



Central India CA Students Association
Indore Branch of CIRC of ICAI

NEWSLETTER

MARCH- 2024 | Digital Edition



Chairman Message

Dear CA Students,

Warm greetings to all of you!

As we enter the month of March, a time of transition and renewed focus, I want to commend each one of you for your dedication and perseverance in this rigorous journey of Chartered Accountancy. March is a significant period—a time for introspection and planning as we approach the crucial months ahead.

For many of you, this is the final stretch of preparation before the upcoming May examinations. It is natural to feel the pressure intensify, but remember that success is built on a foundation of consistent effort, self-discipline, and a positive mindset. Utilize this time effectively by revising thoroughly, solving mock tests, and identifying areas that need extra attention.

March is also a time to set clear goals, not just for exams but for your overall professional growth. The ICAI continues to organize workshops, seminars, and events that are designed to equip you with the skills and knowledge essential for a successful career. I strongly encourage you to participate actively and leverage these opportunities.

On a broader note, the financial and accounting landscape continues to evolve rapidly. As future Chartered Accountants, staying abreast of these changes will not only enhance your professional competence but also prepare you to make meaningful contributions to the industry and the economy.

Lastly, always remember to prioritize your well-being during this time. A healthy mind and body are essential to achieving excellence. Balance your study schedule with short breaks, exercise, and activities that help you stay refreshed and motivated.

Wishing you all the very best for your studies and preparations. Let us approach the coming months with determination, focus, and a commitment to success. The entire ICAI community stands with you in this journey, cheering for your triumphs!

Best regards,

CA. Atishay Khasgiwala

Chairman,

CICASA Indore.





EDITORIAL

Message

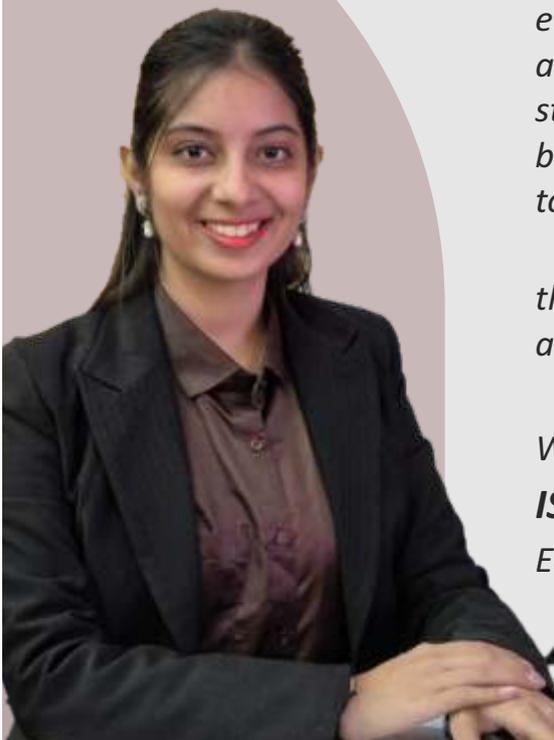
I, Ishwin Kaur, as the part of Editorial Team of Indore Branch of ICAI, welcome you all to this newsletter edition. As we all are on the path of becoming future Chartered Accountants, these newsletters showcases the unique events, seminars, conferences that take place in the Indore Branch of ICAI, which serve as a gateway to nurturing our talents and showcasing our true potential.

Our profession is evolving rapidly, with new regulations and technologies, it is essential to not only keep up with the pace but to embrace them as opportunities for growth and innovation. As a CA student where our resilience in the fraternity meets our passion, we should be committed to foster a community of strength and kindness.

We are committed to supporting you at every step, providing valuable information, insights and updates through our editorial platform. We encourage you all to stay focused, maintain a strong ethical foundation, and upskill yourself at every stage to stand out in the profession. The road may be challenging at times, but perseverance and passion for excellence will guide us all towards success.

I Ishwin Kaur, SuvanshKesharwani, and PiyushModani as the Editorial Board of Indore Branch of ICAI wish everyone of you all the best for your future endeavors and professional growth.

*Warm Regards,
ISHWIN KAUR.
Editorial Board.*





NAVIGATING FISCAL WATERS: UNRAVELING THE INTRICACIES OF INDIA'S ECONOMIC LANDSCAPE THROUGH THE INTERIM BUDGET LENS



SHIVAM CHOURASIA
CRO 0724618

Understanding the Nuances: Probing Deeper into the Impact of the Interim Budget on India's Economic Landscape

India's Finance Minister, Nirmala Sitharaman, recently unveiled an interim budget that not only commemorates nearly a decade of the current government but also distinguishes itself by steering clear of traditional pre-election giveaways. In this comprehensive exploration, we delve into the intricate details of the budget's impact, shedding light on captivating shifts in the patterns of the Indian economy.

