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WHEN YOU BELIEVE, YOUR MIND WILL FIND WAY TO DO

The above quote is by David J. Schwartz the author of the books “The Magic of Thinking Big”. Everybody of us must have some or the other dreams in our life that we wish to achieve. But most of the time it happens that our dreams don’t come true, the major reason for it may be because we don’t believe in our own dreams nor do we visualise the same. Our mind has immense power of thinking and we should materialise this power by “Thinking Big”

‘Thinking big’ means being able to dream and visualise what you can achieve on an audacious scale: with no limits on your thinking. It is about being open-minded, positive, creative and seeing opportunity in the big picture. Following are key factors that will help us achieve “The power of thinking Big”

• Believe You Can Succeed and You Will

When you have an “I-can-do-it” attitude, the how-to-do-it traits develops in your mind. Believing that you WILL succeed is the one of the basic and essential

traits of successful people.

Schwartz says that it is great to admire and respect the leader; study and observe them. However, do not worship them. Aim to be better than them. How you see yourself, is how others see you. Think success, not failure. Remind yourself regularly that you are better than you think you are. Believe Big. The size of your success is determined by the size of your belief.

• Stop Making Excuses

The common excuses people make are;

- ❖ **Age:** I’m too young/old
- ❖ **Health:** I’m not well
- ❖ **Intelligence:** I’m not smart enough
- ❖ **Luck:** I’m not lucky enough

When it comes to your health be genuinely grateful about your health, it is better to wear out then rust out. We sometimes underestimate our own brain power, and overestimate others. Don’t. The ability to think is much greater than the ability to memorize facts. Eliminate the habit of making excuses; see reasons why you can succeed.



The right attitude and one arm will beat the wrong attitude and two arms every time.

• Build Confidence & Destroy Fear

Action cures fear. Indecision, delays on the other hand, feed fear. You should deposit only positive thoughts into your memory.

• Think & Dream Creatively

Big people monopolise listening. Small people monopolise talking. Top leaders spend more time requesting advice than they do in giving it.

• You Are What You Think You Are

As a leader the way you think towards your job determines how those around you think towards their jobs. Look important. Think your work is important. Use the technique of “selling-yourself-to yourself”.

• Manage Your Environments

The company you surround yourself with will surely have an



impact on your success. It is up to you to surround yourself with people who uplift you and whose presence calls forth your best. Analyse your crew, filter out the negativity, and dedicate time to relationships. Remember -people who tell you that it cannot be done are usually unsuccessful people.

• **.Make Your Attitudes Your Allies**
Attitudes are mirrors of the mind, they reflect thinking. When our attitude is right, our abilities reach a maximum of effectiveness and good results inevitably follow. Grow three attitudes:

• **The attitude of "I'm activated"**
Results come in proportion to enthusiasm invested. Dig in deeper when you find yourself disinterested in something, learn more about it. This sets off enthusiasm. Always try to have energy; your smile, your handshake, talk and walk. Act alive. Always broadcast good news. No one will ever accomplish anything positive telling bad news.

• **The attitude of "You are important"**

People do more for you when you make them feel important. When you help others feel important, you help yourself feel important too.

Practice appreciation.

Practice calling people by their names.

Don't hog the glory, invest it instead.

• **The attitude of "Service first"**
Put service first and money takes care of itself. Give people more than they expect to get.

• **Think Right Towards People**
Success depends on the support of other people. The only hurdle between you and what you want to be is the support from others. A person is not pulled up to a higher-level job, they are rather lifted up.

It is a mark of real leadership to take the lead in getting to know people. The person who does the most talking and the person who is the most successful are rarely the same person.

• **Turn Defeat into Victory**
Study your setbacks to pave your way to success. Have the courage to be your own constructive critic, stop blaming luck. Blend persistence with experimentation and remember – there is a good side in every situation.

