



**The Institute of
Chartered Accountants of India**
THIRUVANANTHAPURAM BRANCH (SIRC)

**NEWS
LETTER**

HAPPY
Diwali

FESTIVAL OF LIGHTS

OCT 2025

EDITION Private Circulation Only



0471- 2323789



<https://thiruvananthapuramicai.org/>

CHAIRMAN'S MESSAGE



Dear Professional Colleagues,

Warm greetings to each one of you.

As we step into this vibrant professional season, I am delighted to share the initiatives and upcoming activities of our ICAI Thiruvananthapuram Branch.

In commemoration of Gandhi Jayanthi, the Branch is organizing a Blood Donation Camp and a Cleaning Drive at Veli Beach – a humble step towards social responsibility and community well-being.

With the Tax Audit due date now extended to 31st October, we understand the intense work pressure this period brings. To support you, the Branch is planning a series of CPE Seminars on Tax Audit, along with Study Circle meetings on Accounting Standards (AS), Standards on Auditing (SA), and Corporate Laws. These sessions will help sharpen our technical skills and ensure quality deliverables to clients and stakeholders.

This is also the right time for us to embrace technology and gear up for the audit season by leveraging the AI tools now available. The Branch is excited to announce that we plan to host a National Conference (NATCON) on Artificial Intelligence during the third week of November 2025. This will be an enriching platform to explore how AI can transform our practice and professional landscape. Further details will be communicated soon.

I take this opportunity to sincerely thank each of you for your unstinted support, active participation, and encouragement. Constructive feedback and healthy criticism have always helped us evolve and take our Branch to greater heights. I request your continued involvement and suggestions to make every initiative impactful and meaningful.

Together, let us stay committed to professional excellence while embracing innovation and service to society

CA. Nikhil R Kumar

Chairman

Thiruvananthapuram Branch (SIRC)

SECRETARY'S MESSAGE



Dear Esteemed Professional Colleagues,

Warm Greetings!

It is my honour to provide a concise overview of the initiatives and activities carried out by the Thiruvananthapuram Branch of the Institute of Chartered Accountants of India during September 2025.

In response to the growing challenges faced by the public, the IT Help Desk at the Income Tax Office has emerged as a dependable support system, guiding individuals toward effective solutions. Our members CA Pinky Panicker Narayanan, CA Tanuja, and CA Haritha played a pivotal role in leading and managing this initiative.

Thiruvananthapuram branch of ICAI in association with Board of Studies (Academic) of ICAI, held a two-day joint seminar on AI in Accounting and finance on 18-09-2025 and 19-09-2025 in collaboration with the Department of Commerce, University of Kerala and Loyola College of Social Sciences, Sreekariyam. Our members CA Ranjit Karthikeyan, CA Padmanabhan S and CA Arjun S Ajay handled the sessions.

A seminar on re-visiting companies Act 2013 was led by CA Jomon K George on 19-09-2025. Also, the recent changes in GST were taken by CA Unnikrishnan M on the same day.

A study circle meeting was held on 26-09-2025 with special focus on disclosures required under the Accounting Standards.

A series of career counselling programmes were held to create awareness about the CA course at various locations including Government Schools at Karakulam, Pattom and Attingal.

A seminar on Tally essentials was conducted by SICASA Thiruvananthapuram on 20-09-2025.

Onam celebrations of SICASA were conducted on 27-09-2025.

We extend our heartfelt gratitude to the members, speakers, and dignitaries whose invaluable contributions were key to the success of these initiatives. We eagerly anticipate your continued support and active participation in the times to come.

Jai Hind! Jai ICAI!

Warm Regards,

CA. Rajesh A

Secretary

Thiruvananthapuram Branch (SIRC)



CA. Jomon K George

ACCOUNTING STANDARDS

AN UPDATE



ASB and its Evolution



Total of 29-2 Standards



Legal Position The CA 2013

SECTION 133 (CHAPTER IX)

ACCOUNTING STANDARDS-AN UPDATE

- o The Central Government may prescribe the standards of accounting, or any addendum thereto, as recommended by the ICAI in consultation with and after examination of the recommendations made by the NFRA.

