



The Institute of Chartered Accountants of India
(Setup by an Act of Parliament)

THIRUVANANTHAPURAM BRANCH OF SIRC

NEWSLETTER

ISSUE-4

MAY 2019

From the desk of the Chairman...



Dear Members,

One more month, one more opportunity for communication, in a slightly relaxed month of May. The branch had organized a one day seminar on GST Audit and Annual return filing as well as a seminar on the changes in reporting requirements under Companies act. This was organized as a forerunner to update the members who are preparing for the GST Audit and Company Audit season due in the month of June. I am glad and thankful to the members with regard to overwhelming participation in all the seminars.

I am indeed proud to inform that ARS registration had touched an all-time record of 350 this year. The branch has lined up a series of seminars in the month of June. I would like to remind the members that CA Annual Family Get Together and Sports Day for the members will be held in the month of June. The detailed communication with regard to this will be issued shortly from the branch. I request all the members and their family to actively participate in these events.

I also take this opportunity to congratulate the new Government which has assumed office at the Centre after the Lok Sabha elections. Let the ICAI also march forward hand in hand as partners in nation building and take our profession to greater heights..

Regards,

CA Roopesh R

Secretary's Report...



Dear Professional Colleagues,

Warm greetings!!! At the outset I express my thanks to you all in participating in huge numbers in the recent seminars on GST, Corporate affairs and income tax . Your encouraging feed back does motivate us and on behalf of the Managing Committee, I assure you that we will continue to put maximum effort to organise such value adding seminars on contemporary issues that are relevant to our profession by getting the best faculty in the country. Like in the past , the branch gears up to celebrate this year's CA Day in fitting and grand manner. The detailed programmes are separately given in this News Letter. We are what we are because of the most powerful and prestigious two letter qualification we attach to our name- CA. The CA day gives us a rare opportunity to demonstrate our gratitude to the profession as well as our continued collective commitment to uphold the high standards of services expected of a CA. We each are Ambassadors of the profession of CA and we each has to be always collectively uphold the standards and ethics of a CA, a qualification attained through a combination of sheer brilliance and hard work.

The CA family meet in connection with the CA Day is being held on 29th June, 2019, Saturday from evening 6pm onwards. Please do turn up for this event with your family to make this event a grand success. I also appeal to each one of you to use your good office and your high level net work to get sponsors for this event.

Let me end this communique with the following quote to sum up what I have echoed above:

“Each of us will be judged by our standard of life, not by our standard of living; by our measure of giving, not by our measure of wealth; by our simple goodness, not by our seeming greatness” - William Arthur Ward

Best Wishes,

CA Ramakrishnan.H

Doing Business with Joy and Happiness

-CA. Jose Zachariah
(Past Chairman)



UN World Happiness Report 2019 has ranked India at a poor 140th position among 156 countries in spite of the rich spiritual and cultural heritage we boast of. This is a clear indication of the deterioration in the quality of the mindset of Indians and our lack of right relationship with other human beings and nature. Our neighboring country Pakistan was ranked much above us at 67th position and Bangladesh and Ceylon were ranked at 125th and 130th positions respectively. Finland, Denmark, Norway and Iceland took the first four places.

I personally feel that we can improve our position by a collective effort. The intention of this article is to emphasize the role; the business community has to play in improving our level of happiness. Moreover I firmly believe that peace of mind, joy and happiness are the most important things in life and it is foolishness to sacrifice these basic aspects of life in the pursuit of money and accumulation of wealth. Being a practicing Chartered Accountant I am fully aware of the hardship and mental agony the business community undergoes in pursuing their career. An unfriendly bureaucracy, high pitched assessments, complex tax laws with so many restrictions, do's and don'ts, unbearable interest rates, penal provisions, and prosecution for belated payment and so called evasion of taxes make the lives of even ordinary businessman miserable and tension ridden.

It is again a matter of great concern for the business community in Kerala that our state ranks a poor 21st place in ease of doing business, whereas the other Southern states of Andhra Pradesh and Telungana stands at 1st and 2nd position respectively. Our immediate neighbors, Karnataka and Tamil Nadu ranks at 8th and 15th position respectively in ease of doing business.

Politicians blame each other endlessly for all the problems facing the business community and take no responsibly or steps for mitigating their sufferings. Instead of understanding their problems and setting things right the law makers are making their lives miserable with more stringent compliance provisions in the statutes. They often forget the fact that it is the business community who contributes maximum to the exchequer by way of direct and Indirect taxes. I was just wondering how the business community should boldly face these challenges and carry on their business with peace of mind. I therefore put forward the following suggestions for doing business with joy and happiness:

Operation and Accounting Manual

A well drafted Operation and Accounting Manual would definitely help to have proper systems, procedures, policies and practices in place for your business. This would also ensure consistency in doing business, less harassment from law enforcers and easy handing over charge to the newly recruited staff.

