



WIRC BULLETIN

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Vol. 41 No. 2

Rs. 5/-

For Members only

February 2013

From the Desk of Chairman



Dear Professional colleagues,

The combined GDP of India and 10 members Association of South-East Asian Nations (ASEAN) has crossed \$3.8 trillion. This represents about 1.8 billion people and almost one-fourth of humanity of the globe. This is in the fitness of things that India and ASEAN decided to elevate their ties into a strategic partnership and concluded their tortuous negotiations on the FTA

in investment and services, which together with the FTA in goods, is likely to boost trade to \$ 100 billion by 2015 from \$ 80 billion at present. During the year this trade grew by 41% thanks to operationalising the FTA in goods by widening the base of the pact by including the services and investments. As ASEAN investments into India have multiplied, ASEAN countries too have emerged as major destinations for Indian companies.

India is hoping that the FTA will pave the way for larger economic integration in the region and give a fillip to regional economic partnerships.

"Trust Yourself"

The 54th National Cost Convention was organized by the Institute at Ahmedabad during 18-19 January 2013 in association with Western India Regional Council and Ahmedabad Chapter of Cost Accountants. Competitiveness in operations and performance is necessary for the survival and growth of companies, and for building world class organizations. Hence the theme of the convention was "India's Cost Competitiveness - Imperatives for CMAs". Paper-free on-line registrations were done for the first time. Good number of delegates registered for the convention and Participation of CMAs from UK, Sri Lanka, Pakistan and Bangladesh made this convention a huge success. It provided an excellent opportunity for interaction.

The plenary session and five technical sessions were chaired by and addressed by experts from related fields. The plenary session emphasized that cost competitiveness can be achieved by turning cost reduction into cost optimization, which needs to become a routine and normal part of business operations. Cost management is a tool to push business development and overall growth. Technical session I "Building enterprise competitiveness through enhancing professional skill set" explained how CMAs are a blend of expertise in accounting, management and strategy, and that CMAs create value for the organization. Technical session II "Coping with the tardy growth of the economy- Analyzing concern areas and the role of CMAs" focussed on cost management not in isolation but with regard to the value generated from the costs spent. Technical session III was about "Energising infrastructure- Strategic options and action

agenda." Cost Benefit Analysis of a project is necessary to establish whether it is worthwhile in the long term. Technical session IV "Availability of adequate power - Sine qua non for sustained economic development" reiterated that deficit in power availability in India is a significant impediment to the smooth development of the economy. Though the power sector has been restructured, bridging the gap in demand and supply has become critical. Technical session V "Not everything is healthy in the health sector - Imperatives for CMAs" brought out that hospitals are under pressure to become more cost efficient. New costing systems may provide a solution and the role of CMAs in the health sector may become more important.

I, on my personal behalf thank all the delegates for their whole-hearted support for attending the NCC 2013 in large number and also thankful to Ahmedabad Chapter and WIRC for giving a chance to organise a wonderful NCC 2013 – a mega event of our Institute at Ahmedabad as a maiden convention. I personally express my *micchami dukkadam* for any inconvenience to anyone on behalf of the Ahmedabad Chapter and WIRC.

The Institute has signed MoU with the Government of Gujarat for acquiring the land admeasuring 100,000 square feet at Gift City Gandhinagar for constructing its Centre of Excellence. I personally thank the President and the members of Infrastructure committee for their positive and quick action in the best interest of the Institute.

The Filing of Cost Audit Report and Compliance Report in the extensible Business Reporting Language (XBRL) mode has been extended by the Government of India vide General Circular No. 2/2013, Dated the January 31, 2013. In continuation of MCA's General Circular Nos. 8/2012 dated May 10, 2012; it has been decided that all cost auditors and the companies concerned are allowed to file their Cost Audit Reports and Compliance Reports for the FY 2011-12 with the Central Government in the XBRL mode by February 28th, 2013.

The last date for filing has been extended to February 28, 2013 or 180 days from the close of the company's financial year to which the report relates, whichever is later.

I am happy to announce CEP programs / seminars in the month of Feb. and March 2013. I am sure this will enrich your knowledge base and also will help members to get desired CEP hours before March 2013. I request all of you to keep visiting WIRC website for more such programs.

I wish to you and to your family members a very happy "Uttarayan" (Makarsankranti) and wish, like a kite, you and your family members reach to the new heights in the open sky leading towards the prosperity and joy in your life both professional and personal.

With Warm Regards,

CMA SHRENIK S. SHAH

Glimpses of 54th National Cost Convention – Ahmedabad 18th & 19th January 2013



Dignitaries inaugurating the Convention by lighting lamp



CMA Shrenik S. Shah



CMA Rakesh Singh



CMA S. C. Mohanty



CMA B. B. Goyal



Mr. Gulzari Lal Babber



Mr. Laxman Wattawala



Release of Souvenir



WESTERN INDIA REGIONAL COUNCIL OF ICAI

Announces

SEMINAR ON COST AUDIT AND COST COMPLIANCE - A PRACTICAL APPROACH

(with Case Studies)

on 18th February 2013 • Time : 9.30 p.m. to 5.30 p.m.

at PTVA's Institute of Management, Chitrakar Ketkar Marg,
Behind M L Dahanukar College of Commerce, Vile Parle (E), Mumbai 400 057.

Speaker : CMA Ravi Sahani, Practising Cost Accountant, New Delhi

Fees : Rs.750/- for students, Rs.1,500/- for PCA, Rs.2,500/- for Company Representatives
(12.36% Service Tax extra)

Four CEP credit hours will be provided

TWO DAYS RESIDENTIAL PROGRAMME

Theme: AFTER SUBMISSION

Philosophy: While Cost and Management accountants have finished their submissions for Cost Audit and Cost Compliance Reports, its time to re-look at them along with other avenues available for Cost and Management Accountants. This 'After Submission' seminar will help them to share their experience in Cost Audit and Compliance along with opening up of opportunities in other sectors as well. Win Win situation for all members, in service and in practice, to explore new area and strengthen own forte.

on 9th & 10th March 2013 at Mahabaleshwar

Programme Schedule

Day 1	09.30 a.m. to 10.00 a.m.	Inauguration
	10.00 a.m. to 11.30 a.m.	Cost Audit and Compliance- Learning from Past and Looking forward
	11.45 a.m. to 01.15 p.m.	Opportunities in Excise/ Customs and Service Tax
	02.00 p.m. to 03.30 p.m.	Internal Audit
	03.45 p.m. to 04.30 p.m.	Discussion on Future developments in Cost Audit and Compliance
Day 2	10.00 a.m. to 12.30 p.m.	Changes in Companies Act: opportunities and challenges for Professionals
	12.30 p.m. to 12.45 p.m.	Valedictory Session

Faculty - Team of Eminent Speakers • For Venue, Fees, please check WIRC website

Six CEP credit hours will be provided

FULL DAY SEMINAR ON COST AUDIT APPLICABILITY AND CONTEXT

on Saturday, 23rd March 2013 • Time: 9.30 a.m. to 5.30 p.m.

at **Hotel VITS**, Andheri Kurla Road, International Airport Zone, Andheri (E), Mumbai - 400 059,

Fees : Rs.1,000/- for students • Rs.1,500/- for PCA • Rs.2,500/- for Company Representatives
(12.36% Service Tax extra)

Four CEP credit hours will be provided

TOPICS TO BE COVERED : Applicability of all orders, appointment procedure and some aspects of Compliance Report • CAS and GACAP • Cost Audit Paras • Performance Appraisal Report • XBRL mode of submission • Future changes in Cost Audit and Compliance

Cheque/DD should be in the name of ICAI-WIRC, payable at Mumbai.

