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C.V.O.CA'S

NEWS & VIEWS

From President's Desk...



Dear Professional Colleagues and Readers,

New year, brings new energy and new enthusiasm. Team CVOCA has geared up to take on new tasks and new challenges to ensure all programs are executed with a professional touch. As you all are aware, our association is entering its 50th year – golden jubilee year and it is for me indeed a proud moment to present the first communication of the golden jubilee year. We have planned many programs for society at large, our own members of the association.

We are seeing the Russia-Ukraine war entering its 4th month. No one expected it to last even for more than 4 weeks. With prolonged war, the world is now facing the heat. The ongoing conflict seems to have major ramifications for the global economy, which was just recovering from the stress of the coronavirus pandemic. Russia and Ukraine being major commodity producers such as grain, oil etc, there is a challenge on supply side, resulting in soaring global prices.

Even though Russia and Ukraine combined account for less than 3% of global exports and less than 2% of global imports, the conflict and subsequent sanctions have frayed trade connectivity by disrupting transit routes, particularly for maritime container shipping and air freight traffic. Further, higher fuel prices and insurance premiums have pushed up shipping costs.

The existence of high debt among emerging markets and developing economies also poses a high risk to the world economy. We have seen economic stress being faced by the small countries such as Sri Lanka and Pakistan. We hope we do not see a domino effect and there is least impact on other countries.

Some of the following statistics highlight the seriousness of the crisis:

- The Food Price index is at a historical high. Food prices are nearly three times the pre-pandemic average. Global inflation has reached 5.2 percent, the highest in recent time.
- There is an acute shortage of containers. Freight prices are trending at multiple times their average. Ocean freight from India – US, which used to be in a range of USD 4-5 has increased to USD 18K-20K
- Interest rates are rising across the world creating tight monetary conditions.
- People facing acute food shortages have increased by 46 million in Africa and 47 million in Asia.
- 60 percent of least developing countries are in severe debt distress.

We hope this conflict plays out soon and the liberal, international rules-based order might just have rediscovered what it was for in the first place.

I would like to take this as an opportunity to announce our upcoming events:

Compliances and professional challenges are increasing day by day. Keeping in mind a 2-day RRC on GST is being planned at Karjat on 5th – 6th August. Committee has ensured apt topics, affecting everyone day to day. We have discounts on fees for early bird registration, and in case you have missed the opportunity, please ensure you enroll at the earliest.

Events in retrospect:

With increasing amendments and compliance challenges faced by trust, we have organized a public program on 25th June at Chinchbandar Mahajanwadi. More than 400 participants, mainly trustees of various Sanstha and trusts are expected to attend the program. Aabled speakers will cover various issues under Income Tax and Mumbai Trust Act in lucid Gujarati and Hindi language.

We also had a study circle and a program for students on Direct Tax compliances.

Hopefully, we all will have a stress-free compliance calendar this year. This edition of our News and views is a special story on taxation compliances and issues with respect to partnership firm. I am hopeful, this will help all our members to understand nuances of new provisions.

I would like to conclude by remembering what once respected Ratan Tata ji said once

“If you want to walk fast, walk alone, but if you want to walk far, walk together.

I hope to see co-operation and support from each and every member of the association.

Thank you all..... Always in Gratitude


CA Amit Chheda

July 1, 2022