Finance and Accounts

Have a good accounting system in place and insist on preparation of monthly financial statements regularly and subject it to thorough scrutiny. A prudent businessman would always insist on budget, actual and analysis of variances between the budget and the actual month after month.

Over Trading and Diversion of Funds

These are the two major reasons for many businessmen going broke and end up in insolvency. Focus more on your existing business and avoid the temptation to divert money from existing business how much lucrative the new investment proposal may appear to be. Similarly don't try to expand your business beyond your means

Such expansion shall be carried out only after having a well studied long range plan, plan of action and arranging separate funds without starving the current activity for funds.

Tax Planning

Tax is a major cost factor, the incidence of which can be substantially reduced by proper tax planning. Whether it is Direct/Indirect Tax, you need good professional advice to reduce its impact. The money you pay to the government by way of Direct/Indirect Tax is much more than what you normally gain from business. However tax compliant you are, it is really difficult to satisfy the tax authorities. Filing of periodical tax returns is as important as payment of tax. It is therefore advisable to have a knowledgeable person as Tax Consultant not only to defend your case before the tax authorities, but also for proper tax compliance.

New Incentives, Concessions and Relaxed Rules

Be updated with the latest concessions, incentives and relaxation of rules and take full advantages out of it if your business fits into it. These incentives and concessions are short lived and are introduced to comply with certain election promises, promotion of certain sectors, enhancement of job opportunities etc. Many newly introduced tax saving schemes, incentives and relaxation of rules go unnoticed by the business community. Always have a good Financial Consultant at hand, respect their knowledge and remunerate them reasonably well.

Timely Winding- up of Business

At times it becomes necessary to wind up your business as a whole or in part depending upon the situation then prevailing.

Any delay in making a decision on this can create havoc. Timely winding up or disposal of the business as a going concern wholly or in part which are un-remunerative is a must to tide over crisis and to remain afloat.

Reinvestment in Business.

A definite portion of the profit should be reinvested in business year after year for improving the work environment, adoption of new technology, staff training, research and development, market study, building new teams etc. Improving the existing business is more advisable than going for new ventures. Of course there are no hard and fast rules on these issues.

Borrowing beyond means

I fully agree that borrowings are a must for creation of assets. Here also financial discipline is a must. It is the responsibility of each businessman to decide on how much one can borrow maximum. When money is borrowed from bank, ensure that apart from your business income, you have one more source of repayment. Interest cost is the only cost on which you have no control. The only way is to limit your borrowings and repay loan by disposing of some other assets much before it becomes non-performing assets.

One of the most difficult things to manage in life is money and one of the major causes for suicide is indebtedness. Be watchful when your borrowings cross certain limits. Instead of avoiding the situation, face it boldly and take steps to liquidate the borrowings.

Investing on Luxuries out of Borrowed Funds

Though I am personally not against upgrading your living standards, I am totally against going for unaffordable luxuries just for the sake of image building. You can definitely think of upgrading your living style so long as you can easily afford it and your cash flow permits it. But funding such luxuries out of borrowed funds is a bad idea, though your financial consultants may lure you into it by highlighting the benefits of depreciation, maintenance cost and interest which will reduce your tax liability.

Doing Business abiding by Law

To the extent possible, be law abiding and avoid illegal business and those which are harmful to humanity. Whatever business one does, ensure that you leave behind a good legacy for the coming generations. It is therefore advisable to be cautious in doing law abiding business only instead of getting caught in the net of tax authorities and enforcers for violation of statutes. The only way to escape from this harassment is to be as law abiding as possible. Here also my advice is to have updated professional opinion on legal and tax matters. One wrong decision and one wrong step can have disastrous consequences.

Staff Relationship

In many organizations salary is the highest cost component and therefore right relationship with the staff is an important aspect for the successful conduct of any business. It is always good to have regular staff meetings and interactions with them at least once in a month. Taking them for an outing once in a year will create a feeling of belongingness to the organization .

Understanding their problems and taking steps to solve them and having good welfare measures will definitely improve their loyalty and productivity. Through manpower audit it is possible to know who contributes more to the business, who needs training, who needs to be promoted, their level of happiness and measure to be taken to improve the productivity etc.

Charity and Friendships

Make it a habit to set apart a portion of savings from income exclusively for charity and building up good friendships. It could be anywhere between 5-10% of your income. I hold on to the view that charity is the most rewarding and at the same time the safest form of investment one can have. It is a well-known fact that we human beings are caught up in a stream of selfishness which makes our life unhappy and miserable. Setting apart a portion of one's income for charity and friends, helps you to step out of this stream of selfishness and enjoy unexplainable joy in life.

