



WIRC BULLETIN

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Rs. 5/-

For Members only

December 2009

From the Desk of Chairman



My Dear Professional Colleagues

Once again with double enthusiasm, I am communicating with you. There are reasons for my joy, one of which is the growing stature of Indian Economy which is bouncing with a new vigour. Overcoming all predictions it has shown a growth of 7.9%. All sectors have shown good growth. I am sure that this would provide ample professional opportunities for our members, both in practice and in industry.

Ministry of Corporate Affairs, Government of India is organizing “INDIA CORPORATE WEEK” during 14th - 20th December, 2009. Our ICWAI along with other two Professional Institutes - ICAI and ICSI, have been advised to carry out the related activities. The Ministry has also empanelled ICWAI to organize “INVESTOR AWARENESS PROGRAMMES” across the country under “Investor Education and Protection Fund (IEPF)” during financial year 2009-2010. Friends, these are prestigious assignments for ICWAI. It is now for all of us at Regional/Chapter levels to utilize these opportunities and organize the programmes with best of our capabilities. We, from WIRC have already circulated to our Chapters the details of these events. My sincere request to all of you to participate in these events. In our Region we are also organising ‘Slogan Competition’ and if possible, Essay Competition and Blood Donation Camp amongst seminars and other activities.

Last month witnessed some major events at WIRC / ICWAI levels. On 14th November 2009, Felicitation Programme & Prize Distribution Function of successful students of WIRC was organised at Mumbai. This was followed by ‘Faculty Meet’ wherein around 45 faculties from different Oral Coaching Centers of Mumbai actively participated and offered their valued suggestions to further enhance the coaching facilities. On 15th November 2009 we had organised a meeting of the task force to discuss the guidelines to prepare a draft on “Guidance Note to CAS - 4” at Rambhau Mhalgi Prabodhini Training Complex, Bhayander.

Again, on 25th November 2009 at the all over India Chapters’ meet, we have preliminarily discussed at length the proposed changes in the Chapters’ Bye-Laws.

On 26th November 2009, our Institute had organised an International Seminar on “Role of Cost and Management in Regional Economic Development” wherein Office Bearers from Cost and Management Institutes of Sri Lanka, Pakistan, Bangladesh and Nepal presented their papers.

Second meeting of working group of the Quality Review Board (QRB) with our members has been organised at WIRC office on 12th December 2009 at WIRC Hall, Mumbai. Under the Continuing Education Programme Committee (CEP), the Institute (ICWAI) is organising an Intensive Workshop on “First Time Adoption of IFRS” to be held from 10th-12th December 2009 at Hotel Intercontinental, Marine Drive, Mumbai.

Let me end with a wonderful quote on Gratitude,

“Be thankful for what you have; you’ll end up having more. If you concentrate on what you don’t have, you will never, ever have enough.”

With warm regards

CMA Manubhai K. Desai

CEP Programme at WIRC

Rohit Chambers, 4th Floor, Janmabhoomi Marg,
Fort, Mumbai 400 001.

ENTERPRISE GOVERNANCE & IFRS

Date: Saturday, 19th December 2009

Time: 3 p.m. to 6 p.m.

Speaker : CMA R. N. Bhawe

Fees : Rs. 250/- for CMAs & Non CMAs Rs. 300/-

* * *

Discussion on Technical Scrutiny of Balance Sheets

Fees : Rs. 250/-

Date: Saturday, 9th January 2010

Time: 3 p.m. to 6 p.m.

* * *

For Registration : E-mail: seminar@icwai-wirc.org

(2 CEP Credit hours will be provided)

Programme Co-ordinators:

CMA Aruna Soman : 98692 07020

CMA Ashish Thatte : 98209 73559

CMA S. G. Narasimhan : 98199 95065

Forthcoming Study Circle Meetings

Eastern Suburbs / Thane: 10th January 2010

Western Suburbs : 16th January 2010

For details please check WIRC site



Mr. Sharad Acharya, Jt. Director – Cost, Central Excise, Mumbai lighting the lamp during meeting to discuss guidelines to prepare a draft on Guidance Note on CAS 4 held on 15th November 2009 at Rambhau Mhalgi Prabodhini Training Complex, Bhyander. Also seen CMA P.V. Wandrekar; Hon. Secretary, WIRC, Mr. Shashibhushan, Dy. Director – Cost, Central Excise, Pune, CMA Manubhai Desai, Chairman WIRC and CMA M.L. Mehta, Ex. Adl. Chief Adviser (Cost), Ministry of Finance, New Delhi.



CMA Manubhai Desai, Chairman WIRC welcoming CMA M.L. Mehta, Ex. Adl. Chief Adviser (Cost), Ministry of Finance, New Delhi during meeting to discuss guidelines to prepare a draft on Guidance Note on CAS 4 held on 15th November 2009 at Rambhau Mhalgi Prabodhini Training Complex, Bhyander. Also seen CMA V.S. Datey, Author of many books on Indirect Taxes and CMA S.R. Bhargave, CCM-ICWAI.



Dr. Mrs. M.V. Kagalkar, Principal Sydenham College lighting the lamp during Felicitation Function organized by WIRC to felicitate successful students from Mumbai. Also seen CMA S.R. Bhargave, CCM-ICWAI, CMA Manubhai Desai, Chairman WIRC, CMA Amit Apte, Vice Chairman, WIRC, CMA Hardeep Singh Sodhi, General Manager – HRD, Reliance Industries Ltd.



CMA Manubhai Desai, Chairman WIRC welcoming CMA Hardeep Singh Sodhi, General Manager - HRD, Reliance Industries Ltd during Felicitation Function organized by WIRC to felicitate successful students from Mumbai. CMA P.V. Wandrekar, Hon. Secretary, WIRC and Dr. Mrs. M.V. Kagalkar, Principal Sydenham College look on.



CMA P.V. Wandrekar, Hon. Secretary, WIRC, Dr. Mrs. M.V. Kagalkar, Principal Sydenham College, CMA Manubhai Desai, Chairman WIRC, CMA Hardeep Singh Sodhi, General Manager – HRD, Reliance Industries Ltd, CMA Amit Apte, Vice Chairman, WIRC and CMA G.R. Paliwal, Chairman, Students, Member and Chapter Co-ordination Committee, WIRC during Felicitation Function organized by WIRC to felicitate successful students from Mumbai.



CMA G. R. Paliwal, Chairman, Students, Member and Chapter Co-ordination Committee, WIRC welcoming faculty members during Faculty Meet organized by WIRC on 14th November 2009. Also seen CMAs Ashwin Dalwadi, CCM-ICWAI, S. R. Bhargave, CCM-ICWAI, Manubhai Desai, Chairman WIRC, P. V. Wandrekar, Hon. Secretary, WIRC, Amit Apte, Vice Chairman, WIRC and D. K. Birla, Treasurer, WIRC.

YESHWANT EDUCATIONAL SERVICES

Registered Public Trust devoted to spread knowledge and education

Knowledge Sharing Programme

International Financial Reporting Standards (IFRS)

IFRS are gaining acceptance worldwide. Globally the IFRS are being implemented and more and more countries are moving towards regulations to make IFRS compliance mandatory. A legislation came into effect in 2005 and applies to the countries such as France, Germany, Italy, Spain and the United Kingdom.

The IFRS standards are applicable effective 1st April 2011. Every company in India needs to assess the impact of IFRS on change in accounting policies and valuation of its assets and liabilities, since it involves preparation of Balance Sheet as on 1st April 2010 as an opening Balance Sheet, for the year 2010-11. The accounting, measurement and disclosure principles will undergo a substantial change with the implementation of IFRS. Change over to IFRS involves two major issues.

