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SOUTHERN INDIA CHARTERED ACCOUNTANTS STUDENTS ASSOCIATION
THIRUVANANTHAPURAM

THE TALLY MAG

where letters are tallied...



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
THIRUVANANTHAPURAM

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SICASA Chairman's Address

Dear Students,

Hearty congratulations to the students who have successfully passed June 2019 CA examinations. For those who went unsuccessful best wishes for your next attempt. Special congratulation to Joe Mathew Raju who secured All India 50th Rank in CA Final examinations.



Teachers' Day in India is celebrated on 5 September every year to commemorate the birth anniversary of Dr. Sarvepalli Radhakrishnan. Teachers play a critical role in budding a student. Students look up to teachers for advice and guidance. Students are not only interested in academic lessons but they are interested to follow their life lessons. That's why it's highly important for teachers to inspire students to follow good habits by their own example. The need of the hour is the quality of the individual in all walks of life. The professional relationship between Principal and an Article Assistant can be examined from the perspective of teacher and student. I convey my greetings to all of you on the occasion of Teacher's Day.

Crash course for CA final and IPCC examination is happening in our institute kindly make use of the opportunity. SICASA tax audit seminar will be conducted on 18 September 2019 at our branch premises.

We are the outset of our annual harvest festival Onam which embodies the message of sacrifice and love. Greetings to you all in the auspicious occasion of Onam.

Wishing you all the best

Regards,
CA Cherianji Samuel
Chairman
SICASA Thiruvananthapuram branch

Secretary's Report



James Jacob



Abhijith Anil



Aswin V Gopal

Hello guys!

Last month, Kerala had faced an unprecedented heavy rainfall, and many families were moved to relief camps. SICASA had organized a collection drive whereby relief materials were collected and distributed to the Trivandrum Mayor's collection point. We received relief materials in huge numbers from students and members of the CA fraternity. We thank each and every one of you for your contribution in rebuilding Kerala.

SICASA Thiruvananthapuram also organized a crash course for CA Final students on Corporate Law, which was taken by eminent faculty, CS L Jayaraman. The students arrived in huge numbers and made use of the opportunity available.

As Tax Audit deadlines are fast approaching, we are also organizing a one day seminar on Tax Audit on 18th September, 2019. The seminar is to be taken by CA Baby Paul and CA T. A. Ramabhadran, both from KPMG. I strongly encourage students to make use of this opportunity available.

Editor's Desk



John Nelson



Nandini Gopakumar



Cherian John Binu

We are nearing to the end of September. The next two months are crucial for every CA student. It is the month for preparation and execution. Work as hard as you can and then be happy in the knowledge that you couldn't have done more.

This issue we are taking a trip down Savitha Ma'am's words to unravel how she successfully tackled the intermediate exams.

Want to know more.. Read on!

ACCOUNTING STANDARDS FROM THE PERSPECTIVE OF DIRECT TAX

Accounting Standards are **written policy documents** issued by expert accounting body or by government or other regulatory body covering the aspects of **recognition, measurement, treatment, presentation and disclosure** of accounting transactions in the financial statements.

Objectives of Accounting Standards

The objective of Accounting Standards is to standardize diverse accounting policies with a view to eliminate, to the maximum possible extent, the non-comparability of financial statements and thereby improving the reliability of financial statements, and to provide a set of standard accounting policies, valuation norms and disclosure requirements.

The Accounting Standards deal with the issues of **recognition** of events and transactions in the financial statements, **measurement** of these transactions and events, **presentation** of these transactions and events in the financial statements in a manner that is meaningful and understandable to the reader, and the **disclosure** requirements which should be there to enable the public at large and the stakeholders and the potential investors in particular, to get an insight into these financial statements which helps the users to take prudent and informed business decisions.

Formation of Accounting Standards Board

The Institute of Chartered Accountants of India (ICAI), recognising the need to harmonise the diverse accounting policies and practices in use in India, constituted the Accounting Standards Board (ASB) on 21st April, 1977.

Accounting Standards, their relation to Income Computation under the Income Tax Act 1961 and the roadmap to ICDS

Section 145(1) of the Income-tax Act prior to its amendment by the Finance Act, 1995, provided for computation of income from business or profession or income from other sources in accordance with the methods of accounting regularly employed by the assessee. Income is generally computed by following one of the 3 methods of accounting, namely, (i) cash or receipts basis, (ii) accrual or mercantile basis, and (iii) mixed or hybrid method which has elements of both the aforesaid methods. It was noticed that many assessees are following the hybrid method in a manner that does not reflect the correct income. The Finance Act, 1995, has amended section 145 of the Income Tax Act to provide that income chargeable