SECTION 143 (CHAPTER X)

- The auditor shall report whether, in his opinion, the financial statements comply with the accounting standards

For all unlisted companies with net worth of less than 250 Crs, ASs are applicable.

SMALL & MEDIUM COMPANY

An SMC is a company which meets all the following conditions :



Its equity/debt securities are not listed/ proposed to be listed in India/ abroad.



It is not a Bank, FI or Insurance Company.



Its turnover does not exceed Rs.250 crores in the PY



Its borrowings does not exceed Rs.50 crores during the PY.



It is not a holding/subsidiary of a non-SMC.

As at the end of the financial year

ACCOUNTING STANDARDS

APPLICABILITY

The New Regime

- By Notification GSR (432) dated 23rd June 2021, Companies (Accounting Standards) Rules 2021 has been issued.
- This supercedes Companies (Accounting Standards) Rules 2006

APPLICABILITY OF ACCOUNTING STANDARDS

AS No	Name of Accounting Standard	Applicability
1	Disclosure of Accounting Policies	Yes
2	Valuation of Inventories	Yes
3	Cash Flow Statements	NA for Small Co.s
4	Contingencies and Events occurring after the Balance Sheet Date	Yes
5	Net Profit or Loss for the period, Prior Period Items and changes in Accounting Policies.	Yes

APPLICABILITY OF ACCOUNTING STANDARDS

6	Depreciation	Withdrawn
7	Construction Contracts	Yes
8	Accounting for Research & Development	Withdrawn
9	Revenue Recognition	Yes
10	Property Plant & Equipment	Yes
11	Accounting for the Effects of Changes in FE Rates	Yes
12	Accounting for Government Grants	Yes
13	Accounting for Investments	Yes

APPLICABILITY OF ACCOUNTING STANDARDS

14	Accounting for Amalgamation	Yes
15	Employee Benefits	Yes*1
16	Borrowing Costs	Yes
17	Segment Reporting	No
18	Related Party Disclosures	Yes

*1 Termination benefits falling due after 12 months need not be accounted on discounted basis.

APPLICABILITY OF ACCOUNTING STANDARDS

19	Leases	Yes*2
20	Earnings per Share	Yes*3
21	Consolidated Financial Statements	Yes
22	Accounting for Taxes on Income	Yes
23	Accounting for Investments in Associates in CFS	No
24	Discontinuing Operations	Yes

*2 AS 19 – Paragraph 22(c), (e) & (f), 25(a), (b) & (e), 37(a) & (f) and 46 (b) & (d) dealing with additional disclosures about operating and financing leases are not applicable.

*3. AS 20 – Need not calculate/disclose Diluted earnings per share.

APPLICABILITY OF ACCOUNTING STANDARDS

25	Interim Financial Reporting	No
26	Intangible Assets	Yes
27	Financial Reporting of Interests in Joint Ventures	No
28	Impairment of Assets	Yes*4
29	Provisions, Contingent Liabilities & Contingent Assets	Yes*5

*4.AS 28 – Have an option to measure (value in use) on a reasonable estimate basis (without discounting).

*5.AS 29 – Paragraphs 66 & 67 dealing with disclosures of opening balance, additions/deletions and closing balance of provisions are not applicable.

Accounting Standard Series

AS-1 : Disclosure of Accounting Policies

- All significant policies to be disclosed
- Any change in the policy should also be disclosed.
- Accounting Assumptions need not be mentioned.

DISCLOSURE OF ACCOUNTING POLICIES

Accounting Standard Series

AS-1 : Disclosure of Accounting Policies

- Poor disclosures . Very generic
- SMC aspect missing
- Sketchy One Pager

DISCLOSURE OF ACCOUNTING POLICIES

Accounting Standard Series

AS-1 : Disclosure of Accounting Policies

- No** mention about :
- Employee Benefits
 - Borrowing Costs
 - Earnings per Share
 - Deferred Taxation
 - Impairment
 - Provisions & Contingent Liabilities

DISCLOSURE OF ACCOUNTING POLICIES

Inventories should be valued and stated at **lower of Cost or NRV**.

Financial Charges are not normally included in cost.

