



The Institute of Chartered Accountants of India

संभव

E-NEWSLETTER

OCTOBER 2022 | 32ND ISSUE

IMPORTANT ANNOUNCEMENT

YouTube Channel “ **CICASA Jodhpur** ” for CA students. Invitation for Contribution of Article's/ quiz for Newsletter JODHPUR Branch of CICASA appreciate all the Student authors who contributed their articles for the newsletter. We request all the students to further contribute their articles for the newsletter and a quiz (10 questions), which are of Academic/Practical interest and will be useful for the students from exam point of view as well. The article should not be copied from elsewhere and it should be original work of the author. If anyone interested in sending articles with us.

Contact us for :



CICASAJODHPUR



cicasajodhpurbranch@gmail.com

INDEX

S.NO	CONTENT	PAGE NO.
1.	Editor's message	1
2.	October events	2
3.	Student Articles	4

CICASA COMMITTEE 2022-23

NAME	DESIGNATION
CA. HEMANT LOHIYA	CHAIRMAN CICASA
NAMAN RATHORE	VICE-CHAIRMAN
MOHIT KHABIYA	SECRETARY
NIDHI TOSHNIWAL	TREASURER
AMAN SHRIVASTAVA	EDITORIAL HEAD
KHUSHI BAJAJ	SKILL DEVELOPMENT HEAD
PRAVEEN JAIN	SPORTS HEAD
CA. DHAVAL KOTHARI (CHAIRMAN ICAI JODHPUR)	EX-OFFICIO
CA.POOJA RATHI DHOOT (SECRETARY ICAI JODHPUR)	EX-OFFICIO

From the Editor's Desk



Dear readers and students,

In words of HELEN KELLER, "Optimism is the faith that leads to achievement. Nothing can be done without hope and confidence".

With such positivity, I welcome you all in 32nd edition of newsletter of Jodhpur Branch of ICAI.

If you have confidence and zeal to do any task then definitely you can achieve any target, any goal of your life.

Jodhpur branch of CICASA of ICAI is always working for the benefits of its students and in the month of October, team CICASA under the aegis of chairman, Jodhpur Branch CA. Dhaval Kothari sir and chairman CICASA CA. Hemant Lohiya sir has successfully organized many events like Best out of waste, box cricket for students, 4 days mega GST drill along with the collaboration of many branches across India.

CICASA along with its students had done a great initiative by bringing smiles on the face of people by conducting Donation Drive.

Along with WICASA Aurangabad branch, the program on THE MIND GAME was conducted, where the speaker has motivated the students for their exams.

CICASA provides a platform to appreciate and showcase the creative minds and young talents and hence inviting articles, poems or any academic or non-academic write-ups for their upcoming newsletter.

It's time to show your creative side. Make sure you send your entries in DOC format only, along with your NAME, CRO and your picture.

Regards

Aman shrivastava

Editorial Head, CICASA JODHPUR

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The Institute of Chartered Accountants of India

THEME
BEST OUT OF WASTE

Best 3 Items Made on theme will be awarded.
Last Date to Deposit Item is 5th Oct 2022 Till 5:30 PM

VENUE TO SUBMIT ITEM
ICAI SHAWAN NEAR
ANDARAM SCHOOL CHB

COORDINATOR
KHUSHI SAJJAJ
NIDHI TOSHNIWAL

Regards : Managing Committee Jodhpur Branch of CIRC of ICAI

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
JODHPUR BRANCH OF CICASA OF ICAI

BOX CRICKET
FOR STUDENTS

Team Formats

- 6 Teams Only (First Cum First Served Basis)
- Total Players 8 Max. (6 Boys Max. & 2 Girls Min.)
- Rules will be shared to registered team

Venue: Backyard Box (In Area, Jodhpur)
Time: 6:00 AM Onwards

OCTOBER 08 2022

Fee: Rs. 4800/ team

For Registration Contact
CA. Hemant Lohiya (946660677)
Mohibur Rahman (9414612777)

Regards : Managing Committee Jodhpur Branch

GST
GST DRILL - LET'S MAKE GST EASY

HOSTED BY
JODHPUR CICASA

16-19 OCT
5PM - 7PM

SPEAKER

- Day 1: CA. AKASH PHOPHALIA (SPEAKER)
- Day 2: CA. ABHIT HALDIA (SPEAKER)
- Day 3: CA. VIKAS GOLECHHA (SPEAKER)
- Day 4: CA. ANKIT SOMANI (SPEAKER)

