




अग्रसर
NEWSLETTER
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Gurugram

BRANCH OF NIRC OF ICAI



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ICAI Gurugram Branch (NIRC) for the year 2025-2026



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CHAIRPERSON

Dear Members and Readers,
Warm greetings to all!

As we welcome August, I'm pleased to share a few updates and extend an invitation for greater participation from our professional community.

Our newsletter thrives on the knowledge and experiences shared by you. I encourage members to contribute articles related to Information Technology, recent professional developments, and key industry updates. Your insights, whether from your work, seminars, or research, can significantly benefit fellow professionals and foster a culture of learning.

The Gurugram Branch has continued its strong focus on quality programming. Over the past month, we've organized several well-received seminars and workshops addressing current topics, skill enhancement, and regulatory updates. The enthusiastic participation and positive feedback from attendees reaffirm our commitment to delivering value-driven sessions. I extend my sincere thanks to all speakers and volunteers who helped make these events a success.

Your feedback is vital to us. We are actively seeking suggestions to improve not just our newsletter but also our overall engagement with members. If there are topics, you'd like covered, or ways we can serve you better, please don't hesitate to reach out. Every suggestion is welcome and plays a role in shaping our future initiatives.

Let us continue working together to create a supportive and informed professional environment. Your participation—through articles, feedback, and event involvement—helps us all grow stronger together.

Thank you for your continued support.

CA. Pooja Aggarwal
Chairperson, Gurugram Branch of NIRC of ICAI



Newsletter Committee CHAIRPERSON

Dear Members of ICAI Gurugram, Namaste.

It gives me immense joy to welcome you to the August 2025 edition of our Branch Newsletter. Our committee remains dedicated to fostering a culture of learning, collaboration, and shared growth.

As the Bhagavad Gītā (4.38) reminds us: “In this world, there is nothing so purifying as knowledge.” For us, Chartered Accountants, knowledge is not static, it must be renewed, applied, and shared to serve society with integrity and foresight.

This Newsletter is more than a publication; it is a forum for ideas and experiences. From taxation and audit updates to insights on AI, ethics, and work life balance, each contribution reflects the spirit of collective learning. I am grateful to our contributors who distilled their expertise into practical guidance.

Late Shri Nani Palkhiwala once said, “The best charity one can do in India today is to carry knowledge to the people.” With that inspiration, I invite you to actively participate, read, write, and share your perspectives, so that together we may keep knowledge as our guiding light.

With best wishes for your continued success,

CA. Ajay Sharma,
Chairman, Newsletter Committee,
Gurugram Branch of NIRC of ICAI

NICASA- Student Team's

Dear Students,

At NICASA Gurugram, we believe that learning goes far beyond textbooks. Participation in events and competitions fosters self-confidence, enhances communication, and builds creative and critical thinking. Whether on stage, behind the scenes, or in collaboration, every role is an opportunity to discover your strengths and grow.

This year, we step forward not just with responsibilities, but with purpose, conviction, and compassion. Our collective vision is to build a NICASA that every student feels proud to belong to, not as a spectator, but as a changemaker. We commit to:

Empowerment through Education – nurturing curiosity, character, and critical thinking;
Engagement through Community – creating conversations, friendships, and networks that go beyond the CA journey;

Excellence through Heart – grounding every step in empathy, ethics, and inclusiveness.

We stand for G.R.O.W.T.H:

Grit, Resilience, Openness, Wisdom, Teamwork, and Heart, values that define not only a strong student body, but a powerful future.

As we revive and re-energize our platforms, newsletters, seminars, fests, workshops, we invite you to participate, speak up, step in, and lead. Confidence is built with each step taken; leadership is shaped by action.

Let's build a NICASA Gurugram we are proud to call our own, a Launchpad where each of you can explore, express, and evolve.

Warm regards,

The Student Office Bearers, NICASA Gurugram (2025–26)

Vanshika Seedhar – Vice Chairperson

Priyanshi Goswami – Secretary

Anshika Atri – Joint Secretary

Aarushi Agarwal – Treasurer



CA. ANSHU SAINI

Understanding DCF Valuation: A Deep Dive with Examples

Introduction

In the realm of financial analysis, accurately estimating the value of a business or investment is crucial. Among the various valuation techniques, the Discounted Cash Flow (DCF) model stands out as one of the most robust and theoretically sound approaches. It is widely adopted by professional analysts, portfolio managers, and investors, DCF valuation is rooted in the principle that the intrinsic value of an asset is determined by the present value (PV) of its future expected cash flows. This article explores the intricacies of DCF valuation, supplemented with a practical example, charts, and analysis, while highlighting insights from market leaders.

What is DCF Valuation?

Discounted Cash Flow valuation is a fundamental valuation methodology used to estimate the value of an investment based on its expected future cash flows. These future cash flows are adjusted to their present value using a discount rate, typically reflecting the opportunity cost of capital. The core idea is simple and straightforward: money today is worth more than the same amount in the future due to its earning potential. By discounting future cash flows, we arrive at a present value that can be compared to the current market price to assess whether an asset is overvalued, fairly priced, or undervalued.

Why DCF is Crucial in Valuation?

DCF analysis is particularly valuable because it is based on intrinsic valuation—measuring a company's actual worth based on underlying financials rather than market sentiment. Unlike relative valuation methods that compare a company with its peers, DCF digs deep into a company's operations, growth potential, and capital structure.

Core Components of DCF Valuation

1. **Free Cash Flows (FCF):** At the heart of DCF lies the concept of Free Cash Flow—cash generated by a company that is available to be distributed to capital providers.
2. **Discount Rate:** The rate at which future cash flows are discounted back to present value. For businesses, this is usually the Weighted Average Cost of Capital (WACC), which accounts for the cost of equity and debt.
3. **Terminal Value:** Since it's impractical to forecast cash flows indefinitely, the DCF model incorporates a terminal value to account for all cash flows beyond the projection period. This can be calculated using either the perpetuity growth method or an exit multiple.
4. **Forecast Period:** Most analysts use a 5–10-year forecast period based on the visibility of financial performance and industry trends.

Step-by-Step Example: DCF for Infosys Ltd To illustrate DCF in practice, let's walk through a simplified valuation of Infosys Ltd, one of India's leading IT services companies. The figures used are illustrative and rounded for clarity.

Assumptions:

- FCF Year 1: 5000 Cr
- FCF growth rate: 10% per annum for 5 years
- WACC: 9%
- Terminal growth rate: 4%

Step 1: Project Future Cash Flows Using a 10% growth rate, future FCFs are projected:

- Year 1: Rs. 5000 Cr
- Year 2: Rs. 5500 Cr
- Year 3: Rs. 6050 Cr
- Year 4: Rs. 6655 Cr
- Year 5: Rs. 7321 Cr

Step 2: Estimate Terminal Value Using the perpetuity growth method:

Step 3: Discount to Present Value Each cash flow, including the terminal value, is discounted back to present value using the WACC.

Chart: DCF Summary for Infosys

Year	FCF (Cr)	Discount Factor	PV (Cr)
1	5 0 0 0	0.9174	4 5 8 7
2	5 5 0 0	0.8417	4 6 2 9
3	6 0 5 0	0.7722	4 6 7 5
4	6 6 5 5	0.7084	4 7 1 1
5	7 3 2 1	0.6499	4 7 6 5

Total Enterprise Value (TEV) = PV of Cash Flows + PV of Terminal Value = Rs. 23,361 Cr + Rs. 98,793 Cr = Rs. 1,22,153 Cr

Analysis and Interpretation: This valuation suggests that Infosys has an intrinsic enterprise value of approximately Rs.1,22,153 Cr under the stated assumptions. If the company's current market capitalization is significantly below this value, it could present a compelling investment opportunity. Conversely, if the market capitalization is higher, it might indicate overvaluation. However, the accuracy of this valuation heavily depends on the reliability of the input assumptions, which need to be continuously monitored and updated with new financial data. Moreover, the significance of the terminal value, which in this example accounts for more than 70% of the total DCF valuation, cannot be overstated. It highlights how future expectations and long-term growth rates critically influence valuation outcomes. Overreliance on terminal

value also raises concerns about the robustness of the forecast model.

Valuation Sensitivity Analysis It's important to stress that small changes in WACC or growth assumptions can significantly impact valuation. Below is a sample sensitivity table

152276.8	8%	9%	10%
3%	150812.6	125677.2	107723.3
4%	190346	152276.8	126897.3
5%	256235	192176.3	153741

Best Practices for DCF Modeling

- Use realistic and conservative assumptions
- Back your forecasts with historical data and industry trends
- Include a range of outcomes (best case, base case, worst case)
- Always validate your WACC inputs with market data

Use Cases of DCF in Real World

1. Equity Valuation: Investors use DCF to assess the fair value of a stock compared to its market price.
2. M&A Transactions: Buyers determine a company's value before negotiations.
3. Capital Budgeting: Companies evaluate new projects based on DCF to ensure value creation.

Key Market Leaders and their Use of DCF

- **Warren Buffett:** Perhaps the most well-known advocate of intrinsic valuation. Although he rarely shares detailed models, Buffett emphasizes buying businesses whose future cash flows can be reasonably estimated.
- **Aswath Damodaran:** A professor at NYU Stern and widely regarded as the "Dean of Valuation." His publicly available DCF models and extensive lectures provide deep insights into practical implementation
- **Howard Marks:** While more credit-focused, Marks frequently discusses intrinsic value, margin of safety, and disciplined valuation, which align closely with DCF principles.

Advantages of DCF Valuation

- Forward-Looking: Unlike multiples that rely on current or historical data, DCF emphasizes future performance.
- Company-Specific: Tailored to a firm's unique financial situation.
- Fundamentally Driven: Independent of market volatility and hype.

Limitations of DCF

- **Sensitivity to Assumptions:** Slight changes in WACC or growth rates can yield vastly different results.
- **Difficult to Use for Startups:** New companies with unpredictable cash flows make DCF modeling complex.
- **Data Intensive:** Requires detailed forecasts and sound financial data.
- **Case Study: DCF vs Market Price** Let's assume Infosys is currently trading at 1400 per share, and the DCF-derived fair value per share is 1650. This suggests the stock is undervalued by nearly 18%, indicating a potential buying opportunity for value investors. However, further qualitative analysis (industry risks, management quality, competitive landscape) must be conducted before investment decisions.

Enhancing DCF with Real Options and Scenario Analysis To strengthen a DCF model, advanced techniques like Monte Carlo simulations, scenario planning, and real options valuation can be incorporated. These allow analysts to address uncertainty and value managerial flexibility.