For details & Registration Contact:

Mr. S. S. Deshpande, Asst. Director, Mobile : 97692 72233

WIRC-ICAI – Tel.: 022-22043406/16 Extn. 30 • Fax : 022-2287 0763 • E-mail:seminar@icwai-wirc.org

Declared Services - Works Contract - Impact of Changes

By **CMA Ashok Nawal**, *Past Chairman and Treasurer of WIRC of ICAI*
E-mail: nawal@bizsolindia.com • Mobile: +91 98901 65001



In the new era of service tax of negative list of new services there is a change in the definition of the Works Contract Service in terms of section 65B (54) of Finance Act 1964. "Works Contract" means a contract wherein transfer of property in goods involved in the execution of such contract is leviable to tax as sale of goods and such contract is for the purpose of carrying out construction, erection, commissioning, installation, completion, fitting out, repair, maintenance renovation, alteration of any movable or immovable property or for carrying out any other similar activity or a part thereof in relation to such property"

Prior to 30.06.2012, Works Contract was defined as per Section 65 (105) (zzza) of Finance Act 1994

Explanation.-For the purposes of this sub-clause, "works contract" means a contract wherein,-

- (i) transfer of property in goods involved in the execution of such contract is leviable to tax as sale of goods, and
- (ii) such contract is for the purposes of carrying out,-
 - a) erection, commissioning or installation of plant, machinery, equipment or structures, whether pre-fabricated or otherwise, installation of electrical and electronic devices, plumbing, drain laying or other installations for transport of fluids, heating, ventilation or air-conditioning including related pipe work, duct work and sheet metal work, thermal insulation, sound insulation, fire proofing or water proofing, lift and escalator, fire escape staircases or elevators; or
 - b) construction of a new building or a civil structure or a part thereof, or of a pipeline or conduit, primarily for the purposes of commerce or industry; or
 - c) construction of a new residential complex or a part thereof; or
 - d) completion and finishing services, repair, alteration, renovation or restoration of, or similar services, in relation to (b) and (c); or
 - e) turnkey projects including engineering, procurement and construction or commissioning (EPC) projects; -

"Goods" has the meaning assigned to it in section 2(7) of Sale of Goods Act. [Section 65(50)],

"Construction of complex" means -

- a) construction of a new residential complex or a part thereof; or
- b) completion and finishing services in relation to residential complex such as glazing, plastering, painting, floor and wall tiling, wall covering and wall papering, wood and metal joinery and carpentry, fencing and railing, construction of swimming pools, acoustic applications or fittings and other similar services; or
- c) repair, alteration, renovation or restoration of, or similar services in relation to, residential complex;] [Section 65(30a)]

"Residential complex" means any complex comprising of-

- (i) a building or buildings, having more than twelve residential units;
- (ii) a common area; and

- (iii) any one or more of facilities or services such as park, lift, parking space, community hall, common water supply or effluent treatment system, located within a premises and the layout of such premises is approved by an authority under any law for the time being in force, but does not include a complex which is constructed by a person directly engaging any other person for designing or planning of the layout, and the construction of such complex is intended for personal use as residence by such person.

Explanation- For the removal of doubts, it is hereby declared that for the purposes of this clause, -

- (a) "personal use" includes permitting the complex for use as residence by another person on rent or without consideration;
- (b) "residential unit" means a single house or a single apartment intended for use as a place of residence;] [Section 65 (91a)]

Works Contract is included in the definition of Sale in accordance with Section 2(24) (b) (II) of Maharashtra Vat Act, 2002 as "

- b) (ii) *the transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract including, an agreement for carrying out for cash, deferred payment or other valuable consideration, the building, construction, manufacture, processing, fabrication, erection, installation, fitting out, improvement, modification, repair or commissioning of any movable or immovable property;]*
shall be deemed to be a sale.

Similarly Section 2 (ja) of CST Act defines 'works contract as " Works contract means *construction for carrying out any work which includes assembling, construction, building, altering, manufacturing, processing, fabricating, erection, installation, fitting out, improvement, repair or commissioning of any movable or immovable property.*

Prima facie there is no difference, in earlier definition and revised definition. Rather, new definition is in-line with definition under CST Act and various State VAT Acts, definition of Works Contract under CST / MVAT Act and scope of the definition has been enhanced. Earlier, completion and finishing services, repair, alteration, renovation or restoration of, or similar services, in relation to construction of a new building or a civil structure or a part thereof, or of a pipeline or conduit, primarily for the purposes of commerce or industry; or construction of a new residential complex or a part thereof was covered under the definition of works contract. Whereas in the present definition it covers, all movable and immovable property w.r.t. contract wherein transfer of property in goods involved in the execution of such contract is leviable to tax as sale of goods and such contract is for the purpose of carrying out construction, erection, commissioning, installation, completion, fitting out, repair, maintenance renovation, alteration of any movable or immovable property or for carrying out any other similar activity or a part thereof in relation to such property.