Accounting Standard Series

AS-2 Valuation of Inventories

- Recognises **Absorption Costing** only
- Cost Formula - **Only FIFO, WAC** allowed
- Allows **exclusive method of GST** only

Accounting Standard Series

AS-2 Valuation of Inventories

Changes in Classification :

- ✓ Raw materials and components
- ✓ Work-in-progress
- ✓ Finished goods
- ✓ **Stock-in-trade (in respect of goods acquired for trading)**
- ✓ Stores and spares
- ✓ Loose tools
- ✓ **Others (specify nature).**

Accounting Standard Series

AS-2 Valuation of Inventories

AS-3 Cashflow Statements

- **All companies except Small, Dormant & OPCs** have to prepare Cash Flow Statements - Section 2(40)
- **Not** prepared in many applicable cases
- Wrong classifications

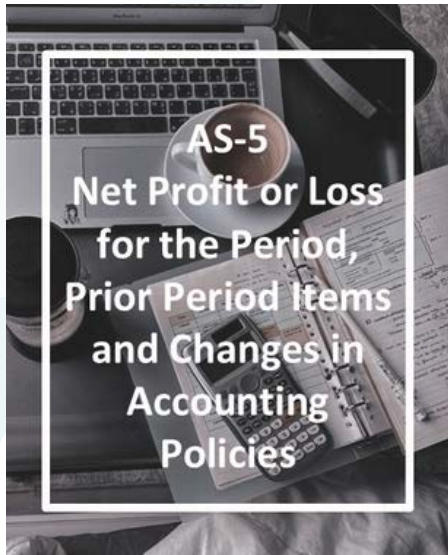
- All Contingencies to be disclosed
- Adjusting Events **Occurring after the BS date** to be recognized

AS-4 Contingencies and Events Occurring After The Balance Sheet

Change in treatment of dividend declared after balance sheet date but before the date financial statements are approved

- ✓ Not to be treated as a liability.
- ✓ However, disclosure in the notes is to be made.

AS-4 Contingencies and Events Occurring After The Balance Sheet



AS-5
Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies

- Extraordinary Items
- Prior Period Items
- Changes in Accounting Estimates
- Changes in Accounting Policies

Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies



AS-6
Depreciation

AS-8
Accounting for Research and Development

Withdrawn Fully.



AS-7
Construction Contracts

Recognises **"Percentage of Completion"** method only.

CONSTRUCTION CONTRACTS

Revenue From:

- Sales
- Services
- Interest
- Royalty
- Dividend

AS 7 & AS 9 are mutually
exclusive

AS-9**Revenue
Recognition****AS-10****Property, Plant
and Equipment**

Name of Accounting Standard
changed from **Fixed Assets** to
Property, Plant and Equipment

Accounting Standard 6 :
Depreciation Accounting merged
with Accounting Standard 10 :
Property, Plant and Equipment.

AS-10**Property, Plant
and Equipment****Para 32 and 34 : Model for
Subsequent Revaluation**

- Revaluations should be made
with sufficient regularity
- Entire class to be revalued and
revaluation not on ad hoc basis
(earlier permitted by AS 10)

Only **cost model** to be
applied for Investment
Property

(land and building other than
related to operations)

(Para 20)

AS-13

Accounting for
Investments

AS-21

Consolidated
Financial
Statements

Para 9: Change in the scope of the
consolidated financial statements to
make consolidation mandatory in the
absence of subsidiary company

- ✓ Amendment in accordance with
Companies Act, 2013 which require the
consolidation of Associate/JV even if
subsidiary is not there.
- ✓ Consolidation to be done in accordance
with AS 23 : Accounting for Associates in
Consolidated Financial Statements &
Accounting Standard (AS) 27:Financial
Reporting of Interests in Joint Ventures.

Discounting of Provisions permitted
in case of decommissioning,
restoration etc.

- ✓ Earlier discounting of provisioning
was not permitted.
- ✓ The discount rate (or rates) should be
a pre-tax rate (or rates) that reflect(s)
current market assessments of the
time value of money and the risks
specific to the liability. The discount
rate(s) should not reflect risks for
which future cash flow estimates have
been adjusted.