CHAIRPERSONS - CHIEF EVENT COORDINATORS

CA. SURESH K P	CA. SHANTANU PATEL	CA. PRAKASH	CA. JAGDEEP
CA. RAJESH KUMAR SHARMA	CA. ANAND KUMAR	CA. SANJAY KUMAR	CA. PRADEEP KUMAR
CA. RAJESH KUMAR	CA. ANAND KUMAR	CA. SANJAY KUMAR	CA. PRADEEP KUMAR
CA. RAJESH KUMAR	CA. ANAND KUMAR	CA. SANJAY KUMAR	CA. PRADEEP KUMAR

REGISTRATION LINK: <https://www.icai.org>





 THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

JODHPUR BRANCH OF CICASA OF ICAI

PRESENTS

DONATION DRIVE

 PLEASE DONATE NON-PERISHABLE AND/OR UNEXPIRED GOODS ONLY

ITEMS WE NEED :

 Old Clean Clothes & Toys

22 OCT, 2022

4 PM AT MEET POINT - ICAI BHAWAN NEAR ANDARAM SCHOOL

DROP POINTS FOR OLD CLOTHES :

 1) ICAI BHAWAN NEAR ANDARAM SCHOOL, CHB

 (CONTACT PERSON - MOHIBUR RAHMAN 941612777)

 2) BARNI AREA (CONTACT PERSON - PRAVEEN SAINI 903347907)

 3) TALWARI CAFE AREA (CONTACT PERSON - NAMAN RATHORE 840808062)

 4) PADYA AREA (CONTACT PERSON - MOHIT KHAKHA 941328885)

PROJECT COORDINATOR :

NIBHI TOCHRIWAL

 #YehaBachchayeeMachhali

 Share this message on WhatsApp by:

 WHATSAPP: 941612777

JOIN US TO BE PART OF THIS DRIVE

 Pradhan Bhawan

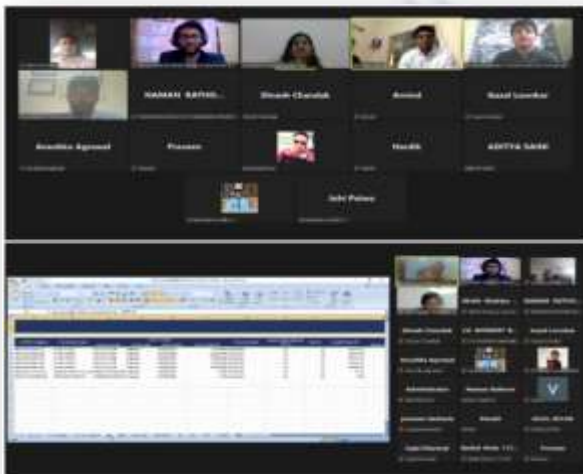
 12 EARTH DRIVE

 21 TOWER DRIVE

 ASSOCIATED WITH:



 REGARDS - MANAGING COMMITTEE JODHPUR BRANCH



STUDENTS ARTICLES

Financial Market and Central Bank Digital Currencies-A Review of New financial reform

In the current scenario, financial market infrastructure is linked to technology innovation. And electronic money is the product of this innovation, it gained momentum post-1970s with the growth of trade across the regions whether it is inter-nation or Intra nation and its market capitalization is increasing day by day. Yet in the face of recent technological advancement, the existing system is considered slow and costly and the demand for new kinds of exchange, notably for digital currencies, has increased, reflecting the emergence of new needs, cryptocurrency, and CBDC.

The identity of cryptocurrency is still debatable in many countries, especially in India, but if we look in factual terms the total market of crypto assets is \$1.06 trillion, and it is rapidly growing. Yet this market remains insignificant compared to the volume of assets exchanged on the global financial market, especially regarding the market for currencies, with which these crypto assets are often associated. In the Union Budget for F.Y. 2021-22 Government of India Introduced the concept of Central Bank Digital Currency whereas on another hand they introduced a new restrictive measure for crypto assets and on the 6th of October 2022 RBI issued its concept note on CBDC.

