



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA,
SINGAPORE CHAPTER



NAMASKAR

Embracing Knowledge, Empowering Excellence



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ICAI SINGAPORE CHAPTER ANNOUNCES NEW MANAGING COMMITTEE FOR 2024-25

The ICAI Singapore Chapter is delighted to announce the new Managing Committee for the 2024-27.

Elected Chairperson for the first year (2024-25) of this term is CA. Nishant Kumar Surana.

The committee is committed to continuing the chapter's legacy of excellence and fostering a vibrant professional community.



New Office Bearers

Chairperson

CA Nishant Kumar Surana

Vice Chairperson

CA Anuradha Shroff

Secretary

CA Sanjay Gattani

Treasurer

CA Kushal Jaju

Under the leadership of CA Nishant Kumar Surana, the chapter aims to implement its "ICAI Singapore Chapter 2.0" vision, focusing on three pillars: Engage, Empower and Enable.

These pillars aim to enhance member engagement in local policymaking, empower members by addressing their needs more effectively and enable members to leverage the global ICAI network for their professional growth.

This vision seeks to build on the chapter's successful 15-year history by promoting innovation, growth and excellence in the accounting and finance community in Singapore. The new committee is enthusiastic about the opportunities ahead and looks forward to serving its members with renewed energy and commitment.

Dear Members,

Welcome to this issue of the ICAI Singapore Chapter Newsletter!

As we journey through another exciting issue, I am filled with immense pride and gratitude for the vibrant community we have built together. This edition is particularly special as we usher in our new Managing Committee for the 2024-27 term, led by our esteemed Chairperson, CA Nishant Kumar Surana. Their commitment to the "ICAI Singapore Chapter 2.0" vision promises an era of engagement, empowerment and enabling our members to reach new heights.

In this issue, you will find comprehensive coverage of our recent events, including insightful seminars, networking sessions and our ongoing professional development programs. We also spotlight some of our distinguished members who have made significant contributions to their fields, showcasing the diverse talent and expertise within our chapter.

Our "ICAI Singapore Chapter 2.0" vision, based on the pillars of Engage, Empower and Enable, is aimed at fostering deeper connections among our members, influencing local policy-making, and leveraging our global network to support your professional journey. We believe that by working together, we can create a more dynamic and supportive environment for all our members.

I encourage you to actively participate in our upcoming events and take full advantage of the opportunities available through our chapter. Your involvement is key to our collective success and helps us continue to grow and thrive.



Thank you for your continued support and enthusiasm. Let us embrace the future with optimism and determination, as we strive to achieve new milestones together.

**Warm regards,
CA. Kinnari Doshi**

Editor-in-Chief

ICAI Singapore Chapter Newsletter

Message from the Chairman



**CA. Nishant
Kumar Surana**

Dear Members

Ask nothing; want nothing in return. Give what you have to give; it will come back to you but do not think of that now.

- **Swami Vivekanand**

A very powerful quote! It inspires us to not to be attached to the fruits of our actions, but rather focus on the act of giving itself. Giving is a way of expressing our gratitude for what we have and a way of creating positive value in the world and enriching our own lives as well.

And this is what drives the entire Volunteer team of ICAI Singapore Chapter which includes the Managing Committee members too serving the Chapter and its Members. And the reason for quoting this here is that we can all practice the art of giving in our own ways, in our own spheres of influence. We can give a smile to a stranger, a compliment to a colleague, a helping hand to a friend, a donation to a charity, a volunteer service to a community, or a mentorship to a junior. Please do come forward and give and the Chapter is beautiful platform for you all to give in your unique way for greater good of the Chapter and community.

This is a very special year for the Chapter as the current term (2024-27) started with Chapter having its first formal Election process in place. We have had the privilege of welcoming 5 new first time Managing Committee (MC) members comprising

50% of the MC! This has brought a wave of fresh energy and ideas to the Chapter but also have put responsibility on the continuing MC members to channelise this energy for the greater common good of the Chapter. To institutionalise this channelisation, the incoming team declared its Vision and categorised it under 3 unique pillars – Engage, Empower, Enable! This has been coined as 3Es and mean as:

Engage

Presence in Local Policy Making Landscape

Empower

Concentrated Focus on Members' Skillset Development

Enable

Members to have Global Outreach

We are already seeing fruition of this strategy with the entire team coming out with newer and fresher ideas to give back more to the Chapter and its Members! This year saw the formation of Training sub-committee whose idea is to do focussed training on new age requirements for the Members and we are happy to see that the first training on Artificial Intelligence – Beyond the Buzz was a sold out with a demand from many to conduct more such training sessions. Lots on this space will be coming out soon! We also had quite a range of professional events with as diverse topics as International Arbitration to Digital Transformation through AI to Data driven Sustainability! Its very heartwarming to see the attendances to these events and the support the attendees are showing to them. This really keeps the Professional events sub-committee charged up to give optimum value to the Members who come to these events. As a Chapter we truly believe in ensuring that we all stay together as one big family and that's why our Social events are such a great hit and always see the family members including kids participating and enjoying to their fullest! A big part of our giving back to the Society are our Social Causes sub-committee and we always get a good set of volunteers to come forward and help the Chapter perform its duties for the Society. It is also very pleasing to inform that because of so much work which goes into giving so much value addition to the Members, our Membership team managed to ensure that the Chapter is again more than 500+ members chapter, a herculean task indeed! And last but not least for Social media team is doing a fantastic work in showcasing the amazing stuff all the other sub-committees are doing! Indeed a team which works together, excels together and our Chapter is a live testimony of how a Symphony works! Over the course of this newsletter you would get the glimpses of wonderful work done over the course of first 6 months!

Lastly, I am deeply humbled to state that there are many exciting things in pipeline for the Chapter and we as a team are all geared up to serve the Members of the ICAI Singapore Chapter to the best of our abilities. We always look forward to your continuing support and love and that's the only fuel which keeps us going. Your feedback, encouragement, and appreciation inspire us to improve and grow every day. Thank you and we hope to continue bringing you joy and value.

**Warm Regards,
CA. Nishant Kumar Surana,**

Chairperson,
The Institute of Chartered Accountants of India,
Singapore Chapter

Engage | Empower | Enable

A Journey of Resilience and Growth

Insights from a Veteran in the Accounting and Finance Industry and one of the Patrons of the Chapter



An Interview with Mr. P S SOMASEKHARAN

1. Can you describe your journey in the accounting and finance industry? What initially drew you to this field?

My journey in the accounting and finance industry began with my senior's insistence that I pursue Chartered Accountancy (CA) instead of banking as my elder brother was also in the same field. This pivotal decision led me to establish a CA firm in Singapore alongside my senior's brother.

2. With over three decades of experience, what do you consider your most significant career achievement?

One of my most significant achievements is transforming our firm from a small operation into a reputable establishment known for excellent service. The solid client base from varied industries built purely by word of mouth is a resounding testament to our high standard of professionalism and commitment to quality.

Professional Philosophy

3. What core principles have guided your professional life?

The core principles that have guided me are independence, compliance, adherence to the law and staying updated with the latest developments in accounting and auditing. Goodwill and the ability to render excellent service are crucial in gaining and retaining clients.

4. How do you approach challenges and setbacks in your career?

I approach challenges and setbacks with resilience and a problem-solving mindset. It's important to stay adaptable, continuously learn, and seek innovative solutions. Every challenge is an opportunity for growth and improvement and every set back has taught me a crucial lesson.

Insights on the Industry

5. What key changes have you observed in the accounting and finance industry over the years?

The accounting and Finance landscape has completely transformed in the last 20 years. The industry has seen significant changes, particularly with the integration of technology. Automation, data analytics, and digital tools have transformed how we approach accounting and auditing. Staying updated with these technological advancements is essential.