To conclude, scope of definition of Works Contract in the Finance Act,

1994 as amended on 01.07.2012 has been enhanced. Therefore, care will have to be taken whether goods have been utilized in the execution of contract and whether transfer of property involves therein. Some of the key example of disputed areas will be as follows:

1. **Photocopy Service** - paper is used and ownership of the paper is transferred and therefore it will be viewed under Works Contract. However, if it is treated as a manufacture, since new product is emerging then, it will be covered under Negative List.
2. **Pest Control** - Contractor uses insecticides, pesticides, fungicides, etc, for limiting the growth of mosquitoes, rats, rodents, etc, etc, The issue involved therein, that such material used by the contractor whether transfer of property changes from one hand to another hand? Undoubtedly, material is used in the process of providing the service but it cannot be construed that there is transfer of property of such material since it is applied at various points and not visible most of the times.
3. **Book binding** - Material used during the book binding process and material which is used is also part of Bonded book and hence it is covered under the works contract.
4. **Printing** - Goods are used during the process of printing including paper and ink and therefore, printing is covered under the definition of works contract, if paper is being provided. However, if not provided then, it is the sale of printed material though content of material printed will have copyright of somebody which is of intangible nature. Even if paper is provided and ink is used then also it will be the issue of interpretation whether transfer of property takes place or otherwise.
5. **Photography** - Though material & colour is used for obtaining photograph and nobody goes for purchasing material & colour, it will be treated as works contract and valuation does not include the value of Photography material. It has been held by Hon'ble Supreme Court in the case of SHILPA COLOR LAB Versus COMMISSIONER OF C. EX., CALICUT, 2009 (14) STR J163 (SC), wherein they have affirmed the order of Tribunal which held that Valuation (Service tax) - Photography Services - Cost of unexposed photography film, unrecorded magnetic

tape or other storage device - When sold to client in course of providing of service, it is excluded because it would amount to levy of Sales Tax, which constitutionally is a State subject and not that of Union - However, exclusion is subject to production of invoice/records regarding sale of the aforesaid goods - CBEC clarification dated 7-4-2004 - Notification No. 12/2003-S.T., dated 20-6-2003 - Sections 65 (zb) and 67 of Finance Act, 1994. However, if it is treated as a manufacture, since new product is emerging then, it will be covered under Negative List

6. **Sim Card** - It has been held by Hon'ble Supreme Court in the case of BHARAT SANCHAR NIGAM LTD. Versus UNION OF INDIA, 2006 (2) S.T.R. 161 (S.C.), that SIM cards of cellular telephone - Whether it was sale of goods liable to State Sales tax - HELD : What a SIM card represents is ultimately a question of fact - If it is not sold to subscribers and if its sale was merely incidental to service being provided, only facilitating identification of subscribers, their credit and other details, it could not be assessable to State Sales tax - However, this would depend ultimately upon intention of parties, and if they intended that the SIM card to be separate object of sale, it was liable to State Sales tax, and Centre could not include value of SIM cards in cost of service - In view of insufficient material on record, determination of issue left to assessing authorities who were to follow above principles - Article 366 (29A) of the Constitution of India.

Number of examples can be considered where such issues of interpretation will arise and it should be decided on facts of case to case basis.

More so it is very important to note that Works Contract has been included in the Reverse Charge Mechanism and therefore if services are availed by a corporate from the service provider whose status is other than body corporate, then the liability to pay service tax will be 50% on recipient of service and 50% on provider of service.

More complexities are arising due to change in valuation Rules earlier and New Era of Negative List of Service Tax and introduction of Point of taxation Rules.

I give below the method of valuation applicable before and after 01.07.2012

Options	Before 01.07.2012	After 01.07.2012
Op.No.1	<p>Take the Contractual value less value of transfer of property in goods involved in execution of Works Contract and such value should include :</p> <ol style="list-style-type: none"> (i) labour charges for execution of the works; (ii) amount paid to a sub-contractor for labour and services; (iii) charges for planning, designing and architect's fees; (iv) charges for obtaining on hire or otherwise, machinery and tools used for the execution of the works contract; (v) cost of consumables such as water, electricity, fuel, used in the execution of the works contract; (vi) cost of establishment of the contractor relating to supply of labour and services; (vii) other similar expenses relating to supply of labour and services; and (viii) profit earned by the service provider relating to supply of labour and services; <p>This is in accordance with the ratio laid down by Hon'ble Supreme Court in the case of GannonDunkerley & Co. versus State of Rajasthan, 88 STC, 204 SC & Builders Association of India versus State of Karnataka (1993) 88, STC, 248 SC</p>	<p>Value of service portion in the execution of a works contract shall be equivalent to the gross amount charged for the works contract less the value of property in goods transferred in the execution of the said works contract.</p> <p>Explanation - For the purposes of this clause, -</p> <ol style="list-style-type: none"> (a) gross amount charged for the works contract shall not include value added tax or sales tax, as the case may be, paid or payable, if any, on transfer of property in goods involved in the execution of the said works contract; (b) value of works contract service shall include, - <ol style="list-style-type: none"> (i) labour charges for execution of the works; (ii) amount paid to a sub-contractor for labour and services; (iii) charges for planning, designing and architect's fees; (iv) charges for obtaining on hire or otherwise, machinery and tools used for the execution of the works contract; (v) cost of consumables such as water, electricity, fuel used in the execution of the works contract; (vi) cost of establishment of the contractor relating to supply of labour and services; (vii) other similar expenses relating to supply of labour and services; and

Options	Before 01.07.2012	After 01.07.2012								
	Cenvat Credit can be availed on capital goods, input and input services Option no. 2 is selected for each contract	viii) profit earned by the service provider relatable to supply of labour and services; (c) Where value added tax or sales tax has been paid or payable on the actual value of property in goods transferred in the execution of the works contract, then, such value adopted for the purposes of payment of value added tax or sales tax, shall be taken as the value of property in goods transferred in the execution of the said works contract for determination of the value of service portion in the execution of works contract under this clause. Material Value either can be taken from separate material accounting or material value shown in the VAT return.								
Op.No.2	Gross Value of Works Contract less VAT paid on transfer of property of goods involved in works contract and Service tax of 2.06% on the said value and no Cenvat credit can be taken on inputs. Option no. 2 is selected for each contract	Taxable value is determined as under: <table border="1" data-bbox="794 645 1481 1070"> <thead> <tr> <th>Type of Works Contract</th> <th>Taxable value % of total value</th> </tr> </thead> <tbody> <tr> <td>Execution of Original Works</td> <td>40</td> </tr> <tr> <td>Maintenance or repairs or reconditioning or restoration</td> <td>70</td> </tr> <tr> <td>Other works contract including maintenance, repair, completion and finishing services such as glazing, plastering, floor and wall tiling, installation of electrical fittings of an immovable property</td> <td>60</td> </tr> </tbody> </table>	Type of Works Contract	Taxable value % of total value	Execution of Original Works	40	Maintenance or repairs or reconditioning or restoration	70	Other works contract including maintenance, repair, completion and finishing services such as glazing, plastering, floor and wall tiling, installation of electrical fittings of an immovable property	60
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During the transitional period the running contracts opted under option no.1, will not have any much of the issues however, those contracts on which option has been selected earlier 'Under Composition Scheme' will have to deal with following issues:

1. Valuation and Taxability - Earlier in the continuous supply of service if Service Provider has adopted composition scheme valuation was determined as Total Contract Value less Works Contract paid thereon and after 01.07.2012 the valuation will change based on the table given above. Therefore valuation before 01.07.2012 will be based on value of running bill less value already considered earlier but after 01.07.2012 valuation will be as follows:
 - a. Total Running Bill - value already considered prior to 01.07.2012 * 40% / 70% / 60% as the case may be and service tax will be levied at full rate, i.e. 12.36 %.
OR
 - b. If running bill is raised only for the Works completed after 01.07.2012 then, value has to be determined based on the above percentages as the case applicable and service tax has to be paid accordingly
OR
 - c. If running bill is raised first time for the services provided before and after 1.07.2012 in that case valuation has to be splitted for the works completed before and after 01.07.2012 or reference to be paid to Point of Taxation and such value will be applicable.
2. Continuous supply of service has been defined under Point of Taxation Rules, 2011 as, "means any service which is provided, or to be

provided continuously, under a contract, for a period exceeding three months, or where the Central Government, by a notification in the Official Gazette, prescribes provision of a particular service to be a continuous supply of service, whether or not subject to any condition.