• **Think Like A Leader**
Achieving high-level success requires the support and the cooperation of others. Schwartz

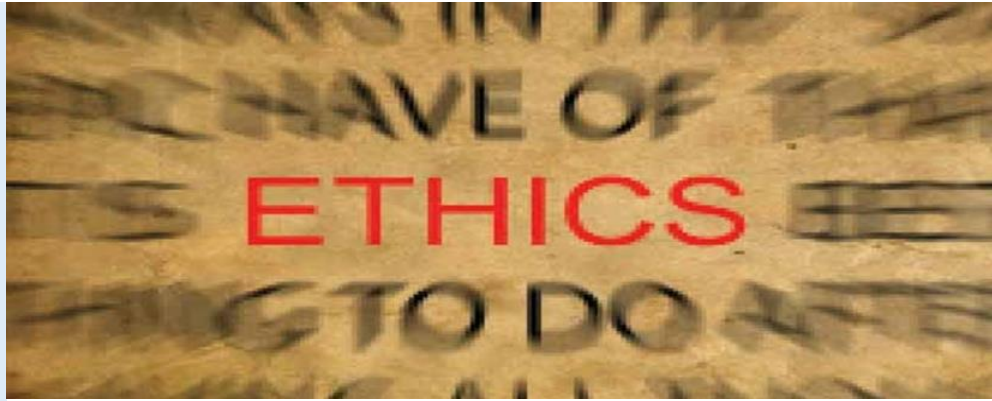
gave various principles on leadership. Trade minds with the people you want to influence, try to understand them.

"Be-Human" in dealing with others, show that you put others before yourself. Think progress, believe in progress, and push for progress. Take time out to confer with yourself.

- **Neha Shah**



The Institute of Chartered Accountants of India is responsible for the regulation and development of the profession of Chartered Accountancy in the Country and works for ensuring that the presence of its members is felt across the globe. The increasing expectations of the stakeholders on the members of ICAI have cast immense responsibility on the ICAI to ensure enhanced compliance of professional ethics and Code of Conduct in terms of the provisions of the Chartered Accountants Act, 1949 so that the highest disciplinary standards are maintained and the values of the profession are upheld. Hence, it becomes the utmost responsibility of the member to know the Ethics and follow them to value the reputation of himself and the Profession.



Q1. Whether a member in practice may mention his name, along with the prefix “CA” in a book or an article published by him, or a presentation made by him?

A. Yes, a member in practice may mention his name, along with the prefix “CA” in a book or an article published by him, or a presentation made by him.

Q2. Whether a member may mention his name along with the prefix “CA” in a book or an article published by him, or a presentation made by him, along with the name of Chartered Accountants Firm, wherein he is a partner?

A. Yes, the name of member can be mentioned along with the prefix “CA” in a book or article published by him, or a presentation made by him, along with the name of Chartered Accountants Firm, wherein he is a partner. The member may also choose to use only his name, or only the name of the said Chartered Accountants Firm.

Q.3 Whether the same rule would apply to a member running a presentation at the platform of the Institute (e.g. in a Programme conducted by a Committee of the Institute) and at other platforms?

A. Yes, the same rule as mentioned above would apply to running a presentation at the platform of the Institute (e.g. in a Programme conducted by a Committee of the Institute) and at other platforms.

Q4. Whether the member may mention other details of the Firm on the presentation, besides the name of the Firm?

A. No, only the name of the Firm of Chartered Accountants may be mentioned. No other details, whatsoever, are permissible.

Q5. Can a member use his photograph on the Book or Article published by him, or a presentation made by him?

A. No, it is not permitted for a member to use his photograph on the Book or Article published by him, or a presentation made by him.

Q6. Can a member indicate his designation other than “CA”, like



“Associate Director”, “coordinator” etc.), or his association with private company in a book, article or presentation contributed or published by him?

A. No, it is not permissible for a member to indicate his designation (other than “CA” like “Associate Director”, “coordinator” etc.), or his association with private company in a book, article or presentation contributed or published by him, as it would be violative of Section 7 of Part-I of First Schedule to The Chartered Accountants Act, 1949.

Q7. Whether the names of other partners of the Chartered Accountants Firm can be mentioned on the Presentation?

A. No, the names of other partners of the Chartered Accountants Firm cannot be mentioned on the Presentation.

Q8. Whether the presentation with the name of an individual member along with the prefix “CA” along with the name of Chartered Accountants Firm would be permissible in physical Programmes only, or also through online mode?

