THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(SET UP BY AN ACT OF THE PARLIAMENT)

SOUTHERN INDIA CHARTERED ACCOUNTANTS STUDENTS ASSOCIATION



SICASA Newsletter - March

EMPOWERING TOMORROW'S CHARTERED ACCOUNTANTS

TABLE OF CONTENTS

- Chairman’s message 03
- Editor’s Note 05
- Recap 06
- In Retrospect - Aazhi 25 12
- Mark Your Calendar 26
- Brain Grid 27
- Announcements 28

CHAIRMAN'S MESSAGE

"The future depends on what you do today."

— Mahatma Gandhi

Dear Students,

Warm greetings to all of you!



It is with immense gratitude and a deep sense of responsibility that I assume office as the Chairman of SICASA, SIRC of ICAI for the year 2026–27.
I sincerely thank the **Regional Council of SIRC of ICAI** for the trust and confidence reposed in me to serve this vibrant student fraternity.

This year begins on a truly significant note. **March 8th**, a day globally celebrated as **International Women's Day**, also marks an important milestone for SICASA with the **MCM Elections** scheduled on the same date. This powerful coincidence is more than just a date—it is a reminder of what true leadership stands for: **inclusivity, equal opportunity, courage, and the strength to take responsibility.**

As we celebrate the achievements and contributions of women across the profession, it also calls upon us to build a system where leadership is **diverse, representative, and empowering**. The MCM Elections, to be held on this meaningful day, symbolise not just a democratic process but also a commitment to these very values.

I urge each one of you to participate actively—whether by contesting or by casting your vote—with a spirit of integrity and purpose. Leadership is not defined by position alone, but by the ability to inspire, include, and serve.
As we step into this new term, my vision for SICASA is clear:

- To create a **more inclusive and participative student platform across the Southern Region**
- To strengthen **academic excellence and conceptual clarity**
- To foster **leadership, skill development, and peer learning**
- To build a culture rooted in **discipline, respect, and collaboration**

I also take this opportunity to appreciate and thank the immediate past Chairman –SICASA of SIRC of ICAI [2025-26]CA. Pramod R . Hegde and the MCM Team for their valuable inputs creating a bench mark which we will look forward to cross and create newer benchmarks with the incoming MCM Team 26-27

Dear students, SICASA is your platform—your ideas, your energy, and your aspirations will shape its journey. Let us use this year to not only achieve academic milestones but also to grow as responsible and value-driven professionals.

Let us move forward together—with purpose, pride, and progress.

Warm regards,
CA Deepak Ladda
Chairman, SICASA – SIRC of ICAI

Editors' Note

In this edition, we bring to you a thoughtfully curated consolidation of the paper presentations from the Aazhi '25 National Conference held in November. The conference witnessed a diverse range of topics, each reflecting contemporary relevance and depth across various domains. Recognising the academic value these presentations hold, we have brought them together in a manner that allows readers to revisit the key ideas and perspectives shared.

This edition is designed to offer a concise overview of the themes and insights presented, enabling you to quickly engage with multiple subject areas without delving into extensive detail. It serves as a ready reference point—whether to refresh your understanding, explore new concepts, or identify areas that spark further interest.

We hope this initiative adds meaningful value to your reading experience and continues to support your academic journey by bringing knowledge from impactful platforms closer to you.