However, this definition was changed vide notification no. 4/2012 ST dated. 17.03.2012 and Notification no.37 dated 01.07.2012 as continuous supply of service means "any service which is provided or (agreed) to be provided continuously (or on recurrent basis under a contract, (or a period exceeding 3 months with the obligation for payment periodically or from time to time)) or where the Central Government by notification in the Official Gazette, prescribes provision of a particular service to be a continuous supply of service whether or not subject to any condition.

Recurrent basis under a contract is also covered under continuous supply of service and therefore Retainership, Annual Maintenance Contract, etc will also be covered under continuous Supply of Service.

The Rule 6 of Point of Taxation Rules deals with Point of Taxation in case of continuous supply of service. Point of Taxation was

(a) *the time when the invoice for the service provided or to be provided is issued:*

Provided that where the invoice is not issued within fourteen days of the completion of the provision of the service, the point of taxation shall be date of such completion.

(b) *in a case, where the person providing the service, receives a payment before the time specified in clause (a), the time, when he receives such payment, to the extent of such payment.*

Explanation 1. - For the purpose of this rule, where the provision of the whole or part of the service is determined periodically on the completion of an event in terms of a contract, which requires the service receiver to make any payment to service provider, the date of completion of each such event as specified in the contract shall be deemed to be the date of completion of provision of service.

Explanation 2. - For the purpose of this rule, wherever any advance, by whatever name known, is received by the service provider towards the provision of taxable service, the point of taxation shall be the date of receipt of each such advance.

However this rule 6 was deleted w.e.f. 01.04.2012 vide Notification No. 04/2012-ST, DT. 17/03/2012, but proviso was inserted to Rule 3(b) wherein Point of Taxation for continuous supply was specified as:

Point of taxation for continuous supply of service where the provision of part of service is determined periodically on completion of period in terms of contract which required receiver of service to make any payment to the service provider, date of completion of each such event

as specified in the contract shall be deemed to be date of completion of provision of service.

Impact of change is as follows:

a) there will be change in rate of tax in accordance with Rule 4 of point of taxation Rules, since point of taxation to be determined irrespective rule 3 and such rate will be applicable in accordance with rule 4 due to deletion of rule 6 and incorporating explanation of rules as part of rule 3 therefore, even rate of taxes has been changed in that case rate of tax to be determined even in case of continuous supply in accordance with rule 4.

Earlier Rule 6 of Point of Taxation specifically dealt with Point of Taxation for continuous service and impact of change of rate was not under the scope since it was only applicable to Rule 3. Now due to this change even in the case of continuous service there will be impact on the taxability of continuous service.

b) care needs to be taken to determine the date of tax in terms of rule 4 which is tabulated below:

Event	Taxable service provided before change of Rate	Taxable service provided after Change of Rate
Invoice has been issued and payment received after change of Rate	Date of payment or issue of Invoice whichever is earlier. It means issue of invoice & payment received are subsequent to rate change new rate will be applicable even if services has been provided prior to change of rate.	–
Invoice issued to prior to change of rate & payment is received after change of rate	Rate of tax is as applicable on the date of issuing Invoice	–
Payment received prior to change of rate & Invoice issued after change.	Rate of tax will be applicable on the date of receipt of payment.	–
Payment received after change in rate of tax & invoice issued prior to such change	–	Rate of tax as applicable on the date of receipt of payment
Invoice has been issued & payment also received before change of rate	–	Rate of tax applicable on the date of issuance of Invoice or receipt of payment whichever is earlier.
Invoice raised after change rate but payment received prior to change of rate.	–	Rate of tax applicable on the date of issuance of Invoice.

It can be observed from above that new rates will be applicable even though payment received prior to the change and payment is received subsequently or even payment received earlier and Invoice raised subsequently, in each case of works contract having longer period and continuous supply of service all such aspect needs to be carefully considered before discharging liability.

For example:

In the Retainership contract if conditions of payment is on monthly basis, point of taxation will be on the date of due date of payment irrespective of whether invoice is raised or payment is made, however even though condition of payment is given as after date of receipt of Invoice still point of taxation will be on the completion of month where services will be

deemed to be provided in that month. Similarly in a long project where contract is pertaining to November 2011 to December 2013 if Invoices are raised on quarterly basis in that case also new rate of taxes will be applicable after the change of rate; if invoice is raised after change of rate. Similarly even though services has been provided after change of rate but invoice is prior to change of rate and payment received subsequently the new rate will be applicable.

It is important to note, negative list of services includes deemed sales and declared service specifies only service portion of works contract is included in the declared services and therefore value of material is to be excluded from determination of value of services under works contract except for second option i.e. percentage of value of total contract value. ■

Combination of Costing Strategies and Methods

Indraneel Sen Gupta

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Costing methods used in combination can be used as a devastating weapon for creation of economically and social benefits. But it's often misunderstood and misrepresented which leads to further poor understanding and implementation of the tools. The world only sleeps and dreams about financial management which is blindly being chased, but cost accounting tools create financial management if the costing tools are used in combination. In this article and hence forth I will be coming up with articles which will help to create economic and social synergies through efficient combination of cost strategies.

Target costing, the concept more being implemented and adopted after the debacle of 2008. It would be wrong to say that before 2008 it was never adopted. The western economies had in-fact exploited the target costing concept. One of the biggest proofs of exploitation is the mortgage business which gave birth to the recession of 2008.

Target costing cannot be implemented without understanding proper costing of a product as well as the market of a product. Target costing is not cost control but it is control of cost. Target costing control the future cost and helps in designing the product structure. For a country like India where rural India is the prime focus target costing helps to design cost structures. In an economy like India where inflation and interest rates rules the economy in every three years designing cost structure has taken a radical change over the years. In India cost accountants cannot control cost only by recording expenditures. Product engineering and value creation is the new model which is highly being implemented which requires better understanding of cost propositions. Better understanding of cost proposition means converting target costing into comprehensive costing. We cost accountants need to shift from cost management to profit management since controlling the former is cumbersome due to Indian economic inflation factors so management of profit needs to be focused. I call this new target costing perspective comprehensive target costing. In addition to the original activities of target costing, comprehensive target costing adds the management of achieving the target profit of new products.