6. How do you foresee the future of the industry, especially with advancements in technology?

The future of the industry will likely be heavily influenced by further advancements in technology. Professionals will need to be tech-savvy, continuously upgrade their skills, and adapt to new tools and methodologies to stay relevant.

Leadership and Mentorship

7. What is your leadership style, and how has it evolved over your career?

My leadership style is collaborative and mentorship-focused. As the firm grew, I learnt the importance of delegating responsibilities and nurturing talent within the team. Empowering others and fostering a supportive environment has been key to our success.

8. Can you share a memorable mentoring experience and its impact on you and the mentee?

One memorable experience was mentoring a junior associate who later became a partner in the firm. Seeing their growth and development reinforced the importance of investing time and resources in mentoring. The experience also highlighted the reciprocal nature of mentorship, where both mentor and mentee learn and grow together.

Community Engagement

9. How has your involvement with ICAI and other professional organizations influenced your career?

In addition to my involvement with ICAI, I have served as an honorary secretary for an arts institution and was previously involved with the Indian Chamber of Commerce, Hindu Endowments Board (HEB) administered temples, Lions Club and several social organizations. Giving back to society has been a key factor in my career, and I believe I have done my best in this regard. It is important to balance family with social and professional commitments. Sometimes compromises are necessary, but I have realized the importance of prioritizing family. This is advice I extend to all: balance your time effectively to justify all areas of your life.

10. What do you believe are the benefits of active participation in professional communities?

Active participation in professional communities fosters a sense of belonging, encourages knowledge sharing, and helps in staying updated with industry trends. It also provides opportunities for collaboration through networking and professional growth.

Personal Reflections

11. What motivates you to continue contributing to the profession after such a long and successful career?

The desire to give back to the profession that has given me so much drives me to continue contributing. Mentoring the next generation of professionals and staying involved in industry advancements keeps me motivated.

12. How do you balance your professional responsibilities with personal life and interests?

Balancing professional responsibilities with personal life requires effective time management and setting clear priorities. It's essential to carve out time for family, hobbies, and self-care to maintain overall well-being.

Future Aspirations

13. What are your goals for the coming years, both professionally and personally?

Professionally, I aim to further integrate technology into our practice and expand our service offerings. Personally, I look forward to spending more time on personal interests and continuing to mentor young professionals.

14. How do you plan to continue making an impact in the accounting and finance community?

I plan to stay actively involved in professional organizations, contribute to industry discussions, and share my knowledge and experience through mentoring and public speaking engagements.

Advice and Guidance

15. What advice would you give to young professionals entering the industry today?

My advice to young professionals is to constantly study, upgrade their skills, and be honest in their work. Building a strong ethical foundation and staying updated with industry developments are crucial for long-term success.

16. Which skills and attributes do you believe are essential for success in this field?

Essential skills include analytical thinking, attention to detail, technological proficiency, and strong communication skills. Attributes such as integrity, resilience and a continuous learning mindset and adapting to the evolving developments are also vital.

Closing Thoughts

17. Is there any advice you would offer to your younger self at the start of your career?

I would advise my younger self to embrace challenges and view them as opportunities for growth and failures as stepping stones. Patience and persistence are key and investing in relationships within the industry can open many doors.

18. What message would you like to convey to the members of the ICAI Singapore Chapter?

To the members of the ICAI Singapore Chapter, I encourage you to stay engaged, continuously learn, and support each other. Together, we can uphold the high standards of our profession and make significant contributions to the accounting and finance community.

Mr. P S Somasekharan, fondly known as "Soma," is a Fellow Member of the Institute of Chartered Accountants of India and the Institute of Certified Public Accountants of Singapore (ICPAS), holding a CPA from Australia. With over 34 years of experience, he has audited numerous companies, including banks and insurance firms, and has expertise in portfolio management and international taxation.

Mr. Somasekharan has presented at seminars organized by esteemed bodies like the Institute of Chartered Accountants of India, ICPAS, and MGI Worldwide. He has served on the boards of several companies and networks, including the Singapore Indian Chamber of Commerce and Industry (2004–2010), and has facilitated joint ventures and collaborations between Singapore and India.

In addition to his professional achievements, Mr. Somasekharan is one of the two Patrons of the Chapter. He has been actively involved in socio-cultural activities in Singapore and India for over two decades, showcasing his deep commitment to community service.

Trailblazing Sustainability and Business Excellence



The Journey of CA Jagdish Prasad Jaiswal

Chairman & Managing Director - Peakmore International Pte Ltd, Singapore

Re-elected Director - Singapore Indian Chamber of Commerce & Industry (SICCI)
2024-2026

Mr. J P Jaiswal, a distinguished Chartered Accountant, leads Peakmore International Pte Ltd (PMI), a prominent player in the metals, minerals, steel, and recycling industries. With over 33 years of experience in Singapore, he has driven sustainable solutions and innovative practices, contributing significantly to the industry and Singapore's zero-waste ambition. His leadership extends to multiple directorships and a notable role at SICCI, fostering business connections between Singapore and India.

Key Achievements and Contributions

- **Pioneered Steel Slag Recycling** Established the first steel slag recycling business in Southeast Asia.
- **Joint Ventures** Formed a partnership with a leading German company for metal recovery and processing from incinerated bottom ash.

- **Sustainable Waste Management**

Major player in metal scrap handling and recycling in Singapore, supporting the country's solid waste management and zero-waste goals.

Awards and Recognition

- **Established Entrepreneur Award (2019)**

Presented by the Deputy Prime Minister of Singapore.

- **Indians of the World (2022)**

Honored at the House of Lords, UK.

- **Bharat Shiromani Award (2019)**

Conferred by the NRI Institute.

- **Singapore Indian Business Leaders Award (2016)**

By SICCI.

- **Singapore's Leading Indian Entrepreneur Award (2008)**

By SICCI, presented by the late President S R Nathan.

Professional Insights

Mr. Jaiswal emphasizes the evolving role of finance professionals with AI integration and encourages CAs to aspire for CEO roles. He advocates for visionary thinking, integrity, decisiveness, and ambition as key leadership qualities. He also highlights the significance of the metals and mining industry, which contributes significantly to the building and construction sector.

Personal and Professional Goals

- **Sustainable Solutions**

Expand sustainable waste management practices to other countries like Malaysia and India.

- **E-Waste Management**

Develop integrated solutions for e-waste recycling to recover valuable resources and reduce pollution.

- **Mentorship**

Provide guidance to professionals and entrepreneurs through mentorship and practical insights.

Personal Reflections

Mr. Jaiswal stays motivated by seeking sustainable solutions and innovation in his businesses. He maintains a work-life balance through structured daily activities, including sports and spiritual practices. He believes in the art of delegation to focus on growth strategies.

Advice for Aspiring Professionals

- Aim for excellence and broaden your career goals.
- Leverage your education and experience to innovate and lead.
- Consider entrepreneurship in your field of expertise, especially after gaining substantial experience and networking.

Family and Legacy

Mr. Jaiswal's family is equally accomplished. His son is a lawyer working in London, and his daughter works at Microsoft in the USA. His wife is a Chartered Financial Consultant assisting clients with their financial needs.

Closing Thoughts

Mr. Jaiswal encourages ICAI members to believe in their potential, generate powerful thoughts, and take concrete actions to excel in their fields and contribute to their professions and industries.

Financial Storytelling

A CFO's Guide to Success

Financial storytelling is about designing a narrative that makes numbers speak in a language that everyone can resonate, digest, understand, and appreciate.



By CA. Nirlep Bhatt

Executive Summary

In a rapidly changing environment we are witnessing, CFO's role has been expanded significantly, beyond number-crunching. As business partners, they are leading transformative initiatives & are driving formulation of strategies which are pivotal for organizations that aspire to scale greater growth or navigate changes. This in turn requires an ability to analyze, articulate & communicate vital information to wide ranging, internal & external stakeholders, with whom they are interacting. This article attempts to provide insight into one of the most important new age skills for finance professionals, which is "storytelling". Read on.

