



TUTICORIN BRANCH OF SIRC

NEWS LETTER

The Institute of Chartered Accountants of India

(Set up by an Act of parliament)

HAPPY NEW YEAR 2011

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JANUARY 2011

Chairman Writes



Dear Colleagues,

A Very Happy New Year 2011 and warm Pongal Greetings to each and every one of you. We are sure the year 2011 would not only be challenging but also equally rewarding to all.

May the Grace of Nature be with you always and may your home be an abode of Happiness, Peace and

Prosperity. Let Love and Compassion take root in every heart.

Let us wish all the Students of the CA Course - A Very Happy and Prosperous New year 2011. CA Students are awaiting their results with trepidation. We wish all of you joyous success with flying colours. You are all committed Students and an Excellent future awaits you all.

We are immensely delighted and honoured by the President's special mention in "From the President" column of the Chartered Accountant Journal for the month of December 2010 regarding ICAI SALAI (ROAD) at Tuticorin.

It gives a lot of enthusiasm, energy, synergy and morale boosting and it is a kind of recognition bestowed on us for the tireless, noble and dedicated efforts in accomplishing the mission.

This type of pat is first and foremost one, which encourages us to proceed further vigorously and shows next rung of the ladder.

We are glad to inform you that the 26th Batch of Information Technology Training commenced on 01.12.2010 and is in progress.

We are happy to inform that, our Branch got a pat for the "Up to date Accounts" from our SIRC Chairman on 02.12.2010.

We are pleased to inform you that the 4th batch of CPT classes was over on 04.12.2010. At this moment, we would express our sincere thanks to the affectionate, appreciative, morale boosting, extraordinary and exemplary efforts taken by the faculty in the classes. We wish the same kind of patronage would continue for the forthcoming years. We hope the students will climb the next rung of the ladder towards their goal.

On 05.12.2010, our Branch conducted CPT Model Test to the Students under the guidance from SIRC of ICAI at S.A.V Hr.Sec.School at Tuticorin. 51 Students appeared and took the test. It is our first model test after introduction of CPT and we wish the same would continue in the coming years. Our learned Members CA.S.Soorianarayanan, CA.A.C.G.Venantius, CA.J.Ignatius Maria Arul Roy, CA.S.R.Sivakumar, CA.D.Selva Siva Sankary, CA.A.N.S.Ramakrishnan, myself and Shri.P.Noorulameen, Headmaster of S.A.V.Hr.Sec.School acted as honorary coordinators and observers. We thank the Management of the S.A.V.Hr.Sec.School for providing the Hall free of rent and our Members, Head Master and our Branch Staff for sparing their valuable Sunday for the betterment of the Students Community.

The National Seminar on Trends in Accounting, Taxation and Management - Today & Tomorrow held on 9th & 10th of December 2010 was treasure trove of knowledge and the response was tremendous. Mrs.A.A.Maria Celine incharge of the Department of Commerce and Dean of Arts gave an inspiring welcome address. Dr.Sr.S.Decla, Principal delivered the presidential address that set the tone and tenor for the meeting and channelized the thoughts in the right direction. Thiru.A.V.M.V.Mani, enterprising industrialist and President of All India Chamber of Commerce and Industries, Tuticorin, gave an excellent and insightful inaugural address. The Seminar topics were divided into two streams one generic in nature and the other on specialized areas of emerging importance and most of the topics were handled by eminent Members of our fraternity. The Technical Sessions were ably chaired by CA.G.Xavier Fernando, CA.H.Raman, J.Ignatius Maria Arul Roy and CA.K.Xavier Raj and their experience was a potent combination together with the speakers CA.V.C.James, Shri.S.Martin Advocate, CA.P.V.Rajarajeswaran, CA.A.C.G.Venantius and CA.B.Francis Amal George each of whom gave us a comprehensive analysis on the topics they were assigned and did full justice, covering all the pertinent areas. The various topics discussed at the seminar were a step in the right direction as well as Curtain Raiser and Eye-opener to the challenges facing the Students, Trade, Industry and the Chartered Accountancy Profession. Our CA Students and Students of St.Mary's and Other Colleges presented papers on various topics in an exemplary manner and the topics are very much relevant to the contemporary scenario. Around 1020 Students participated in the two days Seminar. The valedictory session was a fitting finale to the seminar with an erudite

address by Dr.C.Thilagam Professor and Head Department of Commerce, Manonmanium Sundaranar University Tirunelveli.

