



# THIRUVANANTHAPURAM BRANCH

*of Southern India  
Regional Council of*

*The Institute of  
Chartered  
Accountants  
of India*



# Chairman's Message



*"Life is 10% what happens to you and 90% how you react to it"*  
– Charles R. Swindoll

*Life always throws challenges to us. We need to be prepared to face them and conquer them. Our reaction in the case of a difficult situation determines our character to face the challenge. We should all remember that everyone has to make a life out of what we have, not what we are missing. Life is full of colours and we must learn to see the beauty in all the colours.*

*The COVID pandemic though reduced has not ended. Precaution while ensuring safety of self and family is of utmost importance. I continue my appeal on behalf of Thiruvananthapuram Branch of ICAI in these testing times to everyone*

*Let's follow the rules, Be Responsible!!*

*As most of the members have received two vaccinations, and the Government has eased up the norms for physical meeting, we are planning to conduct more CPE programmes in hybrid mode by observing covid19 protocol. During the month of October 2021 Thiruvananthapuram branch of ICAI has conducted its first hybrid mode CPE Seminar (Virtual & physical) on 09 October 2021 on the topic Taxation of Joint Development Agreement and Appeal and Procedure under GST. We are planning more physical meetings in the days to come. We have also conducted virtual CPE webinar on 22nd October 2021 on A to Z about Crypto Currencies and on 26th October on Audit Quality Maturity Model. As per the directions of ICAI all the Courses meant for Students like Orientation/ Advanced MCS / ITT / Advanced ITT hence forth will be in Physical mode only. During the Month of October our branch has conducted 3 physical carrier guidance programmes for students.*

*The Election Code of Conduct for the forthcoming elections to the Council and Regional Councils has come already came into force with effect from 1st September, 2021 and is required to be complied with by all candidates and their authorized representatives. The Election Code shall remain in force till the declaration of results of Elections in the Gazette of India*

*As you are aware of the upcoming SIRC Conference to be held on 19th & 20th November 2021 at Coimbatore. Thiruvananthapuram branch is planning to make travel arrangements for the members who have registered on physical mode for the Conference We request the members to Kindly intimate the same to the branch before 5th November 2021 for us to make necessary arrangements depending on the number of members from Trivandrum.*

*Let me congratulate and thank the learned members who have become contributors of this Newsletters. I sincerely thank the members for their continuous support for the activities of Thiruvananthapuram Branch without which we wouldn't have organised these activities. We are looking forward to getting a positive response from your side to ensure we stay connected through this newsletter and in all our events to come*

*Wishing all our members and students a Happy Diwali*

*Please Stay home and Stay Safe. JaiHind. Jai ICAI*

**CA. Ramesh Kumar S.**  
**Chairman**





# Secretary's Message

*Dear Professional Friends,*

Kerala Piravi Asamsakal!!

The due dates for Income Tax filing of Non-Audit cases is fast approaching. Tax Audits also to be completed before the end of January 31st 2022 to enable us to file the Tax Audit Report within due date. Hope all are having busy schedule at office.

On 2nd of October, our branch conducted Blood Donation Camp as part of Gandhi Jayanthi and SIRC Foundation Day celebration in association with SUT Hospital Pattom. Many members and Students came forward for the noble act. Big thanks to all of them.

We could conduct 3 CPE webinars - Taxation of Joint Development Agreement and Appeal and Procedure under GST by CA Suresh S (Past Chairman) and CA. Unnikrishnan M on 9th of October 2021 on a hybrid mode for the first time. We have also conducted virtual CPE webinar on 11th October 2021 by CA. Aanchal Kapoor on GST Refunds with Practical Case Studies, Illustrations and Latest Amendments ( in association with Kollam Branch) , 22nd October 2021 on A to Z about Crypto Currencies by CA. Devika.S ( in association with Kottayam Branch) and on 26th October on Audit Quality Maturity Model by CA.M P Vijayakumar, Central Council Member, ICAI( in association with Palakkad Branch).

Our Branch also conducted 3 physical Career Guidance programme -St Francis Xavier Higher secondary school, Mankuli, Kanyakumari on 11th October 2021, St Mary's Higher Secondary School and St.Mary's Central School, Kaliyal, Kanyakumari District on 20th October 2021.

By the end of October 2021 our branch has completed 92 hours of CPE.

Requesting all the members to actively participate in the upcoming programmes.

Kindly contribute your valuable articles on any subject/ general topics towards the Branch newsletter.

Your support is our biggest strength.

Stay Home. Stay Safe. Stay Connected Virtually!!  
Jai Hind! Jai ICAI!