Critiques and Considerations Critics of DCF argue that the model's heavy dependence on forecasts introduces a level of subjectivity and potential bias. Analysts must guard against over-optimism, confirmation bias, and anchoring. Cross-validation with other valuation techniques—such as comparable and precedent transactions—provides additional context and confidence in the final assessment.

Conclusion

DCF valuation remains one of the most robust tools in the financial analyst's toolkit. While it demands precision, thoughtful judgment, and high-quality inputs, the rewards include a deep understanding of what truly drives a company's value. When used alongside qualitative factors and other valuation methods, DCF can provide a holistic view that guides sound investment decisions. Whether you're evaluating Infosys or any other company, a well-constructed DCF model is an invaluable asset for anyone serious about finance.

Disclaimer: The example and numbers used in this article are for illustrative purposes only and do not constitute investment advice.



CA. GOPAL NATHANI

Patna High Court sets a new normal in entertaining a writ

Article 226 of Constitution

Power of High Courts to issue certain writs

(1) Notwithstanding anything in article 32, every

High Court shall have power, throughout the territories in relation to which it exercises jurisdiction, to issue to any person or authority, including in appropriate cases, any Government, within those territories' directions, orders or writs, including writs in the nature of habeas corpus, mandamus, prohibition, quo warranto and certiorari, or any of them, for the enforcement of any of the rights conferred by Part III and for any other purpose.

(2) The power conferred by clause (1) to issue directions, orders or writs to any Government, authority or person may also be exercised by any High Court exercising jurisdiction in relation to the territories within which the cause of action, wholly or in part, arises for the exercise of such power, notwithstanding that the seat of such Government or authority or the residence of such person is not within those territories.

(3) Where any party against whom an interim order, whether by way of injunction or stay or in any other manner, is made on, or in any proceedings relating to, a petition under clause (1), without—

(a) furnishing to such party copies of such petition and all documents in support of the plea for such interim order; and

(b) giving such party an opportunity of being heard,

makes an application to the High Court for the vacation of such order and furnishes a copy of such application to the party in whose favor such order has been made or the counsel of such party, the High Court shall dispose of the application within a period of two weeks from the date on which it is received or from the date on which the copy of such application is so furnished, whichever is later, or where the High Court is closed on the last day of that period, before the expiry of the next day afterwards on which the High Court is open; and if the application is not so disposed of, the interim order shall, on the expiry of that period, or, as the case may be, the expiry of the said next day, stand vacated.

(4) The power conferred on a High Court by this article shall not be in derogation of the power conferred on the Supreme Court by clause (2) of article 32.

The Supreme Court in (1998) 8 SCC 1 (Whirlpool Corporation vs. Registrar of Trade Marks, Mumbai and Others) carved out following list of exceptions on the existence where of a Writ Court would be justified in entertaining a writ petition despite the party approaching it not having availed the alternative remedy provided by the statute:

(i) where the writ petition seeks enforcement of any of the fundamental rights;

(ii) where there is violation of principles of natural justice;

- (iii) where the order or the proceedings are wholly without jurisdiction; or
- (iv) where the vires of an Act is challenged.

Patna High Court matter

The Patna High Court encountered a case of partnership firm in *Shakambhari Udyog v. CIT (2025)*

173 Taxmann. com 955 (Patna) where the department framed assessment of the 3-partners firm on the basis of a complaint/information received from one of the partners alleging understated of actual business receipt/sales.

The partnership firm challenged the action in a writ stating that no opportunity to cross-examine the complainant partner was provided and citing violation of principle of natural justice.

The High Court declined to entertain the writ by simply stating the AO has not recorded statements of the complainant so that it was not right to make any plea that the petitioner was required to be given an opportunity to cross-examine the complainant and further that the AO has analyzed the information received from the complainant.

Drawing limited reference from Supreme Court decision in *Godrej Sara Lee (2023) SCC Online SC 95* it held that the High Court should normally not entertain a writ petition where an effective and efficacious alternative remedy is available even when it is maintainable on a sound legal point.

What does the SC say in Godrej Sara Lee?

The Supreme Court more particularly referred to such kind of action as one of the self-imposed restrictions on the exercise of power under Article 226 and not the only one as any routine or normal act. In their order the Supreme Court held the following total observations (Paragraph 4):

"4. Before answering the questions, we feel the urge to say a few words on the exercise of writ powers conferred by Article 226 of the Constitution having come across certain orders passed by the high court's holding writ petitions as "not maintainable" merely because the alternative remedy provided by the relevant statutes has not been pursued by the parties desirous of invocation of the writ jurisdiction. The power to issue prerogative writs under Article 226 is plenary in nature. Any limitation on the exercise of such power must be traceable in the Constitution itself. Profitable reference in this regard may be made to Article 329 and ordainments of other similarly worded articles in the Constitution. Article 226 does not, in terms, impose any limitation or restraint on the exercise of power to issue writs. While it is true that exercise of writ powers despite availability of a remedy under the very statute which has been invoked and has given rise to the action impugned in the writ petition ought not to be made in a routine manner, yet, the mere fact that the petitioner before the high court, in a given case, has not pursued the alternative remedy available to him/it cannot mechanically be construed as a ground for its dismissal. It is axiomatic that the high courts (bearing in mind the facts of each particular case) have a discretion whether to entertain a writ petition or not. One of the self-imposed restrictions on the exercise of power under Article 226 that has evolved through judicial precedents is that the high courts should normally not entertain a writ petition,

(where an effective and efficacious alternative remedy is available. At the same time, it must be remembered that mere availability of an alternative remedy of appeal or revision, which the party invoking the jurisdiction of the high court under Article 226 has not pursued, would not oust the jurisdiction of the high court and render a writ petition “not maintainable”. In a long line of decisions, this Court has made it clear that availability of an alternative remedy does not operate as an absolute bar to the “maintainability” of a writ petition and that the rule, which requires a party to pursue the alternative remedy provided by a statute, is a rule of policy, convenience and discretion rather than a rule of law. Though elementary, it needs to be restated that “entertainability” and “maintainability” of a writ petition are distinct concepts. The fine but real distinction between the two ought not to be lost sight of. The objection as to “maintainability” goes to the root of the matter and if such objection were found to be of substance, the courts would be rendered incapable of even receiving the list for adjudication. On the other hand, the question of “entertainability” is entirely within the realm of discretion of the high courts, writ remedy being discretionary. A writ petition despite being maintainable may not be entertained by a high court for very many reasons or relief could even be refused to the petitioner, despite setting up a sound legal point, if grant of the claimed relief would not further public interest. Hence, dismissal of a write petition by a high court on the ground that the petitioner has not availed the alternative remedy without, however, examining whether an exceptional case has been made out for such entertainment would not be proper.”

The Supreme Court in their order also justified entertaining a writ in the event of any illegality or procedural impropriety in the proceedings before the Assessing Authority or lack of observance of established rules and procedures which would amount to violation of natural justice principle: (Paragraph 37)

“37. A decision may be questioned as suffering from an illegality if its maker fails to understand the law that regulates his decision-making power correctly or if he fails to give effect to any law that holds the field and binds the parties. On the other hand, having regard to the purpose section 34 seeks to serve, to take exception to a decision on the ground of lack of propriety of any proceedings or order passed in such proceedings, it essentially ought to relate to a procedural impropriety. It is incumbent for the accuser to show that the decision maker has failed to observe the standard procedures applicable in case of exercise of his power. Additionally, to impeach an order on the ground of moral impropriety, it has to be shown that the weight of facts together with the applicable law overwhelmingly points to one course of action but the decision has surprisingly gone the other way, giving reason to suspect misbehavior or misconduct in the sphere of activity of the decision maker warranting a revision.”

Procedural Impropriety

Nowhere it can be found whether Assessing Officer carried out any independent inquiry on the basis of compliant to unearth the truth of concealment and its veracity which is an essential element of assessment procedures the onus lies upon him to prove unaccounted - receipts. Section 131 put a further obligation upon Assessing Officer to obtain statements from witnesses or complainant on oath whereas in this case reportedly the complaint was undated and unsigned. There is no even iota of reference of any affidavit obtained from the

complainant. There appears to be complete failure of assessment procedures even though when the order has been passe du/s 147/143. The assessing authority has not done his work as required of him by the Act laid procedures. There is clear violation of principles of natural justice in this case.

By their ruling therefore Patna High Court sets a new normal by which writs are to be dismissed necessarily because of alternative remedy available in the act.

Round up

It is true that an assessment may be reopened on the basis of information but it is also certain that the assessing authority ought must examine and evaluate the source of every information by making independent enquiry and recording of statement of witnesses on oath and also provide cross examination where it is so desired by the other party before completing his assessment which part is not undertaken in this case.

Section 148A in its new avatar vide Finance (No 2) Act, 2024 is againa flawed sectionas it comes into effect on mere receipt of information without calling upon the Assessing Officer to conduct any inquiry before issue of show cause notice. The High Court has set an odd precedent as it mechanically dismissed writ application as routine action.Let us see how far this go.



CA. KAILASH SAINI

Due Process in GST: The Constitutional Mandate of Articles 265 and 14

“No tax shall be levied or collected except by authority of law.” – Article 265, Constitution of India

This concise declaration encapsulates the essence of fiscal governance in India. It forms the legal threshold beyond which no tax officer or authority may step without due legal empowerment. But in the real world of GST enforcement, this safeguard is frequently overlooked. Equally significant is Article 14, which guarantees equality before the law and guards against arbitrary state action. In tax enforcement, the convergence of Articles 265 and 14 forms the constitutional back bone that governs not only the substance of taxation but also the process by which it is enforced.

Tax law, particularly under GST, is not just about quantification of liabilities. It is also about fair process. The constitutional principles of legality and equality require that every levy and every recovery follow due procedure, and that tax payers are treated equally before the law.

The Constitutional Context: Legal Authority and Equal Treatment

Article 265 mandates that any tax must be supported by a valid legislative enactment. Collection without adjudication, for instance, violates this mandate. Meanwhile, Article 14 prevents unequal or arbitrary treatment of taxpayers. Disparate treatment of similar taxpayers, discretionary non-issuance of pre- SCN consultation (DRC-01A), or unequal access to appellate remedies can all trigger violations of this article.

“It is not only levy, but collection as well, that must be rooted in law.”

Discretionary collection of taxes—especially without following due process—undermines both these guarantees. Examples include recovery during inquiry stages or unequal application of pre- adjudication consultations.