Financial Storytelling: A CFO's Guide to Success

Introduction

There has been a paradigm shift in the role of Chief Financial Officer (CFO) over the years, thanks to the ever-increasing digital transformation, cross-border expansion & transactions, thrust on sustainability and growing gamut of regulatory requirements. CFOs are sagacious strategists & value creators to charter future roadmap of the organization and are required to keep an eagle eye over both external environment & internal operation. Further, due to multiple stakeholders & complex business models, demystifying numbers & presenting its contextual understanding for better analysis & insight, have been of paramount importance. The skills which are required for the same are as crucial as skills which are required to generate the numbers. Hence, performance & language, as represented by numbers & narratives, have given rise to an important skill - **financial storytelling**.

Storytelling in finance – A vital skill

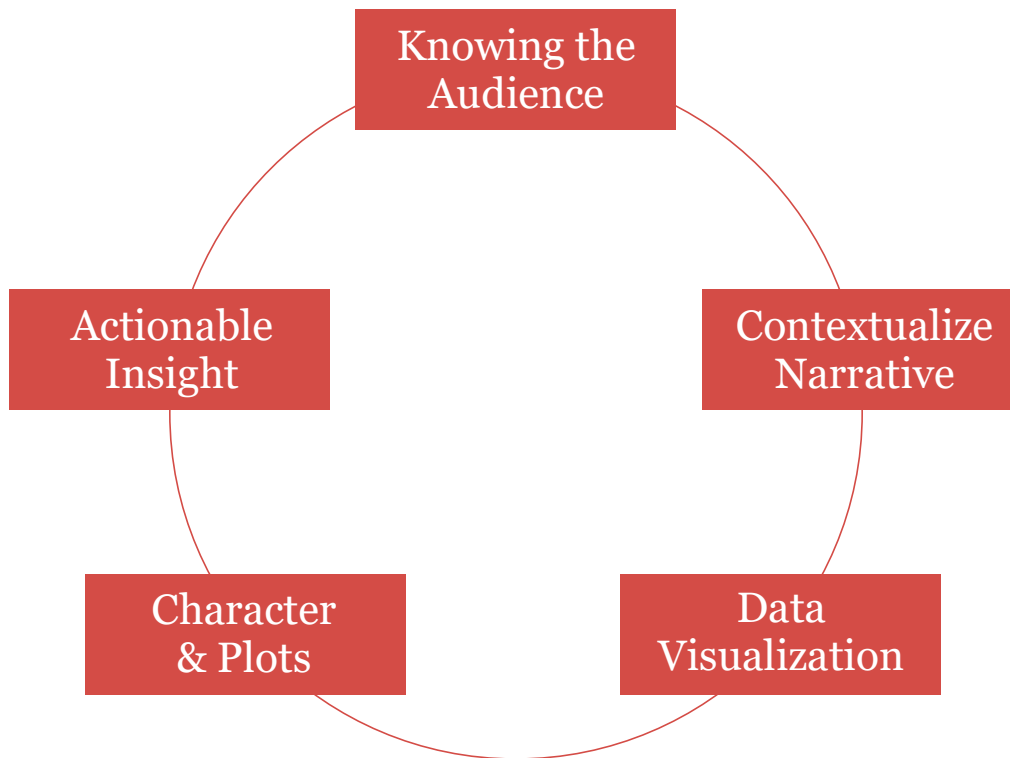
In a simple term - Financial storytelling means identifying “why” behind your numbers. The process involves extracting value from financial metrics and parameters & communicating them effectively across the company and with stakeholders, with the help of narratives & visual aids. It's an art that transforms hard facts & cold data into financial information not only accessible but also engaging, impactful & everlasting.

Reasons why storytelling is one of the most sought-after skills for finance professionals :-

- **Overload of Data :-** The data driven decision-making process is a cornerstone of the success of any organization. In the digital era for organizations, having access to data is not difficult, however often there is an overload of data, owing to which organizations tend to lose focus on the correct & timely course of action. Storytelling in Finance has become an important theme, because of this phenomenon. The quality of their decisions directly depend on the relevance & quality of data. One way for finance professionals to add more value and insight to quantitative data is through storytelling. Storytelling translates complex data into digestible information by compelling narratives.

- **Interpretation of Numbers :-** For any analysis to be more productive, presenting numbers alone will not be helpful, but analysis, interpretation & defining outcome & benchmarking the numbers, will make presentation more action-oriented and futuristic. Numbers & Data needed to be filtered so as to produce logical insight & pragmatic course of action, with an analytical approach & discernment.
- **Diverse set of Stakeholders :-** Storytelling skill has gained prominence in the wake of the requirement to convey information, ideas & thoughts and to lay future roadmap to stakeholders. Further, the objective of each stakeholder may not be identical. It's imperative to translate the numbers & even non-financial details into a lucid manner. Here, Knowing Your Audience (KYA) is very important.
- **Internal Customers :-** By way of nature of job, finance professionals have a significant interface with other executives who are in non-financial domains. There are important deliverables (e.g. yearly budget, rolling cash forecast) which require collaboration & deliberations. To serve the interest of the organization, it's crucial that information & data are presented not only in a lucid form but also in a way that help them perform better and beat Key Performance Indicators (KPIs)
- **Cascading of information :-** Often it happens that end-users of the financial information are not in direct interaction with CFOs and departmental heads cascade the financial information to their team members. (e.g. General Manager Marketing passes on financial information received from CFO to the Salespersons). To achieve & exceed departmental goals, the “user & consumer of the information” should watch, listen, digest, understand, ask questions wanting to know more, act on it and share further (i.e. to their teams)
- **Humanizing the Finance Function :-** Rather than just presenting hard facts & cold data (e.g. risk, process, numbers, performance), storytelling attempts to engage the users, helps build rapport, encourages questions & as such strengthens goal congruence with-in the departments & organizations.

Components of Story Telling



- **Knowing the Audience** :- The first step is Knowing the Audience. Before crafting a financial story, understand the audience's level of understanding of financial concepts, familiarity with technical terms, their interests and concerns. Adapt the storytelling approach, contents & delivery style accordingly. It pays to speak in the manner the audience understands & avoid jargon, acronyms or technical language. Because the purpose is not impress the audience but to inform by making an impact. E.g. while addressing HR – connect the financial performance with employee turnover. While addressing marketing executives, explain the benefits fetched from the marketing & branding campaign.

- **Contextualize Narrative** :- Build up compelling narrative, by preferably using what is called “reverse narrative technique” – i.e. you may like to use real-life case and paint a picture of the macro environment or competition landscape & then move into agenda, so audience can relate well. e.g. - whether is it conveying variance in the budget or is it to discuss finding by the internal auditor or to deliberate Quarterly Performance. If the downward trend in revenue of FMCG co. is to be discussed, then it is more logical to present the same with a narrative about the reduction in

disposable income of the consumer. Another way is to begin with an anecdote to captivate the attention. Also, it's essential to adopt a "helicopter view" that highlights key factors in financial data rather than getting stuck in minor details.

- **Data Visualization** :- Rather than plain data & numbers, it is advisable to paint vivid picture with infographics, graphs, diagrams & trends with appealing colors but without making it jazzy. The technique called "Compare & Contrast" to iron out any ambiguity & bring out right perspective may also be utilized. It's said that "You can present something without visuals, but visuals will not present themselves". Any visual is there to complement contents, structure & delivery and not to substitute the same.
- **Characters & Plots** :- Characters in financial storytelling context could be business segments, presence in various regions or different product lines. Plot can be how these characters performed historically, which factors drives the changes and what's the inter-connection or cause & effect relationship between various characters. It may be a good idea to include regular customers, prominent suppliers or dedicated employees. Humanizing the narrative can make it more relatable and memorable.
- **Actionable Insight** :- In conclusion, the goal of financial storytelling is not just to inform, but to give focused direction towards future action, within a time bound manner. If there is a discussion on a problem, suitable alternatives for solutions should also be suggested. Whether it's expansion of business vertical or divestiture from a subsidiary, the story should lead to a clear call to action.