*CA. Rema Sarma N.  
Secretary*



## The New Global Tax Revolution



*CA. S. Padmanabhan*  
*Membership # : 207322*

The International tax jurisprudence received a shot in arm when 136 countries agreed to introduce a new global tax regime for taxing multinational corporations (MNCs) operating across the globe.

For over a century now, the corporate tax system was based on application of the twin principles of the source rule and the residence rule. All that a MNC had to do to avoid high tax in a country where they did business was to get registered in a tax haven. Globalisation allowed MNCs to replace fears of double taxation with the joys of double non-taxation by exploiting mismatches between the tax laws of various countries and by cutting and shifting taxable profits to tax havens. A completely digitalised world made their task easier.

Tax havens came in handy for the MNCs. It became easier with rise of intangible assets, which could easily be shifted from one country to another. But shifting profits to low tax havens deprived poor countries of their due share of tax revenues.

International community strikes a ground-breaking tax deal for the digital age. Major reform of the international tax system finalised on 08.10.2021 at the Organisation for Economic Co-operation and Development (OECD) will ensure that Multinational Enterprises (MNEs) will be subject to a minimum 15% tax rate from 2023.

The landmark deal, agreed by 136 countries (including India) and jurisdictions representing more than 90% of global GDP, will also reallocate more than USD 125 billion of profits from around 100 of the world's largest and most profitable MNEs to countries worldwide, ensuring that these firms pay a fair share of tax wherever they operate and generate profits. Following years of intensive negotiations to bring the international tax system into the 21st century, 136 jurisdictions (out of the 140 members of the OECD/G20 Inclusive Framework on BEPS) including India joined the ***Statement on the Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy***. It updates and finalises a July political agreement by members of the Inclusive Framework to fundamentally reform international tax rules.

**Pillar One** will ensure a fairer distribution of profits and taxing rights among countries with respect to the largest MNEs, including digital companies. It would re-allocate some taxing rights over MNEs from their home countries to the markets where they have business activities and earn profits, regardless of whether firms have a physical presence there.

**Pillar Two** seeks to put a floor on competition over corporate income tax, through the introduction of a global minimum corporate tax rate that countries can use to protect their tax bases.

The two-pillar package will provide much-needed support to governments needing to raise necessary revenues to repair their budgets and their balance sheets while investing in essential public services, infrastructure and the measures necessary to help optimise the strength and the quality of the post-COVID recovery.

As per the agreement, MNCs would no longer pay taxes in the country where they register their headquarters for tax purposes but would pay in the country where they generate their sales. A minimum global tax of 15% on profits would be introduced in all countries.

The global minimum tax agreement does not seek to eliminate tax competition, but puts multilaterally agreed limitations on it, and will see countries collect around USD 150 billion in new revenues annually and move tax rights of over \$100 billion in profits to different countries. Taxing rights could be reallocated so that a slice of profits could be levied according to the location of company's sales. A minimum rate of 15% would be levied on such a slice of profits. As per the agreement, countries where MNCs operate would get the right to tax at least 20% of the profits exceeding a 10% margin.

India, China, Russia, Germany, and other countries have signed the agreement, which has to be implemented from 2023. But there are hurdles to cross. India would have to reconsider equalisation levy. Revenue from equalisation levy has to be compared with the 15% global minimum tax. The draft rules would reset the system for international taxation and subject MNCs to new nexus and profit allocation rules. Simultaneous implementation of the law by all the signatories to the agreement would be a stupendous job.

The global minimum tax agreement will make our international tax arrangements fairer and work better. It is a far-reaching agreement which ensures our international tax system is fit for purpose in a digitalised and globalised world economy and it may herald the dawn of 'Golden Era' of direct taxes.





*CA. Suresh S.*

*Membership # : 203716*

# TAXATION OF

JOINT DEVELOPMENT PROJECTS  
BASED ON  
JOINT DEVELOPMENT AGREEMENTS

## TERMS

- JOINT DEVELOPMENT- WHAT IT IS, WHY IT IS
- PARTIES INVOLVED- LAND LORD, BUILDER AND CUSTOMERS
  
- JOINT VENTURE - WHAT IT IS AND WHY IT IS
- PARTIES INVOLVED- LAND LORD AND BUILDER AS A SPV AND CUSTOMERS

## DISTINCTION BETWEEN JOINT DEVELOPMENT AND JOINT VENTURE

JOINT DEVELOPMENT	JOINT VENTURE
NO SEPARATE SPV	PRESENCE OF SPV
BUILDER WILL CARRY OUT THE BUSINESS	SPV WILL CARRY OUT THE BUSINESS
PROFIT IS TAXABLE	SHARE OF PROFIT IS NOT TAXABLE

## DEFINITIONS

- AFFORDABLE RESIDENTIAL APARTMENTS
  - APARTMENTS HAVING CARPET AREA NOT EXCEEDING 60 SQ MT IN METROS AND 90 SQ MT IN OTHER CITIES.
  - THE VALUE SHOULD NOT EXCEED RS.45 LAKHS.
- REAL ESTATE PROJECT [REP] THE CARPET AREA OF THE COMMERCIAL APARTMENT EXCEED 15%.