“Recovery without adjudication is like putting the cart before the horse.”

Tax enforcement cannot precede legal determination. Yet, in practice, the cart is too often placed before the horse—a direct violation of both - procedural law and constitutional rights.

GST's Three-Tier Legal Mechanism: An Overview

GST law establishes a procedural hierarchy involving Inquiry, Adjudication, and Recovery/Appeal:

1. Inquiry: Conducted through scrutiny (Section 61), audit (Section 65), inspection (Section 67), and summons (Section 70). No tax liability is to be crystallized at this stage.

“Search, inspection, audit—these are fact-finding exercises. No one is supposed to pay a single rupee till adjudication is complete.”

2. Adjudication: Begins with a Show Cause Notice (SCN), necessarily preceded by a DRC- 01A pre-consultation. A personal hearing is essential before issuing an adjudication order.

“Show Cause Notice is nothing but a charge sheet—it must follow an inquiry.”

3. Recovery/Appeal: Recovery under Section 78/79 can only commence after three months of service of adjudication order. Appeals under Section 107 require a 10% pre-deposit of the disputed tax; appeals to GSTAT under Section 112 require an additional 20%.

“The department cannot do any collection otherwise than in the manner prescribed by law.”

Any attempt to bypass these procedures is not only contrary to the CGST Act but unconstitutional under Articles 265 and 14.

Departmental Lapses: Procedural Defects as Strategic Defense

“A battle can be won either with your strength or with the weakness of your opponent. That's very true in tax litigation.”

A remarkable instance involved the Delhi High Court in a Rs.49 crore Service Tax case. The entire demand was struck down solely because of the department's failure to initiate a DRC-01A pre-consultation.

Notably, the taxpayer had not even responded to the SCN but approached the High Court, which found the absence of procedural compliance fatal.

Other notable cases include:

- Bhumi Associates (Gujarat High Court): Invalidated recovery without adjudication.
- Swiggy / Bundl Technologies (Karnataka High Court): Upheld that coercive recovery during investigation is illegal.
- Nandi Dal Mills (Madras High Court): Held that recovery must wait until adjudication.
- G-Tech Industries v. UOI (Punjab & Haryana HC): Observed that officers cannot exercise jurisdiction beyond what is assigned on the GST portal.

Common errors include issuing SCNs under the wrong sections (e.g., using Section 74 where no fraud is alleged), bypassing DRC-01A without justification, and improper service of notices.

“Please raise preliminary objections at the first instance. If you don't, it is deemed you have submitted to the authority.”

The Four Dimensions of Jurisdiction

Jurisdictional challenges offer powerful grounds for quashing proceedings. Every notice must satisfy:

- Territorial Jurisdiction: Officer must belong to the geographic area where the taxpayer is registered.
- Functional Jurisdiction: Must have authority to issue SCNs and pass orders.
- Subject-Matter Jurisdiction: Officer must be empowered for that particular issue, e.g., refund or classification.
- Division Jurisdiction: State/Central division allocation on the GST portal must match.

“If a person in Maharashtra was summoned by a Rajasthan officer over 200 miles away. The summons was invalidated as jurisdiction was not properly established.”

DRC-01A: Discretion Is Not Unchecked

“Even after the amendment changed 'shall' to 'may', the discretion must be exercised judicially. If 01A is not issued, there must be a reason recorded.”

Taxpayers should request the Note Sheet or File Noting through RTI. The absence of recorded reasons is itself grounds for setting aside the SCN.

“This becomes your sole reason for winning the case—absence of 01A with no justification.”

Service of Notices and the Digital Divide

“Is it my duty to open the portal daily?”

Section 169 of the CGST Act does not clarify the service timeline for portal uploads or emails. Section 13 of the Information Technology Act stipulates that the notice is deemed served when it enters the recipient's system. Without access, service is incomplete.

This has significant implications for limitation periods, appellate deadlines, and taxpayer rights.

Strategic Litigation: Beyond Departmental Circulars

“Don't read the law as the government understands it—read it as the courts would.”

“If a circular helps you, use it. If not, throw it—it is not the law.”

Departmental circulars are merely administrative guidelines. Courts interpret and enforce the law, and any violation of Articles 265 or 14 cannot be defended by citing internal guidelines.

“Even a weak case on merits can be won on the department's procedural failure.”

Conclusion: The Dual Safeguard of Legality and Equality

In the ever-evolving landscape of GST, Article 265 remains the North Star—an unyielding constitutional safeguard reminding us that no tax shall be levied or collected except by authority of law. This isn't just a legal formality; it is your strongest shield in litigation, anchoring the principle that taxation must always be backed by valid legislation and due process.

But the story doesn't end there. Enter Article 14 of the Constitution, which guarantees equality before the law and equal protection of the laws. In the context of tax disputes, this means no arbitrary classification, no discriminatory enforcement, and no unequal - treatment—whether in assessments, audits, or refund rejections. If similarly placed taxpayers are treated differently without a rational basis, it's not just bad administration—it's unconstitutional.

Together, Articles 14 and 265 form the bedrock of your defense. While Article 265 empowers you to challenge any tax demand lacking statutory backing, Article 14 empowers you to challenge arbitrary or biased tax administration.

In a world where procedural lapses can tilt the scales of justice, a deep understanding of the law becomes not just



CA. RASHMI ARORA

The Evolving Role of CFOs in India: From Compliance Custodian to Strategic Catalyst

In today's dynamic and digitally disrupted corporate ecosystem, the role of the Chief Financial Officer (CFO) in India has undergone a profound transformation. No longer confined to financial reporting and regulatory compliance, the modern CFO is now expected to play the roles of strategic advisor, digital enabler, and organizational change leader.

Having spent over two decades in finance leadership, I have witnessed first-hand how the perception and responsibilities of CFOs have shifted from being 'guardians of the books' to becoming key drivers of business strategy, resilience, and long-term value creation.

The Expanding CFO Mandate

Traditionally, CFOs were viewed primarily through a technical lens—ensuring accurate financial reporting, regulatory compliance, tax optimization, and cost control. While these responsibilities remain core, the expectations have grown significantly. Today, CFOs are:

- **Strategic Partners:** Providing forward-looking insights, scenario planning, and capital allocation strategies.
- **Digital Navigators:** Leading ERP transformations, process automation, and integrating data analytics into decision-making.
- **Risk Managers:** Overseeing enterprise risk management, ESG compliance, and cybersecurity governance.
- **People Leaders:** Building cross-functional collaboration and mentoring the next generation of finance talent.

Challenges on the Ground

Despite this broader mandate, CFOs often operate in highly complex environments where they must balance:

- Short-term firefighting vs long-term strategy
- Increasing regulatory scrutiny vs limited resources

Stakeholder expectations vs unpredictable external shocks

We are often the default recipients of unfinished agendas, cost pressures, last-minute compliance surprises, and digital transformation delays. It is not uncommon for CFOs to be asked to "fixit" regardless of whether it originally belonged to the finance domain.

Trust, Tools, and Inclusion

To truly unlock the potential of CFOs in India, three enablers are essential:

1. **Trust:** Boards and CEOs must move from seeing CFOs as "naysayers" to embracing them as strategic co-pilots.

2. Tools: Investment in modern finance technology is non-negotiable. Automation, predictive analytics, and real-time dashboards can dramatically improve responsiveness.

Inclusion: CFOs should be brought into strategic conversations at inception, not post- facto. This includes product pricing, expansion planning, or ESG strategies.

The Way Forward

CFOs are uniquely positioned to act as the conscience of the organization while also steering growth and innovation. The future will belong to those who can blend financial acumen with digital dexterity, strategic vision, and empathetic leadership.

As members of the profession, we must support one another in this evolution—sharing best practices, advocating for modern tools, and mentoring young professionals.

The days of the CFO being the "back-office number cruncher" are long gone. Today, we are front-line strategists, navigating volatility with resilience and purpose.

"CA Rashmi Arora is a seasoned finance professional and currently serves as the Chief Financial Officer at a leading non- profit organization. She is passionate about ethical leadership, digital transformation, and mentoring young CAs."



CA. RAMANUJAN SHARMA

MOOWR 2019: A Game Changer for Importers and Manufacturer (Custom)

The **MOOWR Scheme** (Manufacture and Other Operations in Warehouse Regulations, 2019), introduced under **Section 65 of the Customs Act, 1962**, is one step towards improving the ease of doing business in India. It allows manufacturers to import raw materials and capital goods without upfront payment of duties, and carry out operations within bonded warehouses. In this article, the author has tried to summarize the key benefits, procedure, and challenges of the MOOWR Scheme in a simple and practical manner for businesses

MOOWR SCHEME FOR IMPORTER :

Manufacture and Other Operations in Warehouse Regulations, 2019 (MOOWR Scheme)

1. Background of the MOOWR Scheme:

- The MOOWR Scheme was introduced under Section 65 of the Customs Act, 1962 to promote India as a global manufacturing hub and to simplify compliance requirements for businesses. It permits manufacturers to carry out manufacturing and other operations within a bonded warehouse **while deferring customs duties and taxes**.
- Under this scheme, the Central Board of Indirect Taxes and Customs (CBIC) allows manufacturers to import raw materials and capital goods without upfront payment of customs duties. Unlike other duty deferment schemes, MOOWR does not mandate any export obligation, making it highly beneficial for businesses supplying both to domestic and international markets.

2. Key Advantages of the MOOWR Scheme:

- Duty-free import of raw materials and capital goods.
- Deferred payment of customs duty and IGST—**payable only** at the time of clearance for home consumption i.e. no customs duty on exports of manufactured goods.
- One-time license with **lifetime validity**—no periodic renewals.
- **No interest** on deferred duties for capital goods used and later cleared for home consumption.
- **Unlimited storage** time for imported goods within the bonded warehouse.
- Simplified compliance with a **single application covering both** warehouse licensing and manufacturing permissions.
- **No duty** is applicable **on transfers** between bonded warehouses.
- Deferment of duty **reduces working capital** requirements and the associated **interest costs**.
- **No geographical restrictions**—any facility in any corner of India can be converted into a bonded manufacturing unit whether existing or new.
- **No physical control** by Customs authorities, reducing administrative burdens.

- No minimum investment threshold required to avail of the scheme.
- Goods can be **procured in advance to meet peak demand** during festive seasons.
- Risks associated with **shipping delays** and related consequences **can be avoided** as goods are readily available in the warehouse.
- No Net Foreign Exchange (NFE) earning requirement.

