



**SOUTHERN INDIA CHARTERED ACCOUNTANTS STUDENTS'
ASSOCIATION
OF
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(SETUP BY AN ACT OF PARLIAMENT)**

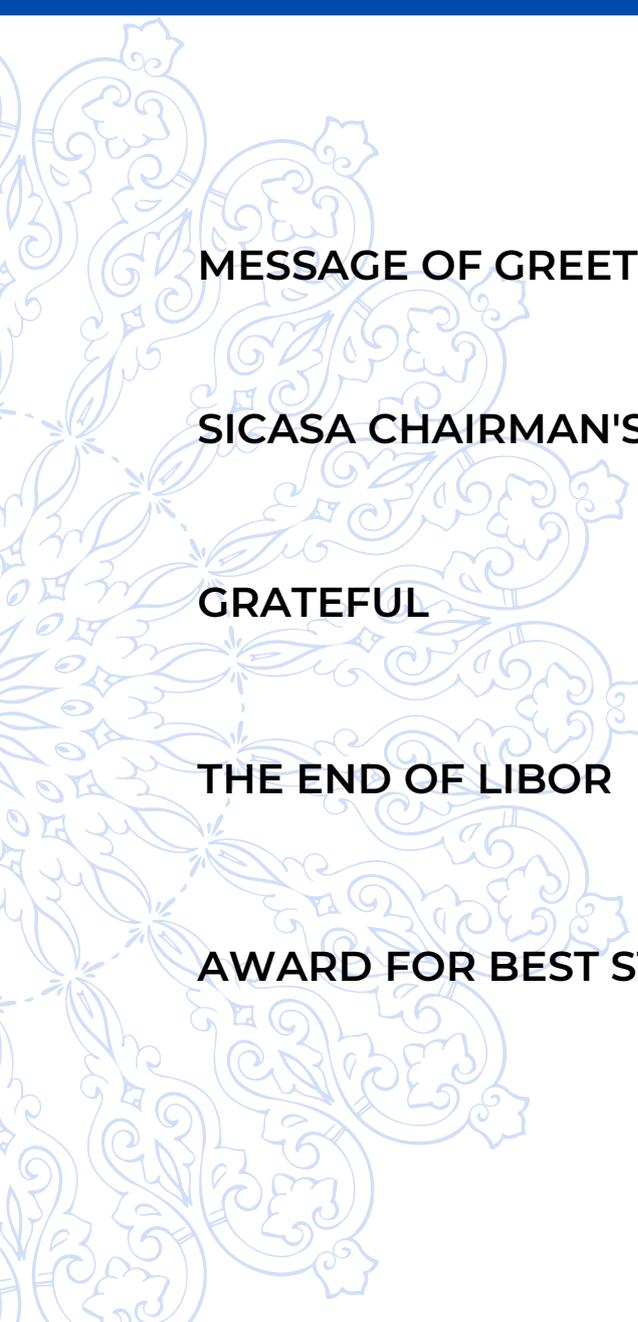


MARCH/2022

WORLD CONSUMER DAY



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MESSAGE OF GREETINGS

Dear Students,

I am delighted to hear that the Southern India Chartered Accountants Students' Association (SICASA) is coming out with a well-designed and informative webpage on the SIRC website under its auspices and the dynamic leadership of CA. P. Satheesan, Chairman, SICASA.



The initiative to revive the SICASA webpage is very commendable and deserves all-round appreciation from the undersigned and from the members of the Regional Council. It is a welcome and very thoughtful effort on the part of SICASA to keep their members updated with dissemination of knowledge by way of articles on varied subjects of their interest through SICASA Newsletters, information on SICASA clubs and announcements of programmes benefitting the students' fraternity.

I therefore extend my warm greetings, good wishes and congratulations to CA. P. Satheesan, Chairman, SICASA and his entire team of SICASA Members in the Managing Committee.

At this juncture I am also happy to share that the issue of June 2022 of "Students' Newsletter" to be brought out by Board of Studies will be the Silver Jubilee Issue as it was in June 1997 the first Students' Newsletter was published under the then Chairman of Board of Studies CA. P.P. Gururaja Upadhyaya who belongs to Southern Region. SICASA also did issue Newsletters from time to time thereafter.