Recap

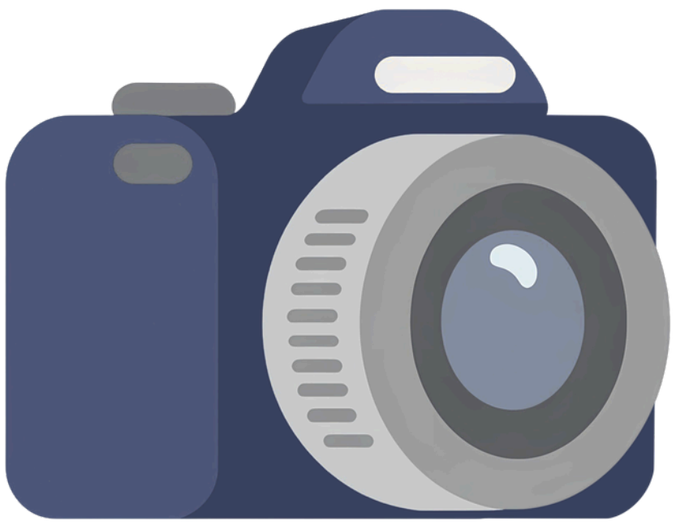
Finance Budget 2026, Explained

The overwhelming response to the Budget Session reaffirmed that the right initiative, at the right time, creates meaningful impact. With all seats filled within just four days, the session reflected the keen interest of CA students in engaging with budget discussions — an area often underrepresented in student-focused forums. Recognising this gap, SICASA took a step forward to bridge it.

The session witnessed participation from over 150 CA students, who brought remarkable enthusiasm, insightful perspectives, and engaging questions that impressed even the speakers. Although the session spanned just two hours, the value it delivered extended far beyond its duration.

A heartfelt note of gratitude to our distinguished speakers, CA Subashini Ganapathy and Adv. Sree Lakshmi Valli, for their exceptional effort in decoding the Finance Amendment with clarity and precision within hours of its presentation. Their expertise made the session both insightful and highly impactful.

We sincerely thank all participants for their trust and active involvement, making this session a memorable and enriching learning experience.



Finance Budget 2026

Memories Captured







Finance Budget 2026

Memories Captured





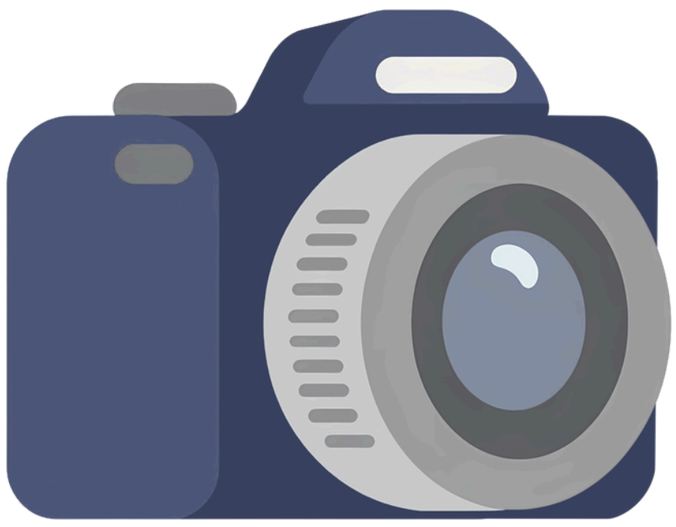
Recap

Mystique - Youth Fest 2026

The much-anticipated youth fest, Mystique, was conducted with great enthusiasm, bringing together students for a vibrant and engaging experience beyond academics. The event served as a dynamic platform for participants to showcase their creativity, talent, and versatility across a wide array of cultural and fun-filled activities.

The day commenced with an inaugural session, setting the tone for an energetic lineup of events that followed. Participants actively took part in on-stage highlights such as Dance Battle, Group Dance, Mic & Melody, Channel Surfing, Corporate Walk, and the much-awaited Mr. & Miss SICASA, each event reflecting confidence, coordination, and creativity. The cultural night further elevated the spirit of the fest, creating a lively and memorable atmosphere.

In addition to stage events, a variety of off-stage competitions like Treasure Hunt, Sudoku, Selling Debate, Photography, Short Film, and Cooking without Fire added diversity to the fest, encouraging strategic thinking, innovation, and teamwork among participants.
Mystique stood out as a well-rounded initiative that blended talent, entertainment, and engagement, offering students a refreshing break while fostering camaraderie and holistic development. The event witnessed enthusiastic participation and left behind a sense of celebration and lasting memories among all involved.



Mystique - Youth Fest 2026

Memories Captured





Mystique - Youth Fest 2026

Memories Captured





In Retrospect – Aazhi 2025

Aazhi 2025, the National Conference held in November 2025, served as a dynamic platform for academic exchange, bringing together participants from across the country. The conference featured a series of insightful technical sessions, complemented by research-driven student presentations.

The following section provides a concise summary of each session. Each page highlights the key discussions, legal issues, and arguments presented, along with the respective student presenter, offering a structured recap that help readers quickly grasp the core takeaways and perspectives shared.