3. Eligibility for MOOWR Registration:

Entities eligible to apply for MOOWR include:

- Businesses holding a warehouse license under Section 58 of the Customs Act, 1962, in accordance with the Private Warehouse Licensing Regulations, 2016.
- Applicants seeking a combined license for warehousing under Section 58 and manufacturing permission under Section 65.
- Applicants must be Indian citizens or entities incorporated or registered in India.

4. Deferred Duty Treatment:

Capital Goods

- Customs duty is deferred until goods are cleared for home consumption.
- If exported, the duty is waived completely.

Raw Materials

- Duty is deferred until the finished goods are sold domestically.
- If the finished goods are exported, no customs duty is payable on the imported inputs.

5. Limitations of MOOWR Scheme:

Despite its many benefits, the MOOWR Scheme has some practical limitations:

- No depreciation benefit on capital goods at the time of removal from the bonded warehouse i.e. you have to pay the duty at original price of the capital goods.
- No Drawback or RoDTEP benefit is available on exports made under MOOWR.
- There is no dedicated online portal for submitting License, Monthly Returns etc. Documents related to the license and monthly returns must be submitted physically.

2. Record Maintenance & Return Filing:

- Licensee must maintain records in the format prescribed under Annexure B. For Inward, Processing, Removal storage
- A Monthly return must be filed by the 10th of the following month detailing all transactions.

3. Clearance of Resultant Products under MOOWR:

A. In Case of Export:

- A Shipping Bill or Bill of Export must be filed.
- A GST Invoice must be issued.
- No customs duty is payable on either the resultant product or the imported raw materials used.

B. In Case of clearance for home consumption (Domestic Sale):

- A GST invoice must be issued as per CGST/IGST laws.
- Applicable taxes (IGST or CGST+SGST) must be charged based on the place of supply.
- An Ex-bond Bill of Entry must be filed for clearance.

- Maintain input-output details as per Annexure B and Input-Output Norms (ION).
- Any consumption variations must be reflected in revised ION.

8. Warehouse-to-Warehouse Transfer:

Transfer of resultant goods between bonded units is allowed:

- The Form prescribed for transfer of goods under MOOWR consists of two parts Part-A (Needs to be filed at the dispatch warehouse) and Part B (to be filled by the recipient to be Proper documentation)
- Due Intimation to the Bond Officer is required, and
- Compliance with relevant regulations.

9. Clearance of Scrap/Waste:

When scrap/waste is cleared for home consumption:

Customs duty must be paid on the portion of imported inputs attributable to such scrap.

When the resultant product is exported:

- In case the scrap or refuse has been destroyed then no duty is required to be paid.
- In case scrap or refuse is exported, duty must be paid as if the goods were originally imported in that form. The duty will be calculated based on the transaction value of the scrap.
- All such activities must be recorded in Annexure B for compliance and other purposes.

10. Surrender or Cancellation of License:

A licensee may voluntarily surrender or request cancellation of their bonded warehouse license by submitting a written application to the Principal Commissioner or Commissioner of Customs.

Conditions for cancellation/surrender include:

- All government dues must be cleared.
- A declaration stating that no goods are stored in the warehouse at the time of application, and none have been stored since the request date.
- No pending legal or regulatory proceedings under the Customs Act.
- Upon satisfying the above conditions, the competent authority may approve the cancellation or surrender.

11. The proposed amendment related to the MOOWR under Section 65A

A new section 65A has been introduced in the Customs Act, 1962 (Customs Act) (vide Section 130 of the Finance Act, 2023) to provide that IGST and Compensation Cess would be payable on imported goods deposited in the Customs warehouse for carrying out manufacture and other operations (under section 65), as opposed to the current facility of complete exemption from all elements of customs duty. It is however very important to note that the effective date of the aforesaid amendment has not yet been notified till date.

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CA. GARIMA MITTAL

Living the Future: AI in Action

As William Shakespeare said “It is not in the stars to hold our destiny but in ourselves”. In today's world, Artificial Intelligence (“AI”) becoming the tool by which we shape the future.

Artificial intelligence refers to the simulation of human intelligence in machines that are programmed to think, learn, and problem-solve. These intelligent systems can execute tasks that traditionally required human cognition, such as decision-making, pattern recognition, and natural language processing. From machine learning to robotic process automation (RPA), AI is revolutionizing industries by offering faster, more efficient ways of operating.

The intersection of AI with fields like accounting, finance, taxation, ESG and broader legal landscape is both transformative and challenging. On one hand, AI has the ability to accelerate the growth, however, it also raises questions of ethics, bias and implication of automation on decision making process.

AI can predict the future, optimize the energy usage, ability to process vast data and executing the trades with exceptional speed, accelerating the overall business growth. Classic wisdom by Shakespeare is “The earth has music for those who listen,”. AI, in this context, becomes the tool to “listen” more carefully to the Earth's distress signals.

AI can analyze transaction patterns and flagging anomalies that may indicate fraudulent transactions then supporting in risk management. AI systems can assist in automating compliance checks related to Anti-Money Laundering (AML), Know Your Customer (KYC) protocols, and tax reporting.

In healthcare, AI models predict disease outbreaks and optimize drug distribution in underserved areas, especially relevant to pharma companies. In banking, AI enables micro-lending to rural borrowers based on non-traditional credit assessments.

Banks like JPMorgan Chase and HSBC use AI to detect unusual transaction patterns and prevent fraud in real-time. Tools like IBM Watson Health analyze medical images and patient records to help diagnose cancer and other diseases. Companies like Shell and BP use AI to predict equipment failures and prevent costly downtime. AI helps providers like AT&T and Vodafone predict and manage data traffic, improving service quality. Airtel's “Airtel Thanks” and Jio's My Jio assistant use AI to handle millions of customer queries. Companies like Bosch and GE use AI-powered computer vision to detect product defects on production lines. Amazon and Flipkart use AI to suggest items based on browsing and purchase history. Zara and H&M use AI to let users search for clothes using images instead of keywords. Companies like Tesla, Waymo, and Cruise are developing AI to handle navigation, object detection. Platforms like Netflix and YouTube use AI to recommend content tailored to each viewer's habits.

IFRS 15 (Revenue Recognition) requires companies to align revenue with performance obligations. AI tools now assist in contract analysis, ensuring correct revenue treatment.

In India, Section 44AB of Income Tax Act, 1961 mandates tax audits for businesses over a threshold.

AI-driven tax software can auto-flag mismatches between GST filings and tax returns, reducing manual intervention.

AI is used by tax departments (like GSTN in India) to analyze return filing behavior, detect tax evasion, and generate risk profiles of companies.

There is the “black box” problem in AI. Automation increases efficiency, yet also risks opacity. We no longer understand how decisions are made. The classic novel “Frankenstein” by Mary Shelley reminds us that unchecked technological advancement can sometimes lead to unintended consequences. Similarly, AI in trading can lead to volatility and market manipulation in case not properly regulated. The classics have long warned us of a world where human invention outpaces wisdom.

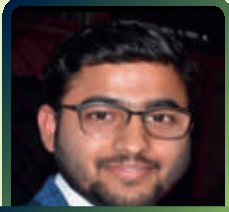
IFRS 13 (Fair Value Measurement) requires transparency in how financial values are determined. If AI models determine fair value, firms must explain the methodology.

SEBI (India) and SEC (U.S.) now require explainability in AI-powered investment advice.

BIS (Bank for International Settlements) has published frameworks on AI risk governance for central banks.

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CA. ANKUR MEHROTRA

AI in Audit: From Risk Assessment to Report Automation

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As artificial intelligence (AI) evolves, it is reshaping the audit profession—and Chartered Accountants are at the Centre of this transformation. From analyzing massive datasets in seconds to detecting anomalies and even drafting parts of audit reports, AI is enabling faster, smarter, and more insightful audits.

AI as an auditing subject presents its own unique challenges, and its evolution means internal auditor must reassess risk and risk mitigation in AI

Having said that, internal auditors already possess important foundational knowledge such as critical thinking, ability to map processes, assessing risk, evaluating information technology controls.

Key Ways AI is Transforming Auditing

1. Risk Assessment & Planning

AI tools can process historical financial data, industry benchmarks, and internal controls to flag high-risk areas—sharpening audit focus early in the engagement. Incorporating AI -related risks into the planning of their audits.

2. Automated Data Analysis

Machine learning algorithms quickly scan 100% of transactions (not just samples), identifying patterns, outliers, and red flags—improving accuracy and fraud detection.

3. Continuous Auditing

Real-time data monitoring allows for continuous audit procedures, especially in ERP-integrated systems, reducing year-end surprises.

4. **Document Review & Evidence Gathering AI** - powered tools like NLP (Natural Language Processing) can analyze contracts, invoices, and emails to extract relevant information for audit documentation.

5. Report Generation

Generative AI can help draft standard sections of audit reports or management letters, saving time and ensuring consistency.

Popular Tools in Use

- Mind Bridge AI – Risk analytics & anomaly detection
- CaseWare IDEA – Automated data analytics for audit
- Alpha Sense, ChatGPT Enterprise – Document summarization & report drafting

Internal Auditor Should

- Proactive and collaborate closely with management to understand their organization's overall strategy for AI
- How AI is currently being utilized
- What future utilization is planned
- Begin by researching and gathering relevant information regarding the potential use of AI under review from internal and external resources during audit planning process
- Internal – policies and procedure, strategic plan, board report
- External – IIA publications, IBM AI governance guidelines

AI Auditing Framework

The first version of The IIA's AI Auditing Framework was issued in 2017. It provided internal audit professionals with an approach for performing AI advisory and assurance services in a systematic and disciplined manner.

The framework links to The IIA's Three Lines Model:

1. Governance

The framework's first domain – is based on an organization's approach to strategic planning of AI and in providing oversight and monitoring over how AI is planned, managed, and executed by management. The governing body relies upon information that is provided to them by the internal audit function. Internal auditors should strive to develop a trusted advisor relationship with governing bodies such as the audit committee, board, or equivalent governing body, and this relationship should include emerging topics such as AI that presents new oversight challenges. AI governance refers to the structures, processes, and procedures implemented to direct, manage, and monitor the AI activities of the organization. Governance includes helping to ensure that AI activities, decisions, and actions are consistent with the organization's values, as well as its ethical, social, and legal responsibilities.

2. Oversees management

The framework's Management domain outlines an approach that the organization would use when planning and executing AI within the organization. The internal control environment surrounding AI is established by management in the "First Line." It also includes strategic aspects such as setting goals and objectives related to the overall AI strategic plan. Internal audit must ensure it understands the strategic direction of AI for the organization, and management's approach for managing AI.

