

The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

Kannur Branch of SIRC

e-Newsletter – April 2025

for PRIVATE CIRCULATION ONLY



Contents:

From the Chairman's Desk	Page 2
Ethics for Chartered Accountants: A Critical Responsibility	Page 5
News, Views and cases You Can Use	Page 9
Photo Gallery	Page 10
Due Dates Calendar	Page 11

From Chairman's Desk _____



Chairman's Message Kannur Branch of SIRC of ICAI April 2024

Dear Professional Colleagues,
Greetings!

As we step into the month of April, I extend my heartfelt gratitude to all our esteemed members for your active participation and encouragement in the programs conducted during March. Your continued support strengthens the spirit of our professional community and drives the success of our branch initiatives.

This month, many of our members are engaged in Bank Audits, a responsibility that is both prestigious and crucial. I urge everyone undertaking these audits to approach the assignment with the utmost integrity, diligence, and adherence to professional standards. Our role in safeguarding the financial system is invaluable, and it is essential that we uphold the trust placed in us.

I would also like to remind members to renew their Membership and Certificate of Practice (COP) Fees at the earliest to ensure uninterrupted professional privileges. Additionally, please ensure to pay your ARS before 30th April to avail the early bird benefit. Timely compliance with these formalities is essential for maintaining good standing with the Institute.

Another area of great importance is the Chartered Accountants Benevolent Fund (CABF). CABF plays a vital role in supporting fellow professionals and their families in times of crisis. I strongly encourage all members to enrol for CABF Life Membership as a meaningful contribution to our community's collective welfare.

Looking ahead, in addition to our monthly series programs, we have a series of insightful and engaging programs scheduled this month:

Stress Management Workshop on 7th April, organized on the occasion of World Health Day under the aegis of the Committee on Promoting Work-Life Balance of ICAI -a valuable session focusing on mental wellness and managing stress in professional life.

One-Day Seminar on Intellectual Property Rights (IPR) on the occasion of World Intellectual Property Day – offering insights into this dynamic and increasingly relevant area of practice.

Seminar on Internal Audit – designed to strengthen our understanding of internal audit frameworks, standards, and practical challenges faced in today's corporate environment.

I encourage all members to actively participate in these programs, enhance your professional knowledge, and take time to invest in your personal well-being as well. Let us continue to grow together – as professionals and as a community.

“Success is not the key to happiness. Happiness is the key to success. If you love what you are doing, you will be successful.” – Albert Schweitzer

Looking forward to seeing you all at the upcoming events!

Warm regards,

CA MUHAMMED FAISAL KP

Chairman
Kannur Branch of SIRC of ICAI

Kannur Branch Annual Registration Fee (ARS) 2025-26

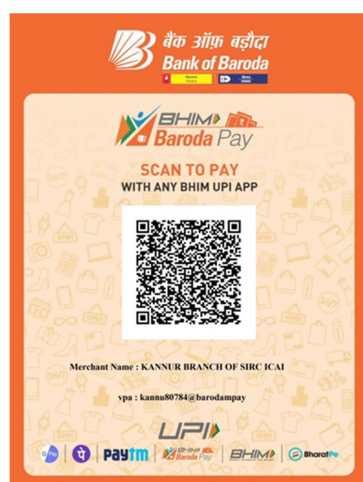
Dear Member,

The Annual Registration Fee (ARS) falls due for renewal on 1st April 2025. To accommodate new and emerging topics we are planning to conduct more CPE programmes this year. This will also help the members to easily comply with the CPE requirements. The Scheme fee payable is as follows.

Category	Payable on or before 30th April 2025.	Payable after 30th April 2025.
For Fellow Member/ ACA holding COP for more than 5 years	₹ 7000/- + GST	₹ 7500/- + GST
For Associate Member	₹ 5000/- + GST	₹ 5500/- + GST

We earnestly request all the members to make use of this great opportunity by registering themselves under the Annual Registration Scheme preferably this month itself.

Bank Account Details : KANNUR BRANCH OF SIRC OF ICAI
Bank Name : BANK OF BARODA
Branch Name : KANNUR
Account No : 08440100012533
IFSC Code : BARB0CANNAN
UPI ID : kannu80784@barodampay
QR Code to pay. :





Ethics for Chartered Accountants: A Critical Responsibility

Introduction

Ethics is the foundation of any profession, but it assumes paramount importance in the case of Chartered Accountants (CAs). Chartered Accountants, as members of the Institute of Chartered Accountants of India (ICAI), hold a position of trust in society. Their role in financial reporting, auditing, taxation, and advisory services demands the highest standards of integrity, objectivity, and professional conduct. A lapse in ethics can not only damage an individual's career but also shake public confidence in financial systems. This write up examines the ethical principles that Chartered Accountants must adhere to, the consequences of ethical violations, and the role of ICAI in upholding ethical standards.

