



The Institute of Chartered Accountants of India

*EICASA of EIRC
E-Newsletter for the
month of March 2021*

**HAPPY
HOLI
2K21**



E-NEWSLETTER COMMITTEE

2020-21



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MESSAGE FROM CHAIRMAN, **EICASA**



My Dear Students,

Wishing you a very happy, healthy and blissful Poila Baishakh, Bohag Bihu, Maha Visubha Sankranti and Baishakhi in advance. May all your dreams come true and your aspirations find bigger wings to scale greater heights in life with each passing day. Let us also hope and pray that the new financial year ushers us into a progressive and productive year ahead.

It gives me immense pleasure to share with you that after a considerable time interval, EICASA successfully organized a wide range of outdoor sports activities in the month of March, 2021, which saw an appreciable participation of large number of students. The events covered in the sporting extravaganza were 100 mtrs race, 400 mtrs race, 4*100 mtrs relay, Shot-put and long jump for boys and girls separately. A half day seminar on recent amendments in GST was also hosted by EICASA on 4th April, 2021 at the Institute's Premises.

Further, EICASA Speakers' Forum conducted its very first session under the guidance and supervision of CA. Prakash Sinha. The Forum envisages to sharpen presentation skills and provide public speaking tips including overcoming the fear of it. Public speaking is an essential skill for your personal development and undoubtedly adds value to your career.





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Dear students, please be informed that there are several events and programs scheduled to be held in the days to come. Second session of EICASA Speakers' Forum will be held this month. Revision classes on subjects of accounting, tax, audit and law etc. shall be conducted for students appearing for inter and final examinations. It has also been decided to start both off-line and online mock tests for students appearing in May 2021 term for all levels. Team EICASA has also planned to organize a number of workshops and seminars through VCM mode encompassing subject specific topics of academic interest. I am sure such webinars and workshops would definitely add value. A blood donation camp shall be organized in April, 2021. Please come forward to volunteer for the camp as it is for a noble and humanitarian cause. As they say, it costs you nothing, but it can mean the world to someone in need.

Lastly, I would want all of you to remember that being a good student is less about the ability to rote and more about the desire to learn. Stop thinking about what will happen and start thinking about what you can do. You might have hundreds of likes on Facebook but that won't pay your bills! You might have tens of retweets on Twitter every day but that's not going to pay your mortgage! You might have heaps of unread messages on WhatsApp but that's not going to pay for your new car! You might have dozens of likes on Instagram that's not going to give you the life that you dreamt for! Get a life, study hard today to realize your dreams tomorrow.

Wishing you the very best always,

CA Ravi Kumar Patwa
Chairman, EICASA





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MESSAGE FROM VICE-CHAIRMAN, **EICASA**



All our dreams can come true, if we have the courage to pursue them.” – Walt Disney.

Starting with this wonderful quote, I would like to congratulate everyone who cleared their exams in January and wish you all the best for your future ahead.

Hello mates, as things get back to normal with each passing day, we would like to bring to your notice that we have started our offline events in the pursuance of our goal to help excel each and everyone. We kick started the month with the most awaited EICASA Premier League at KIIT University, Bhubaneswar. With 7 participating branches, Cuttack branch of EIRC came out to be the champions of the season.

We would like to let you know that we had successfully organised an outdoor sports meet in the month of March which was not only a fun way to relax post exam but was also an opportunity to display great sportsmanship.

Our very first Session of EICASA Speaker's Forum received massive appreciation from the students as it helped boost their confidence and reduce stage fright.



Hope you all are fine in the new scenario and we would like to reassure you that we would always be there to help you in any possible way.

We have further lined up many events like mock test for may 2021, international conference and much more. Hope you all will try to seek much more of it.

In the end, I would like to wish each and everyone of you a very happy and safe Holi. Holi is the day to express love with colors. It is a time to show affection. All the colors that are on you are of love.

Thanking you,

Shristi kankaria
Vice-Chairperson, EICASA.