## DEFINITIONS

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- RESIDENTIAL REAL ESTATE PROJECT [RREP] SHALL MEAN A RESIDENTIAL REAL ESTATE PROJECT IN WHICH THE CARPET AREA OF COMMERCIAL APARTMENT IS NOT MORE THAN 15% OF THE TOTAL CARPET AREA .

## RELEVANT ACTS

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- DIRECT TAX
  - INCOME TAX ACT
- INDIRECT TAX
  - GST LAW
- RERA



## UNDER INCOME TAX ACT-SECTION 45(5A)

- WHERE THE CAPITAL GAINS ARISES TO AN ASSESSEE, BEING AN INDIVIDUAL OR A HUF FROM THE TRANSFER OF A CAPITAL ASSET, BEING LAND OR BUILDING OR BOTH UNDER A SPECIFIED AGREEMENT, THE CAPITAL GAIN SHALL BE CHARGEABLE TO TAX AS INCOME OF THE PREVIOUS YEAR IN WHICH THE CERTIFICATE OF COMPLETION FOR THE WHOLE OR PART OF THE PROJECT IS ISSUED BY THE COMPETENT AUTHORITY AND FOR THE PURPOSE OF SECTION 48, THE STAMP DUTY VALUE, ON THE DATE OF ISSUE OF SUCH CERTIFICATE, OF HIS SHARE, BEING IN LAND OR BUILDING OR BOTH IN THE PROJECT, AS INCREASED BY THE CONSIDERATION RECEIVED IN CASH IF ANY SHALL BE DEEMED TO BE THE FULL VALUE OF CONSIDERATION RECEIVED OR ACCRUING AS A RESULT OF THE TRANSFER OF CAPITAL ASSET

## PROVISO TO 45(5A)

- THE PROVISIONS OF SECTION 45(5A) SHALL NOT APPLY WHERE THE ASSESSEE TRANSFERS HIS IN THE PROJECT ON OR BEFORE THE DATE OF ISSUE OF CERTIFICATE OF COMPLETION AND CAPITAL GAINS SHALL BE DEEMED TO BE THE INCOME OF THE PREVIOUS YEAR IN WHICH SUCH TRANSFER TAKES PLACE AND THE PROVISIONS OF THIS ACT , OTHER THAN PROVISIONS OF THIS SUB SECTION SHALL APPLY FOR THE PURPOSE OF DETERMINATION OF FULL VALUE OF CONSIDERATION RECEIVED OR ACCRUING AS A RESULT OF SUCH TRANSFER.

## ANALYSIS OF THE SEC 45(5A)

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- SPECIFIED AGREEMENT
- STAMP DUTY VALUE
- POINT OF TAXATION
- IF THE CONDITIONS ARE NOT FOLLOWED , THEN THE LAND LORD IS LIABLE TO PAY CAPITAL GAIN TAX AT THE TIME OF TRANSFER OF ASSET FOR DEVELOPMENT

## LIABILITY OF LAND LORD UNDER GST LAW

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- BUILDER WILL COLLECT GST FROM THE LAND LORD ON THE VALUE OF BUILT UP AREA ALLOTTED TO THE LAND LORD AT THE TIME OF HANDING OVER
- VALUE OF SUPPLY--VALUE CHARGED TO AN INDEPENDENT BUYER ON THE BASIS OF AN AGREEMENT ENTERED NEAREST TO THE DATE OF JDA
- RATE OF TAX- 7.5% FOR THE AGREEMENT ENTERED ON/AFTER 1/4/19
- IN ALL OTHER CASES 18% ON THE 2/3 VALUE (PRIOR TO 01.04.2019)

## LIABILITY OF THE BUILDER UNDER INCOME TAX

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- PROFITS SHALL BE TAXED AS BUSINESS INCOME
- TDS U/S194IC TO BE EFFECTED ON PAYMENTS MADE TO THE LAND LORD IN CASH
- ADJUSTMENT OF REFUNDABLE ADVANCE GIVEN TO THE LANDLORD AGAINST THE CONSIDERATION WILL ATTRACT TDS.
- INCOME RECOGNITION BASED ON PERCENTAGE OF COMPLETION METHOD.

