



**E-NEWSLETTER OF SICASA OF CHENGALPATTU
DISTRICT BRANCH OF SIRC OF ICAI**

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**An investment in
knowledge pays the best
interest**

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**SICASA of Chengalpattu District Branch
of SIRC of ICAI**

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FROM THE SICASA CHAIRPERSON'S DESK TO STUDENTS

Dear Students,

Swami Vivekananda's word,

"Arise, awake, and stop not until the goal is achieved."

Swami Vivekananda urges individuals to be proactive and persistent in pursuing their goals. "Arise" signifies awakening to a sense of purpose, and "awake" emphasizes being alert and conscious of opportunities. "Stop not until the goal is achieved" stresses the importance of continuous effort and determination. This quote serves as a motivational call to action, inspiring individuals to overcome obstacles and stay focused on their objectives.

Best Wishes,

CA Aanand P

SICASA Chairman

1st December 2023.



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FROM THE BRANCH CHAIRMAN'S DESK TO STUDENTS

My dear beloved Students (future CAs),

Students would have engaged themselves for their exams for the major part of the November month. Intermediate and Final Examination held during November 2023 was the last attempt under Existing Scheme. So, from now Students should get ready to align your preparations with the New Scheme of ICAI for your next level of exam to be appeared. A notable feature of the new curriculum is the 70/30 assessment pattern – 70% by way of descriptive questions and 30% by way of case scenario based Multiple Choice Questions (MCQs).

Now, I wish to list out the activities carried out in the month of November and things going to be done in the month of December by our branch.

Activities carried out in the previous month:

- ❖ One Day Seminar on GST Annual Returns and Audit on 25th November 2023,
- ❖ Mock Test for CA Foundation Students.



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Activities planned for the month of December 2023:

- One Day Students Seminars
- Celebration of SICASA Day
- Financial and Tax Literacy program for students in the nearest University/ colleges.
- Industrial Visit for CA Students
- Career Counselling Programmes Schools
- Youth Festival Celebrations by CA Students
- CA Students National Talent Search, 2023

With these few words, I pen down, by extending....

Best wishes,

CA T SIVAGURUNATHAN

Chairman

Chengalpattu District Branch of SIRC of ICAI



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STUDENTS ARTICLES FOR THE MONTH OF DECEMBER 2023

What Makes a Leader different from a Boss?



We all would have come across a sentence that states "There is a huge difference between a boss and a leader", which might be from LinkedIn posts or Instagram reels, and I completely agree the same. The difference between both can be in many ways, such as:

- A boss knows how work is done, while a leader shows how work is done
- A boss places blame, while a leader fixes problems
- A boss gives orders, while a leader inspires action

One such important and impactful trait is how he/she communicates the intended message. Here is a small incident that shows how a leader communicates differently from a boss.





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Charles Schwab was a very clever and charismatic leader who knew how to motivate his workers with kindness and respect. Charles Schwab was passing through his steel mill when he noticed the employees smoking under a sign that said, “No Smoking”. Instead of yelling at them, he gave each one a cigar and said that he would appreciate it if they smoked outside instead.

He could have shouted at them, maybe even could have fired them. But what he did was just change the way he communicated how others usually do. This way, he avoided confrontation and won the loyalty of his employees and became an admirable leader.

Here are some ways you can also become an admirable leader in your workplace, college or anywhere.

Be humble and respectful. Acknowledge your strengths and weaknesses and appreciate the contributions of others. Don't be afraid to admit your mistakes and learn from them. Treat everyone with dignity and courtesy.

Be passionate and enthusiastic. Show your genuine interest and excitement for the goals and vision of your group. Inspire others with your positive energy and optimism. Demonstrate your commitment and dedication to the cause.



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Be a role model and a mentor. Set high standards for yourself and your group, and lead by example. Show your followers how to achieve the desired results and provide them with guidance and support. Share your knowledge and experience, and help others develop their skills and potential.

Be a good listener and communicator. Listen actively and attentively to the needs, concerns, and opinions of others. Communicate clearly and effectively, using appropriate verbal and non-verbal cues. Provide constructive feedback, praise, and recognition. Resolve conflicts peacefully and respectfully.

Becoming an admirable leader is not a matter of luck or talent, but a matter of choice and practice. It requires a constant effort to improve oneself and to inspire others. It also requires a willingness to learn from the best examples of leadership throughout history and across different fields. Remember, as John C. Maxwell said, "Leadership is not about titles, positions, or flowcharts. It is about one life influencing another."



Jerome Kathiravan

SRO0677592



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Conversion of Firm into LLP

In terms of Section 4 of the Partnership Act, 1932, Partnership refers to the relation between persons who have agreed to share the profits of a business carried on by all or any of them acting for all. Persons who have entered into partnership with one another are individually called partners and collectively a firm and the name under which their business is carried on is called the firm name.

In terms of Section 2(1)(n) of the Limited Liability Partnership Act, 2008, Limited Liability Partnership (LLP) refers to a body corporate or partnership formed and incorporated under the provisions of the said Act.