- * Complexity of accounting framework in India.
- * Implications of IFRS on company profitability and taxation issues.

The programme is designed to discuss core concepts and other key elements of the standards with case studies. The contents will include major divergences of IFRS and Indian GAAP, conversion of standalone & consolidated financial statements and valuation of balance sheet items. The course is designed to equip the professionals with **First Time adoption of IFRS**.

The faculty consist of well experienced professionals

Jayesh Baheti, CA

Prakash Kulkarni, CMA & CA

Chandrashekhar Chitale, CA

Darshana Sanghavi, CMA & CA

Day & Date

Wednesday, 23rd December 2009 (9.30 a.m. to 6.00 p.m.)

Thursday, 24th December 2009 (9.00 a.m. to 5.00 p.m.)

Venue

The President Hotel, 34/11, Erandwane, Prabhat Road, Pune 411 004.

Programme Fees

Rs. 4,000/- per participant for Practicing CMAs, CAs, & CSs

Rs. 5,000/- per participant for Corporate & Other Institutional delegates

Jointly Organised by

Dhananjay V. Joshi & Associates, Cost Accountants

Joshi Apte & Associates, Cost Accountants

Levare Info Solutions Pvt. Ltd.

Levare Consultants Pvt. Ltd.

Khare & Bhide, Chartered Accountants

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GST (Goods & Service Tax)

A path ahead...

— Ashok B Nawal



It almost took two and half year to publish “First Discussion Paper” on GST. Honourable then Finance Minister Mr. P. Chidambaram has announced during Budget presentation that on 28th February 2007 that GST will be implemented w.e.f 1st April 2010.

Lot of curiosity was created and still present in the minds of Trade & Industry and more so in the minds of general consumers.

Lot of discussions and debate has been made on the structure and road map of GST. We give below the date wise sequence of the birth of “First Discussion Paper” on GST.

28th February 2007

- Announcement of GST to be implemented with effect from 1st April 2010.
Road Map to be prepared by Empowered Committee of State Finance Minister

10th May 2007

- Joint Working Group was formed consisting of Advisor to Union Finance Minister, Member Secretary of Empowered Committee, Joint Secretaries of Department of Revenue, Ministry of Finance, all the finance secretaries of all State Government.

19th November 2007

- Submission of report to Empowered Committee after interactions with Experts & representatives of Chamber of Commerce & Industry

28th November 2007

- Report was discussed in detail by Empowered Committee

13th April 2008

- Empowered Committee prepared the final version considering discussions & written observations of the States & made certain modifications in the report.

12th December 2008

- Government of India sent the comment on report.

16th December 2008

- Comments were considered by Empowered Committee & New Working Group of Principal Secretaries, Secretaries of Finance / Taxation & Commissioners of Trade / Taxes of States was set up.

21st January 2009

- Empowered Committee has accepted the views of New Working Group in principle.
New Working Group of State Government / Officials of State Government & Senior representatives of Government of India submitted their recommendations in detail on structure of GST.

19th October 2009

- Discussion with Honourable Finance Minister Shri. Pranab Mukherjee on the issue of compensation of losses to State Government on account of phasing out CST.

10th November 2009

- First Discussion Paper was released at Vidyan Bhavan, New Delhi

Albeit, GST is welcome stage and First Discussion Paper clearly states that GST will not be implemented in the same line of VAT of European Countries but it will be two level GST.

Global Scenario:

More than 140 countries introduced VAT (in line with GST) out of which majority of countries has implemented single VAT Rate which is on average 15% to 20%. However, Canada & Brazil has implemented two level VAT. Perhaps, India has adopted GST considering the experience of Canada & Brazil to overcome the issues of State Government since India is federal country. Most of countries have given very few exemptions and provided 100% set off.

Current Scenario in India:

Central Government levies Import Duties consisting of Basic Custom Duty, Additional Custom Duty (CVD equivalent to Excise Duty), Educational Cess, Secondary & Higher Education Cess, Special Additional Duty (in lieu of CST), etc. etc., such duties are levied on Imports and the Importer who consume the imported goods for manufacture need not pay VAT whereas, trader will get refund of SAD on evidence of sales, sales by the traders are subjected to VAT /CST.

Manufacturer is entitled to avail CENVAT of CVD & SAD including Educational Cess & Secondary & Higher Education Cess on CVD. Whereas, registered Import dealers can pass on the CENVAT credit of the above.

Excise Duty, Education Cess & Secondary & Higher Education Cess on Excise Duty is levied on manufacture of goods & payable at the time of removal of goods from the place of removal which is factory and warehouse.

Service Tax, Education Cess, Secondary & Higher Education Cess on Service Tax is levied on Services Providers. Whereas service availers have to pay the Service Tax on Import of Services, GTA, sponsorships, Insurance Agents, etc., etc

Cenvat is available on Excise Duty & Service Tax to avoid the cascading effect and CENVAT on Service Tax can be utilised for payment of Excise Duty & vice versa.

Central Government imposes the CST but collected by State Government on inter-state-sales. State Government

imposes VAT on sale of goods. Set off is available on State VAT whereas no set off is available on CST. Though VAT rates are rationalised there are different VAT rates and VAT ACT of different State Governments. Moreover, State Government can impose number of Taxes which includes luxury tax, state Excise Duty, Entertainment tax, Electricity Duty, Stamp Duty, Cess, Entry Tax, etc. etc.

Local Bodies can impose octroi, entry tax, property tax, etc.

To avoid the multiple taxes including tax-on-tax and assessment at all levels, it was recommended to have single point tax.

PRESENT STRUCTURE OF GST:

Dual GST structure is recommended. GST will have three rates and will be applicable on Goods & Services.

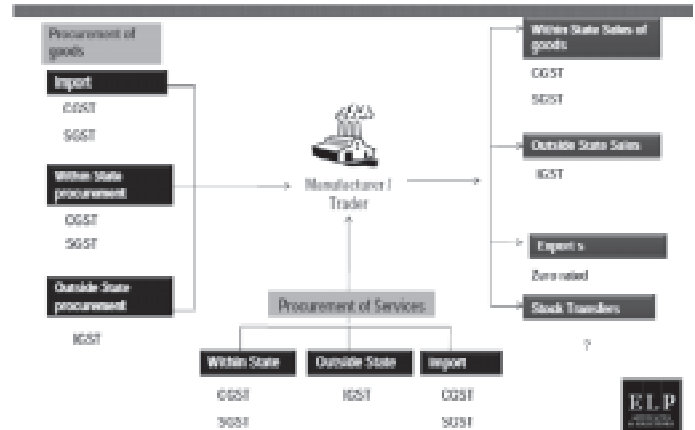
- Central GST (CGST)
 - Intra-State sale of goods and provision of services
- State GST (SGST)
 - Intra-State sale of goods and provision of services
- Integrated GST (IGST)
 - Inter-State sale of goods and provision of services
- GST on imports in the form of CGST and SGST