## OBLIGATION OF THE BUILDER UNDER GST LAW

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- HE HAS TO CHARGE GST @7.5% ON THE SALE OF UNDER CONSTRUCTION APARTMENTS
- HE HAS TO ENSURE THAT 80% OF THE EXPENSES ARE INCURRED THROUGH A REGISTERED PERSONS. FOR SHORT FALL HE HAS TO PAY GST UNDER RCM
- GST ON TRANSFER OF DEVELOPMENT RIGHTS HAS TO BE PAID UNDER RCM ON THE VALUE OF UNSOLD APARTMENTS ON THE DATE OF OCCUPANCY CERTIFICATE OR DATE OF FIRST OCCUPATION WHICHEVER IS EARLIER



## OBLIGATION OF BUILDER UNDER GST LAW

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- HE HAS TO MAINTAIN PROJECT WISE ACCOUNT OF INWARD SUPPLIERS BOTH FROM REGISTERED AND UNREGISTERED SUPPLIER.
- THE ABOVE SAID PERCENTAGE OF INWARD SUPPLIES NEED TO BE CALCULATED AT THE END OF EACH FINANCIAL YEAR.
- THE TAX LIABILITY ON THE SHORTFALL OF INWARD SUPPLIES HAS TO BE PAID ON OR BEFORE 30<sup>TH</sup> JUNE SUBSEQUENT TO THE END OF FINANCIAL YEAR.

## OBLIGATION OF BUILDER UNDER GST LAW

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- THE SAID 80% INPUT AND INPUT SERVICES WILL NOT INCLUDE:
  - CAPITAL GOODS
  - TDR
  - LEASE
  - ELECTRICITY ,
  - HIGH SPEED DIESEL , MOTOR SPIRIT, NATURAL GAS

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- FOR SHORTFALL TAX NEED TO BE PAID @ 18% UNDER RCM (FOR CEMENT IT IS 28%)
  - TAX ON CEMENT PURCHASED FROM UNREGISTERED DEALER SHALL BE PAID ON RECEIPT OF STOCK.
  - ITC NOT AVAILED SHALL BE REPORTED EVERY MONTH IN GSTR 3B (Row -4(D)(2) AS INELIGIBLE CREDIT.

## TAXATION OF TDR

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- GST ON TDR TO BE PAID BY THE BUILDER UNDER RCM.
- ON THE VALUE OF APARTMENTS REMAIN UNSOLD ON THE DATE OF OC/ FIRST OCCUPATION.
- IN RESPECT OF COMMERCIAL AREA ALLOTTED TO LAND LORD GST IS 18% ON THE VALUE OF TDR

## TAXATION OF TDR

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- VALUATION FOR THE PURPOSE OF CALCULATING GST LIABILITY ON TDR SHALL BE DEEMED TO BE EQUAL TO THE VALUE OF SIMILAR APARTMENTS/COMMERCIAL SPACE SOLD TO AN INDEPENDENT BUYER NEAREST TO THE DATE OF JDA.
- GST ON TDR UNDER RCM IN RESPECT OF UNSOLD RESIDENTIAL APARTMENTS SHALL NOT EXCEED 5% OF THE VALUE OF SIMILAR APARTMENTS.

## TAXATION OF TDR

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- NO GST UNDER RCM NEED TO BE PAID BY THE BUILDER IF ALL THE APARTMENTS ARE SOLD BEFORE THE DATE OF OC.
- THE ABOVE EXEMPTION IS NOT APPLICABLE IN RESPECT OF COMMERCIAL AREA ALLOTTED TO LAND LORD WHILE CALCULATING GST ON TDR.



## ILLUSTRATION-GST ON TDR UNDER RCM IN RESPECT OF RESIDENTIAL PROPERTY.

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• Total No. of Apartments	10
• Land owner share	4
• No of unsold units	2
• Sale price of flat nearest to the date of JDA	1 crore
• Sale price of flat nearest to the date of OC	1.5 crores

## ILLUSTRATION-GST ON TDR UNDER RCM IN RESPECT OF RESIDENTIAL PROPERTY

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• Total value of TDR (4 * 1 crore)	4 crores
• Tax payable on TDR (4 crores* 18%)	72 Lakhs
• Liability under RCM (72 Lakhs * 20%)	14 Lakhs
• Upper Limit (1.5 Crores*2*5%)	15 Lakhs
• GST Payable	14 Lakhs

## SPECIFIC ISSUES

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- EXEMPTION AVAILABLE TO LAND LORD U/S 54/54F/54EC
- GST ON COMPLETED FLATS
- GST ON DEPOSITS COLLECTED FROM CUSTOMERS
- GST ON MAINTENANCE / OTHER CHARGES COLLECTED FROM CUSTOMERS
- INPUT REVERSAL IN RESPECT OF UNSOLD FLATS ON COMPLETION BY THE BUILDERS IN RESPECT OF ON GOING PROJECTS AS ON 1/4/19