The Ethical Framework for Chartered Accountants

The ICAI has laid down a Code of Ethics that governs the professional conduct of its members. The primary ethical principles that Chartered Accountants must follow include:

1. **Integrity:** Chartered Accountants must be honest and straightforward in their professional duties. They should not engage in deceptive practices or misrepresent financial information. For Eg. If a CA discovers accounting discrepancies in a company's financial statements, they must report them honestly, even if pressured by management to conceal the issue.
2. **Objectivity:** A CA must not allow bias, conflict of interest, or undue influence from others to compromise their professional judgment. For eg. A CA auditing a company where a close relative is in a key managerial position must disclose the relationship and recuse themselves if necessary to maintain objectivity.

3. Professional Competence and Due Care: CAs must maintain their professional knowledge and skills at the required level and act diligently.
4. Confidentiality: Chartered Accountants must not disclose client information unless legally required or authorized by the client. This has more relevance for listed entities wherein the confidential information can help undertake insider trading.
5. Professional Behavior: CAs must comply with laws and regulations and avoid actions that discredit the profession. Like, A CA should not make exaggerated claims about their expertise in advertisements, as it violates ICAI's professional conduct guidelines.
6. Independence: When performing audits, Chartered Accountants must remain independent and not have any financial or personal interest in the client's business. For. Eg : A CA should not own shares in a company they are auditing, as this would compromise their independence and objectivity.

Consequences of Ethical Violations

Violations of ethical principles can have serious repercussions for Chartered Accountants. Some notable consequences include:

1. Legal Actions and Penalties: A CA found guilty of professional misconduct can face fines, suspension, or even cancellation of their ICAI membership. In this regard it is highlighted that the Satyam scandal, one of India's biggest corporate frauds, saw auditors from a reputed firm failing to detect accounting irregularities, leading to severe legal action and a ban on the firm.
2. Loss of Reputation: Ethical lapses can destroy a CA's credibility and career prospects. Once a CA's reputation is tarnished, regaining trust is difficult.

3. Financial Repercussions: Involvement in unethical practices can lead to heavy financial penalties, including damages to affected parties.
4. Public Trust Deficit: Unethical behavior by Chartered Accountants can lead to a loss of confidence in the profession and the financial markets.

ICAI's Role in Enforcing Ethical Standards

The ICAI plays a crucial role in ensuring that Chartered Accountants adhere to ethical standards. It has a robust disciplinary mechanism to investigate and penalize misconduct. The ICAI also provides guidance and training to help CAs navigate ethical dilemmas.

ICAI's Code of Ethics

The ICAI Code of Ethics is based on international best practices and is revised periodically to align with global standards. It includes:

- Provisions on conflict of interest
- Guidelines on advertising and solicitation
- Regulations on receiving commissions and fees

Disciplinary Mechanism

ICAI has a dedicated Disciplinary Committee that investigates complaints against members. Penalties for ethical violations range from warnings and fines to suspension or expulsion from ICAI.

Ethical Training and Awareness

ICAI conducts regular Continuing Professional Education (CPE) programs to keep members informed about ethical practices. It also publishes case studies and guidelines to help CAs deal with ethical challenges.

Ethical Challenges Faced by Chartered Accountants

Despite clear ethical guidelines, CAs often face dilemmas in their professional practice. Some of the common ethical challenges include:

1. **Pressure from Clients or Employers:** Clients may ask CAs to manipulate financial statements or hide liabilities to secure loans or evade taxes. A CA must firmly refuse and educate clients on the legal and ethical repercussions of such actions.
2. **Conflicts of Interest:** A CA may be asked to audit a company where they have personal or financial interests. CAs must disclose such conflicts and, if necessary, withdraw from the assignment.
3. **Lack of Awareness:** Some CAs, especially newly qualified ones, may not be fully aware of ICAI's ethical guidelines. Regular training and mentorship programs should be encouraged to instill ethical awareness.

Conclusion

Ethics is the bedrock of the Chartered Accountancy profession. Chartered Accountants, as custodians of financial integrity, must adhere to the highest ethical standards to maintain public trust and uphold the reputation of the profession. The ICAI's Code of Ethics serves as a crucial guide, but ultimately, ethical conduct is a matter of personal integrity and professional responsibility. By consistently applying ethical principles, Chartered Accountants can contribute to a fair and transparent financial system, ensuring long-term credibility and success in their careers. Ethical dilemmas will always exist, but....