A. The presentation with the name of an individual member along with the prefix “CA” along with the name of Chartered Accountants Firm would be permissible in physical



Programmes as well as through online mode. It must however be noted that files with .pptx extension will only be reckoned as presentation.

Q9. Whether a presentation can be part of an online educational video uploaded by member in practice?

A. As per the revised Volume-II of Code of Ethics, 2020, while the videos of educational nature may be uploaded on the internet by members, no reference should be made to the Chartered Accountants Firm wherein the member is a partner/ proprietor. Accordingly, a presentation may be a part of an online educational video only in so far as it does not depict the name of Firm of Chartered Accountants, wherein he is a partner/proprietor.

Q10. Whether the Logo of Firm of Chartered Accountants can be used on the presentation?

A. No, the use of logo/monogram of any kind/ form/ style/design/colour etc. is prohibited. Use/printing of member/firm name in any other manner tantamounting to logo/ monogram is also prohibited.

- **Mayur Chandak**



Dynamics Business Central is having enhancements day-by-day. Recently a new version of Business Central was released in 2020. The changes were planned in Jan, 2020 and enhancements happened in Jan, 2020 and Feb, 2020. The updates are available now! (April, 2020). It came with many functional as well as development features.

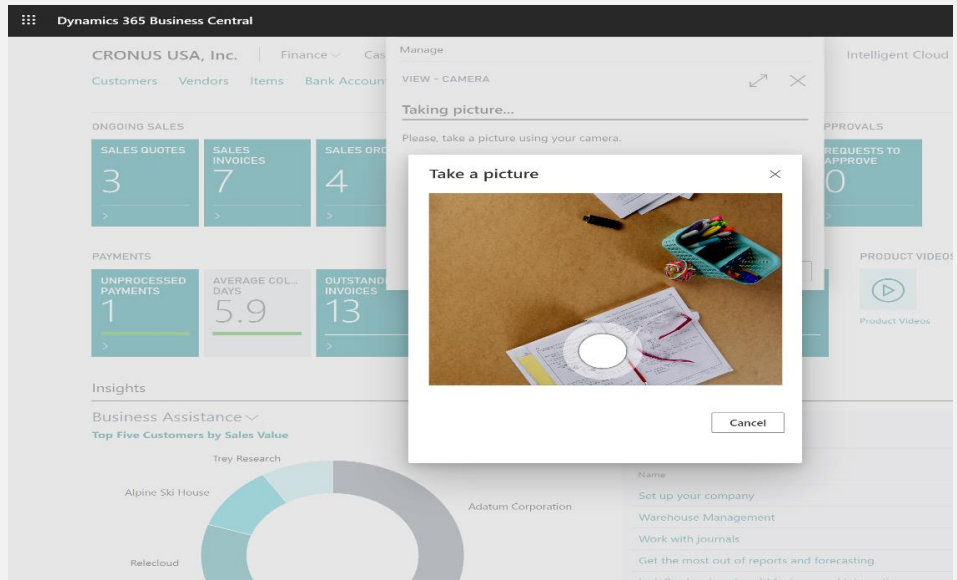
Following are list of features/updates that I think are useful and interesting:

- ✓ **Camera/location AL API available in the browser**
- ✓ **Auto-insert recurring sales and purchase lines**
- ✓ **Notify requester about all changes for an approval request**
- ✓ **Bank reconciliation improvements**
- ✓ **Disable export of data to Excel**

Camera/location AL API available in the browser

Feature details

Developers can now programmatically activate the camera or get the current location coordinates through an AL-based API when Business Central is accessed through the browser. With support for both browser



and apps, developers can rest assured that their scenarios light up on any form factor, as long as the user's device and browser support those capabilities.

Additional details

- Users remain in control of their privacy settings and can choose to grant or deny access to camera and location similar to other websites.
- **CameraProvider.IsAvailable** and **LocationProvider.IsAvailable** now return True if the browser and device support the capability.
- The camera provides a viewport as well as **Use** and **Retake** buttons.