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Article : How Second Wave of Covid will Effect Indian Economy

Pushp Kumar Sahu
CRO0553317



What will be impact of Covid second wave on Indian Economy

There will be an adverse effect on Indian economy and also the world economy if second wave of Covid occur again as we can see that after amid Covid there is a worldwide Lockdown which has resulted in huge breakdown and downfall of economy of each and every nation. Trades and business between countries comes to end temporarily due to fear of Covid spread as it is a communicable disease which can spread easily in short time span. There is no flow of money in the economy which has ultimately resulted in price hike of essential commodities and necessities.

Covid has largely affected the world economy which has even resulted in recession in many nations, but after gradual decrease in Covid cases world economy is slowly recovering but subject to India which is recovering at more than an average recovery rate of world economy. In the current scenario, India's GDP growth rate is positive 0.4% which is far better than other countries, but it can only remain positive and will grow if second wave of Covid does not occur.

But, there are two side of coins Indian economy will only recover if Covid cases will decrease but on the other side if any new strain or any new mutilate found then there will be a chance of Covid returns which will ultimately results in lockdown by government, the vaccination drive launched by government will help in reducing cases of new Covid cases but if any new mutilate or new strain found then this vaccination drive will not be proved to be boon for it.

Again if second wave occur, then the economy will collapse which will ultimately results in slowdown and recession i.e. our trade and business will be largely effected resulting in inflation. Apart from this many industrialist will become bankrupt due to lockdown and non-availability of labour in it's factories for working, Industrial sector is one of the most important sector of Indian economy as it provides employment to huge number of labour class.

Hope, Second wave of covid does not occur as it will take back the world economy to many years ago and will ultimately result in depression in the economy which will take years to recover.



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Article : Bitcoin

By Koushal Burnwal

ERO0234649



Who is putting the Price tag in Bitcoin ???

Coming across to the recent tweet of the technoking of Tesla that one can buy tesla car with bitcoin. In another tweet, Musk said, "Tesla is using only internal & open source software & operates Bitcoin nodes directly. Bitcoin paid to Tesla will be retained as Bitcoin, not converted to fiat currency." This comes after Tesla invested \$1.5 billion in Bitcoin in February.

The recent price of a bitcoin is \$53,000 that is approximately Rs 38,50,000. So to buy a Tesla Model S one needs 4 Bitcoin in India. This made us curious that who is setting up the price of Bitcoin.

Bitcoin, the popular cryptocurrency, is neither backed by any banks or governments nor is it recognized as legal currency. However, private parties are able to use Bitcoin for transactions if agreed upon, and it is also purchased and traded on exchanges by investors. Investors are able to purchase bitcoins through cryptocurrency exchanges. It maybe noted, however, that the legality of bitcoin varies by country, with some countries placing an absolute ban on its use. The U.S. Library of Congress publishes a detailed report on its regulatory status around the world. Bitcoin is a volatile investment when considering the basis of the currency's price. When the currency was first launched in 2009, it had no official price because it was not being sold. However, when the first exchanges began to appear, a price developed.



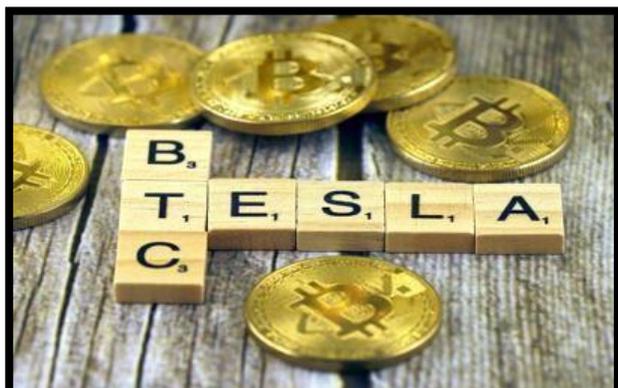
Bitcoin's price at first was small—just a few cents, and it wasn't even being tracked like stocks are in the market. It wasn't until 2013 when Bitcoin began to take off. In October 2013, Bitcoin was priced at \$123.50. It started climbing rapidly, reaching over \$140 in April, and topped \$1,000 by December of that same year.