To start with, the basic differences between a Partnership Firms and Limited Liability Partnership is given below

Particulars	Partnership Firm	Limited Liability Partnership (LLP)
Registration	Registration is voluntary.	Registration is mandatory.
Liability	Partners have unlimited liability, and they are personally liable for all the debts and obligations of the business.	Liability of each partner is limited to the amount of money they have invested in the business.
Limit of maximum no. of partners	Maximum 50 persons can carry on any business as an association or partnership.	No limit for maximum number of partners in LLP.



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Partnership firm may convert itself into a Limited Liability Partnership (LLP) by complying with the requirements set out in Schedule-II of Limited Liability Partnership Act, 2008.

APPLICABLE PROVISIONS:

1. Section 55, Schedule-II of Limited Liability Partnership Act 2008
2. Rule 18, 38 of Limited Liability Partnership Rules 2009
3. Section 40, 60 of Indian Partnership Act, 1932

MANDATORY REQUIREMENTS (PARAGRAPH 3 & 4 OF SCHEDULE-II):

1. All the partners of the Partnership firm shall become the partners of Limited Liability Partnership (LLP)
2. Obtain consent of all the partners in Form 9
3. There must be at least 2 designated partners in Limited Liability Partnership (LLP) and at least one of them is a resident of India
4. Every designated partner shall have a Designated Partner Identification Number (DPIN) and Digital Signature Certificate (DSC)
5. Obtain consent of the creditors, if any for such conversion.

PROCEDURE:

1. Obtain Digital Signature Certificate:

Submit an application for obtaining Digital Signature Certificate from any of the Certifying Authority in India along with the requisite fees of the respective Certifying Authority and the following documents:

- Aadhaar card
- Pan card
- Photograph
- Email address
- Mobile number



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2. Name Reservation (Rule 18):

- Applicant firm shall apply for reservation of its name in Form RUN-LLP along with stipulated fee to the Registrar and choose “Conversion of Firm into LLP” option from dropdown list
- A maximum of 6 names can be provided for name reservation for the proposed LLP
- In case the name includes banking, insurance, venture capital, mutual fund, stock exchange, Chartered Accountant, Company Secretary, Cost Accountant, Advocate, etc. a copy of in-principle approval from such regulatory authority or council governing concerned profession should be attached with Form RUN LLP at the time of incorporation of such Limited Liability Partnership (LLP).
- Registrar may if satisfied reserve the name for a period of 3 months from the intimation date by Registrar.

Note: The name of the LLP shall not be one prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.

3. Filing of Application for Registration (Paragraph 4 of Schedule-II & Rule 38)

- After receipt of the approval on the proposed name of the Limited Liability Partnership (LLP), an application for conversion of Firm into LLP shall be filed Form-FiLLiP along with the following attachments and the fee as may be applicable:
 - RUN – LLP form Service Request Number (SRN)
 - Partnership Deed



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- Approval of the owner of the registered trademark or the applicant of such trademark for which application for registration is pending, if any
- In-principle approval of regulatory authority, if required
- Approval copy from the competent authority in case of collaboration and connection with the foreign country or place
- Proof of Office address along with No-Objection Certificate, if applicable (Conveyance/ Lease deed/Rent Agreement along with rent receipts) along with copy of the utility bills (not older than two months)
- Copy of the proof of identity and proof of address of the Designated Partners
- Copy of resolution on the letterhead of the body corporate intending to become a partner in the proposed LLP and a copy of resolution/ authorization of such body corporate also on a letterhead mentioning the name and address of an individual nominated to act as nominee/designated partner on its behalf
- Consent from partner/ Designated Partner/ nominee/ nominee of the Limited Liability Partnership (LLP) to act in such capacity
- Statement of Assets and Liabilities of the firm duly certified as true and correct by the auditor
- List of all the secured creditors along with their consent to the conversion
Copy of acknowledgement of latest income tax return.



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4. Certificate from Registrar (Paragraph 5 of Schedule-II & Rule 38):

After verification of the application and documents so furnished, the Registrar shall register such documents and issue a certificate of registration in Form 19 to the respective Limited Liability Partnership (LLP).

5. Inform the Concerned Registrar of Firms about Conversion of Firm (Proviso of Paragraph 5 of Schedule-II & Rule 38(3)):

The Limited Liability Partnership (LLP) shall file an intimation about such conversion to the Registrar of Firms in Form-14 along with the below-stated attachments, within fifteen days from the date of its registration:

- Copy of Certificate of Incorporation of LLP
- Copy of Incorporation documents submitted
- Any other documents, if required.

6. Filing of LLP agreement (Form-3):

The Limited Liability Partnership (LLP) shall file Form 3 in respect of the LLP Agreement so executed, with the Registrar within 30 days from the date of such conversion along with the stipulated fee and the following documents:

- Initial LLP agreement or Supplementary/ amended LLP agreement containing changes
- Any other information as is necessary.