In developing the AI strategy, management is responsible for ensuring that internal controls have been designed properly and are functioning effectively to mitigate risk. As described in previous sections, effective internal controls are a critical requirement of AI. Many organizations test and report the results of IT controls on a quarterly and/or annual basis. Management should be aware of any internal control issues that also can have an impact on the use of AI, especially related to areas of the internal control environment that are already being evaluated such as:

3. Internal Audit

The framework's third domain, Internal Audit, includes aspects of both advisory activities to management and in providing assurance services in an audit capacity ("Third Line"). Internal audit can utilize the framework as a starting point in both roles when tasked with participating in AI assignments.

Because AI is evolving rapidly, the framework will require periodic updates. This evolution, combined with the complex nature of AI, means internal audit likely will be able to provide only limited assurance. The framework by itself may not cover all aspects of AI but it does provide a solid foundation for internal auditors as they develop fundamental knowledge of AI as an audit topic.

Challenges in AI Auditing

Several aspects of AI make assurance activities difficult for internal auditors, including:

- AI is inherently highly complex
- Rapid evolution
- Limited tools
- Training gaps

AI is an audit topic can seem overwhelming, but focusing on the following considerations will help internal auditors develop a positive, confident mindset:

- Expertise Not Required

Internal auditors are not expected to be an expert on every audit topic; rather, having a disciplined, methodical approach with a focus on critical thinking and identifying risk should be the objective for all audits, not just AI.



CA. JATIN TAGRA

From SQC to SQM: What Every CA Must Know Now

Because AI is so highly complex and changing, it is unlikely that internal auditors will ever have a mastery of knowledge on the topic; think of auditing AI as a progression not as a destination – increase the understanding of AI over time.

- Ask Key Questions

Be willing to ask relevant questions about AI within the organization to understand risks, controls, and governance.

What This Means for CAs

- More time for judgment-based tasks
- Improved audit quality & efficiency
- Upskilling in data literacy becomes essential CAs must now blend accounting knowledge with digital fluency to remain competitive in a tech-driven audit landscape.

Final Thought:

“AI isn't replacing auditors—it's empowering them to do more, better, and faster. The future of audit is not just digital; it's intelligent.”

Stage 1: ISQC to ISQM-1:

What is International Standard on Quality Control (ISQC)?

It is a Quality control standard issued by the International Auditing and Assurance Standards Board (IAASB).

It was the former standard governing a firm's responsibility for a system of quality control for audits and reviews of financial statements.

Key focus of ISQC 1:

- Policies and procedures to ensure that firms comply with professional standards and regulatory requirements.
- Quality control areas like leadership, ethical requirements, acceptance & continuance (A&C), engagement performance, monitoring, etc.

What is International Standard on Quality Management (ISQM1)?

It replaces ISQC 1 and is part of a new Quality Management Standards (QMS) framework introduced by IAASB.

ISQM in India:

Applicability and Status in India

In India, the Institute of Chartered Accountants of India (ICAI) is responsible for issuing standards, based on IAASB pronouncements.

Type	Standard	Assurance Level	Nature of Report	Example
Audit	SAs	Reasonable	Positive opinion	Statutory audit of a company
Review	SREs	Limited	Negative assurance	Quarterly review for listed company
Other Assurance	SAEs	Reasonable / Limited	On non-financial or other subject matters	Report on ICFR or CSR spend
Related Services	SRSs	None	Factual findings, no conclusion	Agreed-upon procedures for turnover cert.

- SQM 2 (related to engagement quality review)
- SA 220 (Revised) (Quality management for audits)

Implementation Timeline in India:

- SQM 1 and related standards became effective for audits of financial statements for periods beginning on or after April 1, 2026. (from 01.04.2025 recommendatory)

Applicability:

Who is it applicable to?

- All audit firms performing audits or reviews of historical financial information.
- Also applicable to firms providing other assurance and related services engagements under SAs.

In practice:

Even small and medium firms (SMPs) are required to comply, but implementation is scalable based on firm size, nature, and complexity.

Audit, Other Assurance and related services engagements

Summary Table:

ISQM 1 Objective

To design and implement a system that provides reasonable assurance that:

- The firm and its personnel comply with professional standards and regulatory requirements.
- Engagement reports are appropriate in the circumstances.

Current Status in India:

The recent conflict between the Institute of Chartered Accountants of India (ICAI) and the National Financial Reporting Authority (NFRA) centres on the issuance of two new Standards on Quality Management—SQM 1 and SQM 2—by ICAI. This dispute highlights differing interpretations of regulatory authority under the Companies Act, 2013.

Background of the Conflict ICAI's Position:

- Issuance of SQMs: In October 2024, ICAI released SQM 1 and SQM 2, aiming to replace the existing Standard on Quality Control (SQC 1).
- Scope of SQMs: ICAI contends that these standards pertain to firm-level quality management across various services, not solely auditing.

Regulatory Authority: ICAI asserts that since SQMs are not "auditing standards" per se, they fall outside the purview of Section 143(10) of the Companies Act, which mandates that only the Central Government can notify auditing standards based on NFRA's recommendations.

NFRA's Position:

- Legal Validity: NFRA challenges the legality of ICAI's unilateral issuance of SQMs, arguing that any standards affecting audit practices must be approved by the Ministry of Corporate Affairs (MCA) upon NFRA's recommendation.
- Interconnectedness with Auditing Standards: NFRA emphasizes that SQMs are intrinsically linked to auditing standards, especially given the concurrent revisions to SA 220 (Standard on Auditing) by ICAI.

Solicitor General's Opinion: Supporting NFRA's stance, Solicitor General opined that ICAI lacks the authority to independently issue or amend standards related to quality management or auditing without governmental notification.

Potential Government Intervention: Given the Solicitor General's opinion and NFRA's objections, the MCA need to clarify the legal standing.

Impact on Practitioners: Until resolved, audit firms and practitioners face uncertainty regarding compliance with the newly issued SQMs.



CA. SAURABH GARG

Early-Stage Restructuring - A Requirement to Boost Growth

The recent developments surrounding BluSmart Mobility—a promising electric vehicle (EV) startup—due to alleged financial misconduct in its promoter's associated company, Gensol Engineering, once again highlight the vulnerabilities in India's corporate distress management framework. While India's Insolvency and Bankruptcy Code (IBC) has significantly streamlined resolution processes post-default, it remains largely reactive, only triggering action after a financial default occurs. This article proposes the need for a proactive turnaround framework and the institutionalization of certified turnaround professionals to safeguard stakeholders and ensure business continuity.

Introduction

India's startup ecosystem has witnessed phenomenal growth, but with that has come increased scrutiny, especially around governance and financial accountability. The BluSmart-Gensol case serves as a potent example. BluSmart did not default at the time when Gensol's promoters were accused of fund diversion and regulatory breaches, but the reputational and operational damage was immediate and systemic.

Despite the absence of an official default, investor confidence plummeted, and service disruption ensued, affecting customers, suppliers, employees, and the overall EV ecosystem. In the current framework, intervention cannot occur until a default happens—a gap that this article argues must be filled.

Current Framework: Post-Default Resolution via IBC

The IBC was enacted in 2016 to consolidate and amend laws relating to reorganization and insolvency resolution of corporate entities. While highly effective in terms of legal clarity and creditor rights, it requires a clear event of default to initiate proceedings.

This model is:

- Reactive rather than preventive
- Focused on creditors over broader stakeholders
- Lacks mechanisms for pre-default intervention despite early warning signs

Why a Proactive Mechanism is Needed?

1. Value Preservation

Delays between early signs of financial or reputational distress and formal default erode enterprise value. In startups and innovation-led businesses, brand perception is a critical intangible asset—once lost, it's rarely recoverable.

2. Stakeholder Protection

Vendors, employees, and customers face uncertainty due to business disruptions. Investors

bear losses without any structured attempt at business continuity or operational stability.

3. Systemic Risk Mitigation

In capital-intensive, high-growth industries like mobility, EVs, healthcare, or fintech, the collapse of a major startup can shake public and institutional trust—creating systemic vulnerabilities in nascent markets.

Global Best Practices

- Countries like the United States (Chapter 11) and the United Kingdom (Company Voluntary Arrangements and Administration) enable early-stage restructuring and the appointment of turnaround professionals to manage companies in distress before total collapse.
- Turnaround Professionals are specialists certified in operational and financial restructuring.
- These professionals take control temporarily to stabilize the business, negotiate with stakeholders, and restructure operations for revival.

Aswath Damodaran: A professor at NYU Stern and widely regarded as the "Dean of Valuation." His publicly available DCF models and extensive lectures provide deep insights into practical implementation

Howard Marks: While more credit-focused, Marks frequently discusses intrinsic value, margin of safety, and disciplined valuation, which align closely with DCF principles.

Advantages of DCF Valuation

Forward-Looking: Unlike multiples that rely on current or historical data, DCF emphasizes future performance.

Company-Specific: Tailored to a firm's unique financial situation.

Fundamentally Driven: Independent of market volatility and hype.

Limitations of DCF

Sensitivity to Assumptions: Slight changes in WACC or growth rates can yield vastly different results.

Difficult to Use for Startups: New companies with unpredictable cash flows make DCF modeling complex.

Data Intensive: Requires detailed forecasts and sound financial data.

Case Study: DCF vs Market Price Let's assume Infosys is currently trading at Rs.1400 per share, and the DCF-derived fair value per share is Rs. 1650. This suggests the stock is undervalued by nearly 18%, indicating a potential buying opportunity for value investors. However, further qualitative analysis (industry risks, management quality, competitive landscape) must be conducted before investment decisions.

Proposal for an Indian Framework

1. Pre-Default Intervention Mechanism (PDIM)

A dedicated mechanism enabling companies, promoters, or investors to initiate a supervised restructuring

2. Accredited Turnaround Professionals

A new regulatory class under a statutory authority to:

- Manage distressed companies
- Prevent value erosion
- Coordinate with creditors, regulators, and employees

3. Stakeholder Recovery and Continuity Framework

Develop legal protection for vendors, customers, and minor shareholders in pre- default intervention processes to prevent collateral damage.

4. Reputation-Based Triggers

In sectors prone to reputational crises (e.g., finance, mobility, health tech), allow trigger- based oversight even before cash flow defaults—particularly in linked-entity structures, as in the BluSmart-Gensol case.