## SPECIFIC ISSUES

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- GST ON PERMIT FEE PAID TO THE CORPORATION
- ACCOUNTING OF WARRANTY EXTENDED TO THE BUYER AS PER PROVISIONS OF SECTION 14 OF RERA .
- RECONCILIATION OF GST TURNOVER AND TURNOVER AS PER PROFIT AND LOSS ACCOUNT INCLUDING RERA.
- DISCLOSURE OF ABATEMENT AVAILED IN RESPECT OF LAND VALUE IN GSTR 9C.
- INCOME RECOGNITION IN RESPECT OF FLATS SOLD AFTER COMPLETION.

## SPECIFIC ISSUES

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- REFUND OF GST ON CANCELLATION OF BOOKING BY THE CUSTOMER
- VALUATION OF BUILT UP AREA GIVEN TO THE LAND LORD IF CHALLENGED BY HIM.
- FULL VALUE OF CONSIDERATION IN THE HANDS OF THE LAND LORD FOR CALCULATING CAPITAL GAIN
- SALE OF ADDITIONAL CAR PARK AFTER COMPLETION OF CONSTRUCTION

## SPECIFIC ISSUES

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- CERTIFICATION OF QUARTERLY RETURN AND ANNUAL RETURN UNDER RERA.
- SALE OF FLATS ALLOTTED TO LAND OWNER BY THE BUILDER
  - ACCOUNTING ISSUES AND GST IMPACT
- INTERIOR WORK CARRIED OUT FOR LAND LORD AS AN EXTRA WORK.
- RETURN OF ALLOTTED FLAT BY THE LAND LORD TO THE BUILDER IN LIEU OF GST.



## INTERESTING RULINGS OF AAR

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- 1. M/S PURANIK BUILDERS LTD BY MAHARASHTRA AAR ON 29/8/21 regarding applicability of GST on other receipts
- 2. MAARQ SPACES P LIMITED AAR DTD:30.09.2019 – taxability of
  - (i) LAND DEVELOPMENT AND SALE OF PARTIALLY COMPLETED FLATS
- 3. VILAS CHANDANMAL GANDHI BY MAHARASHTRA ON 26/8/20 REGARDING TAXABILITY OF TDR



The Success Secrets of the Ancients – The Most Inspiring Book on Wealth Ever Written

## THE RICHEST MAN IN BABYLON

By George S. Clason

### Preface:

*The Richest Man in Babylon* is a 1926 book by George S. Clason that dispenses financial advice through a collection of parables set 8,000 years ago in ancient Babylon.

Babylon became the wealthiest city of the ancient world because its citizens were the richest people of their time. They appreciated the value of money. They practiced sound financial principles in acquiring money, keeping money and making their money earn more money. They provided for themselves what we all desire...income for the future.

The parables are told by a fictional Babylonian character called Arkad, a poor scribe who became the “richest man in Babylon”. Included in Arkad’s advice are the “Seven Cures” (or how to generate money and wealth), and the “Five Laws of Gold” (or how to protect and invest wealth). A core part of Arkad’s advice is around “paying yourself first”, “living within your means”, “investing in what you know”, the importance of “long-term saving”, and “home ownership”.

### Contents:

- 1) Historical Sketch of Babylon
- 2) The Man Who Desired Gold
- 3) The Richest Man in Babylon
- 4) Seven Cures For a Lean Purse
- 5) Meet the Goddess of Good Luck
- 6) The Five Laws of Gold

### Chapter-1 Historical Sketch of Babylon:

Babylon is an outstanding example of man’s ability to achieve great objectives, using whatever means are at his disposal. All of the resources supporting this large city were man-developed. All of its riches were man-made.

The site of the city is in Asia about six hundred miles east of the Suez Canal, just north of the Persian Gulf. It possessed a climate similar to that of this American city, hot and dry.

Positive dates have been proved reaching back 8000 years. So far as written history goes, they were the first engineers, the first astronomers, the first mathematicians, the first financiers and the first people to have a written language.

One of the outstanding wonders of Babylon was the immense walls surrounding the city. The height and length of the walls staggers belief. They are reported upon reliable authority to have been about 160 feet high, the equivalent of the height of a modern fifteen story office

building. The total length is estimated as between nine and eleven miles. So wide was the top that a six-horse chariot could be driven around them.