Good Habits and Hobbies

Success in life depends upon a bundle of good habits and hobbies. We always spend lot of our time thinking about unwanted and unproductive things. Watch your thoughts and be time conscious. Cultivate good habits and hobbies like yoga, regular exercise, meditation, observing the mysteries of nature, spending time with your family, improving your language, presentation skills, oratory, reading spiritual and philosophical books, etc.

Attachment to the things of the Earth

There is no harm in being rich and it is indeed good to be rich so long as you learn the art of spending money wisely and for the good of everybody. The problem arises when one gets attached to the things of the Earth. We need to quite often remember the fact that our friend, death is always by our side and ready to take us with him at any moment.

Our existence on this earth is momentary and transient. It is good to remember that we come from nothingness and to nothingness we return.

Conclusion

Every man is blessed with two infinite resources, namely Time and Brain. Brain is the depository of memory and seat of consciousness. Time has no beginning and no end and brain is the creation of time and it is also evolving with time. Each one of us is capable of being a part of this evolutionary process and improving the living condition of man. All those who have left a mark in the history of human evolution have judiciously and extensively used these two free resources to excel in their own field of specialization. A judicious use of these two resources can make every businessman highly successful and at the same time carry on their business with joy and happiness.

This article is the result of my own understanding of the movement of human mind and my experience as a practicing Chartered Accountant for the past 40 years.

(The author is the Vice-president of Kerala Chamber of Commerce and Industries, Southern Region. He can be contacted at 9447123625)

SNAPSHOTS

Meeting of Chairmen, Secretaries and SICASA Chairmen of Kerala Branches of SIRC of ICAI at Ernakulam Branch....



CPE Seminar -25th May 2019.....



CPE Seminar -18th May 2019....



Birthday Wishes...!!! God Bless...!!

Month: 1st June-15th July

Day	Name	Day	Name
1 JUNE	PHILOMINA ASHOK	10 JUNE	RAKESH RS
1 JUNE	ANIL KUMAR PARAMESWARAN	12 JUNE	PRASHANT P
1 JUNE	ANEESH S	13 JUNE	SHIVA RAMAN PK
2 JUNE	A.K.VENUGOPALAN	20 JUNE	GOPALAKRISHAN S
3 JUNE	DEEPAK B	22 JUNE	GEORGE ABRAHAM KURIAN
4 JUNE	MUKUNDALAL.P	25 JUNE	THOMAS JACOB
6 JUNE	FELIX M	27 JUNE	ARUN JOSE
6 JUNE	REMYA C	29 JUNE	UNNIKRISHNAN NAIR A
8 JUNE	MOHANACHANDRAN NAIR.P	30 JUNE	SANIL KUMAR M B
9 JUNE	AJIT.R		

Day	Name	Day	Name
10 JULY	SURESH MOHAN R	14 JULY	VENKIT SUBRAMANIAN G
1 JULY	PARVATHI V	15 JULY	ANAND GEORGE THOMAS
3 JULY	RAVI D		
3 JULY	HARI.JS		
3 JULY	UNNIKRISHNAN S		
6 JULY	RAJEEV.A		
6 JULY	MIDHUN GOPAKUMAR		
7 JULY	RENJITH K K		
10 JULY	AJITH SAM		
11 JULY	GEORGE ABRAHAM		

CPE SEMINAR

22 June 2019

Seminar on GST

from 10.00 am to 01.00 pm

Faculty : CA. Ashok Batra (Delhi)

at

Suri Centenary Hall

ICAI BHAWAN, TRIVANDRUM BRANCH

CPE Credit : 3 Hours

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CA Sports Day

23 June 2019

Sports Activities for CAs & family members

Venue : **Central Stadium**

Time : **8 am to 11.00 am**

&

Shuttle Badminton

Venue : **Sri Padmanabha Royal Indoor courts, Kowdiar**

Time : **10.00 am to 01.00 pm**

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CA FEST 2K19

29 June 2019

Venue : **RDR Convention Centre,
Edapazanji**

Time : 6.00 pm to 9.00 pm

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FLAG HOISTING

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WALKATHON

01 July 2019

**Venue : ICAI Bhawan
Thiruvananthapuram**

Time : 8 am

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“ The Earth does
not belong to
us, we belong to
the Earth. ”

**World Environment
Day 2019**



Articles for the Newsletter are invited from the members
and can be sent to the ICAI Trivandrum e-mail id.

Also, do send us your feedback to : icaitym@gmail.com