Following taxes will be subsumed in GST

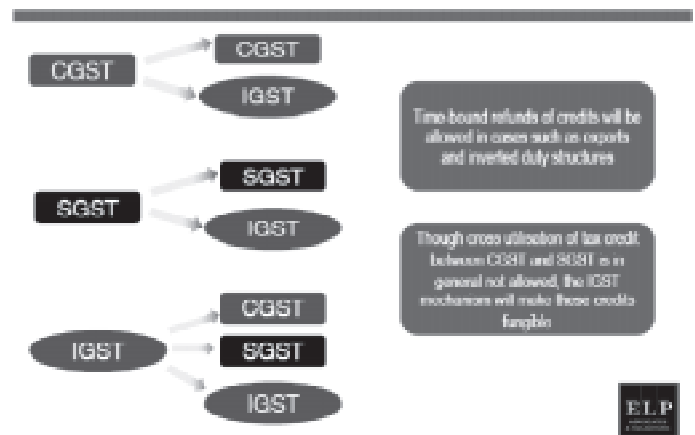
CGST	SGST	IGST
Excise Duty	VAT	Additional Custom Duty (CVD)
Service Tax	Entertainment Tax	Special Additional Custom Duty (SAD)
Education Cess, Higher & Secondary Education Cess	Luxury Tax	Education Cess, Higher & Secondary Education Cess on CVD
Excise Duty levied under Medicinal & Toiletries Preparation Act	Purchase Tax	Central Sales Tax
	Lottery Tax	
	State Surcharge on Goods & Services	
	Electricity Duty	

- State excise duty on petroleum products
- State excise duty on alcoholic beverages and products containing alcohol.
- Stamp Duty
- Road Tax
- Taxes on tobacco products
- Taxes on sugar
- Taxes on natural gas
- Taxes on textile
- Passenger Tax
- Tolls
- Entry Tax / Octroi

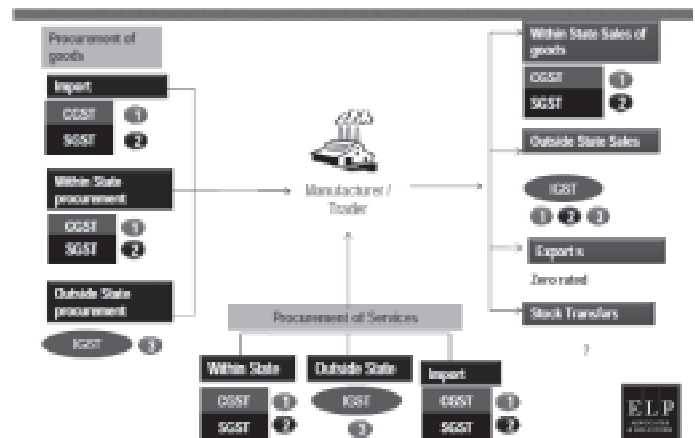
Structure of GST



Tax credit mechanism



Impact of credits



EXEMPTIONS:

- Exports will be zero rated.
- Area wise exemption will be continued till end of sunset clause.
- SSI benefit to be continued on CGST at the threshold limit upto Rs. 1.50 crores for Goods and upto Rs. 10 lakhs on Services.
- Compounding Scheme will be applicable for SGST upto turnover of Rs. 50 lacks at uniform floor rate of 0.5%

BENEFITS OF GST:

- Uniform procedure of collection of Central GST and State GST.
- Will have concurrent jurisdiction for the entire value chain and for all taxpayer on the basis of thresholds for goods and services
- No tax-on-tax
- As far as possible rates of SGST will be the same for all states.
- Will have compounding scheme upto the turnover of Rs. 50 lakhs at the floor rate of 0.5% across the States.
- Common format for the returns for CGST & SGST to be filed with both Authorities Central & State.
- PAN link, Tax payer Identification Number will be allotted which may consist of 13/15 digits
- Assessment, enforcement, scrutiny and audit will be undertaken by the both Authorities.

ISSUES TO BE ADDRESSED BEFORE IMPLEMENTATION OF GST:

- Amendments in Constitution of India to be made to include IGST on imports & SGST on Services.
- Treatment of carried forward tax credit under CENVAT and state VAT
- Transitional Provisions
- Treatment to existing exemptions and benefits which are product based
- Impact of double taxation in case of continuity of various taxes / levies such as electricity duty, purchase tax etc.
- Treatment for works contracts
- Taxability in case of sub-contractor
- Treatment of goods sent for job work or for providing temporary services
- Standardisation of systems and procedures at national level among all States
- Issues related to compliance requirements including:
 - Registration requirements,
 - Payment of tax and filing of returns,
 - Records to be maintained,
 - Accounting and IT system,
 - CENVAT Records
- Eligibility and utilization of tax credit incase of inputs, input services and capital goods
- Refund procedures
- Taxability incase of unregistered dealer
- Applicability of GST where service provider or recipient is in the State of Jammu and Kashmir
- uniformity in Legislations by the State and Date of Implementation
- Rate structure
- IT infrastructure readiness

What will have to be changed before Implementation of GST?

1. All existing Central Excise and Service Tax related acts and rules will be either repealed / amended.
2. Customs act provisions related to CVD will also be replaced / amended.
3. Existing Central Excise Tariff will also have to undergo changes keeping in view existing VAT tariff prevailing in different states.
4. There may be changes in various existing definitions under Central Excise including definition of “manufacture”, “excisable goods”, “Place of removal”, “factory”, “sale and “purchase” etc
5. Present excise valuation rules and regulations will undergo changes.
6. All old litigations will continue and existing law provisions will continue to apply for five years period and our records will be open for investigation to Revenue authorities under existing law provisions.
7. Existing Service Tax rules and regulations will be repealed and consequently all existing exemption notifications will need to undergo amendments or may be withdrawn.
8. All existing procedures, documentation, formats, returns, registrations procedures under service tax law will undergo changes. It will be huge exercise
9. Existing Bonds / undertakings will undergo changes
10. Changes in LTU related provisions (Cenvat transfer provision)
11. All existing provisions related to Appeal before Commissioner Appeals / CESTAT / HC/SC will undergo changes
12. Number of End use based exemptions issued under Central Excise viz. LPG / SKO/ Sulphur / Naphtha and many more
13. Hundreds of general exemption / end use based notifications issued under Central Excise Tariff under following main headings will undergo changes / amendments or withdrawal.
 - i) Small scale exemption
 - ii) Job Work exemptions
 - iii) Captive Consumption Exemptions
 - iv) Cottage and Village industry products
 - v) Repairing, reconditioning and re-engineering
 - vi) Exhibitions and Trade fares
 - vii) Technical, Educational and Research institutions
 - viii) Goods produced in Government Factories, Mines, Mints and Prisons and Defence production etc
 - ix) Gas and Oil authorities / companies (North East)
 - x) Solar and other natural energy, chulas and nuclear fuel