- The location is returned as longitude and latitude coordinates.

Auto-insert recurring sales and purchase lines

Feature details

The existing Recurring Sales/Purchase Lines feature is extended to automatically insert on documents the recurring sales or purchase lines that are set up for the customer or vendor.

If multiple recurring sales or purchase lines exist for the customer or vendor, you will get a notification from where you can pick which one to insert. If only one recurring sales or purchase line exists, it will be inserted automatically.



Note that this works only if the new document was created from a document list—for example, by choosing the New action on the Purchase Orders page. It does not work if the document was created from a vendor card, for example.

<https://www.youtube.com/watch?v=szemSxNlqew>

<https://docs.microsoft.com/en-us/dynamics365/business-central/sales-how-work-standard-lines>

Notify requester about all changes for an approval request

Business value

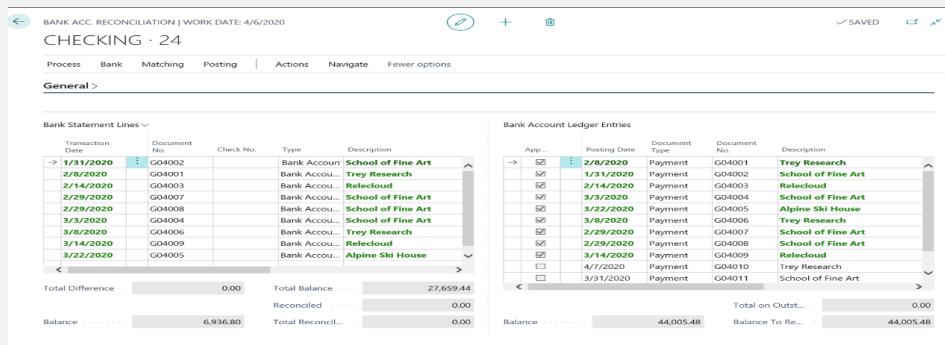
To ensure that an approval request is processed as fast as possible, it is essential that everyone involved can be notified about the status of every step. This is also the case for approval processes with multiple approval steps.

Feature details

You can set up an approval workflow to notify the approval requester about every change of an approval request up until final approval.

Bank reconciliation improvements

Feature details



The **Bank Acc. Reconciliation** page will have more space for data and allow better overview and understanding of the bank statement lines and the related bank account ledger entries. A Bank Reconciliation report that can be used to report on both ongoing and posted bank reconciliations and statements is provided.

<https://docs.microsoft.com/en-us/dynamics365/business-central/bank-how-reconcile-bank-accounts-separately>

Disable export of data to Excel

Feature details

Business Central administrators have the option to disable features that allow users to export data to Excel. The ability to export data from Business Central is controlled by a new **D365 Excel Export Action** permission set and system permission with ID 6110. If the permission is removed for a specific user, then the **Edit in**

Excel and Open in Excel actions are no longer available to the user on any pages in the application.

Upgrading to Business Central 2020 release wave 1

In some cases, customers upgrading from an earlier version of Business Central might lose the ability to export data to Excel. After upgrading to 2020 release wave 1, administrators should ensure that the relevant user groups and permission sets include either the **D365 Excel Export Action** permission set or the system permission 6110.

- Kapil Dev



Due to Covid-19 pandemic, commercial sector in India has been struggling due to unpaid bills and payment defaults by the customers. Indian companies are seeking relief in this situation. However, Government policies appear to be silent to save the commercial sector from this double jeopardy. Due to Covid-19 there are many instance wherein the suppliers are not getting their amount which are due from the customers on which they have already paid the tax to the Government and resulted in bad-debts and loss to the supplier.

Companies have to pay GST when they raise the invoice or generate the bill which often is at least a month of two month before the customer pays the money. In commercial practice, if a supplier provided services to a customer but the customer didn't pay back any consideration for the services availed by him, the amounts due from the customer become irrecoverable as a bad debt in books of account. In such a situation, where GST is charged on supply of services then the



question arises as to whether such GST paid on an accrual basis is refundable to the service provider by the Government? However, the current Indian GST framework does not have any provision to allow GST adjustment on such irrecoverable amounts supplies already made.