Factors That Influence Bitcoin's Price

Bitcoin's price isn't set by anyone in particular. It's set by the market—this makes pricing the currency more complex because prices will vary by exchange. As an example, you could look up the price of Bitcoin on the internet, and you might find two different prices. If you used Coindesk.com, you'd see that the price as of June 1, 2020, was \$9,710.72.1 However, Winkdex.com lists Bitcoin's price as \$9,402.79, as of June 1, 2020.

Part of the reason for all the different values is where the data comes from. Bitcoin is never traded in one place. Instead, it is traded on multiple exchanges, all of which set their own average prices, based on the trades being made by the exchanges at a given time.

Indexes gather together prices from several exchanges and average them out, but not all of the indexes use the same exchanges for their data. If you want to buy and sell Bitcoin, you have to choose a particular exchange, which will have its average price.



The price of Bitcoin fluctuates at any given moment, depending on which exchange the information comes from.



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Liquidity and Price of Bitcoin

The price of Bitcoin is very volatile, partly due to the liquidity (the ability to quickly buy and sell) of the currency. The amount of bitcoins flowing through the market at any point in time gives investors the ability to enter and exit positions quickly. If people are trading a high number of a particular asset, it becomes harder for one person or event to shift that price in any single direction. Think of it as a stream of water—you can redirect a small stream by putting down a few planks of wood. But if you wanted to redirect the Mississippi, you'd have a much harder time, because there's simply too much of it.

Events That Can Change Bitcoin's Price

The Bitcoin market is influenced by many events. If it is leaked that a large government is uncertain about how to regulate Bitcoin—as occurred in China—the price can fall.

There are also other factors affecting Bitcoin prices. There are only so many bitcoins available, and they are produced at a predictable rate. The ownership of those bitcoins is unevenly distributed—some Bitcoin giants have vast hoards of the currency in their wallets (digital storage). That, combined with liquidity, makes it easy for people to manipulate the market.

In some cases, the price can be driven down by large traders who sell bitcoins off in high volume. One such trader, nicknamed BearWhale, temporarily crashed the market by selling off a large holding of Bitcoin below market value. When it comes to your bitcoin trading strategy, you should exercise caution. Bitcoin is an extremely high-risk asset, and even the most experienced traders can lose money in a highly unpredictable, volatile market. This is not a reliable method for boosting your pension's earnings potential





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Article : Information System Audit & its Process

Shobhit Jaiswal
NRO0416324



Introduction

The role of information System audit has become a critical mechanism for ensuring the integrity of information and the reporting of organisation finances to avoid and hopefully prevent future financial fiascos such as Satyam. Electronic infrastructure and commerce are integrated in business process around the globe.

There is a need to control and audit using IS to avoid such kind of scam in near future. Today the business processes are tightly integrated to systems. The way businesses are integrated to system, any audit shall be preceded by system audit, as proper working of system is necessary to proper working of business. It shall be great risk being taken by a pure financial auditor to submit his/her report without going through the system audit report of the organisation for which financial audit is being done.

What is IS Audit & Its Objective?

An information technology audit, or information systems audit, is an examination of the controls within an Information technology (IT) infrastructure. The evaluation of obtained evidence determines if the information systems are safeguarding assets, maintaining data integrity, and operating effectively and efficiently to achieve the organization's goals or objectives. These reviews may be performed in conjunction with a financial statement audit, internal audit, or other form of attestation engagement.



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Objective of information system Audit:

The entire audit programme and methodology depends upon the audit objective and scope. The objective of the IS audit is to evaluate an auditee's computerised information system (CIS) in order to ascertain whether the CIS produces timely, accurate, complete and reliable information outputs as well as ensuring confidentiality, integrity, availability and reliability of the data.

Why IS Audit?

An IS audit is the process of collecting and evaluating the evidence of an organisation's information systems, practices, and operations and in today's business environment IS Audit is necessary as business processes have been integrated into system and lot of decision is being taken through these integrated system.

IS auditing is an integral part of the audit function because it supports the auditor's judgment on the quality of the information processed by computer systems. Initially, auditor with IT audit skills are viewed as the technological resource for the audit staff.