under the head "Profits and Gains of Business or Profession" or "Income from Other Sources" shall be computed only in accordance with either cash or the mercantile system of accounting, regularly employed by an assessee. The Finance Act, 1995 has also empowered the Central Government to prescribe by notification in the Official Gazette, the Accounting Standards, which an assessee will have to follow in computing his income under the head "Profits and Gains of Business or Profession" or "Income from Other Sources". On 25th January, 1996, two IT-ASs were notified by the Central Board of Direct Taxes ("CBDT"), namely Disclosure of Accounting Policies, and Disclosure of Prior Period and Extraordinary Items and Changes in Accounting Policies. In July, 2002, the Government constituted a Committee for formulation of IT-AS for notification under section 145(2). In November, 2003, this Committee recommended notification of the AS issued by ICAI without any modification, since it would be impractical for a taxpayer to maintain two sets of books of account. With the imminent introduction of International Financial Reporting Standards (IFRS) in India in the form of Ind-AS, in December 2010, the Government constituted a Committee to suggest Tax Accounting in view of the Government's intention to implement Ind AS (IFRS converged Standards) in India. Section 145 was amended by the Finance (No 2) Act, 2014 with effect from 1st April, 2015 (assessment year 2015-16), by substituting the term "Income Computation and Disclosure Standards" for the term "Tax Accounting Standards" in sub-section (2). Similarly, sub-section (3) was amended to substitute the words and figure "accounting standards as notified under sub-section (2), have not been regularly followed" with the words and figure "have not been regularly followed or income has not been computed in accordance with the standards notified under sub-section (2)". Finally, in March 2015, the CBDT vide notification No. 32/2015 [F. NO. 134/48/2010-TPL]/SO 892(E) dated 31st March, 2015 notified 10 ICDS.

CONCLUSION

The notified ICDSs are similar to the Accounting Standards (ASs) issued by The Institute of Chartered Accountants of India apart from several deviations owing to the difference in the fundamental objectives on which these are framed. The Accounting Standards are framed in order to secure the interest of various stakeholder like shareholders, Govt. Authorities, Employees and others where as the ICDSs are framed to serve the interest of Income Tax department.

By the reason of these differences the ASs thrust on postponing the recognition of income and advancing the booking of expenses which is perfectly vice versa in case of ICDSs.

List of Income Computation and Disclosure Standards

ICDS N O	Name of the Standard	Corresponding AS
<i>ICDS I</i>	<i>Accounting Policies</i>	<i>AS 1</i>
<i>ICDS II</i>	<i>Valuation of Inventories</i>	<i>AS 2</i>
<i>ICDS III</i>	<i>Construction Contracts</i>	<i>AS 7</i>
<i>ICDS IV</i>	<i>Revenue Recognition</i>	<i>AS 9</i>
<i>ICDS V</i>	<i>Tangible Fixed Assets</i>	<i>AS 10</i>
<i>ICDS VI</i>	<i>The Effects of Changes in Foreign Exchange Rates</i>	<i>AS 11</i>
<i>ICDS VII</i>	<i>Government Grants</i>	<i>AS 12</i>
<i>ICDS VIII</i>	<i>Securities</i>	<i>AS 13</i>
<i>ICDS IX</i>	<i>Borrowing Costs</i>	<i>AS 16</i>
<i>ICDS X</i>	<i>Provisions, Contingent Liabilities and Contingent Assets</i>	<i>AS 29</i>



Aswathy Varma
CA Final

Ma'am with a Plan



Savitha Ma'am - an honest human being, a great teacher, and after her achievement, a perfect student. She became a role model to all, particularly to us CA students. She showed how one can convert a situation to an opportunity to excel to greater heights in academics and career. Do you want to know how she successfully tackled the intermediate exams....

Here are her words.....

1. When was it Ma'am the thought entered your mind to divert from the IT field to CA and to give a crack on CA Foundation ?

Being a part of ICAI Trivandrum branch for Information Technology Training it is my privilege to meet and interact with 'the CA student fraternity'.

In the year 2017 ICAI introduced revised scheme and for me there was a lot of changes on the subjects that I was handling and found my opportunities are narrowing. The very first thought was agony, as I couldn't go back to my IT industry due to long gap. That was the immediate cause of joining CA CPT.

2. You being a teacher at ICAI Trivandrum , giving ITT training to students, and having to look after your family, when did you find the time to study?

CA CPT was the critical journey for me as basics of accounting was learnt there. Being an IT professional, I am totally new to that subject and as you all know, we never come across even the basics of accounting during our formal education curriculum. Here I could not forget the help of Sri. Vaidheeswaran Sir and CA Syam Mohan. It was Syam, who happened to be one of my students, has found time for imparting me the basics of accounting.

About finding time, like everyone, I have to and that too without compromising my responsibilities. One thing that I could compromise was my leisure time and sleep.

I would like to remember the famous quote of Shri APJ Abdul Kalam. "Dream is not the thing you see in sleep but is that thing that doesn't let you sleep" and to say precisely it was my feeling.

3. What was the first reaction from your family members on hearing you cleared CA Inter ?

All were extremely happy for me. I would like to thank my husband and daughter for cooperating with me and couldn't forget the sincere prayers of my parents, in-laws and my well wishers.

4. After having cleared Inter, have you started your preparations for articleship and Final ?

I have been associating with Trivandrum branch of ICAI and handling ITT for last 12 years and it's my responsibility to transfer it to safer hands before I join my articleship. As of now, I am planning to start the articleship by January 2020

5. What will be your further plans after clearing CA Final?

I feel it is too early to comment on this question, but being a CA aspirant, I do have certain ambitions viz to specialise in System Audit, Forensic audit, etc. Since CA being a prestigious, responsible and rewarding profession, the final call may change according to the situation prevailing at that time.