Conclusion

The case of BluSmart Mobility is not merely about a company in crisis—it is emblematic of a deeper structural gap in India's corporate governance and insolvency ecosystem. The absence of pre-default rescue mechanisms leads to avoidable losses, job cuts, and erosion of investor trust.

To build a resilient and mature economy, India must adopt a forward-looking turnaround infrastructure—one that sees distress not as a point of failure, but as an opportunity for rehabilitation. The introduction of proactive intervention models and professional turnaround agencies can help preserve innovation, employment, and enterprise value before it's too late



CA. RAHUL SHARMA

Understanding AS 4: Contingencies and Event Occurring after Balance Sheet Date

Presently AS 4 deals only with Events occurring after the Balance Sheet date. Even though the Standard's name starts with contingencies, all the paragraphs related to 'contingencies' have been withdrawn by The Institute of Chartered Accountants of India. From 1-4-2004, contingencies are dealt by AS-29 – "Provisions, Contingent Liabilities and Contingent Assets". Before we start the main discussion, you need to understand the sequence of approval of financial statements in case of companies.

Financial Year is the period for which accounting records are prepared, summarized and analyzed. On the end of financial year Final Accounts are prepared to know the outcome of financial activity during the accounting year management has the primary responsibility to prepare final accounts. After preparation of final accounts audit is done to establish true and fair view of the financial statements. Audited financial statements are then accepted by the Board of directors/partners in their meetings.

Period from end of the financial year to the date of meeting of Board of directors is called period after balance sheet date.

Substantive Rule 1: Preparation and presentation of financial statements is the responsibility of the management of the entity. Financial statements are approved by the Board of Directors in case of a company; in case of partnership firm, managing partners approve the financial statements, etc.

What is Approval of Financial Statement: Approval of Financial Statements means that, the books of account of the financial year are closed. Subsequent to approval of financial statements, that income or expenditure should be recorded in next year as a prior period item.

(Prior Period items are part of AS 5)

Example 1 A factory is painted in March 2023, and the painter submitted the bill in April 2023. The accountant of the company did not make a provision for the expense as on 31-3-2024. FY2022-23 financials are approved on 30-9-2023

(a) Can the accountant record the JE for the painting expenses in FY 2015-16 OR should he record in 2016-17? And (b) If the bill is received after 30-09-2016 what would be the treatment?

Solution:

(a) The expense is incurred during FY 2022-23 and it should be recognized as an expense in the same year. Information of the expense is received before the date of approval of financial statements; hence the entity should recognize the transaction as on the balance sheet date i.e. in FY 2022-23.

(b) If the bill is received after 30th Sep., 2016, it should be recognized as a prior period expense in FY 2023-24 as per AS 5.

Refer AS 5 – Prior period expense for further information.

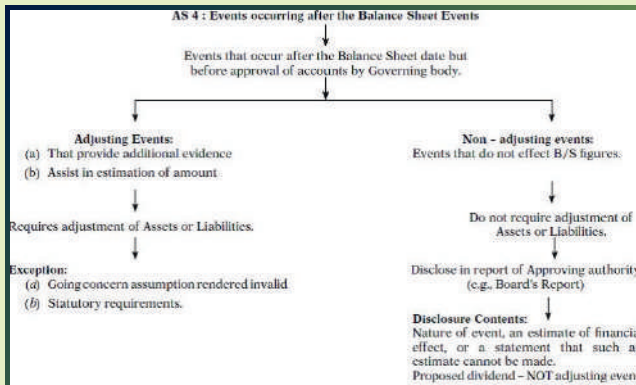
2. Definitions from the Accounting Standards:

Events occurring after the balancesheet date: These are significant events, which occur between the balance sheet date and financial statements approval date. These significant events can be favorable or unfavorable to the entity.

What Significant events means – Material events, which can influence the economic decisions of the users of financial statements.

The whole discussion in this standard is whether the events occurring after the balance sheet date should be recorded as on balance sheet date OR in the next financial year.

Events occurring after the balance sheet date are classified into two i.e. adjusting events and non- adjusting events; let us understand this concept from the below picture:



The primary objective of the standard is to ensure the completeness, that all the transactions and related information should be updated in financial statements.

Example 2: While preparing the financial statements for the year ended 31-3-2024, P Ltd. made a provision for doubtful debts @ 5% on accounts receivables balance. In Feb., 2024, a debtor for ` 2 lakh had suffered heavy loss due to an earthquake.

The loss of debtor was not covered by any insurance policy. In April, 2024, the same debtor became insolvent. Financial statements are approved on 30- 9-2024. Discuss the accounting treatment as per AS4 in the financial statements ended 31st March, 2018.

Solution: On 31st March,2024, the financial position of the debtor was not good and such condition existed on the balance sheet date. The entity may or may not be sure of the position on the balance sheet date. The subsequent event of insolvency is confirming the financial position of the debtor. So, it is an adjusting event and it requires an adjustment to accountsreceivable balance by way of making provision for doubtful debts for theentire amount.

5% provision may be as per the accounting policy of the company and the above provision should be made in addition to the existing provision.

Example 3: Continuing with the above question – The accounts receivable balance is 2lakhs as on 31- 3-2024. But earthquake took place in April 2024 and the debtor became insolvent in May 2024.Discuss the accounting treatment as per AS 4.

Solution: The debtor's financial position was good as on 31-3-2024 and the subsequent conditions are entirely different from the balance sheet date condition i.e. no condition exists. Hence it is a NON- adjusting event and it doesn't require any adjustment to assets as on 31-3-2024. P Ltd. should provide for doubtful debts during the next FY i.e. 2024-25. Board of Directors can disclose the same in their report, if it is material to X Ltd.

Example 4: Continuing with the above question – There was no balance of accounts receivable as on 31-3-2024 and P Ltd. sold goods in April 2024 and earthquake took place in May 2024 and the debtor became insolvent in July 2024. Discuss the accounting treatment as per AS 4.

Solution: It is a non-adjusting event and doesn't require any adjustment to assets as on 31-3-2018.

P Ltd. should provide for doubtful debts during the next FY i.e. 2024-25. Board of Directors can disclose the same in their report, if it is material to P Ltd

Example 5: A company has filed a legal suit against the debtor from whom 15 lakhs is recoverable as on 31.3.2025. The chances of recovery by way of legal suit are not good as per legal opinion given by the counsel in April, 2025. Can the company provide for full amount of 15 lakhs as provision for doubtful debts? Discuss.

Solution: As per AS 4, assets and liabilities should be adjusted for events occurring after the balance sheet date that provide additional evidence to assist the estimation of amounts - relating to conditions existing at the balance sheet date.

In the given case, subsequent information is giving more clarity that the balance as on the balance sheet date is not recoverable hence it is appropriate to make a provision for doubtful debts. Therefore, provision for doubtful debts should be made for the year ended on 31st March, 2025.

Example 6. P Ltd. invested 100 lakhs in Q Ltd. in April 2025 but the negotiations had started in Jan. 2025. As per AS 4 – In which financial year X Ltd. should account for the investment?

Solution: Negotiations don't amount to conditions. As there are no conditions existing on the balance sheet date, it is a non-adjusting event and doesn't require any adjustment to assets as on 31-3-2025 i.e. it should record the investments only in 2025-26.

Investment planning of 100 lakh in April, 2025 in the acquisition of another company should be disclosed in the Director's Report to enable users of financial statements to make proper evaluations and decision.

Example 7: P Ltd. purchased a building for 50 lakhs in Jan. 2025, and the agreement to purchase was concluded in Jan. 2025. P Ltd.'s financial year ends on 31st March. In the month of April 2025, the same building is registered in the name of P Ltd. In which financial year P Ltd. should account for the building?

Solution: Looking at the substance of the transaction, the agreement was concluded in Jan. 2025 and registration is required for security purpose. The subsequent registration is confirming the agreement. So, the building should be recorded in 2024-25 only.

Example 8: X Ltd. Holds current investments as on 31-3-2025. Cost of investments is 50 lakh and fair market value is 55 lakh (on 31-3-2025) and the company measured it at 50 lakhs as per AS 13 (i.e. Cost or FMV whichever is less). Financial statements are approved by BODs on 30-09-2025. Due to subsequent market conditions the value of investments fell down to 40 lakhs. Whether X Ltd. needs to value the investments at 50 lakh or 40 lakhs on 31-3-2025? Discuss.

Solution: Market conditions on 31st March are different from 30th Sep. market conditions. The

value of investments as on 30th Sep. does NOT affect the conditions on 31st March. Hence it is a non-adjusting event and there is no need to adjust the balance on 31-3-2018 and the value of investments will continue at `50lakh

If the approving authority wants to disclose non- adjusting events in their report, they should - disclose the following information: a). Nature of the events; b). Estimation of the financial effect; and c. If it is not possible to estimate, disclose the fact that such estimation cannot be made.

Exceptions to the general rule:

Even though it is a non-adjusting event it should be adjusted as on balance sheet date. There are two exceptions to the rule of adjusting events:

- 1.If it is a legal requirement OR it is of special nature;
- 2.If events occurring after the balance sheet date affects the Going Concern Assumption of the entity.

Example 9: On 31-08-2024, the Board of Directors of P Ltd. proposed dividend of 8% for FY 2023-24. Financials of 2023-24 are approved by BoD on 30- 09-2024. Discuss the accounting treatment of the proposed dividend as per AS 4.

Solution: Proposed dividend is an event occurring after the balance sheet date. The company DOESN'T have any liability to pay dividend on balance sheet date. The reason being dividend will be a liability to the company only when it is approved by the members of company in the General Meeting. As there are NO conditions existing as on 31-3-2024, the subsequent proposal for dividend is a NON- adjusting event, as per the Schedule III proposed dividend information should be disclosed in the notes on accounts separately

Example 10: After the closure of financial year i.e. 31-3-2025, there was a severe earthquake. The - company lost its building and major plant and the extent of loss is beyond repair. The company doesn't have adequate funds to replace the same. Discuss your views based on AS 4.

Solution: The subsequent event of earthquake occurred after the balance sheet and no condition exists on balancesheet date. It is a non-adjusting event. Even though the above event occurred after the BS date, the event materially affects the solvency of the company and it indicates clearly that the company is not a going concern. Even though it is not an adjusting event, as per AS 4 – Company has to prepare the financial statements on 31-3-2025 on NRV basis (liquidation basis) and any gain or loss should be transferred to P&L.

Example 11: P Ltd. financial statements of 2023-24 are approved by the BoD on 30-09-2024 & financial statements are adopted by the AGM on 15-10-2024. On 30-11-2024, the company identified an expenditure (omission of expense) which is relating to 2023-24. How to deal with the expenditure? Discuss.