The deliberations on both the days of the Seminar were of a high order and the feedback from the delegates and Students has been heart warming and gratifying. We sincerely thank our CA Students, Students of St.Mary's and Other Colleges, the Principal, the Secretary, Members of Department of Commerce of St.Mary's and Other Colleges and our Members for their wholehearted support and participation in the Mega Seminar.

On 11.12.2010, in our Branch premises CA.A.G.C.Venantius, CA.J.Ignatius Maria Arul Roy and myself made a comprehensive review of the Student's performance in the recently held CPT Model Test on 05.12.2010 at S.A.V.Higher Secondary School, Tuticorin under the guidance from SIRC of ICAI and we organized a Students Seminar on "How to Prepare and Write the Exam". The response from the Students was overwhelming and we wish them good luck in their future endeavour.

On 18.12.2010, Government of India, Department of Atomic Energy, Heavy Water Plant, Tuticorin organized a workshop on the topic "Financial Planning" to the retiring employees of the company. An Invitation was extended to our Branch. CA.G.Xavier Fernando, past Chairman of our Branch and myself acted as a faculty and the session Chairman of the workshop respectively. The faculty to the workshop thrashed out the topic in a lucid manner, highlighted various investment avenues, and cautioned about the consequences of selecting bad financial planning. Around 30 retiring employees and 10 Officials participated in the deliberations.

On 20.12.2010, our Branch forwarded suggestions/inputs for the improvement of ICAI website to the Editorial Board. In this regard, we pat our Students A.Antony Joshuva, J.Anne Jose, S.Sundari, M.Rajalakshmi & S.Muhammed Fathima for their timely and valuable input.

It is indeed important for all of us Chartered Accountants to have a Social Focus. Quite a few of our Members are actively involved in Lionism, Rotary, Round Table, Free Masonry and other Service organizations and do many good things in myriad ways possible. They are undoubtedly enriched by their sense of social purpose. Therefore, our Branch was dedicating a fortnight for celebrating Social and CA awareness programmes commencing from 18.12.2010 to 31.12.2010.

We are glad to inform you that as part of the "First Spell of the Social Activities and Mega CA Awareness Programme fortnight" of our Branch on 22.12.2010, we carried out the Social Activities in an impeccable manner giving more value additions to our Social Cause.

- i) "Christmas & New Year Message by CA.B.Francis Amal Geroge at Little Flower RC Nursery & Primary School in our Town followed by distribution of sweets to the Students.
- ii) Mega CA Carrier Counseling programmes carried out in

4 colleges.

- a) Wavoo Wajeeha Women's College - Kayalpatnam.
- b) Aditanar College of Arts and Science - Virapandianpatnam
- c) Govinthammal Aditanar College for Women - Tiruchendur.
- d) Dr.Sivanthi Aditanar College of Engineering Department of Management Studies - M.B.A Students - Tiruchendur.

Totally around 700 Students were benefited and it was a grand success.

- iii) Industrial visit to "Tycoon Natural Agro Farm" (an Organic Farm at Kayamozhi) 42 Students participated along with our Members and made a first hand and insightful study of organic farming activity and the agriculture produce.
- iv) We dined with around 700 inmates of "St.Joseph's Charity Home" at Adaikalapuram, which is 146 years old and shelters around 1200 Most Less Fortunate People. Our Students and Members were very much active and entwined themselves in serving and sharing the food with the inmates. It gave us immense pleasure and twice blessed.

We sincerely express our heartfelt Pranams and thanks to CA.M.Arumugam, CA.B.Francis Amal Geroge, CA.G.Xavier Fernando, CA.K.Xavier Raj, CA.H.Raman and CA.D.Selvasiva Sankary for sparing their valuable time for the cause of the Students and Public at large.

On 31.12.2010, Our Members served and dined with 132 inmates of "St.Joseph's Leprosy Hospital & HIV/AIDS Care Centre" at Arockiapuram, Tuticorin, which was started on 30th October 1949, which also shelters HIV/AIDS patients. We saw the Nature's blessings in the smiling faces of the inmates. We sincerely thank our Members CA.B.Francis Amal George, CA.G.Xavier Fernando, CA.J.Ignatius Maria Arul Roy, CA.H. Raman, CA.K.Xavier Raj and CA.P.Prasanna Vaz for sparing their valuable time for the cause of the less fortunate people.

On 23.12.2010, 24.12.2010, 30.12.2010 & 31.12.2010 (4 days), our Branch conducted "Hands on Training" on Microsoft Word, Excel and Tally ERP 9 to our Members. It was well received and a grand success.

The Republic Day will be celebrated on 26th January 2011 at our Branch Premises. We request you to participate in the programme and make it success.

