the CA fraternity. Now more than ever, with the extension of due dates and examination to December, students are engaged in their studies and finalization works. Even in this busy schedule, we, SICASA Ernakulam, could support students with a wide variety of programs and events.



SHIMY SHAJI
SRO 0596416

The month embarked with Encore 2021, the biggest celebration of CA Students. This long-awaited cultural fest of CA Students was conducted after two years, because of the pandemic. Starting from the inspirational words of Ms Aishwarya IPS to busting a groove with the cricketer/actor Mr S Sreesanth, we could witness astounding performances and involvement from our students. Adding another feather to our cap was the career guidance session on Chartered Accountancy Course for School/College Students, with CA Razee Moideen as the resource person. The aim is to enlighten them about the course and guide them on their journey. Among the other exam-oriented revision classes, this time we could come up with a 30 days study strategy for Group 2 students of CA Intermediate, where they get to revise all the portions in a timely manner. Apart from this, CA Final and Foundation students could also benefit from the revision classes and mock tests conducted.

With the CA Students' Conference being announced, we are preparing for our next big event. Hope you all will support us, as always. Stay tuned for more updates. Happy reading!



KRISHNA GOPAN
SRO 0491630

VICE CHAIRMAN'S REPORT

Dear Readers,

November has always been a month of joy owing to manifold reasons, especially when we find exuberance in hailing the lights and bells of Christmas. Moreover, the month gets hectic with finalization, audit and Income Tax Return filing. The restlessness of examinations coming closer is another highlight of November.

Amid all these mood swings, we, the SICASA Ernakulam branch, was bustling with events and activities of exuberance. We had the very cheerful Encore 2021, where the dais was enlightened with the esteemed presence of the popular cricketer and actor Sri Sreesanth. The inspirational words of Ms Aishwarya IPS made the whole mob ready to face hurdles of life in a much-clarified way. The platform witnessed remarkable performances and participation of the CA Student community. In addition, we had organized revision series for intermediate students, which is still observed as a source of great interest among the CA student community. The Career Counselling Session, which was led by CA Razee Moideen was, indeed an eye-opener for numerous students from all over the district and beyond. In fact, the month was tremendous in terms of enriching the students' insight and knowledge. At the outset of December, the deck of SICASA is adoring herself to witness another big blowout of the Students Conference and we are expecting around 1000 students from all over the nation.

We assure you of many more in the coming months. Stay tuned with us to experience the peak of intellect and wisdom.



JOSEPH TIJO



DEVIKA VISWANATHAN



RAJAT SANTHOSH



SIRAJUNNISA T A



ROY JAISON

EDITORS' NOTE

"Recover and Revitalize Education for the Covid-19 Generation"

Dear readers,

As we have observed the national education day on 26th of November 2021, we would have gone through the theme which was unfurled by UNESCO this year. It says to recover and revitalize education for the Covid-19 generation. The theme speaks out loud about the relevance of bringing back literacy with even high acceleration. We could see our siblings sitting at home at the most productive age of their learning. However, being the elders, we have to assist them in acquiring a comparatively better learning experience that one child could ever get at this stage of life.

We have always been desirous to express that the pandemic has not worsened. Our situation has lifted us one step ahead. Likewise, the CA students' community has always strived up to adapt to the changes just like we incorporate the amendments in our exams without delay and failure.

The current issue of SWASTHI revolves around the theme of EDUCATION, and the need to revive into the new normalcy. Students have made valuable contributions in making our newsletter top-notch, as always. The technical, as well as non-technical articles, are highly informative, nothing short of revelations. We appreciate the artistic works of our students as you can see the jaw-dropping artworks towards the end.

We have also inculcated the events held during November and much more. We assure you of the right mix of knowledge and insights through our efforts. The exams are closer and we greet you to have a better experience of examination this time.

INDIAN RETAIL TRADERS AND ALGO TRADING

NIDHI S KAKKAT

SRO 0769942

It is unquestionably obvious that over the years, technology has prepared to reduce human intervention. We can see this impact over many industries, one of them being the stock market. The shift from open outcry to a completely digitalized trading platform is remarkable. But the journey doesn't stop there. Today's world is moving towards a scenario where machines based on pre-set programs can buy and sell stocks.