6. You have just been an inspiring model to everyone around you Ma'am, proving by your own life that anything can be possible no matter the obstacles.....What gave you the zest to go for it ?

I think it's because I am always in the midst of 'my CA students'. It is you, who always inspired me.

7. What was the time that you allotted to each subject?

I studied CA intermediate group wise and also attended the coaching classes arranged by the Trivandrum branch of ICAI. The online classes made available by different agencies have also helped me boost my confidence level. For theories I used to prepare my own notes as it helped me for last minute revision. Even though I was in new scheme I tried to workout compilation and Practice Manual for problem papers. RTP and MTP are also inevitable. I took two to three subjects in a day.

8. What would be your words of wisdom to us?

I worked hard but I do sincerely believe that nothing is possible without Gods grace. I wish to express my sincere gratitude to my family, teachers and my students (they are my boon) and the Trivandrum branch of ICAI for my success.

Unlike me, you all are young students who set CA as your first career goal and 'that decision' demands more responsibility, dedication and devotion from you and 'from you only'. From my personal experience, I can say one thing i.e there is no short cut in clearing CA papers. So being chosen CA as your career goal, I personally expect my students to be more serious and focussed about their career. I sincerely believe that your hard work of today will definitely bring colours in your life. Being a faculty for long, I am always ready to do my role in bringing you success.

From my heart I wish each and every one success

കാന്തപ്രപഞ്ചം

എത്ര കിനാവിൻ തങ്കക്കുതിരൊളി
വാരി വിതറിയ സവിധാവേ,
സി.എ എന്നിരു വാക്കാൽ എന്നെ
മോഹിപ്പിക്കും കമിതാവേ
ജന്മമെത്രയടുത്താലും നിൻ
കാമനയെന്തെന്നറിയില്ല!

രാത്രികൾ എന്നെ ഉറക്കാതെ നീ
തിയറികൾ തന്നു ഭരിക്കുന്നു
ജാഗ്രതയേറ്റി പകലുകളെല്ലാമിൻ
വ്യഗ്രത കുത്തി നിറക്കുന്നു!

അറിയുംതോറും അകലുന്നോനെ
അറിവഴുകായിത്തീർന്നവനെ
അകലത്തേക്കു നയിച്ചാലും നീ
ചാരത്തണയാൻ വെമ്പുന്നു!

രാഗമറിയിച്ചെത്തുൻനോർക്കു
മറുപടിയുടനെ കത്തോനെ

പിടികിട്ടാത്ത പ്രിയങ്കരനായി നീ
അടിമുടി നിറയും ഹൃദയത്തിൽ!

പ്രേമസുമത്താൽ നിൻനെ പുണരാൻ
കാമിനിമാരുടെ നിറയെൻനാൽ
അവരിലൊരാളുടെ ചിത്തപ്പൂവിലിരുന്തനു ചിരിക്കും
കൊതി കാട്ടും!

ചിറകു വിരിച്ചു വിദൂരത്തിൽ നീ
ദുരുഹത തൻനു പറൻനാലും
വിടിലു നിൻനെ സ്നേഹത്താൽ
ഞാനെടുത്തു ചാർത്തും നിടിലത്തിൽ!

അധാനത്തിൻ ഹിമമുടി മുകളിൽ
കയറുന്നോരുടെ ഉള്ളത്തിൽ
വിഭ്രമേറ്റി വിരാജിക്കും നീ
അഭ്രമനോഹര നക്ഷത്രം!



നീതു യു വി
സി എ ഇൻറർമീഡിയറ്റ്

REBUILDING KERALA



The year 2018 was the year in which the small state of Kerala witnessed its worst flood in decades, claiming 100's of lives and leaving many stranded and homeless

But we stood together and overcame all the difficulties and saved many lives with unity no matter the caste, colour or creed, we were just humans there helping its own species to survive.

Even this year nature's wrath took upon us, claiming many lives and leaving many homeless. But we did not give up even though this was the second time we were entangled in the flood circle. We, Malayalis cannot give up and we proved again that unity is strength. From the unaffected parts of Kerala, people were providing the necessary provisions, clothes, food items and made sure it reached the people under duress. SICASA TRIVANDRUM too did its part in providing help to the needy. We collected food, clothes and other necessary items needed in very less time and gave our contributions to the Mayor of Trivandrum City. We could not have done it without all your help and contributions

So we the SICASA TRIVANDRUM committee are humbled by your kindness and would like to Thank each and everyone of you. Together we shall strive.

In Ever Loving Memory of Our dear Aiwin Cherian Raj



Dear Aiwin,

All of us here are going to miss you like anything. We are going to miss your dance, jokes, laughs, gimmicks, cheering mentality, friendship, fun filled days with you running around to organise events.

Whatever or whenever anyone needed any sort of help you were there.

The way you touched our lives will never be forgotten.

You will always remain in our hearts