AS-29

Provisions,
Contingent
Liabilities/
Assets

SNAPS OF SEPTEMBER EVENTS

19 September 2025 | CPE Seminar on Auditing & GST



26 September 2025 | Study Circle Meeting

HELP DESK @ INCOME TAX OFFICE

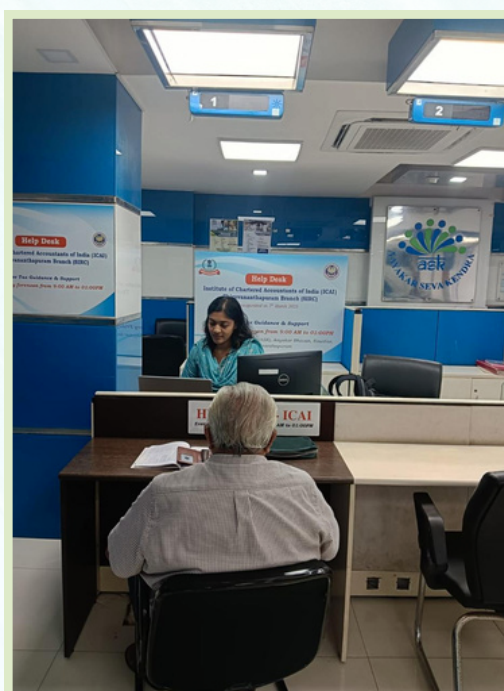
MONTH OF SEPTEMBER



CA. Panikar Pinky Narayan



CA. Tanuja R Nair



CA. Haritha H Nair

Greetings for Birthday Celebrants

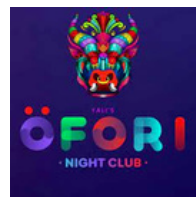
2	Oct	GAUTHAM SREEKUMAR
2	Oct	SHAMERCE PHILIP
3	Oct	JOY ISAAC T
5	Oct	A KUMAR
7	Oct	AJITH SAM
9	Oct	HARI NARAYANAN
9	Oct	JACOB JOSEPH
9	Oct	UNNIKRISHNAN M
10	Oct	THOMASKUTTY P C
12	Oct	HEMACHANDRAN NAIR R
14	Oct	GOWRI S NAIR
14	Oct	SUSAN VARGHESE
16	Oct	ROOPESH R
20	Oct	MANOJ SG
21	Oct	RAJEEV R
21	Oct	RANJITH C
22	Oct	MINNA ANNA MATHEW
22	Oct	VEENA SANKAR
22	Oct	R VARAHAMOORTHY
24	Oct	SURESH K
24	Oct	BHAVIGA B V
25	Oct	TONY JOSEPH
26	Oct	LAKSHMI N V
28	Oct	DAMODARAN NAMBOOTHIRI K
29	Oct	SHRADHA VIJAYAN
30	Oct	SUKU ABRAHAM JACOB
30	Oct	S M ANIL DAS
31	Oct	ARYA NANDAKUMAR



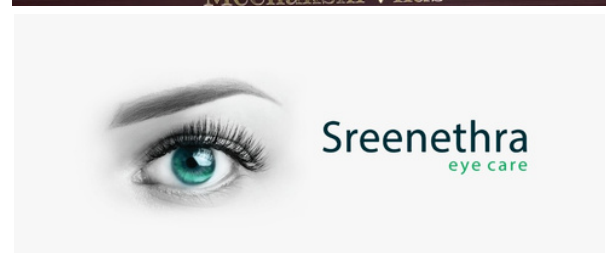
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Thiruvananthapuram Branch (SIRC)

*Discounts are Applicable only for ARS Members



COSMOPOLITAN
HOSPITAL





THIRUVANANTHAPURAM BRANCH (SIRC)

Invitation for **ARTICLES / WRITEUPS**

Articles / Writeups are hereby invited from members on any key topics to be published in the upcoming e-Newsletter. Members may kindly send their articles to trivandrum@icai.org with cc to icaityvm@gmail.com with the subject line "Article for Newsletter" on or before the 02nd of the following month along with mentioned details:

1. Name
2. Membership Number
3. Contact Number
4. E-mail id
5. Photo
6. Article in docx format

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