“Four What” Strategy

Delivering an impactful financial story, goes down to the "Four What" strategy, a potent tool to convey action-oriented message: explain "what happened" and why, discuss "what are the implications", present "what if scenario" and conclude with "what actionable" steps can be taken.

Ancillary Skills to sharpen financial storytelling

It's suggested that to develop & sharpen financial storytelling skill, any finance professional must also have creativity, critical thinking & conflict resolution skills, as these are foundational requirements to present an effective financial story to internal & external stakeholders.



Conclusion

It's quoted by Soufyan Hamid that "Storytelling will help CFOs, finance directors or finance to convince their business partners about what's happening, why it happened, and what can we do about it."

Financial storytelling is about designing a narrative that makes numbers speak in a language that everyone can resonate, digest, understand and appreciate. With storytelling techniques in deliverables, CFOs can transform numbers into compelling narratives, engaging their audience and providing deeper insights into not only current financial situation but also future of the business. Broad spectrum of finance function is not just about presenting data; it's about conveying information behind the data, with a story that informs, engages, educates and inspires.

Nirlep Bhatt is a Chartered Accountant and Law Graduate with 20 years of experience in banking, infrastructure, trading, and FMCG sectors across India and Qatar. Currently serving as Group Financial Controller at Al Majid Jawad, he has made significant contributions to the ICAI Doha Chapter, including leading it to win the Best Overseas Chapter Award for 2021 and establishing an MoU with the Qatar Financial Center. Known for his strong communication skills, Nirlep has spoken at numerous professional events and contributed articles to various journals. He also mentors students and professionals. In Toastmasters International, he has held several leadership roles and recently achieved second runner-up in the district-level Evaluation speech contest. He is guided by the belief, "Be the change you wish to see in the world."

Bonds are forever

By CA Sanjay Guglani



Bond yield is destiny

Bonds are a crucial component of wealth preservation and creation strategies, emphasizing their timeless value in investment portfolios.

Bonds are Forever - Understanding fixed income outlook and opportunities

A Decade of Low Rates & Inflated Valuations, and the Fed Pivots 2023 was a watershed year in the world of investments.

For 13 long years, effective interest dropped and the risk-free rate got decimated close to zero. The TINA¹ factor forced investors to embrace risks. Everyone became a venture capitalist! A startup projecting profits a decade out, discounted at near-zero rates, became a unicorn². The party ended abruptly in 2022-2023 with the US Federal Reserve's aggressive rate hikes – the fastest ever³ – to combat runaway inflation. This shift resulted in 2022 being one of the worst years for capital markets, with Government Securities experiencing their worst performance since 1788 and the bond yields sky-rocketing to multi-decade highs. In the last quarter of 2023, the Fed pivoted from rate hikes to potential rate cuts, sparking one of the best bond rallies since the 1980s. But it was only a trailer, with much more to come.

Record Inflows into bonds: Back to basics

2024 has already witnessed record US\$ 274.8 billion inflows into bond funds (excluding another US\$ 315.2 billion into money market funds⁴). Chartered Accountants understand that bonds prices and interest rates have an inverse relationship⁵. They know that bond yield is 'bond destiny'⁶. Yet, many get understandably spooked by falling bond prices due to increase in interest rates. Hence, it is important to establish whether the interest rate can materially increase from here:

Decoding Interest Rate & Inflation

The primary driver behind the Fed's interest rate hikes, has been its mandate to curb inflation. The key component of Core Inflation, contributing nearly 44%, is Shelter CPI. The Shelter CPI typically lags prevailing rental prices by 9-15 months. With prevailing rents already showing a downward trend, Shelter CPI, and consequently, overall inflation, is on a path of gradual, albeit bumpy, decline. The key reasons for the US economy still going so strong are:

- USA is predominantly a consumer economy, and US consumers are still strong, due to excessive savings from the Covid-era, resilient (though cooling) labor market, 13-consecutive months of positive wage hikes, while the weighted average mortgage rate for US household is still circa 3.8%.



1. *There Is No Alternative (TINA)*
2. *A start-up valued at over US\$ 1 billion*
3. *21-fold increase from 0.25% to 5.25%*
4. *Source: BofA Research, EPFR Global, Jun'24*
5. *Increase in interest rates by 1% results in the bond prices falling by 1% times the duration of the bond, ignoring convexity, and other factors.*
6. *Bond yield is the return bond provides over the life time, including (a) coupon (interest on bonds) and (b) bond price appreciation / depreciation to its par value (pull to par).*

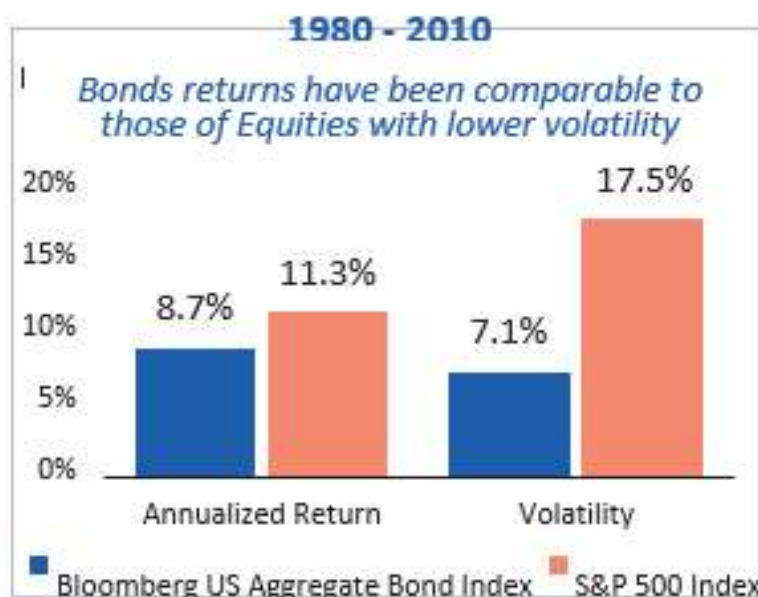
- Even US corporates are robust, as the USA is the only country where 81% of corporates borrow from the bond market typically for 5-year terms, as against borrowing from the banks. This means that corporates had locked in the low-interest rates that were prevalent five years ago.

Cracks Beneath the Surface: Outlook

However, cracks are starting to show beneath the seemingly robust US economy, masked by a record \$1.8 trillion budget deficit⁷. Credit and auto loan delinquencies for the bottom quartile of the population are already exceeding 2008 levels. The interest cost for the smallest 700 listed companies in the US has jumped by 50%, with bankruptcies in 2023 nearly equaling those of 2021 and 2022 combined

Bonds offering equity-like return with half the adjunct risks

Over a long period of time, the difference between bond returns and equity returns is less than 3% p.a.⁹ Except for the post-GFC era of circa 10 years, bonds have been an effective hedge against equity markets volatility. The equity-bond hedge broke primarily because of the artificially low interest rates, which are now being restored.



Over a long period of time, the difference between bond returns and equity returns is less than 3% p.a.⁹ Except for the post-GFC era of circa 10 years, bonds have been an effective hedge against equity markets volatility. The equity-bond hedge broke primarily because of the artificially low interest rates, which are now being restored. Currently, the quality bond yields are higher than the equity earnings yield; thus, providing equity like returns with almost half of the adjunct volatility. Historically, 80% of the super- profits from bonds are made during the period between interest rate pause and cuts, not after the cuts - which is the current situation.

Cash could prove to be trap

Currently, the interest rate curve is inverted¹⁰ and it is easy to be allured to park the money in one year term deposits with bank. However, this could be a strategic misstep. Typically, the 2-year US treasury rates fall by 2% within 5 months of the start of interest rate cuts, inflicting huge opportunity cost of not locking in the current high yields for longer period.