I am happy to record that the Southern Region always stands first whether it is SIRC Members' Newsletter which was launched on July 1975 or Students' Newsletter which originated when the Central Council Member from our Southern Region was at the helm of Board of Studies or instrumental for institution of Students' Association Awards by ICAI and receiving consecutively for three years when it was instituted and many times thereafter. SICASA also received the First Prize for its performance for the year 2021. So also Southern Region is the first to offer the CA Students Coaching Classes way back from mid 1950s which was also coordinated by SICASA then.



MESSAGE OF GREETINGS

I am therefore confident that the webpage being introduced by SICASA would set new benchmark by way of publishing articles, notifications, updates and reactions / expectations from the students' point of view. The SICASA Newsletter is the Ambassador and will establish closer and regular contacts with the students and assist them for acquiring academic excellence which in turn would help them to approach their examination convincingly and confidently.

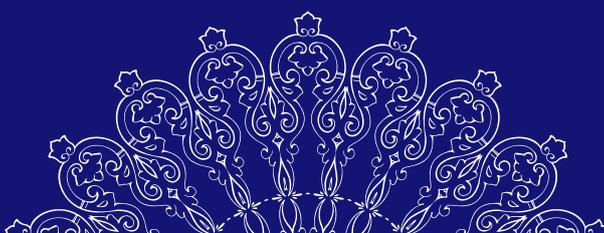
Thus this Students' Webpage will be fulfilling the objects and activities as contained in the Chartered Accountants Students' Association Rules, inter alia, which refers to promoting intellectual development of the students. The publication of the SICASA Newsletter through the SICASA webpage on the SIRC website, I am sure, would thus serve the purpose of enhancing the knowledge of the students in the Sothern Region.

The recognition to SICASA on many fronts therefore stands testimony to the effectiveness of the functions of SICASA and therefore the initiation to bring out the SICASA Newsletter is yet another remarkable step in the direction of guiding the students. The publication therefore would usher in a new era of intellectual exposure and supplement the knowledge dissemination that is being done by the publication of the Students' Newsletter by the Board of Studies.

I send my best wishes and congratulations to CA. P. Satheesan, Chairman, SICASA and his team. I wish the publication of the Students' Newsletter achieves the avowed objectives of the Association.

With best wishes and warm regards

CA. CHINA MASTHAN TALAKAYALA
Chairman, SIRC of ICAI



SICASA - CHAIRMAN'S COMMUNIQUE

Dear Students,

“ALL OF US DO NOT HAVE EQUAL TALENT.BUT, ALL OF US HAVE EQUAL OPERTUNITY TO DEVELOP OUR TALENT” -APJ ABDHUL KALAM



At the outset, I thank the Chairman of SIRC CA. China Masthan Talakayala for opting me as SICASA chairman for the year 2022-23 and tanks to other Regional Council members for their support for the same.

Congratulations to all students passed out in the recently declared CA examination results. It pleases me to know that despite the all the hurdles, you prepared for the exams with your maximum and cleared the same with flying colours. At the same time, I would like to say to the students who were unsuccessful don't be upset continue to put your best efforts, it will surely give you the result.CA course is designed in such a way that you have to study with analytical skill, concentrate on concepts more than the by heart. A winner has to undergo various difficult situations, but the determination will lead to the success.

The next examination schedule has already been declared by Board of Studies and I am confident that you would dedicate the next one and half months passionately towards preparations .I wish all of you all success in the exam.

During the last two years due to pandemic we are moving physical to technology based programs. While we often hear about the negative effects of excessive screen time and the dangers of social media, we don't always hear about the positive ways technology makes a difference in our lives, especially when it comes to learning. Many of the students got various certificates from worldwide universities other than their routine course. So friends, now we all have to become an expert users of technology to implement or for verification of the law and rules. Thousands of articles or lectures in You Tube are at your fingertips to help your studies. But at the same time the social activities and importance of personal interaction for the betterment of professional approach may be losing. So we should always to do a balancing method in our profession.



SICASA - CHAIRMAN'S COMMUNIQUE

We know that all the students of SIRC are very hard working and with their constant efforts we got best regional awards for the year 2021-22. We are congratulating all the immediate past Chairman SIRC CA. Jalapathi, immediate past Chairman SICASA CA. Naresh Chandra Gelli, all regional council members who supported, all staff of SIRC and especially all students who toiled their blood.