CA T V Ranjit Kumar

Payyanur

News, Views and Cases you can Use...

Honourable High Court of Kerala has declared the amended provisions of the Central Goods and Services Tax (CGST) Act, 2017, and the corresponding provisions of the Kerala Goods and Services Tax (KGST) Act, which enabled the levy of GST on the supply of services by a club or association to its members, unconstitutional and void.

The appeals arose from a single bench judgment in a writ petition filed by the IMA. The Indian Medical Association challenged the constitutional validity of Section 2(17)(e) and Section 7(1) (aa) of the CGST Act and their counterparts in the KGST Act. These provisions were introduced through the Finance Act, 2021, with retrospective effect from July 1, 2017, to bring within the tax net transactions between clubs or associations and their members. The single bench had upheld the validity of the provisions but struck down their retrospective application. Aggrieved, both parties filed appeal — the IMA against the provisions themselves and the GST authorities against the striking down of the provisions retrospectively.

Division Bench of Honourable Kerala High Court, consisting of Honourable Justices A K Jayasankaran Nambiar and S Eswaran passed the judgment while considering appeals filed by the Kerala State Branch of the Indian Medical Association (IMA) and the GST authorities.

The Honourable Bench examined the scope of Article 246A of the Constitution, which enables the Union and states to simultaneously legislate on goods and services tax. The court observed that the Constitution uses the term 'supply' in its ordinary sense and does not permit an extended or artificial meaning like 'deemed supply'. The amendment attempted to redefine 'supply' to include any transaction between a non-individual entity and its members for consideration without deeming it a 'service', thereby altering the nature of the taxable event.

In essence, the Kerala High Court has struck down the amendments that sought to tax transactions between clubs/associations and their members, upholding the principle of mutuality and protecting entities that had not previously considered such transactions as taxable for GST purposes.

Photo Gallery

CPE Seminar on Stress Management : by Ms Subisha – Aster MIMS Hospital

Balancing of Books without losing balance – Practical stress management for professionals

On April 7th – World Health Day



Compliance Calendar



Compiled by
CA Maria Jacob

Compliance Calendar.

April 2025

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Income Tax Act

❖ 7th April

- Payment of TCS of March 2025.

❖ 14th April

- Issue of TDS certificate in FORM 16B/ 16D/ 16C/ 16E under section 194-IA / 194M / 194-IB/ 194S of Income Tax Act for the month of February 2025.

❖ 30th April

- Payment of TDS of March 2025.

Employee Benefits

❖ 15th April

- Payment & return filing of ESI/PF Challan for March 2025.

GST Act

❖ 10th April

- GSTR-7 & GSTR-8 for March 2025.

❖ 11th April

- GSTR-1 for March 2025.

❖ 13th April

- GSTR-6 Monthly Return of ISD.
- GSTR-1 (Jan-Mar 2025) for QRMP.

❖ 14th April

- GSTR-2B & GSTR-6A download available.

❖ 18th April

- CMP 08 for Jan to Mar 2025 (Composition).

❖ 20th April

- GSTR-1A & 3B for the month of March 2025.
- GSTR 5A for OIDAR services for March 2025.

❖ 22nd April

- GSTR-3B QRMP (Jan-Mar 2025) - Category-1 States

❖ 24th April

- GSTR-3B QRMP (Jan-Mar 2025) - Category-2 States

❖ 25th April

- ITC-04 Job Work (Half Yearly & yearly)

❖ 30th April

- GSTR-4 (FY 2024-25) for Composition taxpayers.

An Appeal

REQUEST FOR JOINING AS LIFE MEMBER OF CABF

Our Institute has been taking a lot of initiatives and is extending unstinted support to all our members. As you are all aware, during Covid-19 pandemic, ICAI extended its care and support to our members and their families from CABF. To strengthen the endeavours of the ICAI, I request all the members to come forward as life members of CABF of ICAI. I also request the members who already enrolled as life members may also contribute generously for the benefit of professional brethren.

Disclaimer: The Kannur branch of SIRC of ICAI is not in any way responsible for the result of any action taken on the basis of the articles or advertisements or other data, if any, published in the e-Newsletter. The views and opinions expressed or implied in the branch e-News Letter are those of the authors and do not necessarily reflect those of Kannur Branch of SIRC of ICAI.

Editor : CA. Sreejith.T