Section 7(1) of the CGST Act, 2017 defines 'Scope of supply', which includes "all forms of supply of goods or services... made or agreed to be made 'for a consideration'... in the course or furtherance of business." Section 2(31) of the CGST Act, 2017 defines 'Consideration' in relation to the supply of services, which includes "any payment made or to be made'... in respect of, in response to, or for the inducement of, the supply of goods or services or both."

GST is chargeable on the supply of services made for a consideration. Under CGST Act,

2017, the term 'Consideration' also includes payment to be made in response to inducement of supply of services and thus the bad debt transactions fall under this category, where the fulfilment of payment depends on being made in the future. The occurrence of taxable events creates the liability to tax. The taxable event in GST is supply of goods or services or both. Therefore, supply will hold the greatest significance and shall be an important event in determining the taxability of all transaction whether commercial or otherwise under the GST regime.

In the case of bad debt transactions, a supply is made for consideration but the payment was not made at the time of supply and thus considered to be made in the future. Therefore, the condition of having 'consideration' for the purpose of the term 'supply' under GST is completed. Hence, in such transactions constituting bad debts, the taxable event is completed and the requirement of having a 'consideration' is deemed to be met for the purpose of term 'supply' and thus, GST can be levied on such transactions



Adjustment of GST paid on bad-debt

As per the GST provisions pertaining to supply, adjustment of tax paid earlier on any supply is possible by the issue of credit note under Section 34 of the CGST Act, 2017. There are limited grounds wherein GST paid is adjustable such as:-

- Deficiency in the supply of services;
- Tax charged being greater than actual tax liability;
- Goods returned by the recipient;
- More than one tax invoices have been issued.

However, GST already paid on invoice which ultimately resulted in bad debts cannot be adjusted. There is no provision in GST law for providing any relief in regard to GST paid on bad debts transactions.

Further, GST law do not permit any adjustment in GST liability on account of the creation of provision for bad and doubtful debts. Therefore, in case any amount on which GST is paid is not recovered and written off as bad debt, no adjustment can be made in respect of such GST paid which will be a part of sunk cost for the supplier.

- Harshil Mehta



Introduction- This standard establishes requirements regarding designing and implementing appropriate responses to the risks of material misstatement.

Objective- The objective of the auditor is to address the risks of material misstatement through appropriate overall audit responses and audit procedures.

Responding to the Risks of Material Misstatement

To meet the objective in the preceding paragraph, the auditor must design and implement audit responses that address the risks of material misstatement that are identified and assessed in accordance with AS 2110, *Identifying and Assessing Risks of Material Misstatement*. This standard discusses the following types of audit responses:

Overall Responses

✓ The auditor should design and implement overall responses to address the assessed risks of material misstatement as follows:

a. Making appropriate assignments of significant engagement responsibilities. The knowledge, skill, and ability of

engagement team members with significant engagement responsibilities should be commensurate with the assessed risks of material misstatement.

a. *Providing the extent of supervision that is appropriate for the circumstances, including, in particular, the assessed risks of material misstatement.*

b. *Incorporating elements of unpredictability in the selection of audit procedures to be performed.* As part of the auditor's response to the assessed risks of material misstatement, including the assessed risks of material misstatement due to fraud ("fraud risks"), the auditor should incorporate an element of unpredictability in the selection of auditing procedures to be performed from year to year

c. *Evaluating the company's selection and application of significant accounting principles.* The auditor should evaluate whether the company's selection and application of significant accounting principles, particularly those related to



subjective measurements and complex transactions, are indicative of bias that could lead to material misstatement of the financial statements.

✓ The auditor also should determine whether it is necessary to make pervasive changes to the nature, timing, or extent of audit procedures to adequately address the assessed risks of material misstatement.

✓ Due professional care requires the auditor to exercise professional scepticism. Professional scepticism is an attitude that includes a questioning mind and a critical assessment of the appropriateness and sufficiency of audit evidence. The auditor's responses to the assessed risks of material misstatement, particularly fraud risks, should involve the application of professional scepticism in gathering and evaluating audit evidence.