It has been an eventful year for the Branch and the rejuvenation of the Professional Excellence Seminars, the great response to our Residential Course, Study Circle Meetings and CPE Seminars only proved the desire and determination of our Members for Continuing Professional Education.

*Our Mantra, for the New Year
"Professionalism for Peace and Prosperity"*

**Yours ever loving,
CA.H.Raman.**

Money Market Activities

Call Money: Call/Notice money is an amount borrowed or lent on demand for a very short period. If the period is more than one day and up to 14 days it is called 'Notice Money' otherwise the amount is known as 'Call Money'. No collateral security is required to cover these transactions. The call market enables the banks and institutions to even out their day-to-day deficits and surpluses of money. Commercial banks, Co-operative Banks and primary dealers are allowed to borrow and lend in the market for adjusting their cash reserve requirements.

Treasury Bills: In the short term, the lowest risk category instruments are the treasury bills. RBI issues these at a prefixed day and a fixed amount. These include 91-day TBills, 182-Day TBills and 364-day TBills.

A considerable part of the government's borrowings happens through T-bills of various maturities. Based on the bids received at the auctions, RBI decides the cut off yield and accepts all bids below this yield.

Term Money Market: Inter bank market for deposits of maturity beyond 14 days and up to 3 months is referred to as the term money market.

Certificates of Deposits: After treasury bills, the next lowest risk category investment option is the Certificates of Deposit (CD) issued by banks and Financial Institutions. Allowed in 1989, a CD is a negotiable promissory note, secure and short term in nature (up to 1 year). A CD is issued at a discount to the face value. The discount rate is negotiated between the issuer and the investor.

CDs are issued by banks and FIs mainly to augment funds by attracting deposits from corporate, high net worth individuals, trusts, etc.,. The foreign and private banks, especially, which do not have large branch network and hence lower deposit base use this instrument to raise funds.

Commercial Papers: Commercial Papers are negotiable short-term unsecured promissory notes with fixed maturities, issued by well-rated companies generally sold on discount basis. Companies can issue CPs either directly to the investors or through banks / merchant bankers. These are basically instruments evidencing the liability of the issuer to pay the holder in the due course a fixed amount on the specified due date.

Inter Corporate Deposits: Apart from CPs, corporate have access to another market called the inter-corporate deposits (ICD) market. AN ICD is an unsecured loan extended by one corporate to another. This market allows funds surplus corporate to lend to other corporate. As the cost of funds for a corporate is much higher than a bank, the rates in this market remain higher than that in other markets. As ICDs are unsecured, the risk inherent is high.

Commercial Bills: Bills of exchange are negotiable instruments drawn by the seller of the goods on the buyer of

the goods for a value of the goods delivered. These bills are called trade bills. These trade bills are called commercial bills when they are accepted by commercial banks.

INVESTORS IN DEBT MARKET:

Investors are the entities who invest in such fixed income instruments. The investors in such instruments are generally Banks, Financial Institutions, Mutual Funds, Insurance companies, Provident Funds, etc., The individual investors invest to a great extent in Fixed Income Products.

Banks: Collectively, all the banks put together are the largest investors in the debt market. They invest in all instruments ranging from T-bills, CPs, and CDs to GOISECs, Private Sector Debentures etc. Banks lend to corporate sector directly by way of loans and advances and also invest in debentures issued by the private corporate sector and in PSU bonds.

Insurance Companies: The second largest category of investors in the debt market are the insurance companies.

Provident Funds: Provident funds are estimated to be the third largest investors in the debt market. Investment guidelines for provident funds are being progressively liberalized and investment in private sector debentures is one step in this direction.

Most of the provident funds are very safely oriented and tend to give much more weightage to investment in government securities although there have been considerable investors in PSU bonds as well as state government backed issues.

Mutual Funds: Mutual funds represent an extremely important category of investors. World over they have almost surpassed banks as the largest direct collector of primary savings from retail investors and therefore as investors in the wholesale debt market.

Trusts: Trusts include religious and charitable trusts as well as statutory trusts formed by government and quasi government bodies. Religious and charitable trusts range from very small ones to large ones. There are very few instruments in which trusts are allowed to invest. Most of trusts invests in CDs of banks and bonds of financial institutions and units of Unit Trust of India.

In complete contrasts to public sector treasuries, those in the private sector invests in CDs of banks and CPs of other private sector companies, GOISECs as well as debentures of other private sector companies. OF late, preference shares of DFIs and open-ended mutual funds have also become popular with these treasuries.

Retail Investors: From January 2002, retail investors have been permitted to submit non-competitive bids at primary auction through any bank or PD.