How Leverage Works	
<u>Illustration</u>	
Investor layout	=: \$100
Loan Taken	=: \$100
Total Investment	=: \$200
Interest earnings rate	=: 6%
Interest paid on loan*	: 4%
Total interest earned	=: 6% * 200 = \$12
Interest paid on loan	=: 4% * 100 = (\$4)
Net income	=: \$12 - \$4 = \$8
Return on Investment	= 8/100 = 8%
<small>(*) Post-Interest Rate Swap; Ignoring frictions & costs.</small>	

Based on the Fed rate hikes in 7 previous rate cycles, the short-term bond funds have delivered circa 3% higher return than that delivered by cash.

7. At 7.4% (un-adjusted), the US budget deficit is one of the highest since WWII
8. Real interest rate is nominal interest rate less inflation
9. Source: Bloomberg
10. In normal market conditions, the longer the period, higher the interest rates; thus, a term deposit for 5 years provides higher interest rate than that provided by a term deposit for 3 year p.a. return, that is, doubling the money in circa 10 years. In local EM currencies, the return could be higher by approximately 2%-3%, due to depreciation of currency (as in case of the Indian Rupee).

Innovative Strategy for Corporate Treasuries

CAs managing corporate treasuries can unlock further value by using turn-key bespoke funds – by "loan-on-demand" facilities at very competitive rates. This strategy enables significant reduction in the amount of Cash & Cash equivalents, boosting ROI for the corporate treasury department.

Illustration of Fixed Tenure/Treasury Fund	
Silverdale FTF June 2028*	
Target Returns	Approx 8.50% p.a. (+/- 0.25%)
Tenure	June 2028
Leverage	Approx. 1.5x
Credit Rating	Approx 63% Investment Grade
No. of bonds	25-50
Dividend Plan	USD 7.00 per year
<small>(*) Strictly for educational purposes only, numbers are indicative.</small>	

A bespoke treasury fund also enables creation of a bond portfolio **dynamically laddered to match the company's ever-changing funding needs**, further enhancing the treasury returns.

Executive Summary

The key takeaways for fellow Chartered Accountants are:

1. Bond yield is Destiny

In the short run, the direction of interest rates drives bond markets, but in the long run, it is the starting yield that really matters.

2. Lock-in prevailing elevated yields

Don't miss the forest for the tree – the prevailing interest rates are high and should be 'locked-in'.

3. Fixed Tenure Funds provide higher assurance of returns

Non-recourse leverage can render superior risk-adjusted returns.

4. Bespoke Treasury Funds significantly increase corporate treasury returns

Through Liquidity, Leverage, and Laddering

5. Compelling Income and Potential Gains

At current yields, bonds offer a compelling combination of attractive income generation and potential capital appreciation.

Bonds are an integral part of all wealth preservation and wealth creation strategies, that's why:

Bonds are Forever!

***Disclaimer:** This article is for informational purposes only and does not constitute financial advice. Please consult a qualified financial professional before making any investment decisions.*

CA Sanjay Guglani is the Founder & Chief Investment Officer of Silverdale Fund VCC, Singapore, managing over a billion dollars in assets across open-ended, fixed-tenure, and bespoke funds. With over 32 years of investment experience, Sanjay specializes in emerging markets fixed income, making Silverdale Funds among the top-performing globally. His expertise has earned accolades from Wealth Briefing Asia, HFM, EurekaHedge, AI Hedge Funds, and others, with a 4/5 star rating from MorningStar. At Silverdale UK, he facilitated over US\$ 4 billion in emerging market investments, collaborating with Goldman Sachs, Morgan Stanley, and Lehman Brothers.

Sanjay also pioneered the credit derivatives and convertible bonds market for Indian mid-caps and launched one of the first retail portfolio management schemes in India. His professional insights are frequently sought by leading media outlets such as Bloomberg, CNBC, and The Wall Street Journal. As a passionate investor, he lectures at business schools in the UK, India, and Singapore, and has presented at various international forums, including the United Nations. Sanjay holds qualifications as a Chartered Accountant, Management Accountant, Company Secretary, and is a Sloan Fellow of Management from London Business School as a British Chevening Scholar. He can be reached at ir@SilverdaleGroup.com.

Withholding Tax

A Brief Introduction

By CA Varun Singhi

Withholding tax (WHT) is crucial as it ensures that payments to non-residents are adequately taxed and helps the government manage its budget effectively.

In this world, nothing can be said to be certain, except death and taxes

– Benjamin Franklin

Executive Summary

Withholding tax, aka WHT, is a less discussed topic. We know there is a lot more to worry about, like GST {it deserves all the attention, right – don't you agree}, Corporate tax {and why not, it is biggg!}, Property Taxes (Stamp duty...see I am sweating) and Personal taxes {It impacts my payout, I must talk about it}, but WHT!! Is it important? Is it big enough? Will it make a compelling story? This brief write-up aims to familiarize readers in simple English about what WHT is, and the kind of complexities that have crept into this less-discussed topic due to several elements, like how to determine the Nature of Services covered, payee's residency, WHT Payment date, and impact of Tax Treaties that Singapore has with other countries.

When did it start?

Before delving into the subject, it's a good idea to understand the origin of Withholding taxes. It is believed that in recent times, withholding (WHT) taxes, or tax deduction at source was introduced in the mid-19th Century in the United States. The objective was to fund the Civil War efforts. This was later abolished after the Civil War era, however later in 1940 it was again introduced in the US.

The ability to deduct taxes at source was considered a great help for the Government to plan the funding of its expenses efficiently.

Singapore and WHT

The requirements of WHT, or Deduction of Tax at source are governed by Section 45 of the Income Tax Act, of 1947, additionally, Section 10, and Section 12 should be read for Charge of Income tax, and Sources of Income.

IRAS definition: A person (known as the payer) who makes payments of a specified nature (e.g. royalty, interest, technical service fee, etc.) to a **non-resident company or individual** (known as the payee) **must withhold a percentage** of the payment and pay the amount withheld to **IRAS as WHT**.

The essence of WHT is to ease out taxation on non-residents with 4 different pieces highlighted in bold letters in the definition above.

Payments covered under WHT

Broadly, as per guidelines issued by IRAS* following payments to Non-Residents are subject to WHT.

- Interest, commissions, or fees related to any loan or indebtedness.
- Royalties or other payments for the use of or the right to use any movable property
- Payments for the use of or the right to use scientific, technical, industrial, or commercial knowledge or information or for the rendering of assistance or service in connection with the application or use of such knowledge or information
- Payments of management fees
- Rent or other payments for the use of any movable property
- Payments for the purchase of real property from a non-resident property trader
- Payments made from structured products (other than payments that qualify for tax exemption under Section 13(1)(zj) of the Income Tax Act 1947)
- Distributions from a real estate investment trust (REIT)

Payments not subject to the WHT requirements

- Dividend Payments
- Payments for Satellite Capacity & Use of international Submarine Cable capacity
- Payment for Charter of Ships
- Payments for the use of Containers for Carriage of Goods by Sea
- Payments made by Banks, Finance Companies, and Certain approved Entities
- Payments to Singapore Branches of Non-Resident Companies
- Payments on Interbank / Interbranch Transactions under section 12(6)

**Information-based WHT guidelines from the IRAS website.*

Definition of Non-Resident Person and complexities around determining true tax status

For tax purposes, Non-Resident persons are further categorized as, Non-Resident Companies – However simple it may look on the face, determining Tax residency status for a company while making payment can be slightly tricky. It is not the place of incorporation, but rather the place of control and management that determines the Tax Residency. Typically, the place where the Board of Director meet to tackle critical and strategically important business decisions can be considered a place of Control.