Radhika Gajaraj

SRO0569945



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Events to be conducted in the month of December 2023

Since the Students have completed their examinations recently and have not come out of their exam mood, the SICASA has decided to conduct the following events to boost up the morale of the students and let them recover from their exam tensions.

1. Talent Search 2023

There are two competitions in the event. One is Dashboard Visualisation competition, and the other is sketching competition. We also plan to conduct a *Quiz* in the event.

The event will be conducted on 9th December 2023 (Saturday).

2. Industrial Visit

We are planning to bring the students to an Industrial Visit in the 2nd week of the month.

3. One Day Program and Youth Fest

The SICASA wishes to conduct a One-day program covering a variety of awe-inspiring and informative along with a Youth fest with active and bustling events. The event is planned to be conducted on 23rd of this month (Saturday).



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Glimpse of the events held in November 2023

GST Annual Return – The Cornerstone of Annual Compliances





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TRIVIA CORNER

Suresh Rana & Associates have been appointed as the statutory auditors of HAIL Ltd. by the Comptroller & Auditor General for the FY 2021-22. HAIL Ltd. is a Government company engaged in the manufacture of metro train coaches. During the course of audit, CA Suresh extended his scope of audit to cover efficiency, effectiveness and economy audit. CA Suresh Rana also asked his audit team to conduct expenditure audit as part of the audit engagement of HAIL Ltd. During the course of audit, CA Suresh also found that the company has constructed its new stockyard for parking its metro coaches and maintenance of its metro coaches. However, the stockyard was not being used by the company for the designated purpose and the company continued using the rented stockyard. Suresh considered such expenditure as infructuous and avoidable expenditure.

The engagement partner also discussed with his team regarding the areas to be covered while conducting the audit of receipts. The reporting responsibilities of the engagement team were also discussed by the engagement partner with his team.



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Based on the above facts, answer the following:-

1. **Statement 1:** Government audit provides public accounting of operational, management programme and policy aspects of public administration as well as accountability of officials administering them.

Statement 2: Government audit is equipped and intended to function as an investigating agency, to pursue every irregularity or misdemeanour to its logical end.

- a) Only statement 1 is correct
- b) Only statement 2 is correct
- c) Both 1 & 2 are correct
- d) Both 1 & 2 are incorrect

2. _____ is conducted to ensure that the various programmes, schemes, and projects where large financial expenditure have been incurred are run economically and are yielding results expected of them:-

- a) Propriety audit
- b) Audit against Rules and orders
- c) Performance Audit
- d) Audit against Provision of funds



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3. While conducting audit against provision of funds, the statutory auditors, M/s Suresh Rana & Associates must check:-
- a) That each item of expenditure is covered by a sanction either general or special of a competent authority.
 - b) That the expenditure incurred has been on the purpose for which the grant and appropriation has been provided and the amount of expenditure does not exceed the appropriation made.
 - c) That the expenditure conforms to the relevant provision of the constitution.
 - d) That the expenditure is in accordance with the financial rules, regulations and orders issued by the competent authority.



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4. Which part of expenditure audit covers the scrutiny of the expenditure incurred on the construction of stockyard by the company which is considered as infructuous and avoidable by CA Suresh Rana?
 - a) Propriety Audit
 - b) Audit against provision of funds
 - c) Audit of sanctions
 - d) Performance Audit

5. While conducting the audit of receipts of HAIL Ltd., which of the following area is to be covered as part of Audit of Receipts?
 - a) Whether all revenues or other debts due to government have been correctly assessed, realised and credited to government account by the designated authorities of HAIL Ltd.
 - b) Whether adequate checks are imposed to ensure the prompt detection and investigation of irregularities, double refunds, fraudulent or forged refund vouchers or other loss of revenue through fraud or willful omission or negligence to levy or collect taxes or to issue refunds.



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- c) Whether the expenditure incurred has been on the purpose for which the grant and appropriation had been provided and that the amount of such expenditure does not exceed the appropriation made.
6. Whether the various schemes/projects are executed, and their operations conducted economically and whether they are yielding the results expected of them.
- a) Only statement 1 is correct
 - b) Statements 1 & 2 are correct
 - c) Statements 1,2,3,4 are correct
 - d) Statements 1,2,3 are correct

PREVIOUS MONTH ANSWER

- 1) B
- 2) C
- 3) A
- 4) A
- 5) B



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Contribution From Our CA STUDENTS

Articles are invited from students for publishing in e-newsletter. The articles shall be either on the specific subject or a general article.

For all the artistic minds, you may highlight your artistic skills by sending your art to us. It could be drawing, poem, photographs and all the artwork which is unusual in your way!

Students can mail their work with Name, SRO Number, Mobile Number, Residential Address, Office Address &

Photo to our E-Mail mentioned below

sicasa@chengai-icai.org

We wholeheartedly thank all the students who have provided their valuable Inputs for this newsletter as well as for the upcoming newsletters.