It includes setting the target cost and target profit throughout the life cycle of the new product, and managing such activities as the product planning, development, design, manufacturing preparation, manufacturing, physical distribution, sales, after sales, usage, and disposal. You can see that this is a major shift in thinking, philosophy, and of course effort to develop, maintain, and control. It is anticipated that any of you

reading this can then realize if a company can actually do this, they are in the best position to control their destiny and overcome their competition.

For example in the financial industry we find much software's being provide for financial planning for advisory business model. Advisors use this software for financial planning for their clients. Now in this highly competitive industry where so many companies are having so many products, every advisor may not be appropriate to sell all the products. Moreover for every advisor all the product features may not be the requirement since every advisor has his own product selling domain but he is compelled to pay and accept higher charges for all those products features which he never takes into account.

But when the software is being sold or membership license is being provide they are compelled to accept the entire product feature based software despite the advisor deals with single product. The price remains the same irrespective of the single product requirement of an advisor. The flaw in the system is that companies have the prime motive to derive the cost of producing the software from every advisor irrespective of the requirements by an individual advisor.

Now imagine that if a company just tweaks its policies and gives independent choice of choosing software requirement for an advisor then the company and its product opens up the gate of all types of advisor and increase its product market size. Hence the company changed its policy from cost management to profit management. Earlier the company was focused towards only on cost management where it aggressively focused towards recovery of cost of production by selling all the product features without accessing the individual requirements.

Through this the company will be able to design the product structure and also access the market potentiality and will be able to attract many more advisors which lead to higher profitability. Knowing the competition and competitor is the way to adopt target costing which leads to achievement of balance score card. Now a question might come up that while discussing about target costing how do we came up with Balanced score card. Well among one of the prime pillars of balanced score card is customer perspective which can only be achieved through adoption of target costing. In balanced score card we know that understanding the customer and its preference and behavior change can create optimum results for companies. But after understanding the consumer appetite the next pillar of process of Balance score card is internal process development. This development is

being achieved by adoption of various cost accounting methods and strategies. Among the several strategies target costing plays one of the vital role while achieving the consumer satisfaction which finally leads to financial perspective of the Balance score card.

Balanced score card is the ay to create financial management which can only be achieved if the internal process is being developed by using efficient cost methods. Well balanced score card is often miss represented and often remains an bookish theory since financial

management is blindly being chased. Cost management means to run your business using cost as the main criteria. The cost management activity needs to be both continuous and integrated throughout the organization. When fully institutionalized, cost management concepts will be used in all products, services, organizations, processes, and procedures within and around the company. Thus to be effective, the cost management concept has to be accepted as a policy by company leadership.

Cost Centre & Driver Miscalculation

Indraneel Sen Gupta

This might sound like a stupid word but it has an in-depth meaning which saves the organization from travelling towards the path of destruction in the long term. Doesn't every sacrifice long term growth to achieve the forecast? This is one of the biggest mistakes regularly practiced in every industry. As I belong from the financial industry I have been fortunate enough to see the legacy of leaders from lower level management to the middle level management playing actively this game in financial Distribution Industry, Insurance and NBFC.

Well by saying this I might have annoyed my hundreds of friend from the industry but I am compelled to see and write all these facts. In my previous articles I have been hammering that cost reduction is not the path to remain in competitive business neither to earn profit. Reducing cost leads to slow long term death of an organization and its products. Right allocation of cost and identification of such cost centers is a herculean task which can only be executed by proper understanding of cost drivers. Activity based costing has been practiced and calculated by many of us but we never understand the in-depth relation of cost centers. Unless one has an detail idea about the cost and its value proposition one will never be able to assign cost management in an judicious way.

Forecasting is usually married with individual compensation packages expected to be drawn and grow over the years. Financial objectives are designed based upon the compensation packages linking the same with the sales figures to be achieved. Steroids of motivation are being injected; ruthless employee turnover ratio is being activated followed with hammering the vision and mission of an organization. I have found that when you ask an employee of an organization at any management level one will find giving lectures on vision and mission of an organization where as they have forgotten the main mission and vision of the organization. Everyone in the organization is trying to hit around the bush. The path to destruction of an organization has begun come to know from all these variety of mission and vision notes. In this article I have come up with various factors behind fall of a product and its long term sustainability.

Remaining competitive is an easy task since financial management simply understood the cost reduction path just like a blind fellow. But there is a long journey before the cost reduction programme is being activated which is ignored in the first place. As I have been saying previously that forecasting is nothing but the benchmark

which is created by the company to access and guide the motion of an organization. This benchmark is often miscalculated and leads to an killing instinct for the organization.

Cutting down on cost to run the business is not a process of keeping the business alive. It's the first signal that the business is going to have a hard landing the near future. It also indicates that the organization is prudently achieving short term targets at the cost of long term. Cost Reduction measures will work spell bound in short term but at the same time the organization takes the biggest challenge of meeting the long term goals.

Organization pumps steroids of growth and motivation which leads to flush of ideas from the middle and top management. Compensation packages are linked with the ideas irrespective of how that idea will merge into the organization business plan and its vision and mission. Early stage innovation can lead to a great trap for the long term prospects of the organization. In insurance industry there has been a flush of policies which has acted like a killing trap in the long term. Many insurance companies came up with brilliant projects and policies which helped the organization to achieve stupendous growth followed with fat incentives for the middle and top-level management but in the long term the same management changed jobs and lead the organization die at its own fate.

I find similar story in all industries which leads to product dumping or short lived product into the market. One of the biggest costs associated with this type of business process is that the initial cost of product development, marketing and sales cost which is being absorbed by the product over the projected cash flow is being added up as a burden cost or sunk cost which eats the profitability of other products. In simple terms premature death of a product life cycle happens due to Rushing of Ideas which eats away the long term profitability of the organization.

Hence too much aggressiveness leads to a death trap. Product innovation riding on the wheel of compensation growth is a slow poison. If management should have been so easy then why strategic cost management should have been required. Cost reduction can be the work of any uneducated fellow but cost management needs cost accountants who are capable to understand the cost driver and cost centers. Well in my next article I will shape out the path of identification of cost centre and cost driver relationship. ■

Court Fee : Need for Rationalization

By **S. G. Gokhale**, B.Com. (Hon), LL.M, F.C.S., F.I.I.I.

Advocate and Legal Advisor, Mumbai

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(This article analyses the Court Fee structure in the State of Maharashtra and highlights the changes required.)