- xi) Export Oriented Units STP /EHTP
 xii) Goods meant for use in export goods / services
 xiii) Ship, ship stores and ship breaking
 xiv) Set off of duty
 xv) Goods for specific purpose
 xvi) Goods produced in specific Areas like North East, J&K, Uttaranchal, Himachal, Sikkim and Kutch
 xvii) Miscellaneous exemptions
14. All existing hundreds of exemption notifications issued under Service Tax for different services will undergo changes / amendments
15. Numerous other operational issues will arise during its implementation.
16. Listed below are existing Act, Rules, Regulations, Exemptions, CBEC Manual provisions related to Excise and Service tax which we are monitoring from time to time will undergo changes / repealed once GST is introduced.
- i) The Central Excise Act, 1944
 - ii) The Central Excise Rules 2002 (including hundreds of notifications and Circulars issued prescribing statutory procedures to be followed)
 - iii) Central Excise Rules 2004 (including hundreds of notifications and Circulars issued prescribing statutory procedures to be followed)
 - iv) Central Excise Valuation Rules 2000
 - v) Central Excise (Determination of Retail Sale price of excisable goods) Rules 2008
 - vi) Central Excise (Removal of Goods at concessional rate of duty for manufacture of Excisable goods) Rules 2001
 - vii) Central Excise (Compounding of Offences) Rules 2005
 - viii) Consumer Welfare Fund Rules 1992
 - ix) Central Excise (Removal of Difficulties) Rules 2005
 - x) Central Excise (Settlement of Cases) Rules 2007
 - xi) Customs and Central Excise Settlement Commission Procedure 2007
 - xii) Central Excise (Advance Rulings) Rules 2002
 - xiii) Authority for Advance Rulings (Central Excise, Customs and Service Tax) Procedure Regulations 2005
 - xiv) Customs, Central Excise and Service Tax Drawback Rules 1995
 - xv) Pan Masala Packing Machines (Capacity Determination and Collection of Duty) Rules 2008
 - xvi) Central Excise Tariff Act
 - xvii) Customs Tariff Act (related to imposition of additional duty /CVD)
17. Changes / amendment in excise levies / cesses through various miscellaneous acts and Finance Act as stated below
- i) The Agriculture Produce Cess Act, 1940 (27 of 1940)
 - ii) Coffee Act, 1942
 - iii) The Mica Mines Labour Welfare Fund Act, 1946 (22 of 1946)
 - iv) The Rubber Act, 1947 (24 of 1947)
 - v) Tea Act, 1953
 - vi) Salt Cess Act, 1953
 - vii) Medicinal and Toilet Preparations (Excise Duties) Act, 1955
 - viii) Additional Duties of Excise (Goods of Special Importance) Act, 1957
 - ix) The Sugar (Regulation of Production) Act, 1961 (55 of 1961)
 - x) Textile Committee Act, 1963
 - xi) The Produce Cess Act, 1966 (15 of 1966)
 - xii) The Marine Products Export Development Authority Act, 1972 (13 of 1972)
 - xiii) The Coal Mines (Conversation and Development) Act, 1974 (28 of 1974)
 - xiv) Oil Industry (Development) Act, 1974
 - xv) Tobacco Cess Act, 1975
 - xvi) Additional duty of excise (Textile & Textile Articles) Act, 1978
 - xvii) Sugar Cess Act, 1982
 - xviii) Jute Manufacturers Cess Act, 1983
 - xix) The Agricultural and Processed Food Products Export Cess Act, 1985 (3 of 1986)
 - xx) The Spices Cess Act, 1986 (11 of 1986)
 - xxi) The Research and Development Cess Act, 1986 (32 of 1986)
 - xxii) Industries (Development and Regulation) Act, 1951
 - xxiii) Coir Industries Act, 1953
 - xxiv) Sugar Export Promotion Act, 1958
 - xxv) Lime Stone and Dolomite Mines Labour Welfare Fund Act, 1972
 - xxvi) Beedies Workers' Welfare Cess Act, 1976 (56 of 1976)
 - xxvii) Iron Ore Mines, Manganese Ore Mines and Chrome Ore Mines Labour Welfare Cess Act, 1976
 - xxviii) Copra Cess Act, 1979
 - xxix) Automobile Cess Rules 1984
 - xxx) Additional Duty on Motor Spirit (Petrol) vide Sec 111 of the Finance Act (No. 2), 1998
 - xxxi) Additional Duty on HSD as per Section 133 of Finance Act (No 27), 1999

- xxxii) National Calamity contingent duty (NCCD) vide Section 136 of the Finance Act, 2001
- xxxiii) Special Additional Excise duty on MS and HSD - Vide Section 147 of the Finance Act (No 20), 2002
- xxxiv) Education Cess under Section 91,92,93 of Finance Act, 2004 (No.2)
- xxxv) Additional duty on Pan Masala and Tobacco Products vide Section 85 of the Finance Act, (No 18) 2005
- xxxvi) Secondary and Higher Education Cess under Section 136,137 and 138 of Finance Act(No. 22), 2007
18. Amendment to the Special Excise Duty under Second Schedule to Central Excise Tariff Act 1985
19. Amendment to Third Schedule (Deemed manufacture in relation to various specified goods) to Central Excise Tariff Act 1985
20. Amendment to MRP based assessment-percentage of Abatement
21. Amendment to Provisional Collection of Taxes Act 1931
22. Review of Validating provisions relating to Central Excise Tariff and Notifications thereto
23. Amendment / changes in the exemption on Textile with CENVAT and without CENVAT route (Naroda)
24. Changes / amendments in existing CBEC's Central Excise Manuals which prescribes procedures dealing with following areas of operation under central excise law
- i) Registration
 - ii) Assessment, classification, valuation, provisional assessment, manner of payment of duty, account current, scrutiny
 - iii) Invoice system
 - iv) Cenvat Credit
 - v) Records and Returns
 - vi) Export without payment of duty (including DEEMED Export)
 - vii) Export under claim of rebate of duty
 - viii) Refunds
 - ix) Warehousing
 - x) Samples
 - xi) Special procedure for specified goods
 - xii) Demand Notices, Show Cause Notice, Adjudication, Interest, penalty, Confiscation, Seizure, duty payment under protest
 - xiii) Bonds and LTU
 - xiv) What is Excise Audit 2000
 - xv) Appeals
 - xvi) Search, Seizure, arrest and prosecution
 - xvii) Miscellaneous Provisions
- xviii) Advance Ruling
25. Amendment to Latest Supplementary Instructions issued by C.B.E.C / Central Excise Commissionerates dealing with hundreds of issues
26. Amendment to CBEC's manual prescribing more than 75 Forms of maintaining records, filing of returns, registrations, Bonds, export documents etc for factories / depots / service providers etc.
27. Amendments in following Acts/ rules / service tax refund schemes related to Service Tax
- i) Chapter V of Finance Act 1994 dealing with service tax law
 - ii) Service Tax rules 1994
 - iii) Taxation of Services (provided from Outside India and Received in India) Rules 2006
 - iv) Service Tax (Determination of value) Rules 2006
 - v) Service Tax (Advance Rulings) Rules 2003
 - vi) Service Tax (Removal of difficulty) Order 2002
 - vii) Export of Services Rules 2005
 - viii) Service Tax (Regulation of Special Category of Persons) Rules 2005
 - ix) Works Contract (Compensation Scheme for payment of Service Tax) Rules 2007
 - x) Service Tax (Publication of Names) Rules 2008
 - xi) Service Tax Dispute resolution Scheme 2008
 - xii) Dispute Resolution Scheme Rules 2008
 - xiii) Service Tax (Provisional Attachment of property) Rules 2008
 - xiv) Service Tax Return preparer Scheme 2009
 - xv) Refund scheme for Service Tax paid on Services used for Export of goods and Services
 - xvi) Refund of Service Tax in respect of services provided to SEZ (Notfn No 9/2009)
- This is not exhaustive list but it is only illustrative one. All the above aspect will get clarified only when we get draft legislation in our hand and will need further extensive debate for its implementation
- Now, only five months are left to complete the above agenda. Therefore, it seems very difficult to implement GST with effect from 1st April 2010. However, during the year 2010-2011, GST will be implemented and hence Trade & Industry have to prepare themselves.
- Bizsolindia Services Private Limited, a proven service provider will definitely help not only to train the manpower but be implementation partner during the transitional period. More ever, our IT division has already started working for creating new IT modules based on First Discussion Paper. These IT modules will be operating even where ERP-SAP, BaaN, UNIX etc are implemented and this is possible with their data migration module. ●

WIRC had arranged CEP on Cost Accounting Standard released by CASB on Administrative Overheads and Repairs & Maintenance Cost on 31st October 2009

**CMA M.B. Ashtamker was the facilitator for the said discussion.
The details of the discussion are given below :**

Draft CAS on Repairs & Maintenance Cost:

To enable meaningful discussion the initial necessary assumption is that "Repair & Maintenance Cost" is not a fixed cost with a low per unit fixed cost incidence nor a cost which is being analyzed in the total cost profile of a product or manufacturing operation, but rather a need based analysis / study / certification of the repair and maintenance cost in isolation which is being done, as in case of Activity Based Costing.