Technical session 1

Detecting Hidden Frauds: Forensic Audit of Shell and Benami Companies



Paveethra K S
SRO0797302

The session focused on the growing complexity of financial fraud facilitated through shell and benami companies, which are often used to obscure ownership, enable money laundering, and evade regulatory scrutiny. While shell companies may appear legitimate, they typically lack real operations, whereas benami entities are illegal structures designed to conceal true ownership.

The discussion highlighted major real-world cases, including the Punjab National Bank scam, where an extensive network of shell entities enabled large-scale fund diversion.

Other instances such as the IL&FS crisis and GST frauds demonstrated how layered transactions, fake invoicing, and proxy ownership are commonly used to manipulate financial systems. To address these challenges, the session emphasized the importance of forensic auditing as an advanced investigative approach beyond traditional auditing. Techniques such as financial statement analysis, ratio analysis, transaction tracing, and network mapping help uncover hidden relationships and suspicious fund flows. Additionally, tools like document verification, lifestyle audits, and digital footprint analysis strengthen the detection of fraudulent activities.

The integration of technology, particularly artificial intelligence, has significantly enhanced forensic capabilities through anomaly detection, predictive modelling, and ownership pattern analysis. Regulatory support and inter-agency collaboration have further improved enforcement outcomes, as seen in recent GST fraud investigations.

The session concluded by underscoring that with evolving financial crimes, forensic auditing plays a critical role in ensuring transparency, strengthening corporate governance, and safeguarding the integrity of the financial system.

Technical session 1

Digital working papers and audit documentation: Is India really ready?



Arundhati
SRO0781124

The session examined the transition from traditional paper-based audit documentation to digital working papers, highlighting it as a significant shift in enhancing audit quality, transparency, and accountability. Digital working papers, aligned with Standard on Auditing (SA) 230, enable structured, searchable, and timely documentation of audit procedures, supported by features such as version control, audit trails, and workflow integration. The evolving regulatory environment, including the Digital Personal Data Protection Act, 2023, has further emphasized the need for secure storage, access control, and data governance in audit documentation.

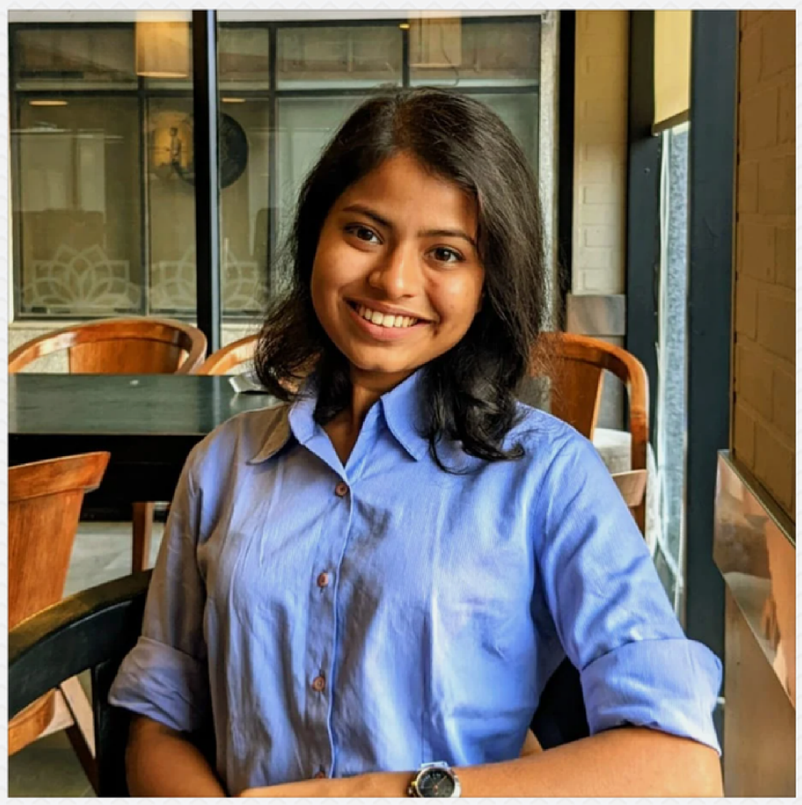
Public sector initiatives, such as the Comptroller and Auditor General of India's implementation of a nationwide paperless audit system, demonstrate the feasibility and benefits of digital adoption at scale. The session also highlighted growing adoption within the professional ecosystem, supported by ICAI's guidance and capacity-building initiatives. While larger firms and sectors such as banking and technology have progressed toward digital systems, smaller firms continue to face challenges including cost constraints, limited training, and change management issues.