We also take this moment to congratulate our new torch bearers, President Dr CA. Debashis Mitra, and Vice President CA. Aniket Sunil Talati and am quite sure that ICAI shall touch new heights under their able and visionary leadership abilities.

On 09th March, 2022 SIRC conducted Articles Placement Program for the first time in 5 cities and the response of the firms and students are encouraging. SIRC is planning to expand it to all the branches and the firms and students will be more beneficial. The feedback of the students was that they got very good exposure by appearing for interview and understand the different ways of approaches by the CA firms. We appreciate SIRC and our students who volunteered for his program.

We had conducted a series of bank audit webinar and each session was handed by the expert in this filed. We thank each of the session speakers, session guests, staff and students for conducting the event in a benefitting manner.

We are planning to various activates during the year 2022-23 other than the normal activities. We are seeking good suggestions, new ideas and feedback from the students to do more things and to raise our flag more heights.

I take this opportunity to convey my best wishes to newly elected very vibrant members of SICASA and I am sure that working together we will reach in the first rank.

“Push harder than yesterday, if you want a different tomorrow” Remember these words whenever you feel dejected or discouraged and you will be inspired to move ahead towards achieving your goals.

I am sure that we SICASA will, as like in past, do the best under the able leadership and support of SIRC Chairman CA. China Masthan Talakayala and help of all the enthusiastic students of SICASA.

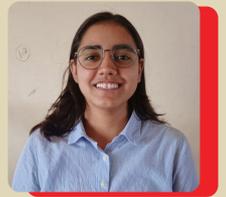
Wish all of you a happy Vishu, Easter, Tamil New Year in advance

Regards,
CA Satheesan P
Chairman, SICASA





GRATEFUL



ANOOP YADAV
SRO0535954

There is one thing in life that we human beings lack and i.e., being happy with what we already have.

There is a famous quote by Napoleon Hill which says, "Positive and negative emotions cannot occupy the mind at the same time."

In the same way, a person cannot be grateful if he's complaining. Both the emotions just don't go hand in hand. In fact, you won't hear a grateful soul complaining (if you do, please bring them here I am serious).

Most of the time we take little things for granted, things that people wish they were fortunate to have. I am not talking about materialistic things here let me be very clear. As the saying goes "health is not valued till sickness comes". We, human beings just don't realise the importance of anything until that thing is snatched away from us.

So, why do we want to wait and make life teach us that lesson the hard way when you can learn it now. Below are few things that we take for granted:

- If you are reading this, it basically means that you are ALIVE, isn't that something to be happy about. You still have time to achieve your dreams, isn't that good enough?
- If your close ones also woke up today, you are very fortunate. There are people who can give anything just to spend time with their lost ones. So, please appreciate people around you- give time to relations because that's the only thing that will stay with you till end.
- If you have a place to stay you are lucky. The place can be your own, can be rented - it doesn't matter. What matters is that you are able to sleep peacefully at night.
- If there isn't a hurricane, earthquake, tornado or other natural disaster going on outside your door you are damn lucky.
- If you have the means to eat three meals a day, you should be proud of it. But unfortunately, people start comparing the quality of the meals. They are not happy with what they get and they waste it.

- If you have a cell phone, even if it isn't an iPhone, you are still very lucky. You can call your close ones anytime even if you are not with them. You can video call them. Earlier, this wasn't even an option.
- If you are physically and mentally healthy then that's the best thing. To go on with this life, a good health matters A LOT. So, please take care of yourself.

The above list is definitely not an exhaustive one. There are "N" no. of things that we can be grateful for, we just have to look for it and stop the thing that we are so used to doing, i.e. COMPLAINING.

We get so into this complaining mode that we miss seeing all the things that actually might be going in our favour.

I am sure there had been times in your life when you felt stuck and kept on questioning god as to why bad things were happening to you. Why was your life not going how you expected it to go? The time when you couldn't see the light at the end of the tunnel and you

thought that your problems were too big and there was no solution to it. Well! Honestly, I think getting out of your head and getting new perspective always helps.

Try visiting a hospital near your house and I am 100% sure that it will make you realise the things that you had earlier taken for granted. When you go there and see that people have serious medical issues which are nothing compared to your petty fights with your best friend, break ups, failures and what not. You start becoming grateful for what you have. Be it your health, be it your family or be this life.