Examples of scenarios where the control and management of a company may be considered not exercised in Singapore include:

- There is no board of directors meeting held in Singapore, Instead, the directors' resolutions are merely passed by circulation,
- The local director is a nominee director while the rest of the directors are based outside Singapore,
- No strategic decisions are made by the local director in Singapore,
- No key employees are based in Singapore

This also means that Tax residency can change every year depending on the changes in the place of control and management. IRAS issues a Certificate of Residency (COR), to certify that the company is a tax resident for tax purposes.

Not having clarity around the concept of incorporation, tax registration, and Control & management can make determining the tax Residency a bit complex, and thus should be treated very carefully.

Other than Non-Resident Companies

Companies I.e. Non-Resident Individual / Professional / Public Entertainer / Director – Any individual in Singapore for less than 183 days in a calendar year is considered a Non-Resident Individual.

Due dates for payment, filing WHT returns, and potential pitfalls to avoid

The due date for filing and paying the WHT with IRAS is the 15th of the second month from the month of the Date of payment to the Non-resident.

To illustrate, Payment made to Non-Resident on Apr 1st – Due date for Payment and filing of return is 15th June. Payment made to Non-Resident on Mar 31st – Due date for Payment and filing of return is 15th May.

An important topic often causing trouble is the date of Payment. In layman's terms, the date of payment is the date on which payment is made, however, this is not really what IRAS asks for.

As per the IRAS guidelines date of payment is considered earlier of the following

- a. Agreed payment date as per the Contract, in the absence of which invoice date should be considered, or
- b. the actual date of Payment made, or credited to the account of the recipient.

It is important to note that the credit days mentioned on the invoice are disregarded for determining the payment date.

To understand this better,

- **Example 1:** Company A agrees with Non-Resident Company B which will provide technical services. The contract does not specify the payment date.

Invoice date = 15th January 2024 (Credit of 45 days).

Remittance of funds = 29th March.

The date of Payment should be 15th January 2024. As per WHT requirements, Company A has to deposit WHT and file a return by the 15th of March.

- **Example 2:** Company A agrees with Non-Resident Company B which will provide technical services. The contract does not specify the payment date.

Invoice date = 15th January 2024 (Credit of 45 days).

The invoice was sent via post and received by Company A = 18th Jan 2024.

Remittance of funds = 29th March.

15th Jan 2024 is the date of Payment. As per WHT requirements, Company A has to deposit WHT and file a return by the 15th of March (15th of the Second month from the payment date).

Payments made to Foreign Directors are also subject to similar requirements, however since Director fees are subject to AGM approval, and thus in that case the due date for the payment of WHT, and filing of return with IRAS is the 15th of the Second month from the month in which payout is approved in the AGM.

Given that a lot of Global banks and Other Businesses have their support functions such as Accounts payable etc. based outside in other countries such as India, Malaysia, or the Philippines, etc. as part of the Outsourcing arrangement, there must be strong internal controls in place for the WHT compliance, and team handling payments should be adequately trained, with a refresher course at an agreed frequency to ensure that the team is prepared to ask important questions while onboarding new clients, and making payments to the existing clients.

Impact of Tax treaties and WHT rates

Companies and individuals should refer to the Double Taxation Relief DTA calculator for Companies, and the DTA Calculator for Non-Resident professionals to check eligibility for the Double taxation relief, and applicable tax rates under DTA. It is important to note that the WHT rates may differ basis the payments made to residents of DTA partner countries, for incomes falling under specified articles under the DTA agreements, and also subject to the activities done via Permanent Establishments (PE).

Penalties, Recovery, and Legal Action

Delay in payment/filing of WHT return with IRAS is subject to 5% of the WHT amount for 1 month from the due date, with an additional 1% for each subsequent completed month of delay. It must be noted that the maximum penalty is capped at 20% of the WHT amount. This means a delay of 16 months from the due date is allowed (1st month penalty – 5%, and subsequent 15 months penalty – 15% = 20%), beyond which if tax remains unpaid, IRAS can appoint recovery agents, and take further legal actions.

Importance of WHT

WHT enables the government to manage budgets better. It also ensures that any payments to Non-Residents are adequately covered in the Tax net, and there is no revenue leakage.

Year (SGD'bn)**	2018-19	2019-20	2020-21	2021-22	2022-23
Total Revenue	52.4	53.5	49.6	60.7	68.6
O/w WHT	1.6	1.6	1.6	1.9	2.1
% A/B	3%	3%	3%	3%	3%
B YoY movement	-	-	-	18.75%	10.5%

The below table shows WHT's contribution to the total Revenues of Singapore.

WHT has remained at about 3% of total tax collections, but it has shown momentum post-pandemic with collections steadily rising in 2021-22 and then 2022-23 at 18.75% and 10.5%. In the grand scheme, WHT is a small portion of the Government's revenues.

Review of the Payee's Tax residency status, Due date of WHT payment/filing return, and Outsourcing arrangements managed outside Singapore without adequate training, can make WHT Compliance a challenge, if not dealt with adequately.

Disclaimer: The statistics/definitions used above are the basis IRAS Website. Tax is a complex subject; readers should consult their tax advisors before taking any decisions. Views expressed above are strictly personal.

The Gunpowder Effect

By CA. Sarang Dalal



The common myth about materiality is small and tiny limitations or system weaknesses may be ignored but in reality, control deficiencies which may be harmless individually could be explosive as a group.

This is known as the Gunpowder Effect. Auditors and financial investigators must not dismiss small miscellaneous observations outright, but rather should ascertain the collective impactive of these observations, which could be as dangerous as Gunpowder.

The Gunpowder Effect

The Gunpowder effect “Nothing is insignificant until it is proved to be insignificant” is a maxim which is often applicable in many audit situations. As auditors or financial investigators, we often come across situations of control weaknesses of varying intensities. Some of these weaknesses could have serious risk implications while others may not be that serious. While undertaking any risk assessment, auditors tend to concentrate on the serious risk implications and usually do not give more than a casual look to the trivial and smaller weaknesses and control deficiencies. This is a reasonable method of assessing the overall risk. However, there are exceptional situations, where these seemingly small control weaknesses may certainly be insignificant individually but collectively pose a greater threat. To understand this, take some commonplace kitchen items, such as charcoal, saltpetre and sulphur.

In the olden days, these were routinely used in Chinese kitchens, for harmless cooking purposes. Saltpetre or potassium nitrate was used in cooking meat, charcoal was used as fuel, and sulphur was used as a substance to intensify the heat. The point to be noted is that, individually they were relatively harmless and in fact useful, but combined together, they formed a dangerous explosive substance: gunpowder which is used not in kitchens but in battlefields. This is what auditors need to be mindful of in audit situations. Seemingly unimportant control risks could be individually harmless and perhaps useful in the ordinary course of business, but collectively, they could become a major risk factor. In normal audit situations, such control weaknesses may be spread over and easily hidden among myriad procedures. The auditor may have to spend some time weeding out those which are genuinely harmless and shortlist those which could be dangerous collectively that is, those who could inflict a kind of a gunpowder effect. The point to be noted is that control weaknesses may appear small or not so serious. The auditor should not make the mistake of viewing them in isolation. Study all the audit observations from a distance as well as from close quarters. This will enable a macro and micro view and facilitate forming an opinion.

Example During the audit of a small / medium manufacturing company an auditor was going through the list of observations through the course of the audit where he found a small paragraph captioned as 'Other miscellaneous observations. The observations included miscellaneous issues such as "Practice of leaving blank signed cheques, bank payment dongle with the accountant, non-insistence of the company to obtain receipts for payments to parties several and stale cheques not reversed in the books of account". Ordinarily all these three observations did not appear malicious nor severely harmful to the company, but collectively, they inflicted the explosive gunpowder effect. They facilitated the accountant to perpetrate the fraud as follows: The accountant who was a long serving employee of the promoters realised the promoters would often take long work trips to visit trade shows abroad and would be out of the office for up to a couple of weeks at a time. Seizing this opportunity the accountant would intentionally create a situation where it became necessary to make 'emergency' payments which could be for creditors, LIC PPF, etc. Keeping in mind the accountant was a long serving employee the promoter initially had no reason to doubt the accountant and realised that the scenarios put forth by the accountant were indeed plausible. Hence the promoters thought they would leave the bank dongle (token) with Accountant while they were away. The accountant stated as he was not very computer savvy, and it would be a significant responsibility to keep control of the bank dongle.