"Strategic Fiscal Adjustments: Crafting a Delicate Balance"

Sitharaman's budget introduces strategic fiscal adjustments, including a 3.3 percent reduction in food subsidies and a parallel scaling back of fertilizer subsidies, maintaining capital expenditure at 1.3 trillion rupees. This section dissects the Minister's prudent fiscal management, culminating in a surprising lower-than-expected fiscal deficit of 5.1 percent for the fiscal year ending March 2025, highlighting the delicate balance between sustaining economic growth and fiscal responsibility.

"Market Surprises and Sectoral Shifts: Insights from Experts"

Suman Bannerjee, Chief Investment Officer at Hedonova, expresses surprise at the lower fiscal deficit, emphasizing its profound significance. The reduced subsidies also signal India's gradual shift "away from agriculture towards manufacturing," introducing a nuanced perspective on sectoral dynamics. This section explores expert viewpoints on market surprises and the evolving landscape of key sectors.

"A Decade in Review: Economic Milestones and Controversies"

Sitharaman's budget speech touts a 50 percent rise in average real income, the uplifting of over 250 million people from poverty, and India's economic ascent to the world's fifth-largest over the last decade. Amidst opposition disputes, the Finance Minister attributes the lower fiscal deficit to burgeoning private investment in crucial sectors. This section critically reviews the past decade, analyzing achievements and controversies that have shaped India's economic narrative.

"Taxation Tactics and Infrastructure Ambitions: A Fiscal Chronicle"

Improved tax collection, including the expansion of luxury taxes, plays a pivotal role in reducing the fiscal deficit, as

noted by experts. The Finance Minister's unwavering commitment to capital expenditure allocations, despite fiscal constraints, underscores India's rapid pace of public infrastructure development. This section delves into the intricacies of taxation tactics and the ambitious infrastructure goals laid out in the budget.

"Rural Resonance: Bridging Gaps in the Urban-Centric Narrative"

The Interim Budget addresses rural concerns through innovative schemes for rural housing, free food for the poor, and support for aquaculture. As India's economy anticipates robust growth, this section explores persistent concerns about its urban-centric nature and how Thursday's budget measures aim to bridge this gap, potentially spreading the benefits of urban growth to the rural economy.

"Empowering Women and Green Horizons: Forward-Looking Initiatives"

In a gender-focused approach, The Finance Minister announces initiatives to boost women's skill-building and entrepreneurship, with a special emphasis on expanding schemes for rural women. Simultaneously, the budget unveils plans for renewable energy, aligning with India's goal of achieving net-zero emissions by 2070. This section explores the forward-looking initiatives that aim to empower women and foster environmental sustainability.

"Political Prospects and Economic Reflection: Unveiling the White Paper"

The budget sets the stage for upcoming elections with the announcement of a white paper, reflecting on India's economic journey since 2014. This section explores the potential political implications of the budget, delving into the meticulous spending decisions ahead of elections. The government's confidence, post recent electoral victories, and the inauguration of the Ram Temple at Ayodhya are also discussed.

"Prime Minister Modi's Optimism: Balancing Act in Economic Governance"

Prime Minister Modi terms the budget a "sweet spot" that balances capital expenditure with fiscal discipline, indicating the government's optimism and strategic approach to economic governance. As we conclude this analysis, the intricacies of the Interim Budget underscore a meticulous attempt to navigate fiscal waters and shape India's economic trajectory with prudence and foresight.



BEYOND IMAGINATION, WITHIN REACH: EMBRACE THE POSSIBILITIES OF A SMART CITY

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“Cities in the past were built on riverbanks, they are now built along highways. But in the future, they will be built based on availability of optical fiber networks and next-generation infrastructure”, said the honourable Prime Minister Sir Narendra Modi at the launch of the Smart Cities Mission on 25th June 2015.

INTRODUCTION:

Cities are engines of growth for the economy of every nation, including India. With increasing urbanization, urban areas are expected to house 40% of India's population and contribute 75% of India's GDP by 2030. This requires comprehensive development of physical, institutional, social and economic infrastructure. All are important in improving the quality of life and attracting people and investments to the City, setting in motion a virtuous cycle of growth and development. Development of Smart Cities is a step in that direction.

Throughout history, cities have served as hubs of innovation, yet the digital age has introduced fresh opportunities and hurdles for urban progress. Consequently, cities are undergoing a transition into "smart cities" to foster the creation of urban environments that are more efficient, sustainable, and liveable. Importantly, this transformation extends beyond the urban domain and holds considerable social, cultural, and economic significance. It requires a fundamental overhaul of both internal and external city management and operations,

prompting a rethinking of urban governance, citizen involvement, and the delivery of public services.

WHAT IS A SMART CITY?

The first question is what is meant by a 'smart city'?

The answer is, there is no universally accepted definition of a Smart City. The conceptualisation of Smart City, therefore, varies from city to city and country to country, depending on the level of development, willingness to change and reform, resources and aspirations of the city residents.

Smart Cities focus on their most pressing needs and on the greatest opportunities to improve lives. They tap a range of approaches - digital and information technologies, urban planning best practices, public-private partnerships, and policy change - to make a difference. They always put people first.