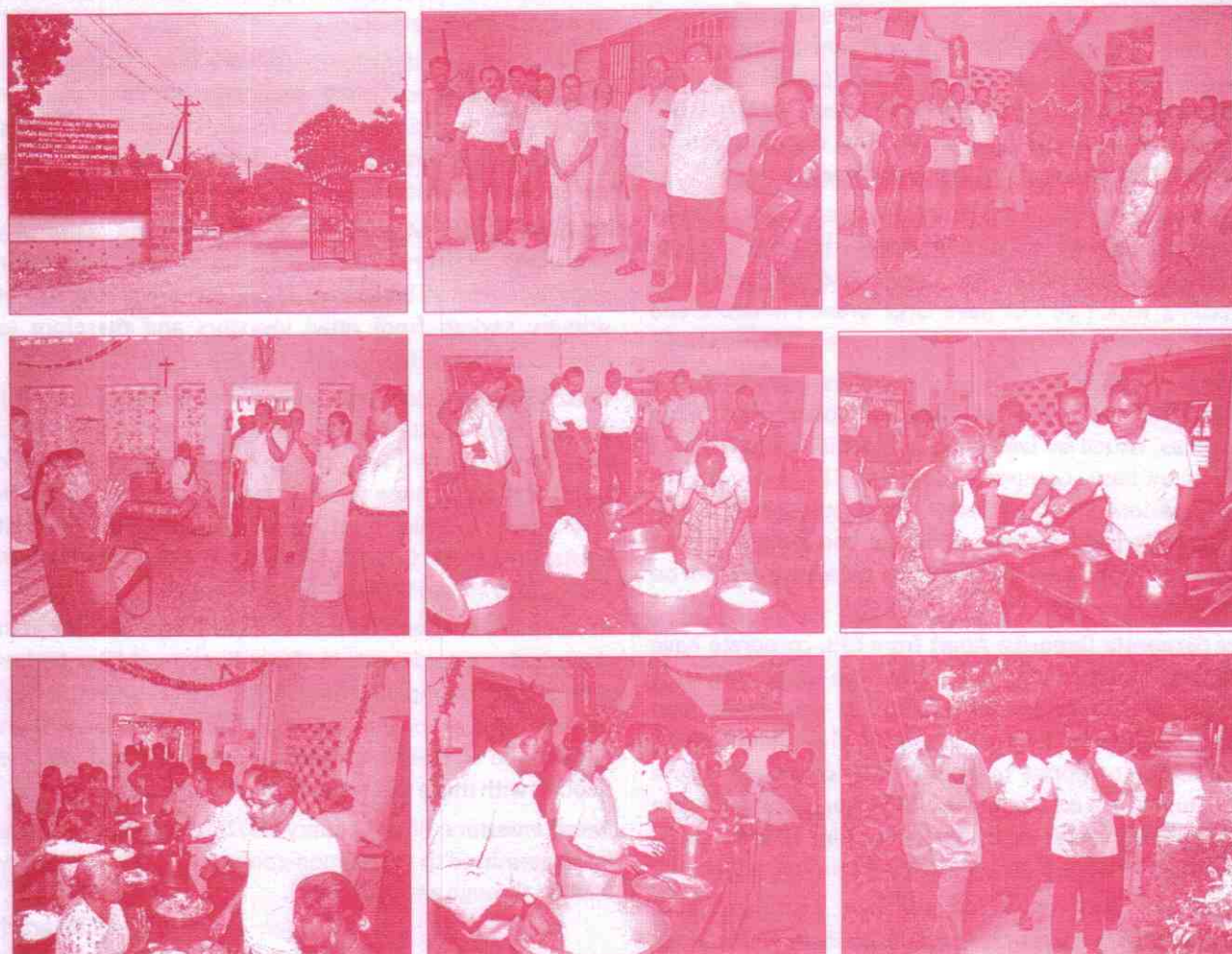
Mr.S.Bharath

Final Student-SRO 0137654

National Seminar on Trends in Accounting, Taxation and Management - Today and Tomorrow on 09.12.2010 & 10.12.2010



Dining with 132 inmates of "St. Joseph's Leprosy Hospital & HIV/AIDS Care Centre" at Arockiapuram, Tuticorin on 31.12.10