Responses Involving the Nature, Timing, and Extent of Audit Procedures

- ✓ The auditor should design and perform audit procedures in a manner that addresses the assessed risks of material misstatement for each relevant assertion of each significant account and disclosure. In designing the audit procedures to be performed, the auditor should:
 1. Obtain more persuasive audit evidence the higher the auditor's assessment of risk;
 2. Take into account the types of potential misstatements that could result from the identified risks and the likelihood and magnitude of potential misstatement;
 3. In an integrated audit, design the testing of controls to accomplish the objectives of both audits simultaneously:
 - a. To obtain sufficient evidence to support the auditor's control risk assessments for purposes of the audit of financial statements; and
 - b. To obtain sufficient evidence to support the auditor's opinion on internal control over financial reporting as of year-end.

Responses to Fraud Risks

✓ The audit procedures that are necessary to address the assessed fraud risks depend upon the types of risks and the relevant assertions that might be affected.

Note: If the auditor identifies deficiencies in controls that are intended to address assessed fraud risks, the auditor should take into account those deficiencies when designing his or her response to those fraud risks.

Addressing Fraud Risks in the Audit of Financial Statements: - In the audit of financial statements, the auditor should perform substantive procedures, including tests of details, that are specifically responsive to the assessed fraud risks. The following are examples of ways in which planned audit procedures may be modified to address assessed fraud risks:

- a. Changing the *nature* of audit procedures to obtain evidence that is more reliable or to obtain additional corroborative information;
- b. Changing the *timing* of audit procedures to be closer to the end of the period or to the points during the period in which fraudulent transactions are more likely to occur; and
- c. Changing the *extent* of the procedures applied to obtain

more evidence, *e.g.*, by increasing sample sizes or applying computer-assisted audit techniques to all of the items in an account.

Also, AS 2401 indicates that the auditor should perform audit procedures to specifically address the risk of management override of controls including:

- a. Examining journal entries and other adjustments for evidence of possible material misstatement due to fraud (AS 2401.58-.62);
- b. Reviewing accounting estimates for biases that could result in material misstatement due to fraud (AS 2401.63-.65); and
- c. Evaluating whether the business purpose for significant transactions that are outside the normal course of business for the company or that otherwise appear to be unusual due to their timing, size, or nature ("significant unusual transactions") indicates that the transactions may have been entered into to engage in fraudulent financial reporting or conceal misappropriation of assets (AS 2401.66-.67A).

- Hiral Chandan



As enrollment in colleges stays flat, the proportion of students choosing to study online continues to grow. Pursuing a degree in higher education has been made to be more accessible and democratic, thanks to technology and the internet, which means that the list of benefits for online school is getting longer. Here are some of the major pros and cons of online school.

Pros of Online School

1. Flexibility:

UoPeople was founded with this as a main tenet because the goal is to provide online, accessible and quality education to anyone, anywhere.

2. No Time Constraint:

If you have pre-existing commitments like family and work, online classes are a great option because they can be taken at any time. This means that you can set up your work and school schedule around one another, and never have to choose between the two.

3. Affordability:

At UoPeople, however, costs are even less because the school is the first online, accredited

university of its kind, offering a tuition-free education. This means that the only fees necessary are an application fee and assessment fees per course, with most programs costing about \$2,500 or less in total.

4. Diversity:

Because of the global accessibility of online schools, both the staff and student body are highly diverse. This grants students the opportunity to network with others who may have otherwise never attended college because of geographic or financial constraints.

5. Lower Barriers to Entry:

While most undergraduate and graduate programs require standardized tests results along with an application, personal essay, and sometimes even an interview, online schools rarely require so much. To exemplify, at UoPeople, students can apply with just proof of high school completion (or a Bachelor's degree for graduate-level programs) and proof of English proficiency.

6. Location:

Since online schools have no physical location, you can live anywhere and even travel while



you learn. While traditional universities require students to attend class and pay for the cost of living and/or transportation, online programs naturally exclude those necessities.

7. Credit Transferability:

If you've started and stopped studying before, online programs are generally more accepting of transfer credits so that the time, money and education you've spent won't go to waste.