With the inception of coronavirus, the Indian stock market has seen a euphoric rise in terms of trading volume. Lack of job opportunities and being confined to their homes have led to more retail traders entering the market. On July 8, 2021, Central Depository Services (India) Limited (CDSL) achieved the feat of having 4 crores active Demat accounts, of which 1 crore accounts were added in a matter of five months. This data interprets the intensity of the increase in the interest towards investing and trading.

Investing and trading are often used interchangeably. But both are different concepts. Investing is a long-term process of passive income generation and capital appreciation, which requires a lot of patience and fundamental analysis. While on the contrary, trading is done relying on technical analysis and charts to make a regular income from price fluctuations. This makes trading riskier than investing. Risks like price fluctuation risk, marketability risk and gap risk are a part and parcel of trading. Many people lose money in the stock market primarily because of the absence of a proper trading strategy and setup. Novice traders fall into the trap of taking unsolicited advice from the so-called "market gurus". Hence, algorithmic trading programs could act as a catalyst in improving the profitability of retail traders by assisting them in making an informed decision.

Algorithmic trading works through previously coded programs and applications wherein the computer will carry out trading functions on behalf of the traders. If a trader sets in all the criteria for a trade to occur, a computer program will scan graphs and buy or sell stocks automatically once the conditions are satisfied. One of the major advantages of Algo trading is that it reduces the chances of human errors and executes a trade at a speed that is next to impossible for a human trader. Even though algorithmic trading might seem like a relatively new concept for the Indian stock market, many will be surprised to know that around 40% of trades in NSE (National Stock Exchange) gets executed using algorithmic trading setups. India introduced Algo trading during the year 2008. The technology now required to run algorithmic trades is highly sophisticated and is primarily dealt with by a few big trading houses. However, that does not restrict retail investors from venturing into the world of Algo trading. Brokers like Zerodha kite API and 5paisa have slowly extended Algo trading services to retail investors who can log in to the developer account and create their strategies.

Ultimately, technology can be a boon or a bane. It depends on how we use it. Algorithmic trading is also a technology that can reward the traders immensely if used the right way with adequate back-testing. The world is transitioning into a more digitalized version of itself. Hence the days are not far off when we will witness new generation retail traders developing their Algo trading setup.



THE VIRTUAL UNIVERSE

HARIKRISHNAN R

SR0 0395385

"Without passion, you're already dead."
- Max Payne

Anybody else a gaming addict here? Well, I used to be, and you have no idea how many joes I wasted in front of the computer screen, trying to help a mythical character achieve his goals, forgetting that I had goals in my life that were being ignored.

Well, at some point the storyline in the game got over and my character has every trophy the game could award. It was on every leaderboard, and it had a heap of achievements and souvenirs from its quests.

I had stopped being productive, missed out on a lot of stuff with friends, never studied or did anything that would benefit me, and the achievements I had to forgo for a game is unimaginable to me today.

Why do I think of all this now?
Because it worries me.

It was a point in my life where I felt stagnant and played the game; I got addicted because as my character got more and more successful; I saw in him the success I wanted, and the dopamine rush I'd get from it. I sought it more and more every day, to where I needed that game to feel like I mattered.

In a world that's pushing towards virtual reality, where you can be anyone you want in a world that doesn't even exist, where you can engage in ways you never could in real life, and where achievements and dopamine are easier to find than a beedi in an Indian tea shop, I can see many people throwing themselves at this trap, not realising they're having their time and life sucked out of them.

I understand how much of an anti-gamer I sound. I probably sound like your mom at this point. Well, I'm not.

I game, at least once a week, the difference now is, I don't game to achieve things in a virtual world that I can't in real life; I game to relax after a hard day of working hard to improve myself, to earn money and after making time to spend with my family.

If you're in this gaming rut, I want you to think for yourself. Is it healthy for you?