He would be more comfortable with handling cheques as he is used to the process. This process was adopted initially and for the first six months of this practice everything was working smoothly. The Promoters themselves would initially check all payments made during their absence which tied back perfectly to the books of accounts. Once the accountant realised a certain level of trust was developed, he decided to use this situation to his advantage. In order to perpetrate the wrongdoing, he intelligently used some of these blank cheques for genuine or legitimate purposes as evident in the cheque counterfoils and supporting documentation. Only one or two of these blank cheques ('emergency' purposes) would be used for a fraudulent purpose at a future date and explained away as cancelled cheques, or as cheques lying in his drawer, for which the partners never bothered to physically verify. When the partners were away he would use those blank signed cheques, to redirect payments to LIC, or PPF (or any payment where no immediate backlash was expected for non payment), to his personal account. Since this redirection had to be done at a convenient and opportune time, there was a camouflage required, which was achieved by allowing cheques to remain unrepresented. Therefore, stale cheques appearing in the bank reconciliation statement were a regular feature, but he did not reverse them deliberately even after six months to ensure that the reconciliation was always populated. The auditor realised that payments to LIC, PPF, etc, did not yield any tangible delivery of some material or service in the present. Their benefits were long term and therefore there was accountability for such payments. Thus, if the payment did not go to PPF, there would be a default and perhaps forfeiture but no direct impact immediately. The actual cheques issued to LIC, etc, were torn and thrown away. The lapsed LIC policies, or the PPF account balances were not shown to the promoters who usually did not bother about these at all, till this fraud was exposed. The point to be noted is that several small irritants could snowball into a big issue; therefore it is advisable never to discard any observation as harmless unless and until it is so proved conclusively.

The lapsed LIC policies, or the PPF account balances were not shown to the promoters who usually did not bother about these at all, till this fraud was exposed. The point to be noted is that several small irritants could snowball into a big issue; therefore it is advisable never to discard any observation as harmless unless and until it is so proved conclusively.

In conclusion there is a common myth about materiality, small and tiny limitations or system weaknesses may be ignored but the axiom is control deficiencies which may be harmless individually could be explosive as a group. Auditors or Financial Investigators must not rule out the collective 'gunpowder effect' before dismissing any observation or finding as trivial.

Source: Inspired by the works of Mr Chetan Dalal and described in the book The Theory of Inverse Logic in Forensic Accounting

Sarang is a Chartered Accountant from India with over 12 years of experience in field of fraud investigation and forensic audit. Sarang is currently a director of operations with CDIMS Global Pte Ltd which is group company of Chetan Dalal Investigation and Management Services Pvt Ltd. Sarang specializes in fraud investigation has worked across jurisdictions and geographies such as India, UAE, Oman, Mauritius, Australia, Saudi Arabia and the UK where he has investigated cases which include whistleblower complaints, regulator driven investigation and management driven investigations. Sarang is also an Associate Member of Chartered Accountants Australia and New Zealand.

Email Address: sarangdalal@cdims.in

www.chetandalal.com

Harnessing AI for Chartered Accountants & Finance Professionals

By CA. Nagarajan Purushothaman

In this article, we explore how Chartered Accountants and Finance Professionals can leverage AI to enhance productivity and efficiency. By adopting AI tools for tasks such as data visualization, research, and automation, professionals can stay ahead in their field. We discuss practical steps to start with AI, the importance of responsible AI use,



and the resources available for learning and implementation. The article also highlights ICAI's initiatives in promoting AI adoption among its members and provides a comprehensive guide to using various AI tools effectively

Introduction

Chartered Accountants and Finance Professionals frequently ask how AI will disrupt their industry and job functions. By taking small steps and dedicating even a few minutes daily, professionals can gain insights and kickstart the process of integrating AI into their day-to-day work.

Getting Started with AI

ICAI's "AI in ICAI" committee aims to promote AI adoption among its members through knowledge dissemination, educational activities, and collaboration with AI entities. The committee has launched a website dedicated to AI initiatives and resources: <https://ai.icai.org/>.

Impact of AI

1. AI for Personal Productivity
2. AI for Team Productivity
3. AI for creating new business models & innovations

Practical application areas for Personal & Team Productivity

1. Create visualizations & summaries of data using natural language inputs (no VBA or DAX code)
2. Research a topic & create a presentation using new AI tools
3. Research a PDF document & create summaries or presentations using new AI tools
4. Automated data extraction from Tally & using AI to create analytic KPIs.
5. Create polished videos using your own media (images & video) & add music, transition & text captions.
6. Detailed demonstration steps and video links are given in the later section after the following section discussing safeguards when using AI.

Safeguards & precautions when using AI

As an Employee

1. Refrain from sharing sensitive company or client data over public LLMs like ChatGPT, as the user data is used to train the models and may be reproduced to other users. Determine if you have the right to share the provided data with a third party. If the data would typically not be shared without consent in the normal course of business, it should not be sent through a public LLM account.
2. The Human-in-the-Loop (HITL) concept ensures responsible AI use. AI models can hallucinate, make up answers, and replicate biases from training data. HITL means humans make final decisions based on AI recommendations. AI processes involve HITL to train models, design processes, allow human intervention when needed, and monitor for biases and hallucinations.

As a policy making manager or owner of your organisation:

When considering which method to use LLMs, organizations have two main options

- a. Paid enterprise LLM accounts: Paid accounts share data through secured APIs, with contractual assurances it won't train the provider's models, though subject to their security.
- b. Hosting their own LLMs internally. Self-hosting open-source LLMs is most secure, with data staying within the company's network.

A hybrid approach using enterprise LLMs for non-sensitive tasks like market research while self-hosting for sensitive data is common.

Regardless, human oversight (HITL), input moderation to filter harmful prompts, and output moderation to catch concerning responses are critical.

Factors like data sensitivity, risk tolerance, and resources for proper governance should guide which method suits an organization best after a thorough risk assessment.

Resources available for Practical Applications

Our CA fraternity has been sharing their experience with using AI in the Hackathons being conducted by the AI in ICAI committee and some common use cases with easy-to-understand steps to access & use the AI tools has been given below.

1. AI Tool: Power BI now with AI features

Use Cases: MIS, Audit

How it works:

- Use the Q&A visual icon to create visualizations by typing requirements in natural language after loading and transforming your data.
- Customize visualizations and apply dynamic filtering.
- Add new visualizations to the same dashboard using additional Q&A boxes.
- Create narrative summaries by typing queries in the Q&A box.
- Publish dashboards online for organizational access or export to PDF/PowerPoint for articles and presentations.

Benefits: Easily create visualizations and narrative summaries without needing DAX code or VBA knowledge.

For a detailed demonstration, view the live video by CA. Megha Tayal.

2. AI Tool: Claude AI, Gamma & Canva

Use Cases: Researching a PDF or topic and preparing a presentation.

How it works:

Claude AI:

- Visit the Claude AI platform at claude.ai (ensure you have an account and are logged in; account creation is free).
- Click the "Upload" button to upload your PDF document (e.g., a research report on tax and regulatory updates).
- Prompt Claude AI to extract relevant content by typing a command like, "Highlight the top 5 tax and regulatory updates for startups in the year 2023."
- Review the extracted content to ensure its accuracy and relevance.