In the approach to the Smart Cities Mission, the objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The focus is on sustainable and inclusive development and the idea is to look at compact areas, create a replicable model which will act like a light house to other aspiring cities. The Smart Cities Mission is meant to set examples that can be replicated both within and outside the Smart City, catalysing the creation of similar Smart Cities in various regions and parts of the country.



INNOVATION AND ITS IMPACT:

The technological and scientific revolution presents unprecedented opportunities to reshape the way our infrastructure is built and managed. Wireless and mobile sensing technologies, including mixed reality capture technologies (e.g., lidar, RGB-D, and vision), wireless infrastructure sensors, wearable sensors, robotics, and unmanned aerial systems (UASs), have generated large amounts of high-resolution data on infrastructure construction and management.

The impact of the Smart Cities Mission on urban infrastructure is broad and vital. The improvement in transportation systems is perhaps the most self-evident. This is achieved using innovative smart traffic management techniques and, notably, the introduction of new forms of public transport such as metro rail networks. As a

result, cities become less congest and more easily navigable for residents. Another aspect is its emphasis on sustainability and environmental protection. Introducing new energy management techniques, waste disposal methods, is a broad categorization of the Smart Cities Mission's influence. An example of such is the incorporation of smart grids and alternative energy resources into urban infrastructure to lower carbon emissions and enhance energy efficiency. The projects aren't just transforming urban infrastructure but also helping bridge the gaps and promote development.

CONCLUSION:

In conclusion, India's Smart Cities Mission represents a paradigm shift in urban development, where technology and innovation are driving positive change in the way cities function. By harnessing the power of IoT, AI, and other cutting-edge technologies, the mission is not only transforming urban infrastructure but also fostering inclusive growth and sustainable development.





Shark Tank India Startup Terms Explained From Inception to Funding



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Hello Shark Tank Viewers and Future Entrepreneurs! Welcome to Shark Tank India Startup Terms! Well to be very honest, a tough competitor to other reality shows like Bigg boss, Roadies & Splits Villa is Shark Tank India Reality Show for Business Pitchers. We love the show but always get confused with the terminologies/vocabulary used, so here is the solution: Dividing all the terms into three stages mainly which are mainly are as follows: -

1. Startup Inception Terms:

Here there are mainly three stages for the commencement of the startup – Idea Stage, Prototype Stage and Minimum Viable Product (MVP) Stage.

- Idea Stage: Idea to start a business.
- Prototype Stage: Basic design of a product to be manufactured. E.g. Clay Model, Mould, 3-D Designs
- Minimum Viable Product (MVP) Stage: Product being ready for the sale with minimalistic features (core functionality) for startups to build. E.g. Facebook (Meta) by Mark Zuckerberg, iPhone by Steve Jobs, Uber.

2. Startup Pitching Terms:

Terms used during Business Pitch Deck.

- Business Model: Indicates how and why to earn money through their methods, business running technique during the initial phase.
- Business Plan: Indicates when and how much to earn money through their business strategy in the long run.

3. Startup Funding Terms:

Terms related to raising and utilization of funds during the pitch. • Bootstrap Startup: Startup commenced without raising any external sources of finance.

- Business Incubators: Also known as accelerators who assist the startups for funding, office space, industrial connect, prototype development etc.
- Angel/Seed Round: Funds raised through Venture Capitalists and High Net Individuals (Risky Investment during Idea or Prototype Stage).
- Crowdfunding: Funding raised through general public being active

users in social media where the startups enlist themselves on crowdfunding websites like Kickstarter, Indiegogo.

4. Valuation:

Valuation refers to the company's earning capacity in near future on the basis of profits, net assets or revenue currently generated according to the pre – money valuation or post – money valuation.

Note: Post Money Valuation = Pre Money-Valuation + Investor's Funds

5. Convertible Note:

Short Term Debt Convertible to Equity in Future.

6. Customer Acquisition Cost (CAC):

Expenses incurred by the startup to attract customers which is related to advertising or marketing expense.

7. Burn Rate:

Finance Efficiency indicating cash outflow/ expenditure in operating activities (gross burn) and net loss incurred (net burn).

8. EBITDA:

Earnings Before Interest, Taxes, Depreciation, Amortization.

9. Gross Merchandise Value (GMV):

Total Value (MRP) of products sold. E.g. E-Commerce Vendor in Amazon, Flipkart, Meesho etc.

10. Life Time Revenue (LTR):

Life Time Revenue of a startup form a single customer.

11. Annual Run Rate:

Analysis of monthly earnings and knowing annual growth rate.

12. Daily or Monthly Active Users (DAU/MAU):

Frequency of the users visiting the app or website of the startup company.

13. Pivot:

Shifting from existing plan to new plan (business plan). E.g. Snapdeal, Paytm.

14. Term Sheet:

Non-Binding agreement with basic investment details. E.g. Investment, Dividends, Voting Rights, Valuation, Liquidation – Preference, Board.



Editorial Board



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