Digital working papers offer advantages such as improved documentation quality, easier retrieval, enhanced analytical capabilities, and better regulatory compliance. However, they also introduce risks related to cybersecurity and data privacy, necessitating robust safeguards and compliance with emerging regulations.

The discussion concluded that while India is partially ready for digital working papers, effective implementation, capacity building, and structured adoption strategies are essential to fully realize their potential in improving audit quality and efficiency.

Technical session 1

From Bricks to Balance Sheets: Breaking Down Complexities in the Audit of Construction Companies



K. Thejashmira
SRO0810368

The session explored the unique challenges involved in auditing construction companies, emphasizing that such audits extend beyond financial verification to understanding project execution, contractual terms, and operational realities. The construction sector, being highly significant to the Indian economy, is also one of the most judgment-intensive industries under accounting standards. A major focus was on revenue recognition under the Percentage of Completion Method (POCM) and Ind AS 115, where determining costs, contract value, and stage of completion involves significant estimation and judgment.

Factors such as variation orders, escalation clauses, delays, and external uncertainties make revenue recognition a complex process rather than a straightforward calculation. The session also highlighted risks arising at different stages of construction projects, including delays in approvals, cost overruns, and subcontracting arrangements. Auditors must assess compliance with regulatory requirements, labour laws, and contractual obligations, while also evaluating risks such as liquidated damages due to project delays.

Further complexities arise in identifying performance obligations, determining transaction price involving variable consideration, and allocating revenue appropriately across project components. The selection of methods to measure progress and the inclusion or exclusion of specific costs also require careful scrutiny.

The session concluded that auditing construction companies demands a combination of technical expertise, professional judgment, and practical understanding of project operations to ensure accurate financial reporting and reliable audit outcomes.

Technical session II

INNOVATING AUDIT ONE PROBLEM AT A TIME CA HACKATHON



Akanksha Gupta
ERO0272340



Nandeesh Balekoppadaramane
SRO0785683

The session addressed challenges in manually vouching purchase transactions and reconciling them with GSTR-2B, where auditors handle large volumes of data across varied formats, leading to inefficiencies, inconsistent reporting, and increased risk of overlooking discrepancies such as invoice mismatches and GSTIN issues. The session proposed an audit-focused system that automates data ingestion, extracts and standardizes key invoice fields, and applies deterministic matching logic using parameters such as GSTIN, invoice number, and date, with fallback mechanisms for variations. It reconciles purchase records with GSTR-2B and flags discrepancies including duplicates, tax variances, cut-off differences, and inactive GSTINs.

The approach follows an exception-first model, generating matched records and structured exception lists with predefined reason codes, supported by a clear audit trail. It also enables risk-based prioritization, allowing auditors to focus on high-impact discrepancies.The solution leverages tools such as Python (with libraries like Pandas and RapidFuzz), OCR technologies including Google Cloud Vision API, data structuring through Google Gemini API, and platforms like Streamlit and SQLite for interface and audit trails.

The session concluded that this approach improves efficiency, consistency, and audit quality by shifting focus from manual verification to targeted analytical review.

Technical session II

AuditFlow: Solving the SA 230 Compliance Crisis



Dhruv M Patel
SRO0822728



Ankit Kumar Pandit
ERO0237643

The session highlighted the practical challenges in complying with SA 230 – Audit Documentation, particularly in maintaining complete audit trails, linking evidence to conclusions, and ensuring proper documentation within prescribed timelines. It emphasized that widespread reliance on Excel, Word, and fragmented storage leads to inconsistent documentation, weak traceability, and low confidence during peer reviews. To address these issues, the session introduced AuditFlow, an integrated audit documentation platform designed to ensure structured and automated compliance with SA 230. The system provides a centralized audit file with predefined structures, enabling systematic organization of permanent and current audit records.