1. The Court Fee is payable in respect of various matters in the Courts. The levy of Court Fee is a State subject. Accordingly, in the State of Maharashtra the same is levied pursuant to The Bombay Court Fees Act, 1959 (the Act). The amount of Court Fee is calculated on ad valorem basis or is in fixed amount.
2. a) Schedule I to the Act specifies the rates of ad valorem Court Fee under 18 different articles. The fee is on slab basis. The effective rate of fee goes on decreasing with increase in value except for fee on Probate/ Letters of Administration/ Succession Certificate where rate increases with every subsequent slab. Two small slabs dealt with later are also exception. In case of a complaint for dishonor of cheque the rate is uniform. However, there is an upper limit in all cases.
- b) Article 1 covers most of the cases being Suits, Appeals, Cross Objections presented to the Civil and Revenue Courts. The rates of the fee of the said Article are applied to many other cases with some modifications. The fee structure only under the said Article is analyzed for the present purpose. The first slab is of value upto Rs. 1,000/- and the fee is Rs. 200/-. Thus, for the highest amount of the first slab the fee is at 20%. The same amount is payable in respect of the value even if it is less than Rs. 200/-. There are further 7 slabs upto Rs.11,00,000/- with reduced rate of fee for every subsequent slab, except a slab between Rs.5,001/- to Rs.10,000/- and Rs.10,001/-to Rs. 20,000/-. The fee is payable at Rs. 1,200/- per Rs.1,00,000/ - after Rs. 11,00,000/-. There is a ceiling of Rs. 3,00,000/ -. Thus, the effective/ average rate of fee goes on decreasing with the increase in the value after Rs. 20,000/. For example for value of Rs. 1,00,000/ - the fee is Rs.6,430/- i.e. 6.43% & for value of Rs.1100000/- fee is Rs. 26,430/- i.e.2.4%. The maximum fee of Rs. 3,00,000/- correspondence to value of Rs. 2,38,97,000/- which works out to be at 1.25%. The value beyond the said amount of Rs. 2,38,97,000/ - stands ignored for the purpose of fee in view of the ceiling. In other words the exemption is at upper end.
- c) The Court Fee is akin to taxes. The principle of progressive taxation is followed invariably in all cases of taxation. The levy of Court Fee as above

follows the principle just opposite which is regressive or retrograde in nature. The structure of the Court Fee is anti poor. The rich litigants are benefited at the cost of poor litigants.

- d) For to be in parity with the principle of progressive taxation:
 - i) There should be full exemption from fee up to certain amount at the lower end instead of at upper end.
 - ii) The rate of fee should increase with every subsequent slab so that average/effective rate of fee would go on increasing with increase in the aggregate value.
 - iii) The ceiling on the amount of fee becomes redundant with suggestions (i) & (ii) above. In fact, some States like Karnataka have followed the uniform rate of fee without any ceiling and the same has been upheld by the Supreme Court.
3. Schedule II of the Act specifies the fixed amount of fee on various matters ranging from Rs. 5/- to Rs. 500/-.The matters attracting fixed amount also requires review. There are litigations with higher stakes, such as certain writ petitions, winding up petitions going with meager fixed amount. There is a recent precedent for this. The criminal complaint for dishonor of cheque used to attract Court Fee in fixed amount of Rs. 200/. After amendment in 2008, it is levied on the ad valorem basis at Rs. 200/- for every Rs.10,000/- subject to ceiling of Rs.1,50,000/-.

CAREER FAIR

WIRC participated in Career Fair organized by Lodha Foundation on 27th January 2013 at Tejpal Hall, Grant Road. Mr. Mangal Prabhat Lodha, MLA & Mr. Aditya Thackeray, President, Yuva Sena inaugurated the fair.

Large number of students visited the Institute's stall.

Empanelment of Resource Persons

WIRC invites application from academicians, professionals for empanelment as resource persons/subject expert for the development of Academic Publications.

Subjects – New Syllabus - 2012

Foundation

Fundamentals of Economics and Management
Fundamentals of Accounting
Fundamentals of Laws and Ethics
Fundamentals of Business Mathematics and Statistics

Intermediate

Group I

Financial Accounting
Laws, Ethics and Governance
Direct Taxation
Cost Accounting & Financial Management

Group II

Operation Management and Information Systems
Cost and Management Accountancy
Indirect Taxation
Company Accounts & Audit

Final

Group-III

Corporate Laws & Compliance
Advanced Financial Management
Business Strategy & Strategic Cost Management
Tax Management & Practice

Group-IV

Strategic Performance Management
Corporate Financial Reporting
Cost and Management Audit
Financial Analysis & Business Valuation

Requirements:

- Good Communication Skills
 - Experience in Teaching
 - Willingness to work on any Publication
- Members interested can mail Profile mentioning subject of interest, to Chairman WIRC at

admin@icwai-wirc.org

before 28th February 2013

FIRST Anniversary of Borivali SMF Centre – 8th January 2013

WIRC Office is pleased to inform all members of region about wonderful and informal programme organized by WIRC at St. Francis Management Institute on 1st Anniversary of Borivali SMF Centre on 8th January 2013.

On 8th January 2012, WIRC opened up New SMF Centre at Borivali West, which has brought up, very positive developments during 2012. In order to acknowledge team work, an informal Birthday Celebration cum Cake Cutting Programme was organized at Borivali SMF Centre on 8th January 2013. This informal function was followed by CEP for members on "New Companies Bill " by CMA A. Sekar and dinner for members.

CMA Vaibhav Joshi welcomed CMA Ashish Thatte, Vice Chairman WIRC and Director of SFIMAR, Dr. Augustine along with present members, students, Administrative Support Team members of SFIMAR and Faculty members of Oral Coaching Classes at SFIMAR. SFIMAR Assembly Hall was full of Students and members.

CMA Ashish Thatte in his narration informed all about progress achieved by Borivali SFIMAR, support extended by SFIMAR Management and gave details about 11 CEP Programmes organized by Borivali SFIMAR during the year. He appreciated work done by Borivali SFIMAR team on registrations of 450 Students during 2012 and various other activities conducted during the year. He requested SFIMAR team to continue such support for coming years to WIRC - ICAI.

SFIMAR Director Dr. Augustine appreciated work done by WIRC -ICAI during 2012 in very lighter way. He emphasized the attendees about Human relationships which developed by WIRC- ICAI through this centre which has brought up these achievements to WIRC - ICAI team members in terms of Professional Developments through CEP, Oral Coaching Classes etc.

SFIMAR Director Dr. Augustine Felicitated team efforts of Borivali SMF Team member, Mrs. P. Rege, Mr. Jayesh Gurav, SFIMAR Co coordinators Mrs. Natika Poddar, Mrs. Vasudha, CMA Vaibhav Joshi, CEP Co ordinator and Faculty Adminstrative Staff of SFIMAR during the year were acknowledged by presenting a bouquet.