Solution: Once the financial statements are approved by the BoD and adopted by the AGM, the expenditure of 2024-25 will be recognized in the P&L of 2024-25 as a prior period expense (omission of expense) as per AS 5. Refer AS 5 for detailed discussion

Some More problems related with event after balance sheet date:

Problem. 1 A company deals in Petroleum products. The sale price of petroleum is fixed by the

Government. After the balance sheet date, but before the finalization of the company's accounts, the Government unexpectedly increased the price retrospectively. Can the company account for additional revenue at the close of the year?

Solution: As per AS-4, the unexpected increase in the sale price of petrol by the Government after the balance sheet date cannot be regarded as an adjusting event as it doesn't represent a condition existing as on the balance sheet date. Hence revenue (due to increase in sales price) should be recognized only in the subsequent year with proper disclosure.

Problem No. 2 A Company follows April-March as its financial year. The company recognizes cheques dated 31st March or before, received after the balance sheet date but before approval of FS by debiting cheques in hand a/c & crediting Debtors a/c. The cheques in hand are shown in the balance sheet as an item of Cash & Cash equivalents. All cheques in hand are presented to bank in the month of April & are also realized in the same month in normal courses after deposit in the Bank. What treatment is correct as per AS-4?

Solution: Even if the cheques bear the date 31st March or before, the cheques received after 31st March do not represent any condition existing as on 31st March. It means, it is not an asset under the control of the entity as on the balance sheet date

Hence, there is no situation/condition exist as on 31st March. Considering this, collection of cheques after the balance sheet date is NOT an adjusting event. So, recognizing these as cheques in hand is not consistent with AS-4. Moreover, the collection of cheques after the balance sheet date does not represent any material change or commitments affecting the financial position of the enterprise and therefore no disclosure in the Director's Report are necessary.

Problem No. 3 Company entered into a construction contract to lay a pipeline before 31- 3-2024. Financial statements for that year were finalized on 15-5-2024. While doing grounding work it met a rocky substance for which it had to incur an additional `50 crore on 16-5-2024. Should company make provision? If yes, in which year should it be making 2023-24 or 2024-25?

Ans: The Company's financial statements were finalized on 15-5-2024. But it discovered that it has to expend an additional 50 crore only on 16-5-2024, therefore it does not amount to an event occurring after the balance sheet date.

The company has to make a provision in the financial year 2018-19 i.e. in the next financial year.

Problem No. 4 P Limited Company closed its accounting year on 30.6.2024 and the accounts for that period were considered and approved by the board of directors on 20th August, 2024. The company was engaged in laying pipe line for an oil company deep beneath the earth. While doing the boring work on 1.9.2024 it had met a rocky surface for which it was estimated that there would be an extra cost to the tune of ` 80 lakhs. You are required to state with reasons, how the event would be dealt with in the financial statements for the year ended 30.6.2024.

Ans: In this case the incidence, which was expected to push up cost, became evident after the date of approval of the accounts. So, it is not an 'event occurring after the balance sheet date'. However, this may be mentioned in the Report of Approving Authority i.e. Board of Director's report.



CA. GARVIT CHANANA

Chalo ChatGPT Kar Lete Hai” (Let's Chat GPT it) - But Let's Not Leave Ethics Behind

“Chalo Chat GPT kar lete hai!” – I've heard it, said it, and let's be honest, even relied on it. Whether it's drafting mails, summarizing a topic, or clearing a doubt – AI seems to have become our default shortcut. And sure, it's impressive. We've all seen that quote floating around, “AI won't replace you, but a person using AI will.” It hits. But here's something we don't say enough:

In our profession, especially in Chartered Accountancy, what differentiates us is not just speed or efficiency – it's ethics.

The Silent Trade-Off: Convenience vs. Integrity

We're in a time where technology is evolving faster than we can process. Deadlines are tight. Expectations are high. And tools like ChatGPT feel like a godsend. But amidst all this efficiency, we're quietly drifting into a dangerous territory – moral laziness.

It starts small. You ask AI to draft something basic. Then you ask it to think for you. Slowly, you're no longer learning – you're outsourcing your thinking. And that's where ethics starts slipping through the cracks.

“Integrity – to be straightforward and honest in all professional and business relationships.”

– ICAI Code of Ethics, Section 110.1

This isn't just about not plagiarizing. It's about the intent behind our actions. Are we using AI to assist us, or to replace our effort and responsibility?

Worse still, we sometimes begin to believe that simply producing output is enough – that ticking the box matters more than understanding what's inside it. But the soul of our work lies in interpretation, in judgment, in questioning. That cannot be delegated – not to tech, not to shortcuts, not even to experience. It has to be earned, lived, and understood.

What Are We Really Preparing For?

We're not just preparing for exams. We're preparing to become guardians of trust in society. Chartered Accountants are the watchdogs of financial integrity. Whether it's a listed company audit or a simple tax filing, our signature carries weight.

But let me ask this – how can we expect to handle complex real-world ethical dilemmas in practice, if we start compromising now, as students, for the sake of convenience?

“The greatest danger in times of turbulence is not the turbulence; it is to act with yesterday's logic.”

– Peter Drucker

Ironically, AI is yesterday's logic, if we're using it just to save time. The real future is in knowing when to use it – and when to stop.

The Human Behind the Algorithm

Technology doesn't make ethical decisions – we do. ChatGPT doesn't know if a line it generates might be misleading in a report. It doesn't understand confidentiality, independence, or the Code of Ethics. That's where the Chartered part in Chartered Accountancy still matters. We've read the ICAI Code. But do we live it when no one's watching? Because ethics isn't a checkbox in our answer sheet. It's the baseline for everything we do.

“Professional Behavior – to comply with relevant laws and regulations and avoid any conduct that the professional accountant knows or should know might discredit the profession.”– ICAI Code of Ethics, Section 115.1

That includes submitting an AI-written assignment, pretending it's your own. It includes relying blindly on tech without questioning its accuracy or bias. It includes forgetting that this is our journey, not ChatGPT's.

So... Do We Stop Using AI?

Not at all. We learn to use it wisely. We learn to question it, not worship it. We use it to save time, not to escape effort. And more than anything – we stay human.

Because AI might write well, but it doesn't care. It doesn't feel the weight of a misstatement, or the value of a promise. It doesn't worry about client trust or professional reputation. We do. And that's our superpower.

So, the next time someone says “Chalo Chat GPT kar lete hai,” pause and ask yourself:

- Am I learning or outsourcing?
- Am I upholding ethics or bypassing them?
- Am I building capability or weakening it? Because this profession will always need people who can think, question, challenge, and most importantly – act with integrity. And no AI can do that better than you.

In Closing

This isn't a rant against AI. It's a reminder – that ethics is our real edge. AI is just the tool. Character is still the driver.

Let's not just aim to clear CA Final. Let's aim to enter the profession already living by the values we're expected to uphold. That's how we honor the prefix “CA” – not just in our signature, but in our choices, in our mindset, and in our work ethic.



CA. AKANKSHA MITTAL

Life beyond Numbers: Mental Wellness in the Accounting Profession

carefully designed, it might make unfair decisions or take away certain jobs. That's why it's so important for people, governments, businesses, and everyday users to make sure AI is used in ways that are fair, transparent, and respectful of human rights.

In Dickens, *A Tale of Two Cities*, he wrote that "It was the best of times, it was the worst of times." This aptly captures our current relationship with AI. As Prospero from *The Tempest* novel said that "We are such stuff as dreams are made on". If AI is our creation, let it carry the best of our dreams and none of our nightmares. In the final act of any Shakespearean play,

The accounting profession, known for its rigorous standards, complex regulations, and demanding deadlines, plays a vital role in the financial health of businesses and economies. However, behind the precision and professionalism lies an often-overlooked aspect: the mental wellness of accounting professionals. Chartered Accountants (CAs), auditors, and financial practitioners frequently experience stress, burnout, and anxiety. In recent years, growing awareness around mental wellness has made it not just a personal concern but a professional imperative.

Mental Health Statistics in Accounting

As per a report by Chartered Accountants Benevolent Association (CABA) which involves a study on more than 300 accountants, found that more than one in three (36%) experienced insomnia or disrupted sleep in the past year, indicating a high prevalence of burnout and chronic stress within the profession. The report reveals that 32% of accountants have been diagnosed with or self-identified with depression, and 29% have experienced regular panic attacks. Additionally, nearly 74% of respondents reported experiencing burnout symptoms such as detachment, exhaustion, or decreased job performance over the last year.

Understanding the Mental Health Landscape

Accounting is inherently high-pressure. Tight deadlines, long hours, and the need for precision lead to chronic stress. Peak financial seasons like tax filing or audits heighten the workload, and workplace culture often normalizes overtime. The profession's competitive nature and lack of adequate awareness can discourage seeking help at the right time from right people.

Some of the common mental health challenges faced by professionals:

1. Burnout: Emotional and physical exhaustion due to prolonged stress.
2. Anxiety: Pressure from client expectations and regulatory scrutiny.
3. Depression: A consequence of imbalance between workload and personal well-being.
4. Impostor Syndrome: Self-doubt, especially among young professionals.
5. Sleep Disorders: Disrupted sleep due to irregular hours and screen time.

Some of the initial warning signs of burnout which are often normalized and ignored are:

- Chronic fatigue
- Irritability
- Decreased performance
- Withdrawal from social interaction
- Difficulty in concentrating

Despite the prevalence of mental health issues, many professionals hesitate to seek support due to ignorance, fear of judgment or career impact, absence of formal mental health support within firms and concerns over privacy while reaching out to someone for help.

The Role of Employers and Professional Bodies

Prioritizing employee well-being is crucial for employers as it directly impacts productivity, retention, and overall company success. A healthy, engaged workforce is more likely to be motivated, perform better, and contribute to a positive work environment, ultimately benefiting the business. A proactive approach can lead to a more engaged and resilient workforce. Some of the strategies firm can adopt are:

- **Open Discussions:** Encouraging leaders who model openness around mental health conversations can set a tone that makes it safe for others to share their experiences.
- **Work-Life Integration:** Introduce flexible work schedules, remote work options and enforce reasonable working hours, especially during non-peak periods.
- **Mental Health Resources:** Provide access to counselling services, mental health days and employee assistance programs. Regular workshops and awareness sessions can also help reduce stigma.
- **Performance Management:** Productivity metrics can be redefined to reward efficiency and quality over sheer volume and long hours.