Key features include automatic timestamping and author tracking, ensuring clear identification of who performed and reviewed work, along with built-in cross-referencing that links audit evidence, working papers, and conclusions. Standardized working paper templates improve documentation quality.

The platform also incorporates multi-level review workflows with automated logging, review point tracking, and digital approvals, ensuring transparency and accountability across audit hierarchies. Additionally, automated archival mechanisms support compliance with retention requirements through secure, read-only storage.

Technical session II

STATOMATE ESI MODULE EXPLANATION



S. Anuritha
SRO0754027



Sri Vaishnavi M
SRO0771018

The session introduced Statomate, a compliance framework covering ESI, PF, TDS, and GST, with focus on the ESI module. The module streamlines end-to-end compliance through a structured workflow covering verification, computation, reconciliation, and reporting. The process begins with compliance verification, where users define applicability, previous year, and can modify contribution rates if required. The system then automatically determines statutory due dates. Payroll data is uploaded and mapped to compute ESI wages, forming the basis for contribution calculation. Challan details are extracted from uploaded documents, and contributions are automatically recomputed based on defined rates. The system further performs reconciliation between recomputed values, books, and challans, highlighting discrepancies such as short deductions or payments.

It also automates due date mapping and interest calculation, ensuring accurate compliance tracking. Finally, the tool generates an instant tax audit report under Clause 20(b).

Overall, the solution provides an automated, structured approach to ESI compliance, reducing manual effort and improving accuracy, traceability, and reporting efficiency.

Technical session III

Crypto vs Capital Markets: Conversion or Collision



Sameehan Ameet
WRO0773885

The session contrasted capital markets and crypto as two distinct yet evolving financial ecosystems. While traditional markets offer stability, regulation, and consistent growth, crypto presents high-return potential driven by volatility and technological innovation. The comparison highlighted differences in investor behavior, with younger investors showing greater inclination towards crypto due to accessibility and rapid engagement, while older investors prefer the structured nature of equities.

It also traced India's regulatory journey, noting key developments such as the RBI restrictions, Supreme Court reversal, taxation measures, and increasing compliance requirements. The session emphasized that blockchain is not replacing capital markets but enhancing them, with growing institutional adoption and integration into financial systems.

From a macro perspective, the discussion underscored the significant economic potential of crypto and blockchain in India, including job creation and contribution to GDP. The session concluded that the future lies in the coexistence of both systems, combining the trust and discipline of capital markets with the innovation and efficiency of crypto.

Technical session III

ESG Reporting: Chartered Accountants' Role in Reducing Carbon Emissions and Global Warming



Surbhi Lakhotia
CRO0803450

The session highlighted the growing importance of ESG (Environmental, Social, and Governance) reporting as a strategic and regulatory imperative, linking financial performance with sustainability and ethical accountability. It emphasized the evolving global and Indian frameworks such as BRSR, GRI, and ISSB, and the increasing demand for transparent, standardized, and reliable sustainability disclosures. A key focus was on the role of Chartered Accountants in enabling credible ESG reporting through carbon accounting, assurance, and governance oversight.

It also traced India's regulatory journey, noting key developments such as the RBI restrictions, Supreme Court reversal, taxation measures, and increasing compliance requirements. The session emphasized that blockchain is not replacing capital markets but enhancing them, with growing institutional adoption and integration into financial systems.

From a macro perspective, the discussion underscored the significant economic potential of crypto and blockchain in India, including job creation and contribution to GDP. The session concluded that the future lies in the coexistence of both systems, combining the trust and discipline of capital markets with the innovation and efficiency of crypto.

Technical session III

REPO TO RECOVERY: HOW BANKS STAY STRONG DURING GLOBAL CRISIS



KIRAN RAJ
SRO0710797

The session explored how banks maintain resilience during financial crises through a combination of liquidity mechanisms, regulatory safeguards, and technological advancements. It emphasized that crises act as stress tests, disrupting liquidity and trust, while positioning banks as both stabilizers and drivers of recovery. A key focus was on repurchase agreements (repos) as a critical liquidity tool. By allowing banks to access short-term funds using high-quality collateral, repos ensure continuity of cash flows, stabilize borrowing costs, and sustain credit movement even during market disruptions.