Before diving deep into the discussion on CBDC we need to understand the meaning of it. Central bank digital currencies are digital tokens, like cryptocurrency, issued by a central bank. They are pegged to the value of that country's fiat currency. Certain parameters define CBDC whole different from ordinary Crypto which is stableness in nature. Stablecoins may use a different mechanism to stabilize prices: backing their value on assets or on algorithms controlling the supply of new stablecoins to preserve the value of existing Coins.

In the recent concept, note government issued the design structure and format of CBDC which might be applicable in future which are as follows.

Types of CBDS to be issued

1. General purpose (CBDC-R)
2. Wholesale purpose (CBDC-W)

1. General Purpose (CBDC-R): this is potentially available for use by all viz. Private sectors, non-financial consumers, and businesses. It can provide access to safe money for payment and settlement as it is a direct liability to the central bank.

2. Wholesale Purpose(CBDS-W): Wholesale CBDS is designed for restricted access to selected financial institutions intended for the settlement of interbank transfers and related wholesale transactions. It has the potential to impact to transform the settlement system for financial transactions and make them more efficient and secure.

Model for issuance of CBDS

1. Direct Model (single-tier Model)
 2. Indirect Model (Two tier model)
1. Single-tier model: only the central bank is wholly responsible for issuance for managing all aspects of the CBDS system viz. Accounts-keeping and transactions verification.
 2. Two-tier model: it is the same as the current physical currency cash management system where the bank manages the distribution of notes to the public, account keeping, adherence to requirements related to know-your-customer(KYC), and anti-money laundering checks and transaction verification. In this model, the central bank issues consumers indirectly through an intermediary as the central bank only handles wholesale payments to intermediaries.

Form of CBDC

1. Token-based CBDC
 2. Account-based CBDC
1. Token-based CBDC: it is a bearer instrument like bank notes, meaning whosoever holds the token at a given point of time in time would be presumed to own them. It is viewed as a preferred mode for CBDS-R as it would be closer to physical cash.
 2. Account-based CBDC: it would require maintenance of records of balances and transactions of all holders of CBDC and indicate the ownership of the monetary balances, in this kind of CBDC an intermediary verifies the identity of an account holder.

Now we will talk about the factors which triggered the issuance of CBDC in current monetary system

1. International level :
 - The current cross border payment system is considered is deemed to be slow, costly and opaque compared to domestic payment system.
 - The international payment infrastructure is largely dominated by few large players called as correspondent banking system. Such market power can have potential negative impact on cost and efficiency, especially for smaller banks more vulnerable to abuse from dominant positions.

- International payment remains costly compared to domestic digital payment system. Because transaction cost is charged by bank on international payment settlement.
- Compliance burden on banks is increased for international payment which discourages the banks to maintain relation with less profitable correspondent relationship.

2. Domestic level :

- CBDC would reduce settlement risk. Commercial banks operate large-value payments (LPV), as they deal with larger corporate and financial clients. These payments could generate settlement risk, i.e. the risk that counterparty does not receive its payment, while having disbursed the related securities.
- Increase in cyber frauds and cyber crime in domestic territory has influenced the introduction of CBDC in current monetary system.

Many countries have introduced their digital coins like Bahamas in October 2020 introduced nationwide CBDC, Nigeria became the first country in Africa to launch a CBDC, and countries in the Eastern Caribbean Union (Antigua, Barbuda, Dominica, Grenada, Montserrat, St. Kitts Nevis, Saint Lucia, St. Vincent and the Grenadines) created their own form of digital currency meant to help speed transactions and serve people with bank accounts. India's pilot model is still in infant form but there will be watershed movement in monetary payment system with introduction of CBDC.

Regards

Arvind Kumar Gorchhiya

CRO0610014

Jodhpur



Disclaimer : - Readers attention is specifically invited to the fact that the views stated are those of the respective author only and not of the Jodhpur Branch of CICASA of CIRC of ICAI. Neither the author nor the Jodhpur Branch of CICASA of CIRC of ICAI bears any responsibility of any sort of whatsoever in case of any action taken by the reader. The articles are prepared from general information and compilation of the statues, circulars and Notification as understood by the Authors and should not be constructed as legal advice on any particular matter.