The city of Babylon was organized much like a modern city. There were streets and shops. The Babylonians were skilled in the arts. These included sculpture, painting, weaving, gold working and the manufacture of metal weapons and agricultural implements. The Babylonians were clever financiers and traders. So far as we know, they were the original inventors of money as a means of exchange, of promissory notes and written titles to property.

Money is the medium by which earthly success is measured. Money makes possible the enjoyment of the best the earth affords. Money is plentiful for those who understand the simple laws which govern its acquisition. Money is governed today by the same laws which controlled it when prosperous men thronged the streets of Babylon, six thousand years ago.

## Chapter-2 The Man Who Desired Gold:

Two Friends, **Bansir** – The Chariot Builder, **Kobbi** – The Musician

**Bansir:**“From early dawn until darkness stopped me, I have labored to build the finest chariots any man could make, soft-heartedly hoping some day the Gods would recognize my worthy deeds and bestow upon me great prosperity. This they have never done. At last, I realize this they will never do. Therefore, my heart is sad”

“I wish to be a man of means. I wish to own lands and cattle, to have fine robes (garment) and coins in my purse. I am willing to work for these things with all the strength in my back, with all the skill in my hands, with all the cunning in my mind, but I wish my labors to be fairly rewarded. What is the matter with us?”

**Kobbi:**“Would I knew an answer!” “No better than thou am I satisfied. My earnings from my lyre (U shaped Harp - musical instrument) are quickly gone. No man in all Babylon could make it sing more sweetly; could make it sing so sweetly, not only the king but the Gods themselves would be delighted. But how mayest thou secure it while we both of us are as poor as the king’s slaves?”

**Bansir:**“We do not wish to go on year after year living slavish lives. Working, working, working! Getting nowhere.”

**Kobbi:**“Might we not find out how others acquire gold and do as they do?”

**Bansir:**“Perhaps there is some secret we might learn if we but sought from those we knew” replied thoughtfully.

**Kobbi:**“I did pass our old friend, **Arkad**, riding in his golden chariot. He is claimed to be the richest man in all Babylon, So rich the king is said to seek his golden aid in affairs of the treasury”



**Bansir:** "So rich, I fear if I should meet him in the darkness of the night, I should lay my hands upon his fat wallet"

**Kobbi:** "Nonsense, a man's wealth is not in the purse he carries. A fat purse quickly empties if there be no golden stream to refill it. Arkad has an income that constantly keeps his purse full, no matter how liberally he spends"

**Bansir:** "Income, that is the thing," "I wish an income that will keep flowing into my purse whether I sit upon the wall or travel to far lands. Arkad must know how a man can make an income for himself." "Come, let us go to Arkad and ask how we, also, may acquire incomes for ourselves"

### Chapter-3 The Richest Man in Babylon:

In Babylon, there lived a certain very rich man named Arkad. Far and wide he was famed for his great wealth. Also was he famed for his liberality (the quality of giving or spending freely). He was generous in his charities, liberal in his own expenses. But nevertheless each year his wealth increased more rapidly than he spend it.

And there were certain friends of younger days who came to him and said: "You, Arkad, are more fortunate than we. You have become the richest man in all Babylon while we struggle for existence. Yet, once we were equal. We studied under the same master, played in same games, and in neither the studies not the games did you outshine us."

Arkad remonstrated "If you have not acquired more than a bare existence in the years since we were youths, it is because you either have failed to learn the laws that govern the building of wealth, or else you do not observe them."

"In my youth I looked about me and saw all the good things there were to bring happiness and contentment. And I realized that wealth increased the potency of all these. "Wealth is a power". With wealth many things are possible."

"I found employment as a scribe (a person who copies out documents) in the hall of records, and long hours each day I labored upon the clay tablets. And One day **Algamish**, the money lender, came to the house of the city master and ordered a copy of the Ninth Law."

"I asked Algamish, you are a very rich man, tell me how I may also become rich."

Algamish looked at me and said in a low, forceful tone, "*I found the road to wealth when I decided that a part of all I earned was mine to keep.* And so will you"

Arkad demanded, "But all I earn is mine to keep, is it not?"

"Far from it," Algamish replied. "Do you not pay the garment-maker? Do you not pay the sandal-maker? Do you not pay for the things you eat? What have you to show for your earnings of the past month? What for the past year? Fool! You pay to everyone but yourself. Dullard (a slow or stupid person), you labor for others. As well be a slave and work for what

your master gives you to eat and wear. *If you did keep for yourself one-tenth of all you earn, how much would you have in ten years?"*

"My knowledge of the numbers did not forsake me, and I answered, 'As much as I earn in one year'

"You speak but half the truth,' Algamish retorted. '*Every gold piece you save is a slave to work for you. Every copper it earns is its child that also earn for you. If you would become wealthy, then what you save must earn, and its children must earn, that all may help to give to you the abundance you crave.*'

"Wealth, like a tree, grows from a tiny seed. The first copper you save is the seed from which your tree of wealth shall grow. The sooner you plant that seed the sooner shall the tree grow. And the more faithfully you nourish and water that tree with consistent savings, the sooner may you bask in contentment (a state of happiness and satisfaction) beneath its shade."