8. Pace Yourself:

With 24/7 access to course material, you choose to learn at your own pace. Coinciding with flexibility and accessibility, online schools put the power in your hands, quite literally. If you are not a fan of a traditional classroom environment, with nothing more than an internet connection, you can "go to class" from wherever you want, at any time of day (or night).



9. Quality:

While the quality of education depends on each institution respectively, online schools, like UoPeople, typically have small class sizes and often prioritize peer-to-peer learning models that drives forward learning in a unique and deeply educational way.

Cons of Online School

1. No Classroom:

Since there is no physical location, there is no classroom environment or campus with extracurricular activities or sports affiliation. For some, these aspects are a driving force behind their choice for their preferred institution, but if it's not a priority, then online schools still offer a **beneficial alternative**.

2. Professors' Time:

While professors are still accessible digitally and within forums online, there are no physical office hours where you can meet your professor face to

face. Although video conferencing is an option for some, it is a different set-up than the traditional environment.

3. Responsibility:

When you attend a on-campus university, classes are often paced for you, in that there are designated lecture hours, discussion sections and office hours. With online school, the time management is in your court, which translates to increased responsibility on the student to get work done in a timely manner as to not fall behind.

4. Course Feasibility:

There are certain degree types where online school isn't a feasible option. For example, if you need hands-on training like in culinary school or medical school, online school won't be the way to go. However, for degrees that are vocationally focused without the necessity for hands-on training, online schools are great because they are highly geared towards employability.

The Conclusion

There's no doubt that every individual student has different needs and desires when choosing their university. For some, online school is a perfect option, and for

others, it's not the right set-up. When you're figuring out what's best for you, be sure to list your career goals, major constraints, and any additional experiences you seek for your college experience. Depending on what kind of student and learner you are, online schools could be the optimal or least optimal path. But, for most who do attend, it's a life-changing experience that teaches more useful life skills than just what the degree program is intended to provide.

-Pradnya Gawade



Proposal for top 1,000 listed companies to adopt BRSR voluntarily for FY20-21

Background

Currently, top 1,000 listed companies in India are required to furnish a Business Responsibility Report (BRR) to the stock exchanges as a part of their annual reports. The BRR should describe the initiatives taken by the listed companies from an Environmental, Social and Governance (ESG) perspective, in the format as specified by the Securities and Exchange Board of India (SEBI). Other listed companies may submit the BRR voluntarily.

The current version of BRR is based on the business responsibility and sustainability

indicators contained in the National Voluntary Guidelines on Social, Environmental and

Economic Responsibilities of Business (NVGs) issued in 2011 by the Ministry of Corporate

Affairs (MCA). These guidelines were updated as the National Guidelines for Responsible

Business Conduct (NGRBC) in 2019.

In 2018, while the NVGs were being updated, it was decided that the SEBI-BRR framework



should also be revised to reflect the changes made in the base document. Accordingly,

MCA constituted a committee for finalizing revised BRR formats for listed and unlisted companies.

On 11 August 2020, MCA has issued the report of the committee on BRR. In this report, the committee has made recommendations with respect to implementation of BRR by companies. The report of the committee on BRR aims to align the changes in global environment, the Sustainable Development Goals (SDGs) and the United Nations Guiding Principles on Business & Human Rights (UNGPs) into the current reporting requirements as prescribed under the SEBI Listing Regulations.

Accordingly, SEBI and MCA are expected to work together to materialize the recommendations of the committee.

This issue of First Notes aims to provide an overview of the recommendations made by the committee in its report

Overview

• **Business responsibility and sustainability formats:** The committee recommends that the format of reporting should be called the Business Responsibility and Sustainability Report (BRSR) (instead of BRR). This is expected to better reflect the intent and scope of the reporting requirement. It proposes two new formats for disclosures:

- A comprehensive format and
- A Lite version.

The information sought in the formats is a mix of quantitative and qualitative data. Quantitative data will allow for easy measurement and comparability across sectors, companies and in time. Qualitative data will help to capture the unique ways in which organizations have implemented and embedded responsible business conduct. These may be adapted by other businesses to their contexts.