Para Number's:

4.1 Cost Object: This includes a product, service, cost center, activity, sub-activity, project, contract, customer or distribution channel or any other unit in relation to which costs are ascertained.

4.3 Finance Costs: Costs incurred by an enterprise in connection with the borrowing of funds. This will include interest costs. The terms Finance costs and Borrowing costs are used interchangeably.

4.4 Imputed Costs: Hypothetical or notional costs, not involving cash outlay, computed for any purpose.

Discussion:

- 1) Finance Cost - The need to explain the term in each and every CAS is not appreciated, further paragraph 5.5 clearly mentions that "Finance Cost shall not form part of repair and maintenance".
- 2) Imputed Cost - The need to explain the term in each and every CAS is not appreciated, further paragraph 5.6 clearly mentions that "Repairs & Maintenance shall not include Imputed Cost".
- 3) Similarly why is the term "cost object" explained?

Para Number's:

4.5 Normal capacity: Normal Capacity is the production achieved of capacity resulting from planned maintenance.

4.6 Production overheads: Indirect The terms Production Overheads, Factory Overheads, Works Overheads, Operations Overheads and Manufacturing Overheads denote the same meaning and are used interchangeably.

Discussion:

- 1) Paragraph 6.5 states – "Unit cost shall be computed based on the normal capacity".
But absorption based on normal capacity will lead to "under / over absorption" of repair and maintenance cost. Actual Cost will have to be then compared with the amount absorbed at the end of the period. Rather they should have mentioned, "Per unit cost shall be based on an appropriate basis".
- 2) Repair and Maintenance cost form part of "Direct Conversion Cost" and only a small portion of it will be apportioned to Production Overheads. Therefore Repair and Maintenance cost when material will form

a separate item of direct cost and will not be included under Production Overheads.

Para Number's:

4.7 Repairs and maintenance cost: Cost of all activities its original or designed capacity and efficiency. Repairs and Maintenance activities for the purpose of this standard include routine or preventive maintenance, planned (predictive or corrective) maintenance and breakdown maintenance. Major overhaul or modernization of an asset, which does not result in enhanced future economic benefits, would also be a part of Repairs and Maintenance activity.

5.4 Where a high value spare is replaced, and the replaced spare is reconditioned and such spare is expected to result in future economic benefits, it shall be taken into at an amount that measures its service potential in relation to a new spare which amount shall not exceed the cost of reconditioning the spare.

Discussion:

- 1) Terminology "routine or preventive maintenance, planned (predictive or corrective) maintenance and breakdown maintenance" should have been explained with "examples, comparative value relationship and frequency tables" for end users of CAS to have a better technical understanding of the terms, rather than relying solely on what is explained to the cost accountant by the technical personnel of each individual client. Clear-cut categorization would have been preferred.
- 2) Does an Overhaul or Modernization get carried out "if there is no enhanced future economic benefit"?
- 3) The term "future economic benefit" & "service potential in relation to new spare" which amount shall not exceed the cost of reconditioning the spare. Means that the carrying cost should be proportionate to its renewed useful life and cannot under any circumstances be higher than the cost of reconditioning. Can be lower but not higher than the cost of reconditioning.

Para Number's:

5.8 Any Subsidy / Grant / Incentive or any such payment received / receivable with Shall be reduced for ascertainment of the cost to which such amounts are related.

Discussion: Elaboration is necessary and cases should be given since long experience did not have knowledge of such benefits.

Para Number's:

6.2 Where the repairs and maintenance cost is not directly traceable to cost object, it shall be assigned based on either of the following two principles;

- i) **Cause and Effect** - Cause is the process or operation or activity and effect is the incurrence of cost.

- ii) **Benefits received** – overheads are to be apportioned to the various cost objects in proportion to the benefits received by them.

Discussion: Practical examples of cost drivers and their co-relationship with the cost pools were expected and necessary at this stage.

Para Number's:

6.3 The cost of major overhaul shall be amortized on a rational basis.

Discussion:

Explanation / Elaboration / Examples of factors to be considered while amortizing on a rational basis would be appreciated.

Para Number's:

7.2 Asset category wise details of repairs and maintenance cost, if material, shall be presented separately.

Discussion: Asset Management Module of ERP software makes it necessary of any company to analyze its repair and maintenance expenses based on asset wise linkup, but very few take follow up remedial action because routine repairs are considered a grey area of financing / misappropriations.

Para Number's:

7.3 Activity wise details of repairs and maintenance cost, if material, shall be presented separately.

Discussion: Would be necessary only incase of a multi purpose plant, or multiple plants at multi location being serviced by a singly location "repair and maintenance center".

Para Name & Number:

Disclosures:

8.1 The cost statements shall disclose the following:

8.7 Any Subsidy / Grant / Incentive and any such payment reduced from Repairs and Maintenance Cost.

Discussion: Elaboration is necessary with examples of Subsidy / Grant / Incentive related to "repairs and maintenance" for better understanding and implementation of the CAS.

8.8 Credits / recoveries relating to the Repairs and Maintenance Cost.

Discussion: These would exist only incase of "warranties for high value spares", which may entitle a company for credits on account of malfunctioning within the warranty / replacement period (e.g. Call back of defective spares and credit / compensation given for the same).

Other Observation: Status of Hard Copy Received by the regional office: Page 6 of 6 wrongly attached as a same pertains to "Administration Overheads".

Draft CAS on Administration Overheads:

Para Number's:

4.1 Abnormal cost: An unusual or a typical cost whose occurrence is usually irregular and unexpected and / or due to some abnormal situation of the production or operation.

4.2 Absorption of overheads: Overhead Absorption Rate = Overheads of the Cost object / Quantum of base.

Discussion:

- 1) Why Abnormal Cost terminology is explained again

and again in each and every CAS. Paragraph 5.7 clearly states "Administrative overheads shall not include any abnormal costs" then why explain the term "Abnormal Cost".

- 2) "Administration Overheads Absorption" is only an academic exercise and is never used for stock valuation or valuation of cost of production even if the company is determining profitability on either a monthly / quarterly / six monthly basis. Budgeted Overhead Rate vis-à-vis under or over absorption of overheads is done only for Factory Overheads charged during stock valuation. Administration overheads are always a part of historical cost. Hence the word "Absorption" is not relevant for administration overheads.

Para Number's:

4.5 Finance Costs: Costs incurred by an enterprise in connection with the borrowing of funds. This will include interest costs. The terms Finance costs and Borrowing costs are used interchangeably.

4.6 Imputed Costs: Hypothetical or notional costs, not involving cash outlay, computed for any purpose.

Discussion:

- 1) Finance Cost - The need to explain the term in each CAS in not appreciated.
- 2) Imputed Cost - The need to explain the term in each CAS in not appreciated.
- 3) Further it has not been clearly mentioned whether Finance Cost & Imputed Cost should or should not be charged to administration overheads.
- 4) Employee Stock Option Cost falls under which category.
- 5) Exchange Difference impact does not ever form part of Finance Cost.

Para Number's:

4.7 Normal capacity: Normal Capacity is the production achieved or achievable on an average over a number of periods or seasons under normal circumstances taking into account the loss of capacity resulting from planned maintenance.