Individual Strategies for Mental Wellness

While collective support of organization, peers is important, individuals must also take responsibility for their mental well-being. CAs can take some of the following proactive steps to protect their mental health:

- **Time Management:** Using tools like task prioritization, scheduling, and digital planners can improve focus and reduce last-minute stress.
- **Work-Life Boundaries:** Disconnect from work during personal time. Unplugging from devices during weekends or evenings helps rejuvenate the mind.
- **Healthy Lifestyle:** Regular exercise boosts mood and energy levels. A balanced diet and adequate sleep can further support mental clarity.
- **Mindfulness Practices:** Activities like meditation, yoga, deep breathing and journaling can help manage anxiety and promote emotional regulation. family or mentors about personal and professional challenges can provide perspective and relief.
- **Professional Help:** Seeking therapy or counseling should be normalized. Professional help can provide coping strategies.

Ethical Decision-Making and Mental Wellness

Mental health does not only impact the individual, it also affects the quality of professional judgment and ethical standards. Accountants are trusted advisors and stewards of financial integrity. When under duress, the likelihood of errors or ethical lapses increases. Stress and mental fatigue can impair concentration, reduce attention to detail, and cloud decision-making. Conversely, a well-balanced, mentally healthy professional is more capable of adhering to ethical codes, resisting undue pressure, and maintaining objectivity.

Therefore, promoting mental wellness is integral to upholding the values of the profession, including transparency, accountability, and public trust.

Best Practices and Success Stories

Firms across sizes are embracing mental wellness initiatives such as:

- Mental Health Days
- Therapist Access
- No-Meeting Fridays
- Mandatory Vacations

Such policies have led to better retention, job satisfaction, and client outcomes, proving that mental wellness is good business.

Conclusion

Mental wellness is essential, not optional, in the accounting profession. As business environments evolve, the well-being of financial professionals must be safeguarded. Mental wellness in accounting must be viewed as a shared responsibility. While firms and industry bodies can set the stage by offering support, professionals need to embrace self-care and be proactive in addressing mental health concerns.

This cultural shift requires persistent effort. It means rewriting outdated norms that values long-hours of work, creating safe spaces for dialogue, and recognizing that.



CA RASHMI KHETARPAL

Walk the Talk

Policies, Politics and Chartered Accountants

Que: Starting with a very obvious question, can you take us through your journey of becoming a Chartered Accountant? What inspired you to pursue this profession?

Ans: My journey towards becoming a Chartered Accountant began with inspiration from my father. I used to observe him work on ledgers and books at home, and that exposure sparked my initial interest. I eventually started my CA classes at Lajpat Nagar in New Delhi. I consider myself fortunate to have found my first mentor there, a very patient and supportive teacher who guided me through the early stages of my CA journey.

Que: As we know, you are a very prominent name in the mainstream politics, what strived you to join politics and what was your professional journey before that?

Ans: My political journey began during my involvement with the ICAI, where I served as the Chairperson of the Gurgaon Branch. I had the privilege of overseeing official elections for the branch, which gave me early insights into leadership and governance.

Seeing the lack of female representation in CA elections motivated me to contest. I wanted to break that barrier and prove that women can and should lead in professional forums. With support from the NCR fraternity and senior professionals like CA Durgadas Agarwal and CA Deendayal ji, I was encouraged to take the plunge. Their backing meant a lot in my first election.

Que: Can you share your experience in working with organizations, both private and government, throughout your CA career?

Ans: After becoming a member of the Regional Council, I actively participated in initiatives like making voter slips and coordinating with authorities. I met several inspirational leaders during that time and was motivated to contribute more actively to public service.

I had the opportunity to conduct sessions on GST, and I was pleased to see how well they were received, even leading to independent implementation of some ideas. Understanding financial implications gave me a unique edge in resolving industry challenges.

I also played a role in the development of Gurugram's first district website, working closely with two different Deputy Commissioners, Vinay Pratap Singh and Amit Khatri. Later, I was appointed an Independent Director of a nationalized bank, which allowed me to contribute at a broader policy level. I'm thankful to leaders like Shri Manohar Lal Khattar and Finance Minister Smt. Nirmala Sitharaman for trusting my capabilities and supporting my professional journey.

Being Head of the BJP's Economic Cell, I've had the privilege of presenting suggestions on GST, the state budget, and the Union budget, all of which were fully accepted and implemented.

Que. How do you see current politics and roles and opportunity for the CA professional in it?

Ans: This is indeed the right time for CAs and professionals to step forward and contribute to "Viksit Bharat", a vision laid out by Hon'ble Prime Minister Shri Narendra Modi. As India progresses from a developing to a developed nation, the role of professionals, especially CAs, becomes critical in shaping economic and financial policies.

Que: Do you see politics a mode of services or also as a career opportunity or it is both.

Ans: Politics, in my view, is everything, it is both a service and a career. It provides an unmatched platform to serve the nation and drive meaningful change. Just as our soldiers protect the country's borders and our forces maintain internal security, politics gives professionals like us a chance to serve the "motherland" through governance and policy-making.

Through political engagement, we can shape economic frameworks, support industries, and uplift communities. In the coming years, I foresee an even greater need for professionals to step into politics to ensure India continues on its path to becoming a global leader.

Que: Do you see politics as a mode of public service and a viable career opportunity?

Ans: Absolutely. Politics is all-encompassing, it's not limited to being just a career or a service path. It plays a critical role in shaping the identity and pride of a nation. Just like our defence forces protect our external and internal security, political leadership is essential for building our national framework. Politics offers a strong platform to serve the country and contribute meaningfully to society. Through economics and governance, politics is becoming increasingly important for India's forward movement in the global arena.

Que: Why did you choose to establish your professional practice in Gurugram, and how has your experience been in the city?

Ans: Gurugram wasn't always my planned destination, but over time, it became a natural choice. I was already working in the region, and the city presented itself as a place of opportunity. Over the years, Gurugram has undergone a tremendous transformation. From infrastructure to economic development, the city has grown in leaps and bounds. It offers modern amenities, international connectivity, and a dynamic professional environment. Despite challenges like traffic congestion, Gurugram is one of the best places in terms of community, progress, and professional opportunities. It truly is a city where one can grow and contribute.

Que: What have been some of the key challenges you've faced in your professional journey, particularly as a woman in fields like finance, taxation, and politics?

Ans: One of the most significant challenges has been balancing personal responsibilities, especially motherhood, with professional ambitions. Career interruptions due to maternity are real, and returning to a fast-paced professional environment after a break is not easy.

At times, I had to make difficult choices between career progression and family needs, particularly when it came to transfers and postings in the banking sector. However, I remained committed and continued my practice, even when working from locations that were not ideal. These experiences have taught me resilience, adaptability, and the importance of institutional support for working women.

Que: Given your active role in society and politics, how do you deal with public pressure and the high demands of professional life?

Ans: Public service and politics inevitably come with pressure. Whether it's expectations from the community or challenges in decision-making, every step requires responsibility and composure. I believe time management, staying connected to the ground realities of Gurugram, and drawing inspiration from mentors like Hon'ble Shri Manohar Lal Khattar Ji have helped me navigate these pressures. His leadership

Que: A quote or mantra you live by?

Ans: "Family is everything."

Que: Politics or balance sheets?

Ans: Politics.

Historic Diwali Gift for the Nation

NEXT-GEN GST REFORM

for Ease of Living & to build *Aatmanirbhar Bharat*

From farmers to enterprises, from households to businesses,
the Next-Gen GST brings happiness for all!

Save Big on Daily Essentials

Items	From	To
Hair Oil, Shampoo, Toothpaste, Toilet Soap Bar, Tooth Brushes, Shaving Cream	18%	5%
Butter, Ghee, Cheese & Dairy Spreads	12%	5%
Pre-packaged Namkeens, Bhujia & Mixtures	12%	5%
Utensils	12%	5%
Feeding Bottles, Napkins for Babies & Clinical Diapers	12%	5%
Sewing Machines & Parts	12%	5%

Uplifting Farmers & Agriculture

Items	From	To
Tractor Tyres & Parts	18%	5%
Tractors	12%	5%
Specified Bio-Pesticides, Micro-Nutrients	12%	5%
Drip Irrigation System & Sprinklers	12%	5%
Agricultural, Horticultural or Forestry Machines for Soil Preparation, Cultivation, Harvesting & Threshing	12%	5%

Relief in Healthcare Sector

Items	From	To
Individual Health & Life Insurance	18%	Nil
Thermometer	18%	5%
Medical Grade Oxygen	12%	5%
All Diagnostic Kits & Reagents	12%	5%
Glucometer & Test Strips	12%	5%
Corrective Spectacles	12%	5%

Automobiles made affordable

Items	From	To
Petrol & Petrol Hybrid, LPG, CNG Cars (not exceeding - 1200 cc & 4000mm)	28%	18%
Diesel & Diesel Hybrid Cars (not exceeding - 1500 cc & 4000mm)	28%	18%
3 Wheeled Vehicles	28%	18%
Motor Cycles (350 cc & below)	28%	18%
Motor Vehicles for transport of goods	28%	18%

Affordable Education

Items	From	To
Maps, Charts & Globes	12%	Nil
Pencils, Sharpeners, Crayons & Pastels	12%	Nil
Exercise Books & Notebooks	12%	Nil
Eraser	5%	Nil

Save on Electronic Appliances

Items	From	To
Air Conditioners	28%	18%
Television (above 32") (Including LED & LCD TVs)	28%	18%
Monitors & Projectors	28%	18%
Dish Washing Machines	28%	18%

PROCESS REFORMS

Registration

Automatic registration within 3 working days for applicants:
 • Identified by the system based on data analysis
 • Who determines that he would not pass Input Tax Credit exceeding ₹2.5 Lakh per month and opts for the Scheme

Refund

Sanction of Provisional Refunds by proper officer, through system based risk evaluation for:
 • Zero Rated Supplies
 • Supplies with Inverted Duty Structure



“The next generation of GST reforms are a gift for every Indian this Diwali. Taxes for the general public will be reduced substantially. Our MSMEs & small entrepreneurs will get huge benefit. Everyday items will become cheaper and this will also give a new boost to the economy.”

Narendra Modi
Prime Minister

Next-Gen GST - Better & Simpler !

For the complete list of recommended revised rates & other GST changes, please scan:

QR
CODE

Photo Gallery

Branch Events



Photo Gallery

Inauguration, Gurugram Branch of NIRC of ICAI