If you feel you're not dependent on the games, and that the games don't interfere with anything in your life and it's just a pastime, that's fine. But if you introspect and you find these games are interfering with things in your life, please take a step back. It's not worth it.

While I have a lot of professional gamers as friends, they're all responsible gamers. If you want to be a gamer, that's fine, that's good, but not at the cost of your life.

Take it as advice, or take it as a sign to introspect.

ENCORE 2021



ENCORE 2021





Objectives

- Obtain sufficient appropriate audit evidence about the assessed risk
- Design & implement appropriate responses to those risk

Steps to Respond to Assessed Risk

- Engagement team to maintain professional skepticism
- Engagement partner to provide more supervision and direction
- Assigning more experienced staff
- Changes to be made in Nature, Timing and Extend
- Perform Additional Audit Procedure to Obtain SAAE
- Re-evaluate the Internal Control
- Perform more Test of Controls and extensive substantial procedure

CARTOON CORNER



ROY JAISON
SRO 0584628



SAI KRIPA IYER
SRO 0650107

FLASHBACK-NOVEMBER 2021

EVENTS IN NOVEMBER 2021

DATE	ACTIVITY
NOVEMBER 05	BE A BETTER COMMUNICATOR
NOVEMBER 07	ENCORE 2021
NOVEMBER 13	STUDY CIRCLE ON ECONOMICS CHAPTER 3
NOVEMBER 14	WORKSHOP ON SPECIAL AUDIT
NOVEMBER 15- 30	REVISION SERIES FOR CA IPCC/INTER GROUP II DECEMBER 2021 EXAMS
NOVEMBER 20	BE A BETTER COMMUNICATOR
NOVEMBER 20	CAREER COUNSELLING FOR STUDENTS

GOOGLE CLASSROOM

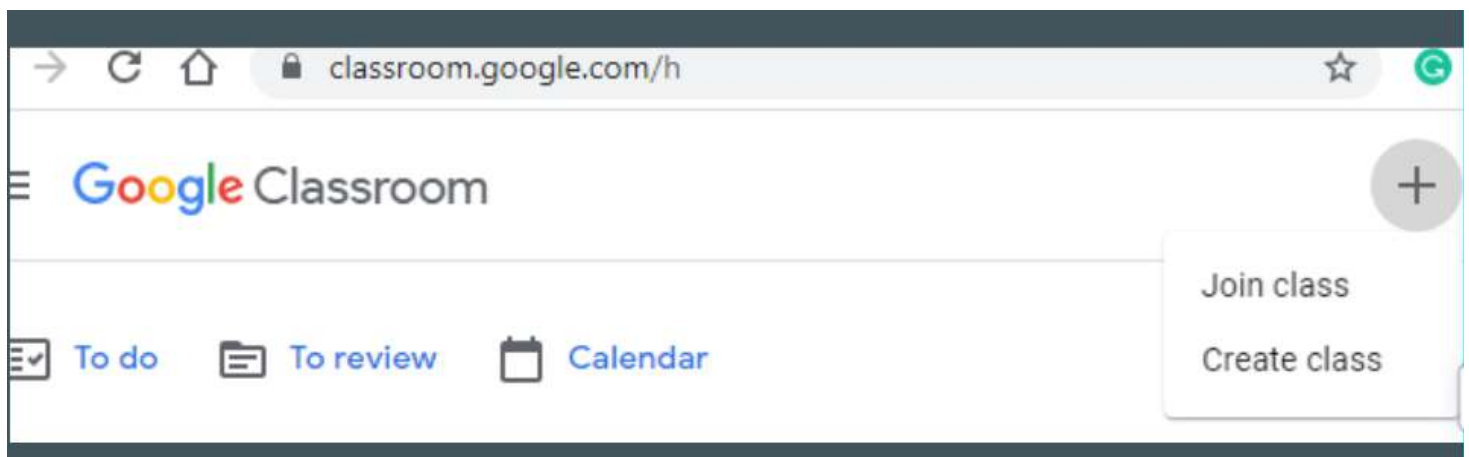
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