Faculty Members CMA Vaibhav Joshi, CMA Prakash Sawant shared their experiences about Centre. The Programme ended with Formal Cake Cutting Ceremony. Members appreciated Cake with ICAI - WIRC Logo on the same.

CMA Vaibhav Joshi presented Vote of Thanks.

The Programme was followed by wonderful session on "New Company Bill" conducted by CMAA. Sekar where around 35 members were present. Lastly members joined for tasty Dinner organized by Borivali SMF Centers.

All Members present were distributed T-Shirt having ICAI Logo which was well recognized by all as Surprise Return Gift for 1st Anniversary of Borivali SMF's BIRTHDAY !!!!

Continuing Education Programme – February & March 2013

Date	Vanue	Time	Speaker	Topic	Fees	CEP Hours
9/2/2013	Thane SMFC	5.30 pm to 8.30 pm	CS A. Sekar	New Companies Bill	Rs.100/-	2
18/2/2013	PTVA's Institute of Management, Chitrakar Ketkar Marg, Behind M L Dahanukar College of Commerce, Vile Parle (E), Mumbai 400057.	9.30 am to 5.30 pm	CMA Ravi Sahani, Practising Cost Accountant, New Delhi	Cost Audit and Cost Compliance- A Practical Approach (With Case Studies)	Rs. 750/- for students Rs. 1,500/- for PCA Rs. 2,500/- for Company Representatives (12.36% Service Tax extra)	4
23/2/2013	Kilachand Conference Room, Indian Merchants Chamber, Churchgate	3.00 pm to 6.00 pm	CS A. Sekar	New Companies Bill	Rs.100/-	2
1/3/2013	Thane SMFC	5.30 pm to 8.30 pm	CA Shripad Kabadi	Union Budget - Direct Tax	No Fees	2
2/3/2013	Borivli SMFC	5.30 pm to 8.30 pm	CA Shripad Kabadi	Union Budget - Direct Tax	No Fees	2
8/3/2013	Kilachand Conference Room, Indian Merchants Chamber, Churchgate	5.30 pm to 8.30 pm	CMA V.S. Datey	Service Tax - Recent Changes in Budget	No Fees	2
9/3/2013 & 10/3/2013	Mahabaleshwar	-	Eminent Faculty from the field	After Submission	Please check WIRC Website	6
16/3/2013	Borivli SMFC	10 a.m. to 1.00 p.m.	Dr.V.K. Kanhere	Internal Audit	Rs.600/- for members Rs.400/- for students	2
23/3/2013	Hotel VITS, Andheri Kurla Road, International Airport Zone, Andheri(E), Mumbai - 59	9.30 am to 5.30 pm	Eminent Faculty from the field	Seminar on Cost Audit Applicability and Context	Rs.1,000/- for students Rs. 1,500/- for PCA Rs. 2,500/- for Company Representatives (12.36% Service Tax extra)	4

For Registration, please contact at:

Western India Regional Council of ICAI,

Rohit Chambers, 4th Floor, Janmabhoomi Marg, Fort, Mumbai 400 001 • Tel. : 022-22043406 / 3416, 22841138

Students' & Members Facilitation Centre, Thane

Bldg. No. 8, Ground Floor, Damani CHS Ltd., Damani Estate, Old Agra Road (LBS Marg),
Near Naupada P.O., Near Hariniwas Circle, Thane (W) 400 602. • Tel. : 022 - 2545 0763

Students' & Members Facilitation Centre, Borivali

St. Francis Institute of Management & Research, Mt. Poinisur, S.V. P. Road, Borivali (West), MUMBAI-103.
Tel.: 022-2894 8302

E-mail: seminar@icwai-wirc.org / wirc@icwai.org

CHAPTER NEWS

INDORE – DEWAS

Inauguration Ceremony for New Batch of Oral Coaching

A program was organized by Indore-Dewas Chapter of Cost Accountants on 9th January 2013, Wednesday at Jagdale School, Indore. CMA Dr. Niranjan Shastri, Chairman of the Chapter welcomed all the students and introduced the scheme of oral coaching provided by Chapter along with furnishing formal introduction of the faculty members. CMA Vijay P. Joshi (Ex Chairman WIRC) elucidated the facilitating role of Chapter in the learning process of students. He also highlighted the growing opportunities and challenges for CMAs in the changing world of business. CMA Ashish Jain, Treasurer of the Chapter proposed vote of thanks. The program was covered by local media.

Republic Day Celebrations

Republic Day was celebrated with great enthusiasm by Indore Dewas Chapter of Cost Accountants. The programme began with the Ex Chairman WIRC & RCM CMA Vijay P. Joshi hoisting the national flag at chapter premises. The gatherings sung the national anthem. A cultural programme presented by the students delighted the audience as it was a pleasant mix of patriotic songs, poetry and speech. CMA Vijay P. Joshi addressed the students and motivated them to take initiative for organizing students' career development programs. Chapter Chairman CMA Dr. Niranjan Shastri congratulated chapter staff and students for excellent preparation of the program and active participation. Program was attended by many students and members.

KALYAN – AMBERNATH

The inauguration function of new batch of oral coaching was held on 29th Dec 2012 at Conference Hall of Smt. C.H.M.College at 6.30 pm, CMA. G.B.Shamnani, Chairman of Chapter welcomed the students and members. CMA. Neetu S. Kapoor, Secretary of Chapter inaugurated the session by lighting the lamp, CMA G.B. Shamnani Chairman of Chapter Prof. Krishna Naidu, Mr. Raju P.C. Executive, Faculty members Mr. Ravi Rohra staff of chapter, also joined in inauguration session. During his inaugural lecture CMA G.B. Shamnani Chairman of Chapter gave valuable tips to students for being successful in their career and about time management.. CMA Neetu S. Kapoor, Hon. Secretary of Chapter informed the fresh students, members and guests present about history of chapter and achievements of chapter since its formation. Prof. Krishna Naidu gave motivational lecture to the students.

Inaugural lecture was followed by Prize Distribution Function for Students passing June 2012 examination. Mr. Raju P.C. Executive, Secretary announced name of students passing June 2012 examination. Students were awarded prizes at the hands of office bearers of Chapter and faculty members. Total 58 students awarded prizes out of that 29 students passed examination with first attempt.

The Programme was attended by CMA Mohan Bhatia, Students of Inter, Foundation and Final Programme was coordinated by Prof. Krishna Naidu. CMA Neetu S. Kapoor, Hon. Secretary of Chapter proposed vote of thanks. Programme ended with National Anthem.

KOLHAPUR – SANGLI

On Wednesday, the 2nd January 2013, Kolhapur-Sangli Chapter of Cost Accountants arranged inauguration function of oral coaching class of intermediate course, CMA Rahul A. Mench, Vice-Chairman of the Chapter was in the Chair and CMA V.P.Wadkar, Secretary, CMA Anant Katyare and students in large number were present for the function.