**A PART OF ALL YOU EARN IS YOURS TO KEEP**

#### **Chapter-4 Seven Cures for a Lean Purse:**

- The First Cure:** "For every ten coins thou placest within thy purse take out for use but nine. Thy purse will start to fatten at once and its increasing weight will feel good in thy hand and bring satisfaction to thy soul." Truth is always simple.
- The Second Cure:** "Control thy expenditures, Budget thy expenses that thou mayest have coins to pay for thy necessities, to pay for thy enjoyments and to gratify thy worthwhile desires without spending more than nine-tenths of thy earnings."
- The Third Cure:** "Make thy gold multiply. This, then, is the third cure for a lean purse: to put each coin to laboring that it may reproduce its kind even as the flocks of the field and help bring to thee income, a stream of wealth that shall flow constantly into thy purse."
- The Fourth Cure:** "Guard thy treasures from loss. This, then, is the fourth cure for a lean purse, and of great importance if it prevent thy purse from being emptied once it has become well filled. Guard thy treasure from loss by investing only where *thy principal is safe*, where it may be reclaimed if desirable, and where thou will not fail to collect a fair rental. Consult with wise men. Secure the advice of those experienced in the profitable handling of gold. Let their wisdom protect thy treasure from unsafe investments."

- The Fifth Cure:** "This, then, is the fifth cure for a lean purse: Own thy own home"
- The Sixth Cure:** "Insure a future income. This, then, is the sixth cure for a lean purse. Provide in advance for the needs of thy growing age and the protection of thy family."
- The Seventh Cure:** "Increase thy *ability to earn*, cultivate thy own powers, to study and become wiser, to become more skillful, to so act as to respect thyself. Thereby shalt thou acquire confidence in thy self to achieve thy carefully considered desires."

#### **Chapter-5 Meet the Goddess of Good Luck:**

Arkad and other few wise men gathered in Temple of Learning. One stood up and continued "This day I have been lucky, for I have found a purse in which there are pieces of gold. To continue to be lucky is my great desire. Feeling that all men share with me this desire, I do suggest we debate how to attract good luck that we may discover ways it can be enticed (attract) to one".

Arkad said, "To me the 'goddess of favor' is a goddess of love and dignity whose pleasure it is to aid those who are in need and to reward those who are deserving. I look to find her, not at the gaming tables or the races where men lose more gold than they win but in other places where the doings of men are more worthwhile and more worthy of reward."

"In tilling (prepare and cultivate land for crops) the soil, in honest trading, in all of man's occupations, there is opportunity to make a profit upon his efforts and his transactions. Perhaps not all the time will he be rewarded because sometimes his judgement may be faulty and other times the winds and the weather may defeat his efforts. Yet, if he persists, he may usually expect to realize his profit. This is so because the chances of profit are always in his favor."

"But when a man playeth the games, the situation is reversed for the chances of profit are always against him and always in favor of the game keeper. The game is so arranged that it will always favor the keeper."

"I have learned that to attract good luck to oneself, it is necessary to take advantage of opportunities. The truth is this: Good luck can be enticed by accepting opportunity"

**MEN OF ACTION ARE FAVORED BY THE GODDESS OF GOOD LUCK**



### **Chapter-6 The Five Laws of Gold:**

**The First Law of Gold:** “Gold cometh gladly and in increasing quantity to any man who will put by not less than one-tenth of his earnings to create an estate for his future and that of his family.”

**The Second Law of Gold:** “Gold laboreth (work) diligently and contentedly for the wise owner who finds for it profitable employment, multiplying even as the flocks of the field.”

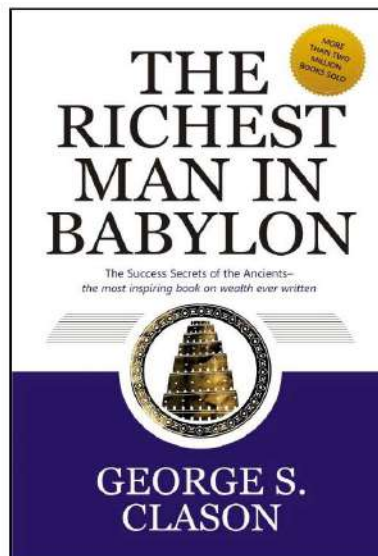
**The Third Law of Gold:** “Gold clingeth (hold on tight) to the protection of the cautious owner who invests it under the advice of men wise in its handling.”