Central banks, including the RBI, leverage repo operations to inject liquidity, control interest rates, and restore confidence during crises. Through case studies of the 2008 financial crisis and the COVID-19 pandemic, the session demonstrated how repos played a central role in stabilizing financial systems and enabling recovery. It further highlighted complementary measures such as Basel III regulations, capital and liquidity buffers, stress testing, and diversified funding sources. The session also underscored the growing importance of digital resilience, with technologies like AI, cloud infrastructure, and data analytics enhancing risk management and operational continuity. While challenges such as collateral and counterparty risks remain, repos continue to evolve as a cornerstone of crisis management.

Overall, the session concluded that financial resilience lies in the ability to absorb shocks through well-designed liquidity frameworks, with repos serving as a vital link between crisis and recovery.

Technical session IV

Moot Court : Nova Communications Pvt. Ltd.. v. Commissioner, CGST Appeals-1, Delhi Authorised Representative of Assessing Officer



Girisa S
SRO0803969

This presentation focused on the Revenue's stance in denying Input Tax Credit (ITC) on telecommunication towers. The core issue revolved around whether such towers qualify as immovable property, thereby attracting restriction under Section 17(5)(d) of the CGST Act. The presenter argued that telecom towers and related infrastructure are constructed and permanently affixed to land, making them immovable in nature. Consequently, any goods or services used in their construction fall within the category of blocked credits.

Emphasis was placed on the statutory framework, particularly the explicit exclusion of telecommunication towers from "plant and machinery", which removes any scope for claiming ITC. Further, the argument highlighted that once components are assembled and fixed, they lose their identity as movable goods, thereby exiting the credit chain. The presenter also stressed that towers function merely as passive support structures rather than integral components in telecom service delivery, weakening the claim of functional necessity.

Overall, the session strongly reinforced the legislative intent behind ITC restrictions, asserting that such credits are consciously denied to prevent capital expenditure from entering the credit system, and urged the court to uphold the department's position.

Technical session IV

Moot Court : Nova Communications Pvt. Ltd.. v. Commissioner (Appeals), CGST

Assessee Side



Pratyushram
SRO0821387

This presentation focused on the assessee's challenge to the denial of Input Tax Credit (ITC) on telecommunication towers. The central issue was whether such towers qualify as immovable property, thereby attracting restriction under Section 17(5)(d) of the CGST Act.

The presenter argued that telecom towers are not immovable property, relying on judicial precedents which establish that they fail the test of permanency and can be dismantled and relocated. It was emphasized that their installation is merely functional and does not indicate permanent attachment to land.

Further, the argument addressed the retrospective amendment to "plant and machinery", contending that such changes are not applicable to the dispute period. Prior to the amendment, telecommunication towers were not specifically excluded, and therefore ITC eligibility must be assessed based on the law as it existed during the relevant period.

The presenter also highlighted procedural lapses, particularly that the notice issued under Section 74 was invalid in the absence of fraud or suppression, and that parts of the demand were time-barred. It was argued that reliance on amended provisions and a consolidated notice for multiple years renders the demand legally unsustainable.

Overall, the session emphasized that both substantive law and procedural safeguards favor the assessee, and that denial of ITC is inconsistent with established judicial principles, warranting relief from the High Court.

Technical session IV

Moot Court: M/s. Vulcan TV Private. Ltd. v. Assessing Officer

Assessee Side



RISHMTIHA SRIRAM
SRO0805061

This moot court presentation dealt with the allowability of non-compete fees under Section 37(1) of the Income-tax Act, 1961. The case involved M/s. Vulcan TV Pvt. Ltd., which paid ₹7 crores to an outgoing shareholder-director under a five-year non-compete agreement following a business separation. The presenter argued that the payment was revenue in nature, as it did not create any capital asset or enduring benefit but merely protected the existing business during a transitional phase.

Relying on judicial precedents and the “enduring benefit” test, it was emphasized that the restriction was temporary, uncertain in outcome, and did not alter the profit-making structure.