CMA Rahul Mench told the students about the opportunities available to the would-be CMAs and the discipline the Chapter was going to follow in conduct of the oral coaching. CMA Wadkar elaborated the difference between the pursuit of any University degree and this professional course and explained as to how students should study, write examinations and complete the course at the earliest. CMA Katyare proposed vote of thanks. Mr. Vijay B. Patil, Executive officer of the Chapter looked after the arrangements.

PIMPRI – CHINCHWAD – AKURDI

CEP Seminar on Recent Developments in CARR & Performance Appraisal Report

The Pimpri-Chinchwad-Akurdi Chapter of the ICAI organized a seminar on "Recent Developments in Cost Audit Report Rules" and "Performance Appraisal Report" on Thursday, Jan 3rd 2013, at Keys Hotel, Pimpri.

The seminar was inaugurated by CMA B. B. Goyal, Advisor (Cost) - Ministry of Corporate affairs, CMA. Brij Mohan Sharma, Past President ICAI, CMA. V R Kedia, CMA. Laxman Pawar, Chairman PCACCA and CMA. Ashish Deshmukh, Vice Chairman PCACCA.

At the outset, CMA Ashish Deshmukh welcomed all the members to the seminar and invited all the speakers to the dais.

CMA Laxman Pawar, Chairman PCACCA in his welcome speech deliberated on the chapter activities and need for organizing such seminar and committed to organize such seminars in near future for the benefit of Members and industry. In recent times Ministry of Corporate affairs has issued number of orders & notifications in respect of Cost Audit and Cost Accounting Record rules. PCACCA organized a seminar in order to understand the intentions of the Government behind these provisions and responsibilities of Professionals & Industry.

Shri B.B.Goyal was felicitated by CMA B.M.Sharma by presenting a memento. Thereafter the first session was conducted by Shri B.B.Goyal wherein the recent notification issued on November 6, 2012 was discussed in detail. The session was very interactive and all the questions and doubts were cleared by the eminent speaker.

The second session started with felicitation of CMA V R Kedia. CMA Laxman Pawar welcomed him by presenting a memento. CMA V R Kedia explained the importance of Performance Appraisal Report and the practical aspects of preparing such report. The session was very informative and interactive.

After the technical sessions, CMA Pradeep Deshpande, Secretary, PCACCA, proposed vote of thanks. The seminar was well attended by members of the Institute and participants from the industry.

MAJOR RENOVATION WORK AT WIRC OFFICE PREMISES

WIRC performed Pooja for the best completion of Renovation work. CMA Shrenik Shah, Chairman, WIRC and CMA Vijay Joshi, Immediate Past Chairman, WIRC Staff Members and Contractors of renovation work participated in the Pooja.

Chairman, WIRC requested staff, students and members to bear the inconvenience, which is going to face during the work and solicited everyones whole hearted co-operation, support for completion of the work, as early as possible.

Change E.mail ID

CMA P.V. Bhattad
CCM-ICAI
pvbhattad1957@gmail.com

CMA Debasish Mitra
RCM-ICAI
debasishmitra8002@gmail.com

NOTICE

Attention Students & Members

The major renovation of WIRC has commenced from 11-2-2013 and will continue till 30-6-13. Members and students are requested to prefer visiting following SMF Centres :

THANE SMF CENTRE

Bldg.No.8, Ground Floor,
Damani CHS Ltd., Damani Estate,
Naupada, Thane (West) - 400 602.
Tel.: 022-2545 0763

BORIVALI SMF CENTRE

C/o. St. Francis Institute of
Management & Research,
Mt. Painsur, S.V.P. Road,
Borivali (W), Mumbai - 400 103.
Tel.: 022-2894 8302

A diverted footfall to SMFs will help us to manage better within the restricted space available at WIRC office during renovation period. Your cooperation is solicited and inconvenience is deeply regretted

Mumbai,
06-02-2013.

Chairman
WIRC-ICAI

17th January 2013

NOTIFICATION

No. CMA(7)/2013: The Council of the Institute at its 278th Meeting held on 17th January 2013 has decided to increase the following fees with effect from 1st April, 2013:

Category of Fees	Present	Revised with effect from 1st April, 2013 (From Financial Year 2013-2014 onwards)
	Rs.	Rs.
Associate Membership Fee	800	1000
Certificate of Practice Fee	1000	2000
Duplicate Certificate Fee for Members & Students	10	100

(Kaushik Banerjee)
Additional Secretary



Cultural evening of 54th National Cost Convention



CMA Shrenik Shah, Chairman, WIRC performing Pooja at the time of Inauguration of Renovation work.

CMA Shrenik Shah, Chairman, WIRC, CMA Vijay Joshi, Immediate Past Chairman, WIRC, alongwith Staff Members of WIRC during Pooja.



CMA B.B. Goyal inaugurating the seminar organized by Pimpri-Chinchwad-Akurdi Chapter on 3rd Jan. 2013. L to R: CMAs V. R. Kedia, Laxman Pawar & B. M. Sharma

CMA G.B. Shamnani, Chairman of Kalyan-Ambernath Chapter addressing the students during inauguration of new batch of oral coaching classes of the Chapter.



CMA Vijay P. Joshi (Ex Chairman WIRC) interacting with the students during inauguration of Oral coaching classes of Indore-Dewas Chapter. Also seen (L to R) CMA Ashish Jain (Treasurer), CMA Dr. Niranjan Shastri (Chairman of the Chapter)

CMA Dr. Niranjan Shastri, Chairman- Indore Dewas Chapter and CMA Vijay P. Joshi Ex Chairman WIRC & RCM along with members, staff and students during Republic Day Celebration organized by Indore-Dewas Chapter

Glimpses from 1st Anniversary of Borivali SMF Centre & CEP - 8th Jan. 2013



CMA Ashish Thatte, Vice Chairman WIRC interacting with the members & students



CMA Ashish Thatte, Vice Chairman WIRC & Dr. Augustine, Director - St. Francis Institute cutting cake along with members of our Insitute.



CMA Vaibhav Joshi being felicitated by Dr. Augustine, Director - St. Francis Institute of Management & Research



View of Students & Members



CMA A.Sekar addressing the participants during CEP



View of members during CEP



If undelivered please return to:

THE INSTITUTE OF
COST ACCOUNTANTS OF INDIA
WESTERN INDIA REGIONAL COUNCIL,
Rohit Chambers, Janmabhoomi Marg, Fort, Mumbai 400 001.
Tel.: 2204 3406 / 2204 3416 / 2284 1138
Fax : 2287 0763
E-mail : bulletin@icwai-wirc.org
Website : www.icwai-wirc.org

To