The IS auditor's role has evolved to provide assurance that adequate and appropriate controls are in place. The audit's primary role, except in areas of management advisory services, is to provide a statement of assurance as to whether adequate and reliable internal controls are in place and are operating in an efficient and effective manner. Therefore, ***whereas the management is to ensure, auditors are to assure.***



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Audit's agenda, Focus & Assertions of Information System

- ❖ **Audit Agenda**: The IS audit's agenda can be summarised by the following questions:
 - **Availability**- Will the organisation's computer systems are available for the business at all times when required?
 - **Confidentiality**- Will the information in the systems is disclosed only to authorised users?
 - **Integrity**- Will the information provided by the system always be accurate, reliable, and Timely?
- ❖ **Focus of IS Audit**: The IS audit focuses on determining the risks that are relevant to information assets, and in assessing controls in order to reduce or mitigate these risks. By implementing controls, the effect of risks can be minimised, but cannot completely eliminate all risks.
- ❖ **Assertions**: It means that IS Audit and Assurance professional shall review the assertions against which the subject matter will be assessed to determine that such assertions are capable of being audited and that the assertions are sufficient, valid and relevant.

How to perform IS Audit & its Steps?

The fundamental principles of audit do not change with change in the audit subject, however, the perspective of audit and the methods, tools and techniques to achieve the audit objectives do undergo a change.



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As in a financial audit, audit focus is on the risk arising from inadequate or inefficient controls on recording of transactions which could result in misstatement of financial statements. In an Information Systems Audit the focus is on the risks arising from the use of information technology in carrying out business processes.

Steps for Performing an IS Audit:

- ❖ **Engagement Planning:** This includes conclusions on objective(s), scope, timeline and deliverables, compliance with applicable laws and professional auditing standards, use of a risk-based approach, where appropriate, engagement-specific issues, documentation and reporting requirements.
- ❖ **Risk Assessment in Planning:** The IS audit and assurance function shall use an appropriate risk assessment approach and supporting methodology to develop the overall IS audit plan and determine priorities for the effective allocation of IS audit resources. IS audit and assurance professionals shall identify and assess risk relevant to the area under review, when planning individual engagements. IS audit and assurance professionals shall consider subject matter risk, audit risk and related exposure to the enterprise
- ❖ **Performance and Supervision:** IS audit and assurance professionals shall conduct the work in accordance with the approved IS audit plan to cover identified risk and within the agreed-on schedule. IS audit and assurance professionals shall provide supervision to IS audit staff for whom they have supervisory responsibility, to accomplish audit objectives and meet applicable professional audit standards. IS audit and assurance professionals shall accept only tasks that are within their knowledge and skills. IS audit and assurance professionals shall obtain sufficient and appropriate evidence to achieve the audit objectives. IS audit and assurance professionals shall document the audit process. IS audit and assurance professionals shall identify and conclude on findings.



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- ❖ **Evidence**: IS audit and assurance professionals shall obtain sufficient and appropriate evidence to draw reasonable conclusions on which to base the engagement results. IS audit and assurance professionals shall evaluate the sufficiency of evidence obtained to support conclusions and achieve engagement objectives.
- ❖ **Materiality**: IS audit and assurance professionals shall consider potential weaknesses or absences of controls while planning an engagement, and whether such weaknesses or absences of controls could result in a significant deficiency or a material weakness. IS audit and assurance professionals shall consider materiality and its relationship to audit risk while determining the nature, timing and extent of audit procedures. IS audit and assurance professionals shall consider the cumulative effect of minor control deficiencies or weaknesses and whether the absence of controls translates into a significant deficiency or a material weakness.
- ❖ **Using the Work of Other Experts**: IS audit and assurance professionals shall consider using the work of other experts for the engagement, where appropriate. IS audit and assurance professionals shall assess and approve the adequacy of the other experts' professional qualifications, competencies, relevant experience, resources, independence and quality-control processes prior to the engagement. IS audit and assurance professionals shall assess, review and evaluate the work of other experts.



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❖ **Irregularity and Illegal Acts:** IS audit and assurance professionals shall consider the risk of irregularities and illegal acts during the engagement. IS audit and assurance professionals shall maintain an attitude of professional skepticism during the engagement. IS audit and assurance professionals shall document and communicate any material irregularities or illegal act to the appropriate party in a timely manner.