Discussion:

- 1) Paragraph 6.4 mentions "Unit cost" shall be computed based on the normal capacity which once again is only a budgetary exercise or required at the time of variance analysis (if any) carried out for administration overheads.
- 2) Further instead of mentioning normal capacity as the basis, actual production or appropriate basis should have been mentioned.

Para Number's:

5.1 Administrative overheads shall be the aggregate of cost of resources consumed in activities relating to general management and administration of an organization.

Administrative overheads comprise predominantly of employee costs, utilities, office supplies, equipment costs, software and outside services. The principles of measurement of Employee Costs, Materials, Depreciation, Utilities and Repairs and Maintenance found in the respective standards will apply to these elements included in administrative overheads.

Discussion:

- 1) Material Cost under Administration Overheads is not a common terminology / a regular parlance and hence will be misunderstood.
- 2) Should have clearly stated in the above paragraph as follows: - “cost of employee involved in administrative services” instead of just mentioning “employee cost”.
- 3) An “Exhaustive List” of expense heads, classified under Administration Overheads, is absolutely necessary.
- 4) Confusion exists when a terminology like “Administration Overheads pertaining to Production” has been used under “CAS – 4 for Valuation of Captive Consumption”. The same should have been clarified in this CAS for Administration Overheads.

Para Number’s:

5.6 Any Subsidy / Grant / Incentive or any such payment received / receivable with respect to any Administrative overheads shall be reduced for ascertainment of the cost of the cost object to which such amounts are related.

Discussion:

Elaboration is necessary and examples should be given, since long experience has no knowledge of such benefits.

Para Number’s:

5.8 Penalties and damages paid to statutory authorities or other third parties shall not form part of the administrative overheads.

Discussion: Penalties and damages shall not form part of administration overheads and “Will form Part of Reconciliation Statement”.

Para Number’s:

5.9 Credits / recoveries relating to the administrative overheads including those rendered without any consideration, material and quantifiable, shall be deducted to arrive at the net administrative overheads.

Discussion: Elaboration is necessary and “examples given” of such benefits.

Para Number’s:

6.2 Assignment of administrative overheads to the cost objects shall be based on either of the following two principles;

- i) **Cause and Effect** - Cause is the process or operation or activity and effect is the incurrence of cost.
- ii) **Benefits received** – overheads are to be apportioned to the various cost objects in proportion to the benefits received by them.

Discussion:

- 1) Cause and Effect relationship does not exist / is not very relevant for Administration Overheads.
- 2) Conversion Cost / Cost of Production / Cost of Sales are some of the frequently used basis.
- 3) Detailed cause effect study would be necessary only in case of an “Activity Based Costing Study” and not other wise since time vis-à-vis benefit would be disproportionate.

Para Number’s:

6.3 Administrative overheads shall represent the cost of shared services, cost of infrastructure and general management costs.

Examples: the cost of centrally managed accounts payable services, infrastructure costs like computer network and

general management costs like corporate strategy department.

- i) The costs of shared services shall be assigned to user activities on the basis of actual usage.
- ii) Where the resources by way of infrastructure are shared the cost shall be assigned on a readiness to serve basis.
Example: the cost of a computer network may be assigned on a number of connected users basis rather than actual usage.
- iii) General management costs shall be assigned on the basis of a measure of size of user entities.
Example: the cost of corporate strategy department may be assigned to plants on the basis of installed capacity.

Discussion:

- 1) The above paragraphs are the only cases where examples have been given.
- 2) Use of examples should have been liberal through out each and every CAS to enable better understanding of intentions and concepts.
- 3) In paragraph 6.3(3) “Example: Apportioned on the basis of Installed Capacity” - it would have been appropriate to state “Actual Production” as the basis or an “Appropriate Basis” or “Relevant Basis” rather than stating only “Installed Capacity” as the basis.

Para Number’s:**Disclosures**

8.5 Any Subsidy / Grant / Incentive and any such payment reduced from administrative overheads.

8.6 Credits / recoveries relating to the administrative overheads.

8.7 Any abnormal portion of the administrative overheads.

8.8 Penalties and damages excluded from the administrative overheads.

Discussion:

- 1) Elaboration is necessary and cases should also be sited since long experience did not bring to knowledge cases of such benefits (i.e. Subsidy / Grant / Incentive / Credit / Recoveries) falling under Administration Overheads.
- 2) Requires disclosure of any abnormal portion of the administrative overheads, hence whether you charge or not the abnormal administrative overheads require disclosure any which way.
- 3) Similarly it also requires disclosure of penalties and damages excluded from the administrative overheads any which way

Other Observations: Status of Hard Copy Received by the regional office: Page 6 of 6 wrongly attached as a same pertains to “repairs and maintenance”.

A Heart Felt Need as discussed: The various “CAS Drafts” should be issued as a “group of standards associated with each other”, which will ensure that they do not contradict each other over a period of time as has been happening when the standards are getting issued after a long time gap / interval.

Number of Standards Exposure Drafts issued during each year or time cycle should be increased or 'if not' the process of issuing the total planned CAS will be spread over a very long time frame which may even be a decade. The status of the CAS should run parallel with the IFRS & IAS. ■

IFRS CORNER

Spirit behind IFRS

R N Bhawe, CS, CA, CWA, IFRS-ICAI, Six sigma green belt – 30 years industry experience – IFRS consultant and faculty & Dr Anjali Bhawe, CWA, DBF, Ph.D. – Vice-principal Commerce college – IFRS consultant and faculty.

Write in their personal capacity 4th article in series - write queries to mohanbhawe@gmail.com

Q 1 What are the primary differences with IFRS?

- A 1 GLOBAL vs LOCAL
 SUBSTANCE vs FORM
 GROUP vs STANDALONE
 ENTITY vs COMPANY
 PRINCIPLES vs RULES
 FAIR VALUE vs HISTORICAL COSTS
 BALANCE-SHEET vs P and L

Q 2 What is advantage India in whole process?

A 2 That is what one refers as GLOBAL vs LOCAL

Quite a lot

- India aims to emerge as a developed country. On the path of globalization, it is essential for competing globally.
- The interest rates and therefore finance costs in India makes entrepreneurship very challenging and uneconomical. Japan-like countries have negative interest rates. IFRS should substantially help us to get global investments.
- For any FII a balance-sheet (financial position) in a global format will always be trustworthy.

Q 3 What is substance in IFRS?

A 3 Presently we are bogged down with legal and regulatory forms. They do not serve the purpose of bringing out real intentions of transactions. We would call it as "lifting of 'form' veil which is anological to lifting of corporate veil. A few examples are quoted below.

- A subsidized loan given to employee amount to employee cost to the extent of portion of interest instead of reducing finance income.
- Loans issues at discount and repayable at premium essentially are elements of finance cost in substance but presently by format of same, they are classified as premiums or discounts.
- Slow-moving inventory results into making an asset which is non-current, whereas present 'form' aspect, forces us to classify it as current asset.
- Convertible debentures are actually in for getting ownership but still by 'form' they get a place in 'debt' at present.

All these artificial accounting is challenged and denied by IFRS.

Instead of legal agreements becoming source of accounting, it is the real "A" "counting" (Accounting) spirit which will matter.

Q 3 Why groups matter in accounting?

A 3 This is another case of form. Legally the organizations create different entities and many evils like

- Off balance-sheet assets – operating vs finance leases etc
- Transfer of receivables – with/without recourse
- Complex structures
- Transfer of profits convenient to taxation

Makes accounts and financial positions deceptive and real purpose is not served at all.