• **Proposed framework:** The proposed framework will be applicable to both types of the new BSBR formats (i.e. the comprehensive format and the



- lite version). The proposed BRSR would consist of the following three sections:

a. Section A - General Disclosures: This section contains the basic information about the company such as size, location, products, number of employees, top three products/services sold by the company by turnover, sectors in which the company operates, Corporate Social Responsibility (CSR) activities, etc.

The proposed formats require additional disclosures with respect to proximity of a company's operations to environmentally sensitive sites such as protected areas, water-stressed zones, etc.

b. Section B - Management and process: In this section, a company would be required to disclose information on policies and processes relating to the NGRBC principles concerning leadership, governance, and stakeholder engagement. The purpose of this section is to understand whether

the company has the building blocks in place that will enable and ensure responsible business conduct.

c. Section C - Principle-wise performance: In this section, the company would be required to demonstrate their intent and commitment to responsible business conduct through actions and outcomes. Responses to Section C will indicate how a company is performing in respect of each Principle and Core Element of the NGRBCs.

Specific disclosures have been sought on value chain, labour welfare and representation of women and differently abled on the board of directors of the company.

The questions in this section have been divided into two categories:

- Essential:** Questions are mandatory for all companies.
- Leadership:** Questions are voluntary and provide an opportunity for companies to present their impacts and outcomes.

- **BRSR Lite:** In order to ease the sustainability reporting requirements, the committee has proposed a lite version of the BRSR format for companies reporting first time on sustainability reporting related issues such as unlisted companies. The committee proposed comparatively few essential and leadership category of questions in the BRSR Lite format.
- **Guidance note for BRSR:** The committee has also prepared a Guidance note for BRSR which defines and interpret the scope of each question to enable companies to disclose their actions on the principles in a more meaningful manner.
- **Scope of reporting to cover unlisted companies:** The committee recommended that the reporting requirement may be extended by MCA to unlisted companies based on specified thresholds of turnover and/or paid-up capital. Further, it recommended that smaller unlisted companies below this threshold can adopt a lite version of the format, on a voluntary basis.
- **Integration with the MCA21 portal:** The committee recommended that the BRSR be



- integrated with the MCA21 portal. This would ensure that all information already filed on the MCA21 portal by companies would be automatically filled while filing the BRSR.

The committee recommended to implement the disclosures under BRSR effective from **financial year 2021-22** in a phased manner **over a period of five years**

Also the committee envisages that the report should be **translated into local languages** so that it is accessible to all stakeholders of the company.

SEBI consultation paper

In accordance with the above, recently, SEBI has also issued a consultation paper on the 'Format for business responsibility and sustainability reporting' and proposed that the format for BRSR, as recommended by the committee, should be made applicable to top 1,000 listed companies by market capitalisation. To begin with, it proposed that the new format should be adopted by the listed companies on a voluntary basis for the financial year 2020-21 and mandatorily from the financial year 2021-22. Existing format of

BRR will continue to apply in case the company choose not to adopt the new format in financial year 2020-21. Comments on the proposed format have been invited up to 18 September 2020.

The bottom line

Companies mandatorily required to prepare BRR should take cognizance of the additional reporting requirements proposed by the committee and SEBI. These changes may require updation of the systems or policies for implementation of BRSR requirements, once effective. Other large companies in India should start evaluating the new reporting requirements of BRSR and assess their level of preparedness.

While defining the content elements, SEBI should also consider to allow flexibility to companies to disclose and present BRSR requirements at their discretion. This step would help companies to move away from a checklist approach to providing more qualitative disclosures that can provide additional colour to the articulation of the value the

- companies are creating as they undertake their primary economic activities. The expectation is that companies would demonstrate leadership in business responsibility by transitioning from 'doing no harm' to proactively 'doing good'.

-Divya Agarwal



Sagar Devani	01-Sep
Jitendra Ghidiyal	06-Sep
Priyanka Patil	15-Sep
Nikhil Seth	18-Sep
Vedang Jadhav	21-Sep
Vivek Mishra	22-Sep

Thank You

&

Goodbye

Stay Safe



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