Gamma:

- Go to the Gamma platform at gamma.app (ensure you have an account and are logged in).
- On the homepage, click on “Create New with AI.”
- Choose from options like “Generate from a Prompt,” “Paste in Text,” or “Import a File.”
- Select “Paste in Text” and copy the extracted content from Claude AI. For the “Generate from a Prompt” option, enter a brief topic description like “Healthcare industry in India” and click on “Generate Outline.”
- Specify the number of slides/cards (e.g., 8 slides), the text style (brief, medium, or detailed), and a theme (professional, colourful, etc.).
- Customize the presentation by adding your organization’s logo via the “Edit Theme” option.
- To embed a Twitter feed, click on the desired slide, select “Embed Tweet,” paste the URL of the Twitter feed, and click “Go.”
- Use the “Edit with AI” option to get suggestions.
- Click on the “Export” button and choose your preferred format (PDF, PowerPoint, etc.).
- Share the presentation directly from Gamma by generating a shareable link or inviting collaborators.

Canva:

- Visit Canva at canva.com (ensure you have an account and are logged in).
- Download the generated presentation from Gamma in PowerPoint format.
- In Canva, click on “Create a Design” and select “Import File.”
- Upload the PowerPoint presentation downloaded from Gamma.
- Choose from a variety of Canva’s pre-designed themes and templates.
- Use the “Elements” tab to find relevant images and graphics and adjust the slide layouts.
- Click the “Download” button and select your preferred format (PDF, PowerPoint, etc.).
- Share the presentation directly from Canva by generating a shareable link or inviting collaborators to view or edit.

Benefits: Efficiently extract content from PDFs using Claude AI, create structured presentations with Gamma, and enhance visual appeal using Canva’s design tools.

For a detailed demonstration, view the live video by CA. Manish Agrawal and CA. Akanksha Gupta .

3. AI Tool: Python with Tally & ChatGPT

Use Cases: Automated extraction of data from Tally and analysing it using ChatGPT.

How it works:

Setup:

- Install Python from python.org or use Jupyter notebooks from Anaconda.
- Install Tally ERP 9 or TallyPrime and ensure it is configured and running.
- Install the necessary Python libraries (enter commands in Windows command prompt).

Configure Tally:

- Open Tally and enable the ODBC server.
- Go to Gateway of Tally > F12: Configure > Advanced Configuration, set “Yes” for “Enable ODBC Server,” and note the Port Number (default is 9000).

Python Script:

- Create a Python script to connect to the Tally ODBC server (code can be shared separately if needed).
- Save the script as `extract_tally_data.py` and run it. This script connects to the Tally ODBC server, fetches the ledger data, and saves it as a CSV file.

Data Analysis with ChatGPT:

- Upload the CSV file to ChatGPT using the file upload feature or copy and paste relevant sections.
- Start a new conversation with ChatGPT and prompt it to analyse the data.
Example prompts:
"Analyse the sales total from the uploaded Tally data."
"Provide a summary of the party-wise sales from the ledger data."
"Highlight the maximum and minimum sales orders for each customer."
- Use ChatGPT to generate insights and create summaries based on the analysis.

Automation:

- Automate data extraction and analysis by scheduling the Python script to run at regular intervals using task schedulers (like cron jobs on Linux or Task Scheduler on Windows).

- Integrate the Python script with ChatGPT using API calls for real-time data processing.

Benefits: Efficiently process data from Tally using Python and gain insightful analysis with ChatGPT, leveraging AI and automation.

For a live demonstration, view the video by CA.Rama Jain.

4. AI Tool: Clipchamp

Use Cases: Creating and editing videos for internal and external use.

How it works:

Setup:

- Login to Clipchamp at clipchamp.com with your Microsoft account or download the desktop application from the Microsoft Store.
- Click on “Create a video with AI” to start a new project.

Video Creation:

- Enter a title for your video, e.g., “Introduction to GST.”
- Click “Upload” to add images and video clips.
- Select a template that fits your video’s theme and style.
- Drag and drop media into the storyboard, rearranging as needed.
- Browse Clipchamp’s library of royalty-free music tracks and add a track by dragging it to the timeline. Adjust the volume and duration.
- Add transitions by dragging desired effects between clips.
- Add titles, captions, or text overlays by selecting a text style, dragging it to the timeline, and customizing it.

Finalizing:

- Click “Preview,” choose the desired resolution (e.g., 720p, 1080p), and then “Export” to save the video.
- Upload the video to YouTube or share it via a link or by embedding it on your website.

Benefits: Easily create customized, polished videos with your own content and share them directly on platforms like YouTube.

For a detailed demonstration, view the video by CA. Alok Sethi here.

Concluding remarks

You may form small teams of individuals who share these interests, meet to share your discoveries & review your progress periodically.

AI provides more benefits & opportunities by creating avenues to improving your products & services than threats due to disruption.

We can benefit from the disruption created by AI by keeping abreast of AI tools, redesigning our processes & creating new products & services leveraging on AI capabilities while being putting in place the necessary guardrails outlined earlier.

CA. Nagarajan Purushothaman currently works as an Independent Consultant in the areas of Sales & Business Development, Inventory & Category Management, Data Analytics & AI applications for SMEs and is also the founder of <https://my-ai-advisor.sg/>, a web-based AI chatbot providing personalized recommendations for skincare products for Singapore users. He is also an alumni of NUS Business School where he had completed an MBA (Finance), an affiliate member of CFA Institute USA (completed all 3 levels) and an associate member of ISCA. He can be reached by email: nag@nagarajan.info, mobile: +65 8727 2615.

Glimpses of our Events

January 2024 - July 2024

We are thrilled to share with you some wonderful moments from our recent events at the ICAI Singapore Chapter. Our chapter has been buzzing with activities, and we are excited to give you a glimpse of what we've been up to.

January 2024

- **11 Jan:** Global Macro Trends & 2024 Outlook (Professional Series Event)
- **23 Jan:** Financial Disruption: Exploring the Uncharted Territories of Fintech in India (Professional Series Event)

February 2024

- **8 Feb:** Strategic Advantages of Investing in Singapore: Family Offices and Beyond (Professional Series Event)
- **26 Feb:** Indian Taxation for Non-Residents (Webinar)

March 2024

- **12 March:** Budget Analysis 2024 - Singapore and India (Professional Series Event)
- **26 March:** Annual General Meeting (AGM)





April 2024

- **16 Apr:** Data Driven Sustainability and Real World Impact (Professional Series Event)

May 2024

- **13 May:** Accelerating Digital Transformation through AI and Automation (Professional Series Event)
- **30 May:** International Arbitration and Indian Cross Border Business Disputes – What You Must Know! (Professional Series Event)

June 2024

- **21 June:** 10th International Yoga Day (IYD 2024) (Social Event)
- **24 June:** Artificial Intelligence Beyond The Buzz (Professional Series Event)
- **25 June:** Artificial Intelligence Beyond The Buzz (Professional Series Event)
- **27 June:** Artificial Intelligence Beyond The Buzz (Professional Series Event)
- **30 June:** CA Day 2024 (Social Event)





We are incredibly proud of the vibrant and engaged community we have built at the ICAI Singapore Chapter. Thank you to everyone who participated and made these events successful. We look forward to seeing you at our future events!

Stay connected with us on our social media platforms and WhatsApp group to stay updated on upcoming activities and opportunities.

Stay Connected with ICAI Singapore Chapter!

Update yourself with the latest news, events, and professional opportunities through our various communication channels. To stay informed and engaged with the ICAI Singapore Chapter, we invite you to follow us on our social media platforms and join our WhatsApp group.

Follow Us on Social Media

- **Facebook:** ICAI Singapore Facebook
- **LinkedIn:** ICAI Singapore LinkedIn
- **Instagram:** ICAI Singapore Instagram

Become a Member

If you are not yet a member of the ICAI Singapore Chapter, we encourage you to join us and be a part of our vibrant community. As a member, you will gain access to exclusive resources, networking opportunities, and professional development events. Learn more and become a member today.

We look forward to your active participation and hope to see you at our upcoming events!