IFRS attacks it, by simply refusing to accept standalone concept. It makes group's financial position disclosure compulsory.

Presently in India, it is only listed companies which are required to present

consolidated accounts. That too consolidating companies only, which are subsidiaries. There emanates next greatness of IFRS

Q 4 What is Entity vs Company aspect?

A 4 The subsidiary company is replaced by controlled entity. An entity will mean every entity whether individual, partnership, trust, society, AOP, BOI, HUF etc. A subsidiary is defined by a 'form' which refers to above 50% voting power that too in a company only. Or else right to appoint or remove majority directors.

This is simply allowing entities which are though controlled to simply escape from consolidations. IFRS therefore ensures all entities are covered under consolidation. Similarly, the control is definitely possible even without voting powers or formal control over board thru what can be called as commercially cornering, thru a contract by simply capturing all financial and operating decision-making powers. So despite being control, an entity can escape consolidations. IFRS directly attacks it thru a controlled entity concept.

Q 5 What is PRINCIPLES vs RULES?

A 5 Rule books make simply everything aiming towards escape mechanism. E.g. creeping acquisitions are made by acquiring 14.85% and be below the exact line of 15%. Intentions are so direct that the rule-books become a mockery. That is where IFRS gets into spirit and ensures that quantified rule-books do not make lawyers to rule by finding exceptions and escape routes. Corporate governance is aimed at thru a very clear principle based structure. Luckily, Indian GAAP is much less prone to rules than what USA is. So the advantage of principles over rules is more seen for US companies by adopting IFRS.

Q 6 What is FAIR who decides?

A 6 Fair value has become one of the most debatable issue in IFRS. One needs to appreciate that Fair value concept is a subjective one. However, historical costs lead to no reflection of financial position of a company. Let us ask a simple question. If balance sheets are disclosing financial positions, at least reasonably true and fair, then why any merger or acquisition or takeover, hiving off, carving out requires a professional valuation. Time has come to use fairly well-established valuation methods and principles, so as to adopt FAIR VALUE concept and give up historical costs.

Q 7 What is balance-sheet approach IFRS propogates?

A 7 It is established that with proper stock market functionings, the financial position has to fulfil needs of present as well as future investors. The current thrust on P & L only makes present investors happy and thereby professionalism never sets in. P & L showing rosy pictures and equity worth going down thru direct balance-sheet adjustments has become a common scenario. IFRS focuses on equity holders worth and calls for changes in equity as prime indicator of variation in financial position.

So lightly speaking, the present accountant calculates and focuses on P & L and puts difference to BALANCE-SHEET and ensures that it tallies.

IFRS on other hand, rightly uses various principles like principles, controlled entity, fair value of assets and liabilities and treats variation in assets and liabilities during the period as variation in equity shareholders worth and takes the difference to P & L and thereby disallows P & L manipulation by accounting for all balance-sheet differences.

SPIRIT OF IFRS, THEREFORE IS TO KILL CREATIVE ACCOUNTING.

WE CALL IFRS A 'KILLER OF CREATIVE ACCOUNTING'

CHAPTER NEWS

KALYAN-AMBERNATH

STUDY CIRCLE MEETING

Chapter held its Study Group Meeting on 3rd October, 2009 at 6.30 p.m. at Chapter's premises. Mr. Raju P.Chhatpar, Executive Secretary welcomed the guests Mr. Krishnamurthy B. Naidu, President, Emacs IT Solutions, Mr. Pravin Sawant, Vice –President Udyog Software (India) Ltd., Mr. Arun Dixit, C.E.O. of Udyog Software (India) Ltd., Mumbai spoke on "E.R.P.". He explained the various modules of ERP software package, and the role Cost Accountants can play in the field of Development of ERP Software. Various members and students participated in the meeting. Meeting ended with a vote of thanks by Mr. Krishnamurthy B. Naidu, President, Emacs IT Solutions.

NASHIK

Nashik Chapter of Cost Accountants and Nashik Chapter of ICSI had arranged a lecture on "Roadmap to GST" by CMA V.S. Datey, Author of many books on Indirect Taxes and Chairman of Nashik Chapter of ICWAI & ICSI.

CMA Datey explained the background of proposed GST. He elaborated outline of GST on the basis of first discussion paper released by empowered committee on 10th November 2009. CMA Datey stated that though many issues are not yet clear, basic direction of proposed GST is clear. He stated that concept of GST is excellent and will help in smooth implementation of GST.

CMA R.K. Deodhar, Vice Chairman of the Nashik Chapter of Cost Accountants welcomed the audience. CMA & CS Shilpa Parkhi proposed vote of thanks.

Response to the lecture was overwhelming and tax practitioners, students and practicing members attended the lecture in large numbers.

SURAT-SOUTH GUJARAT

Felicitation function of CMA Shri Manubhai Desai Chairman WIRC of ICWAI

On 22nd November, 2009 KBS Commerce & Natraj Professional Sciences College, Vapi organized a felicitation function of CMA Shri Manubhai Desai Chairman WIRC of ICWAI. Dr. Rajeshree Gujarati Director GRIMS, Vapi was Chief Guest.

Principal of the College Dr. Sunil Marjadi welcomed the students and faculty members of Oral Coaching Centre at Vapi and also shared the performance of the centre with all; Dr. Rajeshree Gujarati felicitated Shri Manubhai by offering him shawl as a mark of respect. CMA B. F. Modi, Managing Committee member & Coordinator of Vapi coaching centre gave an over view of results of students from Vapi. CMA Manubhai Desai, Chairman WIRC of ICWAI showered his worthy blessings on students and encouraged them to work whole heartedly to get the desired results.

Dr. Rajeshree Gujarati also gave useful tips to students. On this occasion prizes were given to meritorious students by the hands of dignitaries. Mr. Jignesh Shah faculty member proposed formal vote of thanks. Around 70 students were present on this occasion.

Congratulations !!!



Mr. Shubhankar Shyamprasad Limaye, (Regn. No. WRR/002721) cleared both the Groups of Intermediate Exam at the first attempt held in June 2009. He secured 3rd Rank at the All India level and 1st Rank in the Western Region. He is the son of Mrs. Varsha Limaye, Practising Cost Accountant, Pune.

WIRC – ICWAI Intermediate and Final Completed Students' Felicitation

WIRC had arranged Students' Felicitation Programme on Saturday the 14th November 2009 at Sydenham College Auditorium, Churchgate, Mumbai for all the Students from Mumbai who have completed Intermediate, and Final Examination held in June 2009.

CMA Hardeep Singh Sodhi – General Manager – HRD Reliance Industries Limited was Chief Guest and Dr. (Mrs.) M. V. Kagalkar – Principal Sydenham College was Guest of Honour for the programme. Chief Guest, Guest of Honour and Council Members felicitated all present students, by handing over the prizes.

CMA G.R. Paliwal, Chairman Students, Members, and Chapters Coordination Committee, CMA Manubhai Desai Chairman, WIRC, CMA Amit Apte Vice- Chairman WIRC, CMA P V Wandrekar Secretary, WIRC, CMA Dinesh Birla, Treasurer WIRC and CMA S R Bhargave, CMA Ashwin Dalwadi CCMs of ICWAI and CMA Arnab Chakraborty Director of Studies, ICWAI Kolkata were present during the occasion. CMA Aruna Soman was comparer for the programme. Around 200 Students and Parents were present for the felicitation programme.

WIRC – ICWAI FACULTY MEETING

The Faculty Meet of WIRC Oral and Postal Coaching was arranged at Indian Merchant Chambers, Churchgate Mumbai on Saturday 14 November 2009 at 5.30 pm onwards to discuss various issues relating to Oral and Postal Coaching.