**The Fourth Law of Gold:** “Gold slippeth (lose) away from the man who invests it in businesses or purposes with which he is not familiar or which are not approved by those skilled in its keep.”

**The Fifth Law of Gold:** “Gold flees the man who would force it to impossible earnings or who followeth the alluring advice of tricksters and schemers or who trusts it to his own inexperience and romantic desires in investment.”

### **Conclusion Words:**

The Intention of this Book Summary is to induce everyone to read this self-learning book. I have summarized only First VI Chapters of this book. This book contains XI interesting chapters with live life examples which can be related to our day-to-day life scenario. Very small book (120 Pages) with rich knowledge. I guarantee this book will surely be a guide for achieving financial freedom.





## *Memoirs of a CA Fresher*

CA Geetu I R

When I first thought of CA as a career, I barely had any understanding about the course as well as what a CA does for a living. It was my mother who being a Commerce teacher suggested that CA might be a good career option for me. From High School itself I had this in my mind that I would like to try my chances in CA. One of the most important decisions came when I had to choose between doing graduation, which I really wanted to since I always had a thing for experiencing the college life, or attempting CPT so that I could save a couple of years in my CA journey. After much deliberation, I chose to pursue CPT.

After clearing CPT, I got into this world of endless studies. Having cleared my CA Intermediate in May 2018, I was eager to start my articleship. The 3 years of articleship at N S Sarma Associates truly opened my eyes towards the various avenues that a Chartered Accountant can get into. I was in my 2<sup>nd</sup> year of articleship when Covid 19 hit us and more or less my articleship period was also affected by the pandemic. By the time our country opened up post first wave of Covid and offices resumed, it was a hard time for me managing both office as well as CA Final studies. When it was time for me to start my study leave for the May 2021 Examinations, I could feel the tension rising up inside me as I was nearing that turning point in my life for which I was preparing for the past 4 years. The real struggle with the studies started in April 2021 when India was badly hit by the second wave of Covid and the exams which were supposed to be held in May was indefinitely postponed. The amount of pressure, tension and struggle was tremendous at that time given the chances of holding the exams were very remote.

But the scary situation changed and ICAI was able to conduct the Examinations in July in a safe environment by adopting all possible measures of safety. Not all papers were good and I even doubted my chances of clearing Both Groups. It is rightly said that Hard work will definitely bear fruit as in my case I was able to achieve my dream of clearing CA at the age of 22 that too when I was still serving as an article assistant. Post qualifying as a CA and still continuing as an article was again a memorable experience.

Now that my articleship is over, I am eager to kickstart my career as a Chartered Accountant and begin a new chapter of my life.



# Activities of October 2021

## CPE Meetings



## Blood Donation Camp





# Snaps of October 2021

## Career Counselling Programme



## Talent Hunt







## *Birthday Wishes to the Members....Month of November 2021*

02- Nov	IFSAN THURAI P
06- Nov	PARVATHI PRASAD
08- Nov	SALEM A SALAM
08- Nov	DEVIKRISHNA LS
09- Nov	VIJAY RAGHUNATH
09- Nov	VENKITESH S
12- Nov	SURESH S
13- Nov	KRISHNA PRIYA SS
14- Nov	K BRAHMANAYAGAM
16- Nov	E T EASWAR
16- Nov	VIJAYA MOHAN S
16- Nov	LEKSHMI A
22- Nov	PRADEEP KUMAR VARMA
25- Nov	ADITHYA S
25- Nov	RAJENDRAN KM
26- Nov	RAVIKUMAR R
26- Nov	SAJNA M S
26- Nov	DIVYA MAMMEN
26- Nov	SILPA RACHEL PHILIP
27- Nov	SREEGANESH D S
28- Nov	MOHANKUMAR
28- Nov	ABHIJITH N B
28- Nov	SUBRAMONIAM
28- Nov	NEELAKANTA IYER
30- Nov	SOBHANA RAJAN. G

# *JUST FOR JOKES*

*A Doctor & A Chartered Accountant  
loves the same girl.*

*Dr. gives her a rose.*

*But CA. gives her apple daily*

*Dr. ask Why?*

*CA.: “ AN APPLE A DAY KEEPS THE  
DOCTOR AWAY ! ”*

*Dr. shocked*

*CA rocked !!*



*STAY TUNED FOR MORE JOKES.....*

*THIRUVANANTHAPURAM BRANCH  
OF SIRC OF ICAI*

*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 : [icaitvm@gmail.com](mailto:icaitvm@gmail.com)*