Further, it was contended that accounting treatment is not determinative of tax treatment, supported by case laws, and that the non-compete covenant is an independent contractual obligation distinct from share transfer. The presenter effectively distinguished contrary judgments and reinforced that the expenditure was wholly and exclusively for business purposes.

The session clearly highlighted the capital vs revenue expenditure debate, focusing on judicial tests, commercial substance, and the importance of factual context in tax characterization.

Technical session IV

Moot Court : M/s. Vulcan TV Pvt. Ltd. v. Assessing Officer

Authorised Representative of Assessing Officer



SRI KRISHNA
SRO0821387

This presentation addressed the tax treatment of non-compete fees from the Revenue's perspective, focusing on whether the ₹7 crore payment qualifies as capital expenditure. The case revolved around M/s. Vulcan TV Pvt. Ltd., which paid the amount to its outgoing promoter under a five-year non-compete agreement as part of a broader separation and share transfer arrangement.The presenter argued that the payment resulted in an enduring commercial benefit, as it ensured protection from competition, strengthened market position, and preserved goodwill over a substantial period.

It was emphasized that even in the absence of a tangible asset, securing such business advantages constitutes capital expenditure under established judicial principles. Further, the non-compete covenant was portrayed as an integral part of the overall transaction, facilitating acquisition of ownership control and business rights, rather than being an independent expense. Judicial precedents were cited to support that such payments, especially when linked to restructuring or acquisition, are capital in nature.

The session highlighted the importance of substance over form, distinguishing temporary business protection from strategic advantage, and reinforced that accounting treatment is not decisive for tax purposes. The presenter concluded that the Assessing Officer's disallowance was justified and should be upheld.

Mark Your Calendar

GET READY FOR WHAT'S COMING!

MARCH 8, 2026 - MANAGING COMMITTEE ELECTIONS 2026–27:

Be a part of shaping the future of SICASA by participating in the upcoming elections. Step forward, take initiative, and contribute to building a stronger student community.

MARCH 22, 2026 - ACAD (ARTICLESHIP GUIDANCE PROGRAMME):

Confused about choosing the right articleship? This session will guide you through key considerations, firm selection, and how to make the most of your training period.

MARCH 29, 2026 - BANK AUDIT SEMINAR:

Gain practical insights into bank audits, a crucial area for every CA student. This session will focus on real-world applications, procedures, and key takeaways to strengthen your understanding.



Brain Grid

A CA Student's Life is Filled With...?

Q	W	E	R	T	Y	U	I	O	P	A	S	D	F	G
R	E	V	I	S	I	O	N	M	N	B	V	C	X	Z
L	A	T	E	N	I	G	H	T	S	T	U	D	Y	Q
P	R	E	S	S	U	R	E	A	S	D	F	G	H	J
A	U	D	I	T	K	L	Z	X	C	V	B	N	M	Q
T	I	M	E	M	A	N	A	G	E	M	E	N	T	W
F	O	C	U	S	E	R	T	Y	U	I	O	P	L	K
G	S	T	M	N	B	V	C	X	Z	A	S	D	F	G
T	A	X	A	P	L	A	N	N	I	N	G	H	J	K
S	E	L	F	D	O	U	B	T	Q	W	E	R	T	Y
M	O	C	K	T	E	S	T	S	U	V	W	X	Y	Z
C	O	N	S	I	S	T	E	N	C	Y	A	B	C	D
R	E	S	I	L	I	E	N	C	E	E	F	G	H	I
S	A	C	R	I	F	I	C	E	J	K	L	M	N	O
S	U	C	C	E	S	S	P	O	I	U	Y	T	R	E



ANNOUNCEMENT

WANT TO FEATURE IN SICASA NEWSLETTER?

Then Share your content along with Your Name, Registration number, Photo

TO

SICASAWRITERSCLUB@GMAIL.COM

TECHNICAL :	CREATIVE:	NON TECHNICAL:
ARTICLES, AMENDMENT SUMMARIES, NEWS, CASELAWS	ART, PHOTOGRAPHY	POEMS,WRITEUPS, BLOGS, REVIEWS,SHORT STORIES

THEN SHARE YOUR CONTENT ALONG WITH YOUR NAME, REGISTRATION NUMBER, PHOTO