CMA G. R. Paliwal Chairman Students Members and Chapter Coordination Committee Welcomed the Faculty Members on this occasion. CMA Manubhai Desai Chairman WIRC, CMA Amit Apte Vice-Chairman, CMA P. V. Wandrekar Secretary, CMA Dinesh Birla Treasurer CMA S.R. Bhargave, CCM-ICWAI, CMA V.C. Kothari, CCM-ICWAI, CMA Ashwin Dalwadi, CCM-ICWAI and CMA Aranab Chakraborty Director of Studies, ICWAI Kolkata replied the queries raised by the Faculty Members. Good numbers of faculties were present.

The Institute of Cost & Works Accountants of India

Western India Regional Cost Conference - 2010

Hosted by

AURANGABAD CHAPTER OF COST ACCOUNTANTS

Theme :

Challenges of Change IFRS, GST and Direct Tax Code

Date : 11th - 12th February 2010

Venue : Tapadiya Natya Mandir, Nirala Bazar, Aurangabad

(6 CEP Credit hours will be provided)

Delegate Fees:

Company Delegate Rs. 3,000/- Practising Member Rs. 2,500/- Student CWA Rs. 1,500/-
(Fees incl. Souvenir, Lunch, Hi-Tea for both days)

A crossed Cheque / DD No dated for Rs. drawn on.bank in favor of "WESTERN INDIA REGIONAL COST CONFERENCE 2010" payable at Aurangabad.

Conference Schedule

Day 1 : 11th February 2010		Day 2: 12th February 2010	
09.00 to 09.30	Registration	10.00 to 11.00	Inaugural Speech
09.30 to 10.00	Interaction of delegates with Members	11.00 to 11.30	Interaction with Guests by Members, Delegates (Tea Break)
10.00 to 11.00	Inaugural Session	11.30 to 13.00	Goods and Services Tax
11.00 to 11.30	Tea Break	13.00 to 14.00	Lunch Break
11.30 to 13.00	IFRS	14.00 to 15.30	New Direct Tax Code
13.00 to 14.00	Lunch Break	15.30 to 15.45	Tea Break
14.00 to 15.00	Challenges of Change : Industry Perspective	15.45 to 16.45	Valedictory : Challenges of Change - How to Steer ?
15.00 to 15.15	Tea Break		Remarks from ICWAI - President and Key Members
15.15 to 17.45	Valuation Management and Risk Management	16.45 onwards	Vote of Thanks and National Anthem
17.45 onwards	Preside address to WIRC Chapter Meet		

For details Contact :

Aurangabad Chapter of Cost Accountants

Flat No A9/10, Chetan Super Market, Near Hegdewar Hospital, Trimurti Chowk, Jawahar Colony, Aurangabad - 431 005 (MS)

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CMA G. R. Paliwal, Chairman, Students, Member and Chapter Co-ordination Committee, WIRC, V. C. Kothari, CCM-ICWAI, Ashwin Dalwadi, CCM-ICWAI, S. R. Bhargave, CCM-ICWAI, Manubhai Desai, Chairman WIRC, P. V. Wandrekar, Hon. Secretary, WIRC, Amit Apte, Vice Chairman, WIRC, D. K. Birla, Treasurer, WIRC and Arnab Chakraborty, Director - Studies, ICWAI during Faculty meet organised by WIRC on 14th November 2009



View of faulty members during Faculty meet organized by WIRC on 14th November 2009.



CMA R.K. Deodhar, Vice Chairman of the Nashik Chapter of Cost Accountants welcoming the participants for lecture on GST organized by Chapter on 16th November 2009. Also seen CMA V.S. Datey, author of many books on Indirect Taxes and CMA & CS Shilpa Parkhi.



Mr. Raju P. Chhatpar, Executive Secretary of Kalyan Ambernath Chapter of ICWAI welcoming the participants during Study Circle Meeting organized by the Chapter on 3rd October 2009. (L to R): Mr. Krishnamurthy B. Naidu, President, Emacs IT Solutions, Mr. Pravin Sawant, Vice -President Udyog Software (India) Ltd., Mr. Arun Dixit, C.E.O. of Udyog Software (India) Ltd., Mumbai



Left to right - CMA B. F. Modi, Dr. Rajeshree Gujarati, CMA Manubhai Desai, CMA. Kenish Mehta & Dr. Sunil Marjadi during felicitation function at Vapi on 22nd November 2009.



Dr. Rajeshree Gujarati felicitating CMA Manubhai Desai during felicitation function at Vapi on 22nd November 2009.

Quote :

The desire to excel is exclusive of the fact whether someone else appreciates it or not. "Excellence" is a drive from inside, not outside. Excellence is not for someone else to notice but for your own satisfaction and efficiency.

**INDIA
CORPORATE
WEEK**

December 14 – 20, 2009

**THE MINISTRY OF CORPORATE AFFAIRS PROPOSES
TO OBSERVE THE 3RD WEEK OF DECEMBER 2009
AS "INDIA CORPORATE WEEK"**



Scheduled Programmes for India Corporate Week to be held in Western Region

Location	Date	Programme	Organiser/Joint Organiser
Nashik	14.12.2009	Seminar	Nashik Chapter of Cost Accountants
Pune	14.12.2009	Seminar	Pune Chapter and Sinhgad Institute of Management
Ahmedabad	17.12.2009	Painting Competition	Ahmedabad Chapter of Cost Accountants
Ahmedabad	17.12.2009	Plantation	Ahmedabad Chapter of Cost Accountants
Kalyan-Ambernath	17.12.2009	Lecture	Kalyan-Ambernath Chapter of Cost Accountants Everest Hall, Dombivili West. Time: 6 p.m. onwards
Chinchwad	18.12.2009	Seminar	Pune Chapter and Audyogic Tantrashikshan Sanstha
Ankleshwar	18.12.2009	Seminar	Surat-South Gujarat Chapter of Cost Accountants
Aurangabad	18.12.2009	Seminar	Aurangabad Chapter of Cost Accountants
Pune	18.12.2009	Seminar	Pune Chapter of Cost Accountants Time: 6 p.m.onwards
Pune	19.12.2009	Seminar	Pune Chapter & Indsearch Time: 10 a.m.onwards
Surat	19.12.2009	Seminar	Surat-South Gujarat Chapter of Cost Accountants
Mumbai	18.12.2009	Seminar	WIRC & SME Chamber of India, Andheri (E) Enterprise Governance & IFRS Time: 2 p.m. onwards
Mumbai	16.12.2009	Seminar	WIRC & Chetna College, Bandra (E) Time: 10.30 a.m.
Mumbai	19.12.2009	Seminar	WIRC of ICWAI Time : 3 p.m. to 6 p.m. at Rohit Chambers, 4th Floor, Mumbai 400 001
Nagothane	19.12.2009	Seminar	WIRC and Reliance Industries Ltd.

SLOGAN COMPETITION

As a part of the India Corporate Week, a Slogan Competition has been organised. The theme of the slogan should be the **"Role of Corporate Sector in the Inclusive Growth of India"**. Members are invited to send their entries for this slogan competition preferably during the **"India Corporate Week"**.

Entries should be mailed to admin@icwai-wirc.org or wirc@icwai.org

Winning entries will be submitted to the Ministry of Corporate Affairs.



To

If undelivered please return to:

THE INSTITUTE OF
COST AND WORKS ACCOUNTANTS OF INDIA
WESTERN INDIA REGIONAL COUNCIL,
Rohit Chambers, Janmabhoomi Marg,
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