Conclusions:

Information Systems Audit is often misunderstood as a mere technical audit and a domain of Information Technology professionals. On the contrary, Information Systems Audit involves evaluating the adequacy and efficiency of internal controls in business processes that are either partly or fully computerised. Therefore, depending on the audit environment, objectives and scope, the audit could involve the audit of entire business processes, partially or fully automated, or audit of specified application, technology and related controls.

Hence, Audit and control professionals who have expertise in understanding of business processes and internal controls with exposure to information technology risks and controls are considered the most appropriate professionals to conduct information systems audits.

Reference: ICAI Background Material on Information Systems Audit



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Poem : Fearless

Debolina Chatterjee
ERO0214066



FEARLESS

The sky is crystal clear.
The weather is bright and fair.
I am trembling with fear.
Might I die in this year.
Staring worried at the sun.
My fear has already gone.
Hearing people singing joyous song.
I prefer to live a long.”

BE
fearless



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Poem : Play, Win & Dance

Radha Iyer

WRO0603511

Play, Win & Dance

Once you play, you will get the ray of
direction,
The way you win,
Will bring you your best day,
Why to get away!

Go and win your own heart,
By your living art,

Dance with the feel;
The smile will keep you at chill,

Do your best!
Let your destiny take the test;

Cherish your potentiality;
Make your dream a reality!





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कविता - जिंदगी फिर मुस्कुराएगी

Vardhman Chhalani
CRO0497210



जिंदगी फिर मुस्कुराएगी

कल का सूरज एक नया सवेरा लेकर आएगा,
खुशियों का एक नया पल लेकर आएगा।
कल का सूरज एक नई उम्मीद की किरण लेकर आएगा,
नई सोच और नये सपने लेकर आएगा।
कल का सूरज नई ऊर्जा लेकर आएगा,
नये हौसले और नये अंदाज लेकर आएगा।
कल का सूरज नया वक्त लेकर आएगा,
उत्साह, उमंग और उल्लास लेकर आएगा।
कल का सूरज नई चुनौतियां लेकर आएगा,
नये रास्ते और नये समाधान लेकर आएगा।
कल का सूरज नई रोशनी लेकर आएगा,
नई शक्ति और नये वरदान लेकर आएगा।
कल का सूरज नया अवसर लेकर आएगा,
नई क्षमता और नई प्रतिभा लेकर आएगा।
कल का सूरज नया रवैया लेकर आएगा,
हिम्मत ना हारो तुम, नया सवेरा लेकर आएगा।।





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Forthcoming events of EICASA

Date	Event
10.04.2021	EICASA Speakers Forum day 02
	Mock Tests will be conducted both offline & Online basis for students appearing for May 2021 term for all levels.
12.04.2021	Revision Classes will be conducted for students (Inter & Finals). Accounts marathon, Tax revision, Audit & Law
17.04.2021	Blood Donation Camp

International Conference For CA Students°

Organised By SSEB

Hosted By EICASA of EIRC of ICAI

17th & 18th of July 2021

(Stay Tuned With EICASA)



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Gallery



EPL 2021

Outdoor
Sports
2021





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ANNOUNCEMENT BY ICAI

Invitation for Expression of Interest from Experts/Resource Person on Sustainability Reporting - (17-03-2021)

Announcement for Members to Empanelment as Resource Persons for Conducting Investor Awareness Programmes (2021-22) - (16-03-2021)

Important Announcement, May 2021 Exams - (16-03-2021)

Extension of Condonation Scheme to regularize UDINs - (12-03-2021)

Announcement - Preliminary Expression of Interest for Practice Management Software - (11-03-2021)

Announcement - Preliminary Expression of Interest for the Welfare Schemes for the Members of ICAI - (11-03-2021)

Announcement regarding Commencement notification of the provisions of Companies (Amendment) Act, 2017 w.e.f. 05th March, 2021 in respect of provisions relating to Annual Return by CL&CGC, ICAI - (10-03-2021)

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For detailed Announcement Visit:
<https://www.icai.org/category/announcements>



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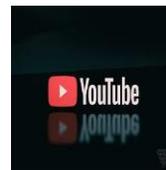
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