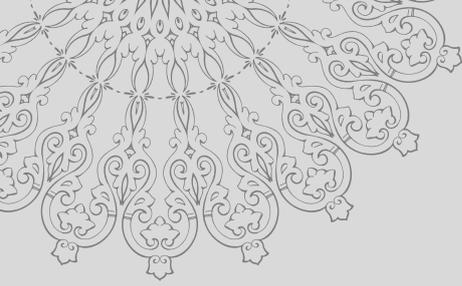
Being grateful is one of the most important things in life. When you start looking at what you have you realise you are better off and you start having that internal happiness.

Let's be grateful.

Let's be happy.

Anoop Yadav





THE END OF LIBOR



PREET SHETH
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The London Interbank Offered Rate (LIBOR) is the reference / benchmark interest rate at which major global banks indicate that they can borrow short-term wholesale funds from one another on an unsecured basis in the interbank market.

LIBOR serves two primary purposes in modern markets: as a reference rate and as a benchmark rate. A reference rate is a rate that financial instruments can contract upon to establish the terms of agreement. A benchmark rate reflects a relative performance measure, oftentimes for investment returns or funding costs

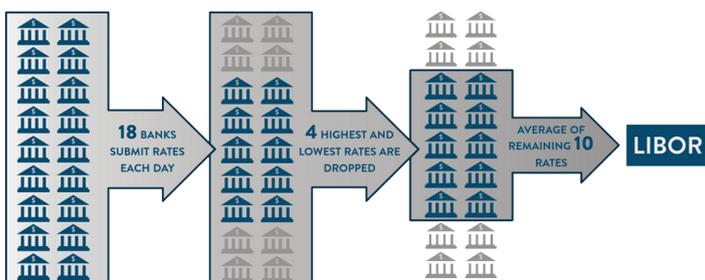
The USD LIBOR fixing is the most dominant and widely recognized benchmark rate in the world.

LIBOR is used worldwide in a wide variety of financial products. It serves as the primary reference rate for short-term floating rate financial contracts like swaps and futures.

LIBOR = overnight risk free rate over the term + term premium + bank term credit risk + term liquidity risk + term risk premium.

Rates are typically expressed as “LIBOR + x,” where x is the premium charged in basis points for each particular borrower on top of the LIBOR rate of the corresponding maturity term.

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During the financial crisis of 2007–2009, no bank wished to appear to be less creditworthy than others. When banks were polled to produce LIBOR, banks started “low-balling”—that is, understating their true borrowing costs when submitting to the LIBOR poll.

In the case of interbank offered rates, some derivatives traders asked bank officials that were charged with providing rate submissions to the LIBOR poll to bias their reports.

Though many banks were allegedly involved in misreporting, the most prominent to have reached settlements to date are Barclays, UBS, RBS, and Rabobank – have combined to pay settlements upward of \$3.5 billion.

The journalists raised two possible motives for misreporting. The first involved a bank’s desire to keep its submissions low in order to project an image of soundness. The second motive involved falsification with the expressed intent of benefiting the bank’s derivatives positions and to realize gains on LIBOR-based contracts

The secured overnight financing rate (SOFR) will replace LIBOR in 2023. The new system is designed to replace the conjecture surrounding interest rates that was predominant under LIBOR and instead use actual transaction rates. The SOFR is also a benchmark interest rate used for dollar-denominated loans and derivative contracts.

| LIBOR | vs. | SOFR |
|---|-----|-------------------------------|
| Unsecured | | Secured |
| Estimate-based | | Transaction-based |
| Various terms | | Overnight |
| Limited underlying bank-to-bank borrowing | | Robust underlying repo market |
| Incorporates credit risk premium | | No credit risk premium |

On July 08, 2021, the Reserve Bank of India (RBI) issued an advisory to banks and other RBI-regulated entities emphasizing the need for preparedness for the transition away from London Interbank Offered Rate (LIBOR). It also had advised banks, through a circular, to stop writing contracts in the LIBOR from December 31, 2021, in line with the global phaseout of that benchmark rate.

On 10-02-2022, Hero FinCorp has become the first Indian company to raise a SOFR-linked syndicated loan. The non-bank finance company, promoted by Hero MotoCorp, raised \$350 million (about Rs 2,631 crore) at 168 basis points above SOFR. The SOFR rate was 0.05% on that day.



AWARD FOR BEST STUDENTS' ASSOCIATION