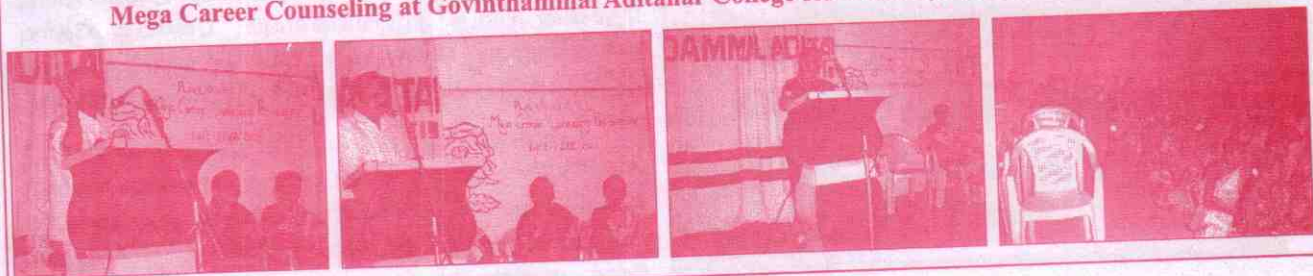
Dining with 700 inmates of "St. Joseph's Charity Home" at Adaikalapuram on 22.12.10



Mega Career Counseling at Aditanar College of Arts & Science at Virapandianpatnam on 22.12.10



Mega Career Counseling at Govinthammal Aditanar College for Women, Tiruchendur on 22.12.10



Mega Career Counseling at Wavoo Wajejha Women's College, Kayalpatnam on 22.12.10



Workshop on Financial Planning to the retiring employees of the Heavy Water Plant, Tuticorin-18.12.10



Industrial Visit to Organic Farm at Kayamozhi on 22.12.10



Mega Career Counseling at Dr.Sivanthi Aditanar College of Engineering - M.B.A , Tiruchendur on 22.12.10



தூத்துக்குடி மாவட்ட செய்திகள்

- தினத்தந்தி

திருச்செந்தூர் ஆதித்தனார் கல்லூரியில் பட்டய கணக்காளர் தேர்வுக்கான சிறப்பு வழிகாட்டுதல் வகுப்பு

திருச்செந்தூர், ஜன. 1



திருச்செந்தூர் ஆதித்தனார் கல்லூரி வேலை வாய்ப்பு மற்றும் ஆலோசனை மையம் சார்பில் சி.ஏ. என்ற பட்டய கணக்காளர் தேர்வுக்கான சிறப்பு வழிகாட்டுதல் வகுப்பு நடந்தது. கல்லூரி முதல்வர் வெ. கோபால கிருஷ்ணன் வரவேற்றுப் பேசினார். இந்திய கணக்கு தணிக்கையாளர் பயிற்சி நிறுவனத்தின் சார்பு அமைப்பான தென் இந்திய மண்டல குழுவின் தூத்துக்குடி கிளையைச் சேர்ந்த தணிக்கையாளர் ஆறுமுகம், பட்டய கணக்காளர்

தேர்வின் முக்கியத்துவத்தையும், அதன் அவசியத்தையும் கூறினார். தணிக்கையாளர் பிரான்சிஸ் அமல் ஜார்ஜ் தேர்வின் பாடத் திட்டங்களையும், பல்வேறு தேர்வு நிலைகளையும் விளக்கினார். வேலை வாய்ப்பு மற்றும் ஆலோசனை மைய இயக்குனர் சி.ரமேஷ் நன்றி கூறினார்.

வழிகாட்டுதல் வகுப்பில் தூத்துக்குடி தணிக்கையாளர் அமைப்பின் தலைவர் ராமன் மற்றும் தணிக்கையாளர்கள் செல்வ சிவசங்கரி, சேவியர்ராஜ், சேவியர் பெர்னாண்டோ மற்றும் பேராசிரியர்கள் ஜெய பாஸ்கரன், தாமோதரன், சேகர், மாலைசூடும் பெருமாள் மற்றும் பேராசிரியைகள் பார்வதி தேவி, கரோலின் கண்மணி ஆனந்தி, எடல்குயின் பிரிபா மற்றும் 3 வது ஆண்டு வணிகவியல் மற்றும் வணிக நிர்வாகவியல் மாணவர்கள் 150 பேர் கலந்து கொண்டனர்.

சிறப்பு வகுப்புக்கான ஏற்பாடுகளை கல்லூரி முதல்வர்.வெ.கோபால கிருஷ்ணன், வேலை வாய்ப்பு ஆலோசனை மைய இயக்குனர் சி.ரமேஷ், பேராசிரியர் சவுந்தரராஜன், தணிக்கையாளர் சேவியர் பெர்னாண்டோ ஆகியோர் செய்து இருந்தனர்.

The institute / Branch does not accept any responsibility for the views expressed in different contributions / Advertisements published in this Newsletter

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